



A Public Agency

CONSENT CALENDAR



DRAFT MINUTES

**SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY
MEETING OF THE BOARD OF DIRECTORS
January 22, 2015 – 2:00 p.m.
San Carlos Library Conference Room A/B**

CTO: 2:05PM

1. Roll Call

Agency	Present	Absent	Agency	Present	Absent
Atherton	X		Menlo Park		X
Belmont	X		Redwood City	X	
Burlingame	X		San Carlos		X
East Palo Alto	X		San Mateo		X
Foster City	X		County of San Mateo	X	
Hillsborough	X		West Bay Sanitary District	X	

Alternate Member John Root represented Burlingame

2. Public Comment

Persons wishing to address the Board on matters NOT on the posted agenda may do so.

Each speaker is limited to two minutes. If there are more than five individuals wishing to speak during public comment, the Chairman will draw five speaker cards from those submitted to speak during this time. The balance of the Public Comment speakers will be called upon at the end of the Board Meeting.

If the item you are speaking on is not listed on the agenda, please be advised that the Board may briefly respond to statements made or questions posed as allowed under The Brown Act (Government Code Section 54954.2). The Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report and formal public discussion and input at that time.

None

3. Executive Director's Report

Executive Director McCarthy gave a summary of the staff report. He noted that any changes to the Board composition would be communicated, and that currently there is only one change in San Mateo with Deputy Mayor Jack Matthews being appointed to the Board, but it is unknown if he will be the permanent member. He also gave an update that the Recology assignment has been delayed due to some assignment approvals in Southern California. The transaction hasn't closed yet, so there is no documentation yet. He also noted the news article included in the Board packet about an ordinance related to a take back of pharmaceuticals, and AB45 introduced by Assemblymember Mullin, which will be brought up at a future Board meeting.

Member Benton noted that Mario Puccinelli's promotion was mentioned in the Executive Director's report, and ask that the Board take a minute to congratulate Mario.

4. Approval of Consent Calendar:

Consent Calendar item(s) are considered to be routine and will be enacted by one motion. There will be no separate discussion on these items unless members of the Board, staff or public request specific items be removed for separate action. *Items removed from the Consent Calendar will be moved to the end of the agenda for separate discussion.*

- A. Adopt the November 20, 2014 BOD Meeting Minutes
- B. Adopt the December 17, 2014 BOD Meeting Minutes
- C. Resolution Accepting the FY1314 Annual Financial Statements
- D. Resolution Approving Revised SBWMA Investment Policy for 2015

Chair Widmer noted that at a previous meeting it was discussed that net income would be changed to net change in reserves, and he questioned why the financial statements still noted net income.

Staff Moran noted that it has been changed in the budget and internal files, but that this report came from the auditors, so they control the terminology.

Vice Chair Dehn asked if there should be consistent terminology between the two reports. Staff Moran explained that there are many differences between the two presentations, and this is a minor difference.

Member Benton made a motion to accept the consent calendar. Member Aguirre seconded the motion.
Voice Vote: All in Favor

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton	X				Menlo Park				X
Belmont	X				Redwood City	X			
Burlingame				X	San Carlos				X
East Palo Alto	X				San Mateo				X
Foster City	X				County of San Mateo	X			
Hillsborough	X				West Bay Sanitary Dist.	X			

5. Administration and Finance:

- A. Election of Board Officers for 2015 (*Approval item*)

Chair Widmer went over the duties of Chair and Vice Chair.

Member Slocum nominated Chair Widmer and Vice Chair Dehn to continue for another year.
Member Bronitsky seconded the nomination.

There were no other nominations.

Member Benton confirmed that both Chair Widmer and Vice Chair Dehn were willing.

Both said yes, and Vice Chair Dehn added that if someone else were interested in being in the role she was fine with that too.

Voice Vote: All in favor

B. Resolution Accepting Mid-Year Adjustments to FY1415 Annual Operating Budget (*Approval item*)

This item was discussed after item 7B

Executive Director McCarthy gave a brief overview of the mid-year budget. He noted that there hasn't been much change in terms of the program budget, and that net income is now called contributions to cash reserves. He noted that there are two changes to the budget to be discussed, the \$175,000 one-time costs associated with the port slow down (discussed with item 7B) that will increase SBR's compensation, and adjusting a part time position of the Environmental Education Associate from 32 hours to 40 hours. Those costs would be approximately \$5,539 for the remainder of this fiscal year, and \$13,000 next year.

Chair Widmer asked for clarification on the changes in MRF maintenance.

Executive Director McCarthy noted that the budget only reflects one change in capital projects, which is that a project has been eliminated. He noted that Chair Widmer is referring to the forecast for future years in two areas. In the past \$200,000 has been spent every other year on transfer station floor repair, and now the budget reflects \$100,000 every year. The other item is MRF building maintenance which is forecasted to go up over the next few years as the MRF floor which was brand new in 2011 begins to wear down. He also noted that the forecasts have not been changed since the original budget approval in June.

Member Benton asked who was renting the additional storage space the SBWMA or SBR.

Executive Director McCarthy answered that SBR is renting the space, and SBR has incurred all of the additional costs thus far because the purchasing policy did not allow for him to spend that money without Board approval, and by adopting the mid-year budget the Board would approve spending up to \$175,000 of costs associated with the Port issue.

Member Benton asked how SBR would get reimbursed for the storage costs.

Executive Director McCarthy answered that SBR is paid on a per ton basis through a monthly invoice process so these costs would be included as one-time costs on the invoice.

Member Bronitsky commented that he thought someone from the SBWMA should be calling public works in the Member Agencies to see if any solutions can be made without absorbing additional costs when a situation like the Port arises. He also noted that he thought this year there was going to be a discussion about the education component and whether or not it would be scaled back. He disagreed that the number of hours of the education staff should be increased before that conversation took place.

Chair Widmer commented that during the budget process for next year there needs to be a conversation about what the Board wants in regard to education. He noted that the Executive Director has stayed within the budget while increasing the hours, but with the unfortunate circumstance of an employee needing extended leave those hours are needed to meet the current tour demands.

Executive Director McCarthy added that there is a short term situation because the tour program is under staffed which is a tactical issue. He added that what Member Bronitsky brings up in a bigger picture issue about the program.

Member Aguirre made a motion to accept the changes to the mid-year budget. Member Benton seconded the motion.

Voice Vote: All in Favor

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton	X				Menlo Park				X
Belmont	X				Redwood City	X			
Burlingame	X				San Carlos				X
East Palo Alto	X				San Mateo				X
Foster City	X				County of San Mateo	X			
Hillsborough	X				West Bay Sanitary Dist.	X			

C. Executive Director Status Report on Goal Progress (*Informational item*)

Executive Director McCarthy gave a brief update on his goal progress. He noted that he thought he had made substantial progress on the goals that were adopted in the fall. He highlighted several items that had already been accomplished.

Member Stone commented that Executive Director McCarthy had met with him twice in the last 6 months, and he appreciated that time.

6. **Collection and Recycling Program Support and Compliance:**

A. Appointment of Board Members to Adhoc Subcommittee to Interview Recology GM candidates

Executive Director McCarthy suggested 3 Board Members be appointed to a committee to interview prospective Recology General Manager candidates.

Four Board members volunteered to be on the committee, so all 4 will serve on the panel to interview General Manager candidates. Member Bronitsky, Member Slocum, Member Aguirre, and Vice Chair Dehn.

Mario Puccinelli added that the recruitment period goes through the end of January, and interviews will be scheduled for February.

Executive Director McCarthy added that he would keep the committee updated as interview scheduling happens, but this committee would interview the top candidates.

Member Benton asked if the new General Manager would report to him in his new position.

Mario Puccinelli answered yes that he will be the group manager for the Recology companies San Bruno and Pacifica South to Pacheco Pass.

Executive Director McCarthy also noted that Board Members would be asked to sit on the interview committee for the Finance Manager position, and he would keep the Board updated on that schedule as well.

B. Recology Proposal to Automate Data Collection Associated with Annual Route Assessment
(Presentation and discussion item)

Chair Widmer gave a history of past discussions on this topic to the Board Members, and noted that Mario Puccinelli would be presenting Recology's findings and suggestions.

Executive Director McCarthy noted that the original request from the Board was to have a proposal before the Board so that any recommended changes could be made before the annual route assessment in 2015. He noted that due to timing issues if a change is recommended that the data collection be completed in both ways in 2015 (for rate year 2016), so a side by side comparison could be done.

Mario Puccinelli gave a brief background and overview on the discussion of allocation. He noted that the process of trying to get to a larger pool of operating statistic data has been challenging, as no other company that uses Routeware has the same type of data reporting requirements they do. He added that Recology has redesigned their Routeware back office system, and after much trial and error they have successfully automated 2 of the allocators, and two other allocators are still in the research and development phase. He added that they can now capture one month of data instead of just one day allowing for truer allocation. He noted however, that it's not fully automated, and there are still some quality assurance data gathering that cannot be automated and due to this they are requesting an additional headcount if this project moves forward. He concluded that through this process they now have the ability to validate the operating statistics at different times of the year, but if the Board decides to go forward with this it couldn't be done for the rate year 2016, but that the operating statistics collected in April and May could be compared to any one month worth of data to see what the variances are, and if at that time there were big differences then they could look at data collection for a whole year.

Member Benton recalled that the allocations didn't move too much from the current application, and questioned if this would be a lot of money spent on something that has settled into a fairly predictable pattern. He asked Mario Puccinelli what his intuitive sense on the need.

Mario Puccinelli commented that this system allows for testing of the month worth of data that is used for cost allocations, but agreed that things have settled down, and thought there would be very slight variances.

Vice Chair Dehn asked if Routeware was chosen because they had an off the shelf product, and if it was another company that takes the aggregate of the one day snap shots for the current cost allocation methodology.

Mario Puccinelli answered that at the time there were only 2 or 3 companies that provided any type of an on board system; Routeware was chosen because it was felt they had the most comprehensive tools. But added at the time getting a larger snapshot of data automated wasn't thought about when Routeware was chosen. He also noted that Recology staff, not an outside company, takes the one day Routeware information and turns it into one month worth of data.

Vice Chair Dehn asked if Recology's recommendation would be to continue with the audit on an annual basis and have an allocation test at multiple points in a year, and at what cost is that test.

Mario Puccinelli answered that his recommendation would be to look at a specific date range in the summer, and from there determine what the cost impact would be if seasonal audits were done. If at that time the variances were flat, the Board may want to consider fixed allocation.

Chair Widmer commented that he was frustrated at the length of time it took to get to this point. He noted that in his jurisdiction at least with the tonnage there was a variance over a period of time. He also noted that taking the data over a greater period of time will show a greater variance than what is already shown. He also commented that he failed to understand the \$93,000 cost associated with a person looking at the data full time when it's supposed to be automated. He requested more information on how the \$93,000 sum was calculated and what the data really looks like when it's produced by Routeware, noting that the Routeware system was expensive and would like to see the benefits of paying for that system.

Mario Puccinelli responded that Recology as well has been frustrated with their vendor Routeware. He also commented that yes there are variances in tons, for example December organic tons went up 4,000 over December 2013, but a lot of that was due to moisture content because December was a wet month. He noted that the RFP didn't ask for a daily allocation model, and it would take a staff person to look at quality assurance issues. He offered the option that Recology would do a test run at no additional cost to see what it would take to make automated data collection work.

Chair Widmer commented that it was a long wait to get a \$93,000 number, which didn't seem like a fair number given that Routeware had already been paid for, and should be able to be used as a decision making tool, and would like more detail to understand what the \$93,000 was going to pay for.

Executive Director McCarthy suggested that the Board take Recology up on their offer to do the pilot and test the data collection. That way the Board would have a broader data pool. He also noted that he thought it was important to understand why there is a cost allocation process; he noted that each of the Member Agencies has a service provider together even though you have separate franchise agreements. That gives the service provider the benefit of running routes across City lines and gives Recology the most efficient routing options, but it also makes for complex cost allocation. He would like to see Recology come back to the Board with the broader data pool of information and asked that the plan be in writing.

Vice Chair Dehn asked what the time frame Recology would come back to the Board with further data collection.

Mario Puccinelli noted the annual compensation application would be starting in April, and needs to stay on track, so would use the same system prescribed in the contracts. Then he suggested that a one month data test be completed this summer.

Executive Director McCarthy asked how soon a letter would be back outlining Recology's timeline and plan for the test.

Mario Puccinelli answered before the next Board meeting.

7. Shoreway Operations and Contract Management:

A. Update on Transfer Station Organics Recovery Project (*Informational item*)

Staff Gans gave an update on the progress of the organics recovery project. He noted that two studies are being done on parallel tracks, so that the results can be presented with the Long Range Plan in March. He also noted that the goals for the project are to have a significant 20-25% impact on diversion of the current solid waste, and that seems like a realistic goal. And that the second goal of the project is to generate biogas from the food waste. He noted that there have been no technical delays in conducting the study and potentially two megawatts are power could be generated. And the third goal for the project is to use the existing infrastructure at SBSA to make this project financially viable, and all three goals are on track.

Chair Widmer asked if the SBSA had enough capacity if the decision was to move forward.

Staff Gans answered yes, that was another thing that has been accomplished in the study to date.

Chair Widmer asked if what the cost or process impact would be to separate the material.

Staff Gans answered yes, that this is a technical and financial feasibility study for both the SBSA and the SBWMA.

Chair Widmer asked if the numbers would be done in time to make the budget preparation.

Executive Director McCarthy noted that the Long Range Plan document would be to the Board in March, but whether or not the Board approves it relates to whether or not the numbers will be in the budget.

Member Benton asked about the capex budget in two years shows a cost of \$5M, and wondered if that was this project.

Executive Director McCarthy said yes, but its plug number that hasn't been validated yet.

Vice Chair Dehn asked for comments from feedback from the SBSA Board meeting.

Staff Gans answered that he reviewed the presentation before the Board meeting, and reviewed it with their project manager, it was high level and nothing specific at the moment.

B. Update on Impact of Port of Oakland Operations on MRF Operations (*Informational item*)

Item 7B was discussed prior to item 5B

Staff Gans updated the Board on the Port of Oakland situation. He gave a summary of the staff report noting that roughly 3 days of material could be stored at the facility and after that it becomes a crisis situation. He added that there has been intermittent shipping out of the port, but not normal, which has forced the need for alternative storage. He thanked Gino Gasparini of Recology for helping to find a storage facility in Newark that is being used to store material. He also noted that 3rd party tons were curtailed for two days, and that those two items have meant that no material is accumulating at Shoreway. He commented that it continues to be a fast moving uncertain situation, and if there is a strike situation

more alternative storage will be needed. He added the Supervisor Warren Slocum's office has helped to secure a lease on a county property warehouse in Redwood City, which will provide 3 weeks worth of full production storage, which is the current contingency plan. He concluded that staff with the assistance of legal counsel have determined that the costs associated with this issue are outside of the operations agreement and therefore not the responsibility of SBR, and the current cost is for the additional handling and lease of storage is about \$120,000, and the mid-year budget shows an estimated costs of \$175,000.

Vice Chair Dehn commented that the in letter from SBR attached to the staff report they requested partial excuse from performance and she asked why it was partial.

Dan Domonoske of SBR answered that the MRF continues to run uninterrupted, but these costs are beyond SBR's control, so he chose the terminology partial.

Member Benton asked for Dan's best guess as to what will happen at the port.

Dan Domonoske answered that he anticipated the situation would last between two and six weeks. He noted that he hoped there wouldn't be a strike or lockout, but in 2002 there was a lockout, and the federal mediator doesn't appear to be making any progress. He said that he would flip a coin as to whether or not there would be a lockout. He also thanked Member Slocum for his help in securing the County warehouse.

Chair Widmer asked if there might be a need for additional storage space.

Staff Gans answered that if any of the Member Agencies have space it would be good to know, but we are looking for a space for only 1 or 2 months.

8. Informational Items Only (no action required)

- A. 2015 Finance and Rate Setting Calendar
- B. Check Register for November and December 2014
- C. Technical Consulting Contracts for 4th Quarter 2014
- D. Potential Future Board Agenda Items

9. Board Member Comments

Gino Gasparini of Recology announced that two Recology employees were involved in an incident the day before in San Mateo involving two pit bulls attacking several residents in one instance a woman with a stroller was being chased by the dogs, and the two Recology employees kept the dogs at bay with the wheeled carts, she jumped in her truck and was unharmed.

10. Adjourn 3:12 PM



STAFF REPORT

To: SBWMA Board Members
 From: Marshall Moran, Finance Manager
 Date: February 26, 2015 Board of Director’s Meeting
 Subject: Approval of Quarterly Investment Report for the Quarter Ended December 31, 2014

Recommendation

It is recommended that the SBWMA Board review and accept the Quarterly Investment Report for the quarterly period ending December 31, 2014.

Analysis

The primary objective of the Investment Policy for the SBWMA is safety of principal, while meeting the cash flow needs of the Authority, through prudent investment of unexpended cash. As of December 31, 2014, the investment portfolio was in compliance with the Investment Policy. The portfolio contains sufficient liquidity to meet the next six months of expected expenditures by the Authority as well as by other third parties.

A change to the investment allocation mix was approved at the January Board meeting and will be seen in the next quarterly Investment Report. The change, as recommended by the Board adhoc Audit SubCommittee (comprised of Board Members Bill Widmer, Michael Brownrigg and Jay Benton) recommended a change in the investment mix to increase the County Fund to 30% to 50% while keeping the state LAIF Fund at 50% to 70%.

Fiscal Impact

The attached Investment Portfolio Summary indicates that as of December 31, 2014, funds in the amount of \$20,712,063 were invested producing a weighted average yield of 0.26%. Below is a summary of the changes from the last quarter.

	Qtr Ended 12/31/14	Qtr Ended 9/30/14	Increase (Decrease)
Total Portfolio	\$ 20,712,063	\$ 20,369,496	\$ 342,567
Weighted Average Yield	0.26%	0.26%	0.00%
Interest Earnings	\$ 12,343	\$ 14,148	\$ (1,805)

The overall portfolio balance increased by \$342,567. The increase is primarily due to transfers of excess operating cash into the investment portfolio and the required monthly debt service transfers into the bond account from operating funds. The interest earned this quarter is slightly lower than the previous quarter. In the last quarter, some of the certificates of deposits held in the bond reserve account made their semi-annual interest distributions. There is no similar distribution in this quarter; as a result, the interest earned appears to be less in comparison with the last quarter.

A table comparison of the portfolio components is provided below:

	12/31/2014 Balance	% of Total	9/30/2014 Balance	% of Total	Change over prior qtr
SM County Pool	\$ 2,596,754	13%	\$ 2,293,037	10%	\$ 303,717
LAIF	12,456,035	60%	13,448,147	66%	(992,112)
Bond Account	5,659,274	27%	4,628,312	23%	1,030,962
Total Portfolio	\$ 20,712,063	100%	\$ 20,369,496	100%	\$ 342,567

Note: There may be minor differences in totals as individual amounts are rounded to the nearest dollar

The average yield of the portfolio in the quarter excluding the bond proceeds was 0.33%. LAIF is used as a benchmark and the average LAIF yield for the quarter ending December 31, 2014, was 0.25%. The San Mateo County Pool average yield for the quarter was 0.69%.

Due to arbitrage restrictions, bond investments are not included in our LAIF rate comparison. As of December 31, 2014, the bond reserve and payment accounts of approximately \$5.7 million were invested with the trustee in short-term investments.

The Investment Advisory Committee, consisting of Jeff Maltbie, City Manager of San Carlos; Michael Galvin, City Treasurer for San Carlos; and Rebecca Mendenhall, Administrative Services Director of San Carlos, have reviewed this report before presentation to the Board.

Attachments

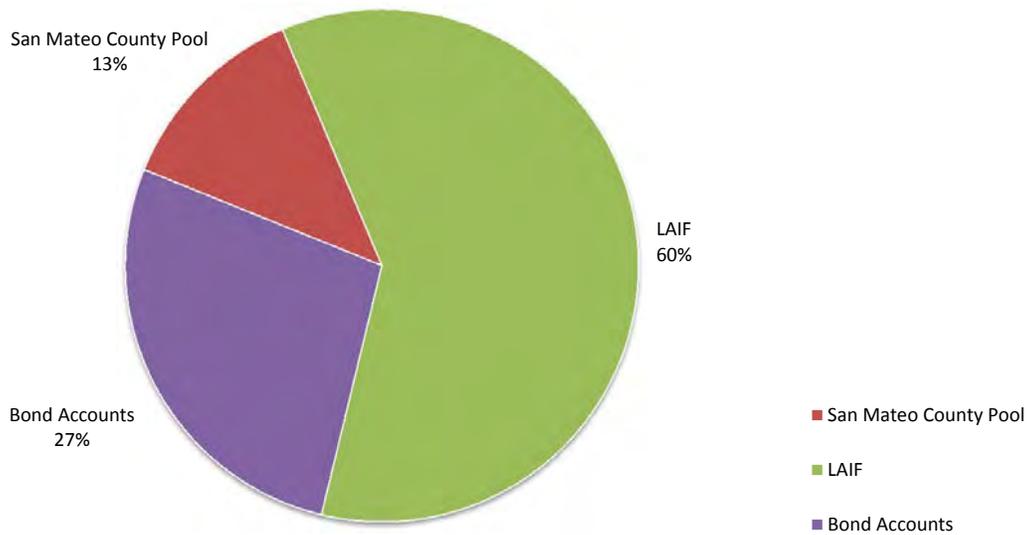
- A – Summary of All Investments for Quarter Ending December 31, 2014
- B – Investment Portfolio 12/31/2014 - Chart
- C – Historical Summary of Investment Portfolio

SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY

SUMMARY OF ALL INVESTMENTS
For Quarter Ending December 31, 2014

Category	Weighted Average Interest Rate	Historical Book Value	GASB 31 ADJ Market Value	Interest Earned
Liquid Investments:				
San Mateo County Investment Pool (COPOOL)	0.69%	2,596,754	2,596,754	4,105
Local Agency Investment Fund (LAIF)	0.25%	12,456,035	12,456,035	7,991
Total - Investments	0.33%	15,052,789	15,052,789	12,096
Bond Accounts - Cash with Fiscal Agents				
BNY Western Trust - Certificates of Deposit 2009A Reserve Fund Account	0.38%	1,488,000	1,488,000	247
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009A Reserve Fund Account	0.00%	2,763,667	2,763,667	-
BNY Western Trust - Dreyfus Cash Mgmt 670 Inv 2009A Payment Fund Account	0.00%	1,407,607	1,407,607	-
Total - Bond Accounts	0.10%	5,659,274	5,659,274	247
GRAND TOTAL OF PORTFOLIO	0.26%	20,712,063	20,712,063	12,343
Total Interest Earned This Quarter			12,343	
Total Interest Earned Fiscal Year-to-Date			26,491	

South Bayside Waste Management Authority Investment Portfolio 12/31/2014





South Bayside Waste Management Authority Portfolio

	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14
SM County Pool	2,139,883	2,144,381	2,167,040	2,265,903	2,269,668	2,286,013	2,289,604	2,293,037	2,596,754
LAIF	11,197,175	12,505,898	11,313,693	10,921,027	11,628,111	11,584,976	12,591,585	13,448,147	12,456,035
Bond Accounts	5,645,978	5,190,986	6,223,842	4,619,074	5,653,984	5,226,893	6,257,859	4,628,312	5,659,274
Grand Total	\$ 18,983,036	\$ 19,841,265	\$ 19,704,575	\$ 17,806,004	\$ 19,551,763	\$ 19,097,882	\$ 21,139,048	\$ 20,369,496	\$ 20,712,063



A Public Agency

STAFF REPORT

To: SBWMA Board Members
From: Marshall Moran, Finance Manager
Date: February 26, 2015 Board of Directors Meeting
Subject: Resolution Approving Updates to Employee Handbook

Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2015-04 attached hereto authorizing the following action:

Accept the South Bayside Waste Management Authority's updated Employee Handbook as prepared primarily by legal counsel.

Summary

The SBWMA's Employee Handbook has been updated to reflect changes in laws affecting employment issues. Some minor cleanup was also done to improve clarity and eliminate language on issues which were not necessary for our small group of employees. No changes in benefit programs have been made.

Analysis

The SBWMA's Employee Handbook was first issued and approved by the Board in March 2009. It is periodically prudent to update the handbook to reflect current and ever changing employment related laws.

The only minor policy change was to add three (3) days of sick leave for temporary employees and part-time employees as required in a new State law effective July 1, 2015.

An example of language cleanup was to eliminate over seven pages on a topic, FMLA, which does not apply to the SBWMA due to our small number of employees.

Background

The Employee Handbook is a useful and necessary guide for employees to understand their contractual relationship with the SBWMA on employment topics and policies including their legal rights and responsibilities, attendance, conduct, benefits, and leaves of absence.

Fiscal Impact

The only fiscal impact associated with the adoption of this resolution arises from the new State law requirement to provide three (3) days of paid sick leave each year to temporary and part-time employees.

Attachments:

Resolution 2015-04

Exhibit A – Updated Employee Handbook

Exhibit B – [Updated Employee Handbook with red-line changes \(available online only at www.rethinkwaste.org\)](http://www.rethinkwaste.org)



RESOLUTION NO. 2015-04

**RESOLUTION OF THE SOUTH BAYSIDE WASTE
MANAGEMENT AUTHORITY BOARD OF DIRECTORS
APPROVING THE UPDATES TO EMPLOYEE HANDBOOK**

WHEREAS, the South Bayside Waste Management Authority contracted with the law firm of Aaronson Dickerson LLP to review and update the Employee Handbook; and

WHEREAS, the Employee Handbook has been updated by said law firm and is attached as Exhibit A;
and

WHEREAS, it is recommended that the Board approve the updated Employee Handbook.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby approves the updated Employee Handbook as prepared by Aaronson Dickerson.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 26th day of February, 2015, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist.				

I HEREBY CERTIFY that the foregoing Resolution No. 2015-04 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on February 26, 2015.

ATTEST:

Bill Widmer, Chairperson of SBWMA

Cyndi Urman, Board Secretary



Employee Policies and Benefits Plan

South Bayside Waste Management Authority
610 Elm Street
Suite 202
San Carlos, CA 94070
650-802-3500

WELCOME

A As an employee of **South Bayside Waste Management Authority** (herein referred to collectively as the “SBWMA”), we hope you will find your employment to be both rewarding and challenging.

All new employees, as well as those with experience, have questions from time to time about how best to do their jobs. This Employee Policies and Benefits Plan has been developed to give you an overview of the policies, procedures and benefits at the time of publication that affect your employment. Please read it carefully and keep it as a reference for future use.

Thank you and welcome!

Strategic Plan 2013 - 2020

OUR HISTORY

RethinkWaste is a joint powers authority of twelve public agencies (Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, the County of San Mateo and the West Bay Sanitary District) in San Mateo County, California and is a leader in the delivery of innovative waste reduction and recycling programs. RethinkWaste owns and manages the Shoreway Environmental Center which receives all of the recyclables, organics, and garbage collected in its service area. RethinkWaste also provides strategic oversight, support and management of service providers that collect, process, recycle and dispose of materials for the 12 Member Agencies. RethinkWaste, also known as the South Bayside Waste Management Authority (SBWMA) was formed in 1982.

OUR MISSION

To cost effectively design, implement and manage innovative waste reduction and recycling programs and facility infrastructure that fulfills our fiduciary responsibilities to our Member Agencies while achieving community environmental and economic goals

OUR VALUES

1. Implementing waste reduction, recycling and environmental education programs is paramount to achieving a greater resource conservation ethic and sustainable communities.
2. Delivering high quality, and cost-effective resources and services for our customers, and contractors (i.e., vendors and service providers).
3. Providing sound environmental policies and practices for our member agency communities.
4. Conducting long-term planning for waste reduction and recycling programs and facility infrastructure is fundamental to achieving our mission.
5. Facilitating excellent communication, collaboration and cooperation among all our stakeholders produces the best long-term results.

OUR STRATEGIC PRIORITIES

1. Provide day-to-day oversight, support, and management of service providers that collect, process, recycle and dispose of materials for the Member Agencies.
2. Ensure contractors' and RethinkWaste programs are cost effective for the ratepayers.
3. Provide day-to-day oversight of the Shoreway Environmental Center to meet financial, operational, and environmental goals.
4. Meet or exceed environmental policies and regulations governing the collection and processing of recyclables and organics.
5. Anticipate trends and implement innovative long-term solutions for waste reduction and recycling programs, facility infrastructure and disposal capacity.
6. Monitor and assess contractor performance to ensure customer satisfaction and service delivery that meets or exceeds contractual requirements.
7. Support RethinkWaste programs and policies through focused community outreach, education and promotion of rate payer value received.
8. Manage the annual contractor compensation process to set contractor compensation and recommend Member Agency solid waste rate adjustments.
9. Develop, implement and manage enhanced waste reduction and recycling services for Member Agencies (i.e., curbside HHW/universal waste/e-scrap collection services;

seasonal community events such as e-scrap collection and shred events, compost giveaways, etc.; state grants; and other programs approved by the Board of Directors).

OUR VISION

Rethink Waste is recognized for its innovative waste reduction and recycling programs and facility infrastructure which are dedicated to the preservation and enhancement of the quality of life and the environment for our member agency communities.

TABLE OF CONTENTS

SECTION ONE 1

Introduction

Integration Clause and the Right to Revise	1
Statement of At-Will Employment Status	1
Plan Acknowledgment	2
Equal Employment Opportunity	2
Immigration Law Compliance	2

SECTION TWO 5

EMPLOYEE STATUS AND COMPENSATION

Probation Period	5
Employee Status	5
Performance Evaluations	6
Payment of Wages	7
Overtime (Non-exempt)	7
Work Schedule/Work Hours for Hourly/Non-exempt Employees	8
Timekeeping Requirements	8
Meal and Rest Periods (Non-exempt Employees)	8
Breaks for Lactating Employees	9
Payroll Deductions	9
Job Duties	9

SECTION THREE 10

EMPLOYEE CONDUCT

Conduct	10
Disciplinary Action	12
Employment Termination	13
Unlawful Harassment/Retaliation	13
Punctuality and Attendance	15
Business Conduct and Ethics	15
Customer Relations	16
Telephone Monitoring	16
Electronic Media and Monitoring	16
The Internet and Online Services	17
Appearance Standards	18
Solicitation and Distribution of Literature	18
Off-Duty Conduct	18
Outside Employment	18
Confidentiality and Non-Solicitation	19
Personnel Records	20
Employee Reference Requests	20
Conflicts of Interest	20
Officer or Director of Other Agency	21
Questions	21

Moonlighting 21
 Prohibition Against Purchase of Goods and Services 21
 Drug and Alcohol Abuse 21
 Prescribed and/or Over-the-Counter Drugs 22
 Testing of Employees..... 22
 Searches 22
 Off Duty Use of SBWMA Facilities or Property 23

SECTION FOUR **24**

SAFETY POLICIES

Security..... 24
 Health and Safety 24
 Illness and Return to Work 24
 Violence in the Workplace 25
 Housekeeping..... 26
 Parking..... 26
 Employee Property/Package Inspection 26
 Employer Property 27

SECTION FIVE **29**

LEAVES OF ABSENCE

Pregnancy Disability Leave 29
 Paid Family Leave 31
 Workers' Compensation Leave 31
 Unpaid Personal Leave..... 31
 Military Leave 32
 Bereavement Leave..... 32
 Crime Victim's Leave 32
 Leave Related to Domestic Violence Sexual Assault or Stalking 33
 Jury Duty..... 33
 Time Off to Vote 34
 School Activities..... 34
 Volunteer Firefighter, Reserve Peace Officer, and Emergency Rescue Personnel 35
 Failure to Report to Work (Job Abandonment) 35
 Family and Medical Leave Act and California Family Rights Act..... 36

SECTION SIX **37**

BENEFITS

Holiday Pay Policy 37
 Vacation Pay 38
 Administrative Leave (exempt Employees)..... 38
 Sick Leave 39
 Group Insurance - General 39
 Group Health Insurance 40
 Group Dental Insurance 40
 Vision Plan (Guardian) 40
 Deferred Compensation (Retirement)..... 40



EMPLOYEE PLAN

Workers' Compensation 40
State Disability Insurance..... 40
Long Term Disability Insurance 41
Life Insurance 41
Employee Assistance Plan 41
Auto Allowance/Expense 41
Professional Development & Education 41
Unemployment Insurance..... 42
Expense Reimbursement 42

Employee Plan Acknowledgment Form 45



Introduction

INTEGRATION CLAUSE AND THE RIGHT TO REVISE

This Employee Policies and Benefits Plan (herein referred to as "Plan") are intended to familiarize you with SBWMA's policies. All previously issued documents and any inconsistent policy statements or memoranda are hereby superseded. The Finance Manager or Executive Director will be happy to answer any questions you may have.

The practices outlined in this Plan are of a general nature. Consequently, SBWMA reserves the right to revise, modify, delete or add to any and all policies, procedures, work rules, or benefits stated in this Plan or in any other document, except the policy of at-will employment. Any such changes to this Plan will be distributed to you so that you will be aware of the new policies or procedures. No oral statements or representations can in any way change or alter the provisions of this Plan.

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

STATEMENT OF AT-WILL EMPLOYMENT STATUS

All employment at SBWMA is "at-will." This means that both employees and SBWMA have the right to terminate employment at any time, with or without advance notice, and with or without cause. Employees also may be demoted or disciplined and the terms of their employment may be altered at any time, with or without cause, at the discretion of SBWMA. No one other than the Governing Board of SBWMA has the authority to alter this arrangement, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this at-will status. Any such agreement must be in writing, must be signed on behalf of the Board of SBWMA and by the affected employee, and must express a clear and unambiguous intent to alter the at-will nature of the employment relationship.

PLAN ACKNOWLEDGMENT

Employees are required to sign the acknowledgment at the back of this Plan, tear it out and return it to the Finance Manager. This will provide SBWMA with a record that each employee has received the Employee Policies and Benefits Plan.

EQUAL EMPLOYMENT OPPORTUNITY

SBWMA is an equal opportunity employer. SBWMA policy prohibits discrimination based on race, religion (including religious dress and religious grooming), color, gender identity, national origin, ancestry, citizenship, physical or mental disability, legally protected medical condition or information, genetic information, age, sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), sexual orientation, family care status, military caregiver status, veteran status, marital status, domestic partner status, or any other basis protected by federal, state, or local law. SBWMA also makes reasonable accommodation for disabled employees and for pregnant employees who request an accommodation, with the advice of their health care providers, for pregnancy, childbirth, or related medical conditions.

This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, disciplinary action, and social and recreational programs.

If you believe you have been subjected to any form of unlawful discrimination, you may submit a written or verbal complaint to the Executive Director or SBWMA's Legal Counsel. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. SBWMA will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation.

If SBWMA determines that unlawful discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action also will be taken to deter any future discrimination. SBWMA will not retaliate against you for filing a legitimate complaint and will not knowingly permit retaliation by management employees, co-workers, or third parties that do business with SBWMA.

IMMIGRATION LAW COMPLIANCE

Under federal law, all newly hired employees must produce original documentation establishing their identity and right to work in the United States, and complete INS Form I-9, swearing that they have a right to work in the United States. New hires may establish their identity and right to work in the United States by (1) providing documentation that establishes both their identity and employment authorization or (2) providing documentation that separately establishes their identity and their employment authorization. All documents must be unexpired. Documentation must be produced within three business days of hire.

Any one of the following documents may be used to establish both identity and employment authorization:

- (1) United States passport;
- (2) Permanent Resident Card (Form I-551); Alien Registration Receipt Card (I-551);
- (3) Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa;

- (4) An Employment Authorization Document that contains a photograph (Form I-766);
- (5) In the case of a nonimmigrant alien authorized to work for a specific employer incident to status, a foreign passport with (Form I-94 or Form I-94A) bearing the same name as the passport and containing an endorsement of the alien's nonimmigrant status, as long as the period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form; or
- (6) Passport from the Federated States of Micronesia or Republic of the Marshall Islands with Form I-94A indicating non-immigrant admission under the Compact of Free Association between the U.S. FSM or RMI.

If an applicant cannot produce one of the documents listed above, two documents are required: one to prove identity and another to prove employment authorization.

The following documents are acceptable as proof of identity, but not employment authorization:

- (1) A driver's license or I.D. card issued by a state or outlying possession of the United States, provided it contains a photograph or identifying information such as name, date of birth, gender, height, eye color, and address;
- (2) I.D. card issued by federal, state, or local government agencies or entities provided it contains a photograph or identifying information such as name, date of birth, gender, height, eye color, and address;
- (3) School I.D. card with photograph;
- (4) Voter's registration card;
- (5) U.S. military card or draft record;
- (6) Military dependent's ID card;
- (7) Merchant Mariner Card issued by the United States Coast Guard;
- (8) Native American tribal document;
- (9) Canadian driver's license; or
- (10) Individuals under the age of 18 who are unable to produce any of the identification documents listed in (1)-(9) may present a: a) school record or report card, b) daycare or nursery school record, or c) clinic doctor or hospital record only.

The following documents are acceptable to establish employment authorization, but not identity:

- (1) A social security card, other than one that specifies on the face that the issuance of the card does not authorize employment in the U.S.;
- (2) A Certification of Birth Abroad issued by the Department of State (Form FS-545);

EMPLOYEE PLAN

- (3) A Certification of Report of Birth issued by the Department of State (Form DS-1350);
- (4) An original or certified copy of a birth certificate issued by a state, county, municipal authority, or outlying territory of the United States, and bearing an official seal;
- (5) A Native American tribal document;
- (6) A United States Citizen Identification Card (INS Form I-197);
- (7) An Identification card for use of resident citizen in the United States (INS Form I-179); or
- (8) An employment authorization document issued by the Department of Homeland Security.

Authorization documents will be copied and placed with the employee's Form I-9 in a special file separate from the employee's Personnel File. These documents will be retained at least three years after the date of hire or one year after an employee's employment terminates, whichever is later.

Employee Status & Compensation

PROBATION PERIOD

All newly hired employees will work on a probationary basis for the first six (6) months. The Executive Director has the discretion based on performance and other factors to increase or reduce this probationary period by up to three (3) months. Any significant absence will automatically extend a probation period by the length of the absence. The probation period is intended to give employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. SBWMA uses this period to do an initial evaluation of employees' capabilities, work habits and overall performance. Both employees and SBWMA may end the at-will employment relationship at any time during or after the probation period, with or without cause or advance notice.

Upon satisfactory completion of the probation period, employees enter into a "regular" employment classification. Successful completion of the introductory period does not, however, guarantee employment for any specific duration or change the at-will status of regular employment.

EMPLOYEE STATUS

NON-EXEMPT EMPLOYEE

An employee who is subject to the overtime provisions of the Fair Labor Standards Act and Industrial Work Orders. Overtime pay requirements are set forth in the section of this Plan entitled "Overtime."

EXEMPT EMPLOYEE

Bona fide executive, administrative, and professional employees exempt from the overtime requirements of both the federal and state laws.

PROBATIONARY EMPLOYEE

All employees during the first 6 months of employment unless adjusted by the Executive Director.

REGULAR EMPLOYEES

Employees who have satisfactorily completed a probation period.

FULL-TIME EMPLOYEES

Regular full-time employees are those normally scheduled to work and who do work a schedule of 30 hours or more per week. Regular full-time employees may be eligible for employee benefits after completion of the benefits eligibility waiting period.

PART-TIME EMPLOYEES

Part-time employees are those who are scheduled to work and who do work a schedule of less than 30 hours per week. Part-time employees may be assigned a work schedule in advance or may work on an as-needed basis. Part-time employees are not eligible for SBWMA benefit programs, except those mandated by law.

TEMPORARY EMPLOYEES

Temporary employees are those who are hired on an interim basis to temporarily supplement the work force or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change by SBWMA. Temporary employees are ineligible for any of SBWMA benefit programs, except those mandated by law.

CHANGE IN EMPLOYMENT STATUS

SBWMA may change the employment classification of any employee at any time based on the nature of the employment assignment.

PERFORMANCE EVALUATIONS

Employees receive periodic performance reviews. The review will generally be conducted by the employee's Supervisor or the Executive Director. The first performance evaluation will be at the completion of the Probation Period. After that review, performance evaluations will be conducted at least annually. The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties or recurring performance problems.

Performance evaluations will include factors such as the quality and quantity of the work performed, knowledge of the job, initiative, work attitude and demeanor toward others. Performance evaluations are designed to help employees become aware of progress, areas for improvement and objectives or goals for future work performance. Positive performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of SBWMA and depend upon many factors in addition to performance. After the review, employees will be asked to sign the evaluation report simply to acknowledge that it has been presented and discussed by the Supervisor. It also acknowledges awareness of its contents. A copy of the performance evaluation will then be placed in the employee's personnel file.

PAYMENT OF WAGES

Revised February 3, 2015

page 6

South Bayside Waste Management Authority may change or delete any part of the Plan, at any time, with or without prior notice. In the event of a policy change, employees will be notified. Any such action shall apply to existing as well as to future employees.



Paydays are bi-weekly occurring every other Thursday. Any errors or questions regarding pay checks should be reported immediately to the Finance Manager.

OVERTIME (Non-exempt)

As necessary, employees may be required to work overtime. For purposes of determining which hours constitute overtime for hourly/non-exempt employees, only actual hours worked in a given workday or workweek will be counted. A Supervisor or Manager must previously authorize all overtime work in writing.

SBWMA provides compensation for all overtime hours worked by an hourly/non-exempt employee in accordance with state and federal laws which provides that all non-exempt employees who work more than eight (8) hours in one workday or more than forty (40) hours in one workweek will receive overtime pay computed as follows:

(1) Overtime at the rate of 1 1/2 times the employee's regular rate of pay for all hours worked in excess of forty (40) in any one workweek.

(2) Overtime at the rate of 1 1/2 times the employee's regular rate of pay for the hours worked in excess of eight (8) hours in any one workday up to twelve (12) hours, and for the first eight (8) hours worked on the seventh day of work in any one workweek.

(3) Overtime at the rate of double the employee's regular rate of pay for all hours worked in excess of twelve (12) in one workday, and for all hours worked in excess of eight (8) on the seventh day of work in one workweek.

Overtime will be computed on actual minutes worked, adjusted to the nearest 15-minute increment.

There is no "pyramiding," which means employees will not be paid overtime twice for the same hours of work.

Time off of work for vacation, illness, and holiday or for any other reason will not be considered "hours worked" for Wage and Hour purposes even if employees receive compensation for such time.

WORK SCHEDULE/WORK HOURS FOR HOURLY/NON-EXEMPT EMPLOYEES

Employees are expected to be at their desks or workstations at the start of their scheduled shift, ready to perform their job.

The standard work week consists of forty (40) hours per week unless otherwise specified by SBWMA. An alternative work schedule (i.e., 9/80 or 4/10) may be approved by the Executive Director. An employee requesting such an alternative schedule must submit a plan to the Executive Director describing in detail the specific schedule and the anticipated impact on SBWMA's operations.

TIMEKEEPING REQUIREMENTS

The Fair Labor Standards Act, a federal law, requires SBWMA to keep records of hours worked by non-exempt employees. Therefore, non-exempt employees are required to document their hours worked. Non-exempt employees must record their own time.

Any errors on a time sheet should be reported immediately to the employee's Supervisor, who will attempt to correct legitimate errors.

All exempt employees are required to record their time worked and time off. The Office Manager will notify all employees about their specific timekeeping responsibilities.

MEAL AND REST PERIODS (Non-exempt Employees)

If employees work five or more hours a day, they are required to take a 30 minute unpaid meal period. Employees are entitled, encouraged, and expected to take all meal periods provided under this policy. During meal periods, SBWMA will relieve employees of all duty and will not exercise control over the employees' activities. Employees are free to spend their meal period time as they choose (consistent with any other SBWMA policies that may apply during off-duty time) and are free to leave the worksite. No supervisor or manager may impede or discourage employees from taking meal periods provided under this policy.

You are allowed one ten (10) minute rest period for every three and one-half hours of work or major portions thereof. Breaks are split between the first and second half of each shift and may not be substituted for other time periods. The ten (10) minutes do not include the reasonable time it takes to walk to and from a break area.

In no case can your break period ever be "piggybacked" onto your meal period (either immediately before or after the meal period) or at the beginning or end of the day.

BREAKS FOR LACTATING EMPLOYEES

For up to one year after the child's birth, any employee who is breastfeeding her child will be provided reasonable break times and a private space to express breast milk for her baby. Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record.

PAYROLL DEDUCTIONS

State and federal laws require SBWMA to make the proper deductions from paychecks on your behalf. Amounts withheld vary according to how much employees earn and the number of exemptions claimed. These deductions include:

1. Federal Income Tax
2. State Income Tax
3. State Disability Tax (SDI)
4. State and Federal Income Tax Liens
5. Any voluntary deductions that you have authorized
6. Court ordered garnishments

JOB DUTIES

EMPLOYEE PLAN

Supervisors will explain employees' job responsibilities and expected performance standards. Job responsibilities may change at any time during employment. From time to time, employees may be asked to work on special projects or to assist with other work necessary or important to the operation of SBWMA. Cooperation and assistance in performing such additional work is expected.

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



Employee Conduct

CONDUCT

Employees are expected to observe certain standards of job performance and good conduct. The following conduct is prohibited and will not be tolerated. This list of prohibited conduct is illustrative only; other types of conduct harmful to security, personal safety, employee welfare, SBWMA's operations, or deemed inappropriate by SBWMA also may be prohibited. Prohibited conduct will result in discipline, up to and including termination.

- ◆ Falsification of employment records, employment information or other records.
- Recording the work time of another employee or allowing any other employee to record your work time, or allowing falsification of any time card.
- ◆ Unsatisfactory work quality or quantity.
- ◆ Theft or deliberate or careless damage of any SBWMA property or the property of any employee or customer.
- ◆ Removing or borrowing SBWMA, employee or customer property without prior authorization.
- ◆ Unauthorized use of SBWMA equipment, time, materials, or facilities.
- ◆ Provoking a fight or fighting during working hours or on SBWMA property.
- ◆ Carrying firearms or any other dangerous weapons on SBWMA or customer's premises at any time.
- ◆ Engaging in criminal conduct whether or not related to job performance.
- ◆ Causing, creating or participating in a disruption of any kind while on SBWMA property.
- ◆ Insubordination, including but not limited to, failure or refusal to obey the orders or instructions of a Supervisor or member of Management, or the use of abusive or threatening language toward a Supervisor or member of Management.

- ◆ Violation of conflict of interest rules.
- ◆ Disclosing or using confidential or proprietary information without authorization.
- ◆ Using profane or abusive language at any time on SBWMA's premises.
- ◆ Failure to notify a Supervisor when unable to report to work, unless a reasonable explanation is offered and accepted by SBWMA.
- ◆ Failure to obtain permission to leave work for any reason during normal working hours.
- ◆ Failure to observe working schedules, including rest and meal periods.
- ◆ Failure to provide a physician's certificate when required.
- ◆ Excessive use of SBWMA time for personal use, such as personal telephone calls, personal internet and email usage, and conducting personal business.
- ◆ Working overtime without authorization or refusing to work assigned overtime.
- ◆ Violation of any safety, health, security or SBWMA policies, rules or procedures.
- ◆ Engaging in political campaign activities during work hours or in any official capacity.
- ◆ Committing a fraudulent act or a breach of trust.
- ◆ Unlawful harassment, discrimination or retaliation.
- ◆ Conducting personal business during working hours.
- ◆ Being on the job while possessing or being under the influence of alcohol, drugs or intoxicants of any type.
- ◆ Falsely stating or making claims of injury.
- ◆ Gambling on SBWMA premises or while conducting SBWMA business.
- ◆ Sleeping on the job or leaving your work location/work site without authorization.
- ◆ Being convicted of a crime that indicates unfitness for the job or raises a threat to the safety or well-being of SBWMA, its employees, customers, or property.
- ◆ Failing to report to SBWMA, within five (5) days, any conviction under any criminal drug statute for a violation occurring in the workplace.

DISCIPLINARY ACTION

SBWMA expects loyalty, high quality work, and appropriate conduct from all employees. If discipline is necessary, it may take the form of a verbal warning, written warning, final

written warning, suspension or discharge, at Management's discretion. However, there is no standard series of disciplinary steps SBWMA must follow. At the sole discretion of SBWMA, your conduct may lead to immediate discharge.

Initial Procedure for Pre-Discipline:

If a regular employee is to be disciplined by imposition of suspension without pay, demotion, or dismissal, the Executive Director shall proceed as follows:

- (a) Prepare and forward to the employee a written "Notice of Intent to Discipline", specifying the discipline intended and reasons therefore.
- (b) The "Notice of Intent to Discipline" shall contain the following:
 - (1) A statement clearly stating the intent to take action, the specific action to be taken, and the proposed date of the action;
 - (2) A statement of the specific action or charges which allegedly constitutes a violation of the rule or regulation;
 - (3) A description of the records and documents upon which the proposed action is based;
 - (4) Upon receipt of a "Notice of Intent to Discipline", employees shall be allowed fourteen (14) working days from the date of receipt to respond either in writing or orally. Failure to respond within fourteen (14) working days of receipt of a "Notice of Intent to Discipline" shall constitute a forfeiture of all further appeal rights and the disciplinary action shall be imposed.
- (c) If employees or a designated representative requests the right to respond either orally or in writing to the Executive Director, imposition of proposed discipline shall be deferred until after a pre-disciplinary hearing.
- (d) Where a written or oral response has been elected, the Executive Director shall conduct a pre-disciplinary hearing. Such hearing shall be tape recorded. The Executive Director will coordinate the scheduling of the hearing including (1) the date, time and place; and (2) forwarding of notices of such information to all parties within fourteen (14) working days of the employee's request. The Executive Director shall conduct the hearing informally and hear appropriate statements and review relevant evidence from the employee on the specific issues of the intended disciplinary action.
- (e) The Executive Director's responsibility includes: assuring all relevant information surrounding the incident has been presented, hearing relevant statements that may have a bearing on the issue or the proposed discipline, and rendering a decision, in writing.
- (f) The Executive Director shall impose final action within fourteen (14) working days from the submission of the matter for decision by serving the employee with a written "Notice of Disciplinary Action" specifying the date(s) upon which the disciplinary action shall be imposed.

EMPLOYMENT TERMINATION

Since employment with SBWMA is based on mutual consent, both employees and SBWMA have the right to terminate employment at-will, with or without cause, at any time. Terminations are an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine.

Employee benefits will be affected by employment termination. All accrued, vested benefits that are due and payable at termination will be paid. Some benefits may be continued at the employee's expense if they so choose. Employees will be notified in writing of the benefits that may be continued and of the terms, conditions and limitations of such continuance.

UNLAWFUL HARASSMENT / RETALIATION

SBWMA is committed to providing a work environment free of unlawful harassment. This includes harassment based on gender, gender identity, pregnancy, perceived pregnancy, childbirth, breastfeeding or related medical conditions), as well as harassment based on such factors as race, creed, color, religion (including religious dress and religious grooming), national origin, citizenship, ancestry, physical disability, mental disability, medical condition, marital status, age, sexual orientation, domestic partner status, family care or medical leave status, veteran status, or any other basis protected by federal, state, or local law or ordinance or regulation. All such harassment is unlawful. SBWMA's anti-harassment policy applies to all persons involved in the operation of SBWMA and prohibits unlawful harassment by any employee of SBWMA, including supervisors, co-workers, and third parties doing business with SBWMA. SBWMA policy also extends to vendors, independent contractors, and others doing business with SBWMA.

It also prohibits unlawful harassment based on the perception that anyone has any of the above-referenced characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

Prohibited unlawful harassment includes, but is not limited to, the following behavior:

- ◆ Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations, or comments;
- ◆ Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings, or gestures;
- ◆ Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race, or any other protected basis;
- ◆ Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors; and
- ◆ Retaliation for reporting or threatening to report harassment.

If you believe that you have been unlawfully harassed or retaliated against, you should promptly report the incident or incidents to your supervisor, the Executive Director or the SBWMA Legal Counsel. Your complaint should include details of the incident or incidents, names of the individuals involved, and names of any witnesses. Supervisors will refer all harassment complaints to the SBWMA Legal Counsel. SBWMA will immediately undertake an effective, thorough, and objective investigation of the harassment allegations.

If SBWMA determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by SBWMA to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to, and including termination. SBWMA will not retaliate against employees for filing a good faith complaint and will not tolerate or permit retaliation by management, employees or co-workers.

SBWMA encourages reporting of any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved. In addition, the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment.

Employees are required to undergo harassment training within their first three (3) months of employment and at least once every two (2) years thereafter. In addition, all employees hired as or promoted to a supervisory or management position must undergo at least two (2) hours of interactive sexual harassment training within the first six (6) months of assuming a new supervisory or management position. Additionally, all supervisors and managers must complete at least two (2) hours of interactive training at least once every two (2) years thereafter. An employee who fails to comply with this section may be subject to disciplinary action, up to and including termination of employment.

PUNCTUALITY AND ATTENDANCE

Non-exempt employees are expected to report to work as scheduled, on time and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal and rest periods or when required to leave on authorized SBWMA business. Late arrival, early departure or other absences from scheduled hours are disruptive and must be avoided. SBWMA considers lateness to be a serious matter which may result in disciplinary action, up to, and including termination.

If any employee is unable to report for work on any particular day, or at their scheduled starting time, they must call their direct Supervisor at least one (1) hour before the time they are scheduled to begin working for that day. Employees also must inform their Supervisor of the expected duration of any absence. Employees must call in on any day that they are scheduled to work and will not report to work.

Absenteeism (excused or not) may be grounds for discipline up to and including termination of employment. Each situation of absenteeism or tardiness shall be evaluated on a case-by-case basis. If employees fail to report for work without any notification to their Supervisor and the absence continues for a period of three (3) days, SBWMA will consider the job abandoned and employment voluntarily terminated.

BUSINESS CONDUCT AND ETHICS

Employees may not accept a gift or gratuity in excess of \$50 from any vendor, supplier, customer or other person doing business with SBWMA, as it may give the appearance of influence regarding the business decision, transaction or service. Please discuss expenses paid by such persons for business meals or trips in advance.

Certain key employees of SBWMA are required to complete annual conflict of interest statements, and must fully disclose gifts or gratuities according to State law (Form 700).

CUSTOMER RELATIONS

SBWMA customers include the general public of our service area, Member Agency representatives, and current and potential service providers. Employees are expected to be polite, courteous, prompt, and attentive to every customer. When employees encounter an uncomfortable situation that they do not feel capable of handling, supervisors should be called immediately.

Never regard a customer's question or concern as an interruption or an annoyance. Employees must respond to inquiries from customers, whether in person or by telephone, promptly and professionally.

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

All correspondence and documents, whether to customers or others, should be neatly prepared and error free. Attention to accuracy and detail in all paperwork demonstrates our commitment to those with whom SBWMA does business.

TELEPHONE MONITORING

SBWMA's telephone lines are limited and are designed only for business use. Except in cases of emergency, employees should not tie up SBWMA telephone lines with excessive personal calls or calls that are not related to SBWMA's business. SBWMA may monitor telephone calls and voicemail to ensure compliance with this policy as well as for other business reasons, including the desire to ensure that calls are handled in a professional manner. This policy also applies to SBWMA's cellular phones and pagers. Therefore, you should not assume that calls made or received on SBWMA's lines or messages on its voicemail systems are confidential. Violation of this policy may result in discipline.

ELECTRONIC MEDIA AND MONITORING

SBWMA uses various forms of electronic communication including, but not limited to computers, e-mail, faxes, telephones, and Internet. All electronic communications, including all software, databases, hardware, digital files, copiers, and fax machines, remain the sole property of SBWMA and are to be used only for its business and not for any personal use.

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

Misuse of electronic communications or engaging in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions, will subject employees to discipline and/or immediate termination.

Employees may not install personal software on SBWMA computer systems. All electronic information created by employees using any means of electronic communication is the property of SBWMA and remains the property of SBWMA. Personal passwords may be used for purposes of security, but the use of a personal password does not affect SBWMA's ownership of the electronic information. SBWMA will override all personal passwords if necessary for any reason.

SBWMA reserves the right to access and review electronic files, messages, e-mail, and other digital archives, and to monitor the use of electronic communications as necessary, with or without notice, to ensure that no misuse or violation of SBWMA policy or any law occurs. Employees should have no expectation of privacy in the electronic information and communications created or maintained on SBWMA's electronic equipment.

Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by SBWMA's management. Employees may not install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the Executive Director.

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

THE INTERNET AND ONLINE SERVICES

SBWMA provides authorized employees access to online services such as the Internet. Employees are expected to use these services in a responsible way and for business-related purposes only. Under no circumstances are employees permitted to use SBWMA's technology resources to access, download, or contribute to Internet sites that contain inappropriate content such as that which is discriminatory, harassing, defamatory, obscene, indecent, threatening, or that otherwise could reasonably adversely affect any individual, group, or entity.

Additionally, employees may not use SBWMA's technology resources to post, comment, send, or otherwise upload any information to any Web sites or other online groups, including web logs (i.e., "blogs"), social networking Web sites, newsgroups, discussion groups, or non-SBWMA email groups, except in accordance with SBWMA's Blogging Policy. These actions will likely generate junk electronic mail and may expose SBWMA to liability or unwanted attention because of comments or other contributions that employees may make. SBWMA strongly encourages employees who wish to access the Internet for non-work-related activities to obtain their own personal Internet access accounts that are unaffiliated with SBWMA, and to use such accounts at home on their own personal computer without making any reference to SBWMA.

APPEARANCE STANDARDS

Because employees are a representative of SBWMA in the eyes of the public, it is important to report to work properly groomed and appropriately dressed. If you report to work inappropriately dressed, you may be asked to clock out and return in acceptable attire.

Management has sole discretion and final authority in determining the acceptability of appearance standards.

SOLICITATION AND DISTRIBUTION OF LITERATURE

Employees may not solicit or promote support for any cause or organization, or distribute or circulate any matter or printed material during working hours and in working areas, for any purpose.

OFF-DUTY CONDUCT

While SBWMA does not seek to interfere with off-duty and personal conduct, certain types of off-duty conduct may interfere with SBWMA's legitimate business interests.

Employees are expected to conduct personal affairs in a manner that does not adversely affect SBWMA's or your own integrity, reputation or credibility. Illegal or immoral off-duty conduct that adversely affects SBWMA's legitimate business interests or an employee's ability to perform will not be tolerated.

OUTSIDE EMPLOYMENT

While employed by SBWMA, employees are expected to devote their energies to the job. The following types of outside employment are strictly prohibited:

- ◆ Additional employment that conflicts with an employee's work schedule, duties and responsibilities;
- ◆ Additional employment that creates a conflict of interest or is incompatible with employment at SBWMA;
- ◆ Additional employment that impairs or has a detrimental effect on work performance at SBWMA;
- ◆ Additional employment that requires employees to conduct work or related activities on SBWMA's property during its working hours or using its facilities and/or equipment;

SBWMA shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of outside employment.

CONFIDENTIALITY AND NON-SOLICITATION

Employees are responsible for safeguarding the confidential information obtained during their employment. In the course of work, employees may have access to confidential

information regarding SBWMA, its suppliers, its customers, or perhaps even fellow employees. Employees have a responsibility to prevent revealing or divulging any such information unless it is necessary to do so in the performance of their duties.

Treatment of Confidential Information. Employees recognize the importance to SBWMA of Confidential Information, and recognize and agree that Confidential Information is critical to SBWMA's business and that it would not maintain employees without assurances that such information and the value thereof will be protected. As such, employees must hold any and all Confidential Information in the strictest confidence and to use Confidential Information solely for the benefit of SBWMA in the course of its business dealings.

Return of Confidential and Customer Information. On SBWMA's written request or upon termination of employment, employees will promptly return or destroy, at SBWMA's option, all originals and copies of all documents and materials received or obtained or which are otherwise in employee's possession containing SBWMA's Confidential Information, including Customer Information.

Confidential Personnel Information. In the course of employment with SBWMA, employees may obtain access to information regarding the compensation and benefits afforded to coworkers, their performance, discipline meted out against them, and reasons why they are no longer in the employ of SBWMA. Such information is confidential and is not to be shared with coworkers or individuals not employed by SBWMA without the express written consent of SBWMA.

Non-Exclusive Equitable Remedy. Due to the unique nature of this agreement, there can be no adequate remedy at law for any breach of obligations hereunder, that any such breach may allow a party or third parties to unfairly compete with SBWMA resulting in irreparable harm to SBWMA. Therefore, upon any such breach or any threat thereof, SBWMA will be entitled to appropriate equitable relief, in addition to all other forms of relief available to it, from a court of competent jurisdiction.

PERSONNEL RECORDS

Employees have a right to inspect certain documents in their personnel file, including payroll records, as provided by law, in the presence of a SBWMA representative at a mutually convenient time. SBWMA is required by law to keep current all employees' names and addresses. Employees are responsible for updating the information in their personnel file.

Disclosure of personnel information to outside sources will be limited. However, SBWMA will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations.

EMPLOYEE REFERENCE REQUESTS

All requests for references must be directed to the Executive Director. No other employee is authorized to release references for current or former employees. When asked for information about former employees, SBWMA's policy is to disclose only the dates of employment and the title of the last position held. If authorized in writing, SBWMA will also provide a prospective employer with the information on the amount of salary or wages last earned by an employee.

CONFLICTS OF INTEREST

Employees must avoid situations involving actual or potential conflict of interest. Business, personal, or romantic involvement with a contractor, supplier, or subordinate employee of SBWMA, which impairs their good judgment on behalf of SBWMA, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

Examples of situations that violate this policy include acting as a consultant, advisor, employee or independent contractor of or with a contractor customer or vendor of SBWMA, having financial interests with persons, governmental officials or companies with whom SBWMA conducts business, using any assets or resources of SBWMA for personal gain or advantage, accepting personal gifts or entertainment from competitors, customers, suppliers or potential suppliers, using proprietary or confidential SBWMA information for personal gain or to SBWMA's detriment, or using SBWMA property or labor for personal use.

If employees are involved in any of the types of relationships or situations described in this policy, they should immediately and fully disclose the relevant circumstances to the Executive Director for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, SBWMA may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

In accordance with the Fair Political Practices Commission, designated employees of SBWMA must also annually file Form 700 to the Secretary of the Board/Office Manager.

OFFICER OR DIRECTOR OF OTHER AGENCY

If an employee wishes to accept a position as an officer or director of any corporation, business enterprise or organization, other than those organized for charitable, civic, and educational or other non-profit purposes, he or she must bring the matter to the attention of and obtain the prior express consent of the Executive Director. The employee's failure to immediately abide by the decision of the Executive Director may subject an employee to discipline, up to and including discharge.

QUESTIONS

All questions concerning specific potential conflicts of interest should be directed to the Executive Director.

MOONLIGHTING

Employees may hold another job as long as it does not create a conflict of interest and the employee can effectively meet the performance standards for employee's position with SBWMA. SBWMA asks that the employee think seriously about the effects that such extra work may have on the limits of employee's endurance, employee's overall personal health, and employee's effectiveness with SBWMA. All employees are held to the same standards of performance and scheduling demands and exceptions cannot be made for employees

who also hold outside jobs. Annually any employee engaged in any outside employment shall declare such employment in a written declaration to the Executive Director.

PROHIBITION AGAINST PURCHASE OF GOODS AND SERVICES

No goods or service shall be purchased by SBWMA from any business owned in whole or in part by an employee of SBWMA or members of the same family of an employee, or from a friend or other relative of an employee, unless expressly approved in writing by the Executive Director.

DRUG AND ALCOHOL ABUSE

SBWMA is firmly committed to maintaining a drug-free and alcohol-free workplace. SBWMA strictly prohibits the sale, use, possession, transfer, distribution or manufacture, or any attempt to sell, use, possess, transfer, distribute, or manufacture of alcohol or any illegal drug while on its property, whether on or off-duty, or while operating a vehicle or equipment that is owned or leased by SBWMA. In addition, employees may not report to work, or remain on duty (including meal and rest periods), while under the influence of or impaired by alcohol or any illegal drug. For purposes of this policy, a drug will be considered illegal if its use is prohibited or restricted by law and you improperly use or possess the drug/alcohol, regardless of whether such conduct constitutes an illegal act or whether employees are criminally prosecuted and/or convicted for such conduct.

In keeping with this commitment, SBWMA wishes to ensure that every employee will perform his or her duties safely, efficiently, and in a manner that protects the interests of SBWMA, employees, their co-workers, and its customers. SBWMA recognizes that involvement with alcohol or drugs is extremely disruptive and harmful to the work place. It can adversely affect performance, pose serious safety and health risks to the user and others, and negatively impact SBWMA's business and reputation.

SBWMA requires employees to strictly adhere to this policy, and to report for work fit to perform your job. If employees violate this policy, they are subject to disciplinary action up to and including immediate discharge, regardless of whether or not they have committed any prior act in violation of SBWMA's Policy.

PRESCRIBED AND/OR OVER-THE-COUNTER DRUGS

Employees are permitted to consume prescription drugs, **as prescribed** or over-the-counter medication **according to the package's directions**, as medically needed provided this consumption does not affect the safety of the employee, co-workers or members of the public, job performance, or the safe or efficient operation of SBWMA.

TESTING OF EMPLOYEES

Under appropriate circumstances and as permitted by law, SBWMA may require employees to submit to a test for the presence of drugs or alcohol. The test will be conducted at SBWMA's expense and in accordance with California law. The results of testing will be treated as confidential and will only be released to the Executive Director or its designee. If employees refuse to submit to this test, or receive a positive test result, they may be subject to discipline, up to and including termination.

SEARCHES

In keeping with SBWMA's commitment to a drug and alcohol-free workplace, SBWMA reserves the right, to the extent permitted by law, to conduct the necessary search of employees' personal property, including but not limited to, their desk, locker, and workstation, and to examine and remove any objects and the like which may constitute evidence of a violation of this policy.

OFF-DUTY USE OF SBWMA FACILITIES OR PROPERTY

Employees are prohibited from being on SBWMA premises or making use of SBWMA facilities while not conducting SBWMA business. Employees are expressly prohibited from using SBWMA facilities, SBWMA property or SBWMA equipment for personal use.

Safety Policies

SECURITY

The following security considerations are offered to help maintain a secure work place. Employees should be aware of persons loitering for no apparent reason (e.g., in parking areas, walkways, entrances/exits and service areas). Employees must report any suspicious persons or activities to the Supervisor on duty or appropriate law enforcement SBWMA. Employees should secure their desks at the end of the day or when called away from the work area for an extended length of time and should not leave valuable and/or personal articles in or around the workstation that may be accessible.

HEALTH AND SAFETY

Employees are responsible for their own safety, as well as that of others in the workplace. To help us maintain a safe workplace, everyone must be safety-conscious at all times. Report all work-related injuries or illnesses immediately to the Office Manager within 24 hours. In compliance with California law, and to promote the concept of a safe workplace, SBWMA maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review in the main office. Failure to follow safety policies and procedures may result in disciplinary action up to and including termination.

In compliance with Proposition 65, SBWMA will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

ILLNESS AND RETURN TO WORK

If employees are absent from work because of illness, injury or for other health reasons for three (3) or more consecutive work days or have had surgery, have been hospitalized or have lost time because of an injury on the job, they will need a written release from a physician and clearance by the Finance Manager in order to return to work.

VIOLENCE IN THE WORKPLACE

SBWMA has a Zero Tolerance Policy for workplace violence because it recognizes that workplace violence is a growing nationwide problem, which needs to be addressed by all employers. Consistent with this policy, acts or threats of physical violence, including

intimidation, harassment, and/or coercion, which involve or affect SBWMA or which occur on SBWMA property will not be tolerated.

Acts or threats of violence include conduct, which is sufficiently severe, offensive, or intimidating to alter the employment conditions at SBWMA or to create a hostile, abusive, or intimidating work environment for one or several employees. Examples of workplace violence include, but are not limited to, the following:

- ◆ All threats or acts of violence occurring on SBWMA premises, regardless of the relationship between SBWMA and the parties involved in the incident.
- ◆ All threats or acts of violence occurring off SBWMA premises involving someone who is acting in the capacity of a representative of SBWMA.
- ◆ All threats or acts of violence occurring off SBWMA premises involving an employee if the threats or acts affect the legitimate interests of SBWMA.

Specific examples of conduct, which may be considered threats or acts of violence include, but are not limited to, the following:

- ◆ Hitting or shoving an individual.
- ◆ Threatening an individual or his or her family, friends, associates or property with harm.
- ◆ The intentional destruction or threat of destruction of SBWMA property.
- ◆ Harassing or threatening phone calls.
- ◆ Harassing surveillance or stalking.
- ◆ The suggestion or intimation that violence is appropriate.
- ◆ Unauthorized possession or inappropriate use of firearms or weapons.

SBWMA's prohibition against threats and acts of violence applies to all persons involved in SBWMA's operation, including but not limited to personnel, contract, and temporary workers and anyone else on SBWMA's property. Violations of this policy by any individual on SBWMA property, by any individual acting as a representative of SBWMA while on SBWMA property, or by any employee acting off of SBWMA property when his or her actions affect SBWMA's business interests will lead to disciplinary action (up to and including termination) and/or legal action as appropriate. No provision of this policy shall alter the at-will nature of the employment relationship.

Every employee and every person on SBWMA property is encouraged to report incidents of threats or acts of physical violence of which he or she is aware. The report should be made to the Executive Director. Nothing in this policy alters any other reporting obligation established in SBWMA policies or in state, federal, or other applicable laws. Employees should notify the Executive Director if any restraining order is in effect, or if a potentially violent nonwork-related situation exists that could result in violence in the workplace.

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, SBWMA will inform the reporting individual of the results of the investigation. To the extent possible, SBWMA will maintain the confidentiality of the reporting employee and of the investigation. SBWMA may, however, need to disclose results in appropriate circumstances, for example, in order to protect individual safety. SBWMA will not tolerate retaliation against any employee who reports workplace violence.

If SBWMA determines that workplace violence has occurred, SBWMA will take appropriate corrective action and will impose discipline on offending employees. The appropriate discipline will depend on the particular facts but may include written or oral warnings, probation, and reassignment of responsibilities, suspension, or termination. If the violent behavior is that of a non-employee, SBWMA will take appropriate corrective action in an attempt to ensure that such behavior is not repeated.

HOUSEKEEPING

Employees are expected to keep their work areas clean and organized. Employees using common areas such as lunchrooms are expected to keep them sanitary, to clean up after their meals and dispose of trash properly.

PARKING

Convenient parking may be limited]. SBWMA is not responsible for damage to employee cars while on SBWMA property or in provided parking lots.

EMPLOYEE PROPERTY / PACKAGE INSPECTION

Employees' personal property, including but not limited to lockers, packages, purses, and backpacks, may be inspected for unauthorized possession of SBWMA property.

EMPLOYER PROPERTY

From time to time certain employees will be entrusted with keys to SBWMA's offices, filing cabinets, desks, safes and other property. Keys are also defined to include the combination to a lock or safe owned by SBWMA.

Keys may be issued by the Office Manager and employees must surrender keys to management or the Office Manager on demand or upon termination of employment. Duplication of any key by any employee may not be done without the prior express consent of the Executive Director.

Desks and other property must be maintained according to SBWMA's rules and regulations. SBWMA's property must be kept clean and used only for work-related purposes. SBWMA owned property must be returned immediately upon termination of employment. SBWMA property remains the sole property of SBWMA.

SBWMA reserves the right to inspect all SBWMA property to insure compliance with its rules and regulations. Moreover, SBWMA reserves the right to open and inspect property, as well as any contents, effects, or articles that are on the premises. Such an inspection can occur at any time, with or without advance notice or consent. An inspection may be

conducted before, during, or after working hours by any Manager or security personnel designated by SBWMA.

Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs or medications, may not be brought onto SBWMA premises. Perishable items also should not be stored in desks or left for prolonged periods of time. Failure to cooperate in any inspection will subject employees to disciplinary action, including possible suspension or discharge. SBWMA is not responsible for any articles that are placed or left in a desk that are lost, stolen, damaged or destroyed.

Prior authorization must be obtained before any SBWMA property is removed from the workplace.

Motor Vehicle Registration / Proof of Valid Registration

All employees who are required to drive their vehicles and/or an SBWMA vehicle for business must show proof of a valid Driver's License, maintain the minimum amount of auto insurance required under California law, and show proof of insurance via a current declaration of insurance.

In addition, all employees who are required to drive their vehicles and/or an SBWMA vehicle for SBWMA business authorize SBWMA to obtain bi-annual motor vehicle reports from the DMV, for the purposes of validating a valid driver's license.

Employees are responsible to notify their Supervisor immediately of any changes in the status of their driver's license.

Failure to maintain a valid driver's license and/or proof of insurance may disqualify an employee from continued employment.

Mobile Device Policy

SBWMA prohibits the use of all handheld mobile devices including cell phones, smart phones, tablets, personal organizers, or other devices for work purposes while operating a motor vehicle or for personal purposes while operating a motor vehicle during work hours or on SBWMA business. Moreover, all use of SBWMA-issued mobile devices, or personally purchased mobile devices used for work-related purposes, must be made in accordance with SBWMA policy.

Employees may use hands-free mobile devices while driving when safe and lawful to do so. Special care should be taken in situations where there is heavy traffic, inclement weather, or the employee is driving in an unfamiliar area. Employees must adhere to all federal, state, and local rules and regulations regarding the use of mobile devices while driving.

Under no circumstances are employees allowed to use text devices to type or review text messages for work purposes while operating a motor vehicle or for personal purposes while operating a motor vehicle during work hours or on Company business.

Office Supplies

All office supplies necessary for SBWMA work are provided by SBWMA. Office supplies amount to a considerable expense for SBWMA, and every effort should be made to

conserve these supplies whenever possible. Employees found making use of SBWMA office supplies for non-SBWMA purposes or who take office supplies out of the office may be subject to discipline, up to and including discharge.

Mail Pick-Up and Delivery

Outside of the normal postal mail deliveries that are made each regular working day to SBWMA offices, no employee may use SBWMA postage meter or stamps for other than mail directly related to SBWMA business. Any personal use of SBWMA courier services must be noted as such and the cost reimbursed to SBWMA within 30 days. Violation of the above may subject an employee to discipline, up to and including discharge.

Leaves of Absence

PREGNANCY DISABILITY LEAVE

A female employee who is disabled by pregnancy, childbirth or related medical conditions is eligible to take pregnancy disability leave (PDL). There is no length of service requirement before an employee disabled by pregnancy is entitled to PDL. Time off needed for prenatal or postnatal care; doctor ordered bed rest; gestational diabetes; pregnancy induced hypertension; preeclampsia; childbirth; postpartum depression; loss or end of pregnancy; or recovery from childbirth or loss or end of pregnancy are all covered by this PDL policy.

If affected by pregnancy or a related medical condition, an employee is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if this transfer is medically advisable and can be reasonably accommodated. Employees disabled by qualifying conditions may also be entitled to other reasonable accommodations where doing so is medically necessary.

If it is medically advisable for the employee to take intermittent leave or a reduced leave schedule, SBMWA may require the employee to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

PDL is for any period(s) of actual disability caused by pregnancy, childbirth or related medical conditions. An employee is entitled to up to four (4) months of PDL while the employee is disabled by pregnancy, childbirth or related medical condition per pregnancy. For purposes of this policy, "four months" means time off the number of days the employee would normally work within the four calendar months (one-third of a year or 17 1/3 weeks), following the commencement date of taking PDL. For a full-time employee who works five eight-hour days per week, 40 hours per week, "four months" means 88 working days or 693 hours of leave entitlement. Employees working a part-time schedule will have their PDL calculated on a pro-rate basis.

Requirements Regarding the Use of Paid Leave

PDL is unpaid time off. SBMWA requires that employees use any accrued sick leave while using PDL. If an employee does not have any accrued sick leave available, the employee may, at her option, use any other available accrued paid leave (e.g. vacation, compensatory time off, administrative leave, floating holiday). The use of any paid leave will not extend the duration of the employee's PDL. SBMWA encourages employees to

contact the California Employment Development Department regarding eligibility for state disability insurance for the unpaid portion of their leave.

Continuation of Health Insurance Benefits

Employees who participate in SBWMA’s group health insurance plan shall continue to participate in the plan while on PDL under the same terms and conditions as if they were working. Employees should make arrangements with the Human Resources Department for payment of their share of the insurance premiums.

CERTIFICATION

An employee is required to obtain a certification from her health care provider indicating her need for PDL or the medical advisability of an accommodation or a transfer.

A medical certification indicating the medical advisability of a reasonable accommodation or transfer is sufficient if it contains:

1. A description of the requested reasonable accommodation or transfer;
2. A statement describing the medical advisability of the reasonable accommodation or transfer because of pregnancy; and
3. The date on which the need for reasonable accommodation or transfer became or will become medically advisable and the estimated duration of the reasonable accommodation or transfer.

A medical certification indicating disability necessitating a leave is sufficient if it contains:

1. A statement that the employee is to take pregnancy disability leave because the employee became disabled by pregnancy, childbirth or a related medical condition;
2. The date on which the employee became disabled because of pregnancy; and
3. The estimated duration of the leave.

Upon request, an employee will be provided with a medical certification form that she can take to her doctor.

EMPLOYEE NOTICE

To receive reasonable accommodation, obtain a transfer, or take PDL, an employee must provide sufficient notice so that SBWMA can make appropriate plans – 30 days advance notice if the need for the reasonable accommodation, transfer or PDL is foreseeable, otherwise as soon as practicable if the need is an emergency or unforeseeable.

PAID FAMILY LEAVE

An employee who is off work to care for a child, spouse, parent, sibling, grandparent, grandchild or in-law with a serious health condition, or to bond with a new child, may be eligible for benefits through the California “Paid Family Leave” (“PFL”) program. The PFL program is administered by the California Employment Development Department (EDD). Benefits are financed solely through employee contributions to the PFL program. The PFL program is solely responsible for determining if an employee is eligible for benefits. There generally is a waiting period during which time no PFL benefits are available. The EDD can provide additional information about any applicable waiting period.



WORKERS' COMPENSATION LEAVE

Employees injured in the performance of their duties shall be eligible for all rights, privileges and compensations provided for under SBWMA's workers' compensation plan.

UNPAID PERSONAL LEAVE

At the discretion of the Executive Director, personal leave without pay may be granted under limited circumstances to regular full-time employees who have completed one year of continuous service. A personal leave may be considered when the employee has a need for a leave that is not covered by other leaves of absences provided by SBWMA. Requests for personal leave will be evaluated based on a number of factors, including past performance, anticipated operation requirements and staffing considerations during the proposed period of absence.

A personal leave of absence, if granted, will not exceed 3 months. Absences of more than 3 months require the approval of the Executive Director.

Rights accrued at the time leave is granted shall be retained by the employee. However, except as otherwise required by law, seniority, vacation leave, sick leave, holidays, increases in salary or other SBWMA paid benefits will not be provided during the period of leave. In addition, unless otherwise required by law, SBWMA is not required to maintain contributions toward group insurance programs or retirement benefits for any employee on a personal leave of absence.

An employee returning from a personal leave may be required to provide medical documentation indicating the employee's fitness to return. If an employee requests to return to work prior to the scheduled end of his or her leave, the employee must first request approval from the Executive Director at least three days prior to the date of returning to work. The Executive Director may request substantiating evidence (e.g., medical examination or doctor's written release).

MILITARY LEAVE

Military leave shall be granted in accordance with provisions of the State and Federal law, including Section 395 of the Military and Veterans Code and the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. section 4301, *et seq.*

BEREAVEMENT LEAVE

SBWMA offers bereavement leave. In the event of the death of a member of the immediate family, regular full-time employees will be eligible for up to a maximum of three (3) consecutive workdays of **paid** bereavement leave per year up to and including the day of the funeral. If an employee must travel outside the state of California and at least four hundred (400) miles, the employee will be eligible for up to a maximum of five (5) consecutive workdays of **paid** bereavement leave per year. If an employee wishes to take time off due to a death of an immediate family member, the employee should notify the Executive Director. For purposes of bereavement leave, SBWMA defines "immediate family" as the employee's current spouse, domestic partner, parent, grandparent, grandchild, child, sibling, parents of the employee's current spouse or parents of the employee's registered domestic partner. The employee must present proof of death, such

as a funeral pamphlet with the deceased's name or death certificate, upon return to work. Bereavement pay is calculated based on the base pay rate at the time of absence. If an employee requires more than three (3) or five (5) days off for bereavement leave, the employee may request additional unpaid leave or may request the opportunity to use any accrued vacation time.

CRIME VICTIM'S LEAVE

Employees who are victims of certain serious or violent felonies specified under California law may take time off work to attend judicial proceedings related to the crime, including any proceeding involving a post-arrest release decision, pleas, sentencing, post-conviction release decision, or any proceeding in which the right of the victim is at issue. Employees may also take time off for such reasons if an immediate family member has been a victim of a specified crime. "Immediate family member" is defined as "spouse, registered domestic partner, child, child of registered domestic partner, step child, sibling, step-sibling, parent or step-parent.

Employees eligible for time off under this policy must provide SBWMA with a copy of the court notice given to the victim of each scheduled judicial proceeding before taking time off, unless reasonable advance notice of the need for time off is not feasible. When advance notice is not feasible, the employee must provide SBWMA with documentation evidencing the judicial proceeding within a reasonable time after the absence. The documentation may be:

- A police report documenting the individual was a victim of a crime;
- A court order or other evidence from the court, the district attorney or the prosecuting attorney's office or the victim/witness office that is advocating on behalf of the victim; or
- Documentation from a medical professional, domestic violence advocate or advocate for victims of sexual assault, health care provider, or counselor that the employee was undergoing treatment for physical or mental injuries or abuse resulting in victimization from a specified offense.

Employees may choose to use any of the following types of accrued leave:

- Paid vacation time
- Administrative leave time (if applicable)
- Sick leave time

If the employee does not elect to use paid time off for the absence, the absence will be unpaid.

LEAVE RELATED TO DOMESTIC VIOLENCE SEXUAL ASSAULT OR STALKING

SBWMA provides time off to an employee who has been the victim of domestic violence, sexual assault or stalking to seek any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child. This includes time off for court proceedings, services from a domestic violence shelter, program or rape crisis center, counseling, medical attention, and participation in safety planning programs. SBWMA requires reasonable advance notice of the leave when feasible. If time off is taken due to

an emergency, the employee must, within fifteen (15) days of the absence, provide SBWMA with certification of the need for the leave such as a police report, court order, documentation from a healthcare provider, victims advocate, or counselor.

JURY DUTY

SBWMA encourages employees to serve on jury duty when called. Employees required to serve as a juror will be granted time off with pay up to fourteen (14) business days per year. Any jury duty that extends beyond fourteen (14) business days per year will be unpaid. Employees who serve on jury duty must remit to the Executive Director, within fifteen (15) days after receipt, all fees received from the court during the time that SBWMA paid their salary, except those specifically allowed for mileage and expenses. Exempt employees will be paid according to state and federal guidelines. Employees may elect to substitute accrued vacation during any unpaid leave due to jury duty or a witness appearance.

Employees should notify their supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received. Employees may be requested to provide written verification from the court clerk of performance of jury service. If work time remains after any day of jury selection or jury duty, employees will be expected to return to work for the remainder of their work schedule.

SUBPOENAS

An employee who is subpoenaed to appear in court in a matter regarding an event or transaction which he/she perceived or investigated in the course of performing his/her official SBWMA job duties will be permitted to appear in response to the subpoena without loss of compensation. The time spent appearing in court in response to such a subpoena will be considered work time. Any payment except travel pay, meals and lodging receiving by the employee for such service shall be remitted to SBWMA.

An employee who is a named party in an action unrelated to SBWMA and its activities, who is a named party in an action against SBWMA, or who is serving as a paid expert witness is not eligible to receive compensation for time spent related to those proceedings. In such cases, an employee may request to receive time off without pay, or may use accrued vacation or compensatory time off for time spent related to those proceedings. The time spent in these proceedings is not considered work time.

TIME OFF TO VOTE

SBWMA encourages employees to fulfill their civic responsibilities by voting. If an employee does not have sufficient time outside of working hours to vote in a State or Federal election, he/she may, without loss of pay take sufficient working time to vote. This time will be scheduled at the beginning or end of the work shift; whichever allows the most free time for voting and the least time off from working, unless mutually agreed. An employee will be allowed a maximum of two (2) hours of voting leave on election day without loss of pay. If time off for voting is required, the employee must notify the Executive Director at least two (2) working days prior to election day.

SCHOOL ACTIVITIES

Employees who are parents, guardians, or grandparents having custody of one or more children in kindergarten or grades one (1) to twelve (12) may take leave to school activities. The total time off taken for school activities cannot exceed eight (8) hours in any calendar month or a forty (40) hours in any school year. Employees requesting time off under this policy must first use accrued vacation time and/or compensatory time off for school activity leave. If an employee does not have any accrued vacation and/or compensatory time off, then unpaid leave will be granted.

Employees must provide reasonable advance notice to the Executive Director. Employees may be required to provide the Executive Director from the child's school or licensed day care facility as proof that the employee participated in the activity on a specific date and at a specific time.

If both parents are employed by SBWMA, the first employee to request such leave will receive the time off. The other parent will receive the time off only if the leave is approved by the Executive Director or designee.

REQUIRED SCHOOL ATTENDANCE

If an employee who is the parent, guardian or grandparent with custody of a child who has been suspended from school and/or the employee received notice from the child's school requesting that he/she appear pursuant to a request made under section 48900.1 of the Education Code, the employee may take unpaid time to appear at the school. An employee is permitted to use accrued leaves (such as vacation and compensatory time off, but not sick leave) when taking time off for this purpose; otherwise, such time off shall be without pay.

The employee must, prior to the planned absence, give reasonable notice to the Executive Director or designee that the employee has been requested to appear to appear at the child's school. Employees may be required to provide documentation that the employee is required to appear at the school on the specific date and at a specific time.

VOLUNTEER FIREFIGHTER, RESERVE PEACE OFFICER, AND EMERGENCY RESCUE PERSONNEL

An employee who is a volunteer firefighter, reserve peace officer, or emergency rescue personnel for an entity other than SBMWA shall be permitted to take a temporary unpaid leave of absence, up to fourteen (14) days per calendar year, to engage in fire or law enforcement training.

Employees may substitute vacation pay for any unpaid portion of leave to perform such emergency duties or training.

Except in cases of emergency, employees must provide notice to the Executive Director or designee prior to utilizing leave under this policy.

FAILURE TO REPORT TO WORK (JOB ABANDONMENT)

An employee who fails to report to work, to return from an authorized leave of absence, and/or fails to call off from work for three or more consecutively scheduled work days is

deemed to have voluntarily resigned employment through job abandonment. A regular employee who has passed probation will receive notice of intent to terminate for job abandonment, an opportunity to respond, and the final notice of termination for job abandonment before being separated under this provision. At the discretion of the Executive Director, an employee separated for job abandonment may be reinstated upon proof of justification for such absence, such as severe accident, severe illness, or mental or physical impairment which prevented notification.

FAMILY AND MEDICAL LEAVE ACT AND CALIFORNIA FAMILY RIGHTS ACT

Employees of SBWMA are not eligible employees pursuant to the Family and Medical Leave Act (FMLA) or California Family Rights Act (CFRA) because SBWMA does not have fifty employees.

Benefits

HOLIDAY PAY POLICY

All employees will receive holiday pay for the following holidays, subject to the restrictions described below. Employees are paid for the hours that are normally scheduled if the employee works less than a forty (40) hour week. In addition, all full time employees will receive three (3) floating holidays.

<i>New Years Day</i>	<i>January 1</i>
<i>Martin Luther King Jr. Day</i>	<i>Third Monday in January</i>
<i>President's Day</i>	<i>Third Monday in February</i>
<i>Memorial Day</i>	<i>Last Monday in May</i>
<i>Independence Day</i>	<i>July 4</i>
<i>Labor Day</i>	<i>First Monday in September</i>
<i>Veteran's Day</i>	<i>Second Tuesday in November</i>
<i>Thanksgiving Day</i>	<i>Fourth Thursday in November</i>
<i>Day after Thanksgiving Day</i>	<i>Fourth Friday in November</i>
<i>Christmas Day</i>	<i>December 25</i>

- (1) In many cases when a holiday falls on a Saturday, the Friday preceding shall be celebrated as a holiday; if the holiday falls on a Sunday, it is usually observed on the following Monday. In the event the holiday falls on a weekend, a determination will be made by the Executive Director to establish the day upon which the holiday will be observed.
- (2) If a holiday falls during an employee's approved vacation period(s), they will be paid for the holiday and will not be charged the vacation day for the day the holiday is observed.
- (3) Employees on a leave of absence for any reason are ineligible for holiday benefits for holidays that are observed during the period they are on leave of absence.

Some employees may be asked to work on holidays, in this case they will be paid holiday plus actual hours worked or given another day off.

VACATION PAY

Subject to the provisions of this policy, all **NEW** full-time employees may be eligible for vacation benefits in accordance with the following vacation schedule which starts on the hire date. Employees not classified as a full-time employee are ineligible to earn or receive any vacation benefits. Full-time employees begin to accrue vacation benefits from their first day of employment.

<u>Length of Service</u>	<u>Annual Accrual</u>
Years 0 – 5	15 days
Years 6 – 10	1 additional day/year
Years 11 – 15	22 days
Years 16+	25 days

Maximum Accrual: Employees are allowed to accrue up to a maximum of 2.0 times their annualized vacation. Once this cap is reached, no further vacation will accrue until some vacation time is used. The normal vacation accrual will resume once the employee’s accrued balance is below the maximum. There is no retroactive grant of vacation hours for the period of time the accrual amount remained at the cap.

Vacations may be scheduled at any time after vacation pay is earned, subject to the Executive Director’s approval and SBWMA’s need for the employee’s services. In order to allow a well-coordinated schedule, employees are requested to submit their proposed vacation plans at least one (1) month before they would like to take their vacation. Approval of Vacation will be given at SBWMA’s sole discretion.

ADMINISTRATIVE LEAVE (exempt Employees)

Exempt employees will be credited sixty-four (64) hours for administrative leave annually in recognition of additional time they are expected to work. Leave hours will be placed in their administrative leave bank at the start of each calendar year. For new exempt employees, the administrative leave hours will be pro-rated based on the number of months remaining in the year.

Administrative leave may be scheduled at any time after leave is earned, subject to the Executive Director’s approval and SBWMA’s need for the employee’s services.

Administrative leave hours must be used in total each calendar year or the balance of unused earned leave will be “cashed out” in lieu of taking the time off. The “cash out” will occur during the **first month of the new calendar year**. Any unused portion of Admin Leave as of December 31 may also be rolled into employees’ 401(a) plan in lieu of cashing out.

Employees will also be eligible to receive a maximum of three (3) days of paid leave per fiscal year in recognition of exemplary performance. Leave may be granted in any increment between one (1) day and three (3) days to employees for outstanding achievement, consistently above standard work performance, or other extraordinary efforts as granted by the Executive Director. This leave must be taken as paid time off in the fiscal year in which it was granted. This leave has no cash value and is not compensable upon termination of employment.

SICK LEAVE

Subject to the provisions of this policy, full-time employees may be eligible for sick leave benefits in accordance with the following sick leave schedule.

<u>Length of Service</u>	<u>Pay Period Accrual</u>	<u>Annual Accrual</u>
1 ST day and beyond	3.692 hours	96 hours (12 days)

Pursuant to the Healthy Workplaces, Healthy Families Act of 2014, effective July 1, 2015, part-time and temporary employees may also be entitled to three (3) days of paid sick leave each year.

Employees may request sick leave in two (2) hour increments, provided authorization is obtained in advance.

During employees' first calendar year of employment, their sick day entitlement will be prorated based on their hire date. In certain circumstances a doctor's statement may be required to return to work.

Sick pay benefits are available beginning with the first hour away from the job due to doctor appointments, illness or injury.

All employees who terminate their employment in good standing shall receive compensation for the prescribed value of unused sick leave at a rate of 50% of the prescribed value of unused sick leave upon termination, to a maximum of 500 hours.

GROUP INSURANCE - GENERAL

SBWMA strives to offer group insured plans for medical, dental, vision, life insurance, and long term disability insurance for the benefit of the employee and his/her family that are competitive with similar industry benefits. However, these plans and costs may be changed at the sole discretion of the SBWMA and enrollment may be subject to the insurance company enrollment criteria that the SBWMA has no control over. Therefore, the benefits listed below are what is intended to be offered but cannot be guaranteed and are subject to change at any time. Notice will be given of any changes.

GROUP HEALTH INSURANCE

Eligible full-time employees may elect to participate in the group medical plan. Eligibility is determined by the insurance provider. **Enrollment begins on the first day of the first full month following the day of employment.** Plan descriptions and costs can be obtained from the Office Manager. Employee contributions may be required depending on coverage and plan selected.

GROUP DENTAL INSURANCE

Eligible full-time employees may elect to participate in the group dental plans. Coverage begins on the first day of the month following the first day of hire. Plan descriptions and costs can be obtained from the Office Manager.



VISION PLAN (Guardian)

A vision plan is provided to eligible fulltime employees by Guardian. Coverage begins on the first day of the month following the first day of hire. Plan descriptions and costs can be obtained from the Office Manager.

DEFERRED COMPENSATION (RETIREMENT)

SBWMA has adopted a self-directed retirement plan under Section 401(a) of the Internal Revenue Service Code to which the Employer contributes an amount equal to 10 percent of the employee's base salary. The employee vests in the 401(a) retirement plan immediately.

SBWMA also has a 457b plan into which employees can contribute. SBWMA matches the first 2% of employee contributions.

Employees may join both plans on the first of the month following the date of hire. The contribution amounts are subject to IRS limitations.

SBWMA does not participate in the federal Social Security system.

WORKER'S COMPENSATION

Employees are protected by SBWMA's Workers' Compensation insurance policy while employed by SBWMA. The policy covers employees in case of occupational injury or illness.

STATE DISABILITY INSURANCE

SBWMA submits contributions to the State of California made through employee payroll deductions for short term disability insurance pursuant to the California Unemployment Insurance Code. Disability insurance is payable when employees cannot work because of illness or injury not caused by employment at SBWMA or when employees are entitled to temporary Workers' Compensation at a rate less than the daily disability benefit amount.

LONG TERM DISABILITY INSURANCE

Long Term Disability Insurance is provided to employees. Coverage begins on the first day of the month following the first day of hire. Plan descriptions and costs can be obtained from the Office Manager.

LIFE INSURANCE

Life Insurance is provided to employees by Guardian. Coverage begins on the first day of the month following the first day of hire and provides insurance of 100% of annual salary up to a maximum of \$175,000 for eligible employees. Plan descriptions and costs can be obtained from the Office Manager.

EMPLOYEE ASSISTANCE PLAN

SBWMA's Guardian service provider offers employees and their family members with support services for a variety of issues associated with daily living. Employees have available unlimited phone consultation with an EAP counselor, may be referred to a local counselor with up to three free sessions, and a web site offering many articles on subjects such as wellness, training, legal and financial support, etc. Please ask the Office Manager for more information on this topic.

AUTO ALLOWANCE / EXPENSE

Employees may be granted a car allowance up to \$400 at the Executive Director's discretion.

If an employee is authorized in advance to use his or her own automobile for SBWMA business and does not have a car allowance, the employee will be **reimbursed for mileage** traveled on SBWMA business. Mileage will be calculated based on the trip's origination, whichever is closer, from the office or home. The reimbursement rate is the current IRS determined standard rate.

PROFESSIONAL DEVELOPMENT & EDUCATION

Employees may be reimbursed up to a maximum of \$1,250 per year for qualified educational, job related development activities, and personal development and improvements contingent upon advanced approval by the Executive Director.

Employees shall be eligible for reimbursement of costs of tuition, registration fees, books and supplies, and other educational expenses incurred in connection with enrollment in and successful completion of courses of instruction related to the employee's position with SBWMA. Employees shall be eligible to receive reimbursement provided that the courses of instruction require attendance at an accredited community college or university, are part of a curriculum leading to a degree or given by an accredited institution of learning, are approved in advance of enrollment by the Executive Director and the employee successfully completes such course submitted for reimbursement with a grade "C" or better. The Educational Expense Reimbursement Program may be used for professional development workshops or seminars. Examples of personal development and improvements include: Civic, community and professional organizations; professional development costs such as purchase of personal computer equipment; tuition for job related seminars, conferences and educational work or other professional development memberships costs.

UNEMPLOYMENT INSURANCE

Each year SBWMA contributes to the California Unemployment Insurance Fund on behalf of its employees.

EXPENSE REIMBURSEMENT

Employees may incur reasonable expenses in connection with their normal duties for SBWMA. This may include such items as travel, food and lodging. All travel related expenses must be approved in advance by Executive Director. Authorized expenses must be itemized and submitted along with original receipts substantiating the expenditures, **within 60 days** following the date the expense was incurred. Expense reimbursements will not be made without proper receipts. Expenses for alcohol are non-reimbursable. Every effort should be made to keep travel and entertainment expenses within a reasonable range since cost effectiveness may be factored in to employee performance evaluations.

Travel Expense Reimbursement

The following travel and expense guidelines apply to all SBWMA employees who incur SBWMA business related expenses and represent the general practices to be followed when SBWMA business requires the use of air transportation, hotel accommodations, and transportation services or when an employee incurs other business-related expenses.

Business travel expenses required for conducting SBWMA business are SBWMA paid or reimbursable to the extent that they are reasonable and properly approved. This policy cannot cover every possible travel occurrence; exceptions and/or omissions should be viewed with the same prudent, cost-conscious attitude used to develop the guidelines of this policy.

SBWMA will reimburse employees for:

1. Coach airfare on commercial carriers. Air travel on a private plane is not reimbursable or allowable *for insurance liability purposes*.
2. Hotel/motel accommodations in the moderate price range or the detailed hotel bill must be attached to the expense report. Hotel room upgrades elected by the employee are not reimbursable unless there is a valid business reason documented on the expense report.
3. Cars should be rented when necessary for business purposes and/or when more cost effective than taxis. Employees are encouraged to use their personal vehicles (parking and mileage, to and from the airport, are reimbursable) unless a limousine/taxi/shuttle is more cost effective and less than the total costs of parking and mileage. Standard mid-size cars. Sharing is required for all common destinations. Full-size cars must be pre-approved by the Executive Director. No employee may drive an automobile on SBWMA business unless he/she is legally licensed and insured to drive.
4. Business-related mileage will be reimbursed at the standard IRS rate.
5. Business telephone calls are reimbursable and should be identified on the expense report.

Expense Reporting

Expense reports must be completed in detail on a timely basis.

Authorized expenses must be itemized and submitted along with original receipts sustaining the expenditures, **within 60 days** following the date the expense was incurred.

Travel advances are discouraged. Incidental expenses should be paid by employees and submitted with expense reports.

Miscellaneous Allowable Expenses

- Personal entertainment is not reimbursable (e.g., pay television, movies, health clubs, theater tickets, newspapers, etc.)
- Alcoholic beverages are not reimbursable.
- Spouse travel is not reimbursable. This includes any additional meal expense and/or hotel/motel charge resulting from the spouse (e.g., double room rate vs. single room rate, etc.).
- Reasonable laundry charges are reimbursable when the length of absence from traveler's home is five (5) days or more. Items of a personal nature (i.e., magazines, toiletries, etc.) are not reimbursable.
- Parking tickets and other motor vehicle violations incurred while on SBWMA business are not reimbursable.
- Personal property is not covered for loss or damage by SBWMA. Employees are encouraged to refer to personal insurance policies if this coverage is needed.
- Expenses reimbursed using a per diem allowance will be in accordance with IRS regulations for such expenses.
- If an employee is authorized in advance to use his or her own automobile for SBWMA business, the employee will be reimbursed for mileage traveled on SBWMA business. Mileage will be calculated based on the trip's origination, whichever is closer, from the office, or home. Certain employees will have a car allowance at SBWMA's discretion, in lieu of reimbursable mileage.

**EMPLOYEE PLAN
ACKNOWLEDGEMENT FORM**

This Plan was developed to outline the policies, programs and benefits available to all employees of SBWMA.

I have received my copy of SBWMA's employee Plan. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the Plan. I understand that I should consult Management regarding any questions I may have.

Since the information, policies and benefits described herein are necessarily subject to change, I acknowledge that revisions to the Plan will occur. I understand that this information supersedes and takes precedence over all earlier Plans, memoranda and oral descriptions of the terms and conditions of employment. Only SBWMA's Executive Director has the ability to adopt revisions to the policies in this Plan. Policies set forth in this Plan are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between SBWMA and any of its employees. The provisions of the Plan have been developed at the discretion of Management and may be supplemented, revised or rescinded at any time, at SBWMA's sole and absolute discretion with or without notice.

I understand that acceptance of an offer of employment does not contractually obligate SBWMA to continue to employ me in the future and that any such offer is conditional upon, among other things, my submitting proof of my legal right to work in the United States of America. I further understand that any use, possession or distribution of alcohol or illegal drugs is strictly prohibited by SBWMA.

I understand and agree that my relationship with SBWMA is "at-will," which means that my employment is for no definite period and may be terminated by me or by SBWMA at any time and for any reason, with or without cause or advance notice. I also understand that SBWMA may demote or discipline me or otherwise alter the terms of my employment at any time at its sole discretion, with or without cause or advance notice.

Furthermore, I acknowledge that this Plan and the policies contained in it are not a contract of employment. I understand that it is my responsibility to read and comply with the policies contained in this Plan and any subsequent revisions made to it.

Employee's Signature

Date

Employee's Name (Typed or printed)

