

INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with Beacon Hill Water & Sewer District (BHWSO) and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by the District to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about District policy. As the District continues to grow, the need may arise to change policies or portion of the handbook from time to time as it deems appropriate. Employees will, of course, be notified of such changes as they occur.

EMPLOYEE ACKNOWLEDGEMENT FORM

I understand the employee handbook sets forth important information about my job at the District. I further understand that I should consult the General Manager regarding any questions not answered in the handbook.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur. I understand that all such changes will be communicated through revisions or amendments and that they may supersede, modify, or eliminate existing policies. Only the Board of Commissioners has the authority to adopt revisions to the policies in this handbook.

AT WILL DISCLAIMER

I have entered into my employment relationship with the District voluntarily and acknowledge that there is no specified duration of my employment. Accordingly, the District can terminate the relationship at will. However, the District will endeavor to provide fair justification for any termination. In the event I voluntarily elect to terminate my employment with the District, I understand and agree that a two week prior written notice by the employee is required to qualify for any accrued benefits.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in it and any revisions or amendments made to it.

EMPLOYEE'S SIGNATURE

DATE

EMPLOYEE'S NAME (TYPED OR PRINTED)

LETTER FROM THE BOARD OF COMMISSIONERS

Dear Fellow Employees:

Welcome to Beacon Hill Water & Sewer District. We wish to extend a word of welcome and introduction to our new employees as well as greetings and appreciation for the past years of service to our other employees.

The District is a special purpose entity which operates under the authority of the Revised Code of Washington (RCW) Title 56. The District covers an area of approximately five (5) square miles adjacent to the Cities of Longview and Kelso.

We are a water/sewer service provider in rural Cowlitz County. We serve approximately 10,000 citizens. Water is distributed through BHWSD's distribution system. The District does all maintenance, water quality testing and new service or repair requests. Water is provided by the City Of Longview Water Treatment Plant, of which BHWSD is a partial owner.

We operate and maintain the sanitary sewer collection system. Secondary treatment is performed at a regional facility operated by the Three Rivers Regional Wastewater Authority comprised of representatives from the Cities of Longview and Kelso, Cowlitz County and the Beacon Hill Water & Sewer District.

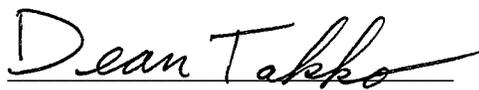
A three-member Board of Commissioners elected for six-year terms governs the District. The Board, acting as a body, sets the general policies for operation. The day-to-day functions of the District are administered by the General Manager appointed by the Board.

We believe the District is friendly and hope you will find it an enjoyable place to work. This type of atmosphere will make it easier and more pleasant for you to do your job and understand the District.

To make your employment with us more meaningful, we have prepared this booklet to help you get acquainted with us and our way of doing things. It will explain some of the benefits you receive as a District employee and some duties and responsibilities we all share. However, this booklet is not a contract between the District and any employee, and it can be modified or revoked, without notice, at any time by the District.

The District is owned by property owners within its boundary. As such, the Board is directly accountable to them. Any complaints from these "Owners" of the District will be looked upon seriously. It is our goal to provide the best service at a reasonable cost. As an integral part of this organization, your success in the job is vital for us to attain that goal. We hope our relationship will be satisfactory and mutually beneficial.


Monte J. Roden, President


Dean A. Takko, Secretary


Bonnie L. Decius, Commissioner

EMPLOYMENT GENERAL

EMPLOYMENT CLASSIFICATIONS

The District primarily offers employment opportunities in these categories.

REGULAR FULL TIME EMPLOYEES

Regular full time employees work not less than a 40-hour work week year round. Full time employees receive the full benefit package offered by the District.

REGULAR PART TIME EMPLOYEES

Regular part time employees who regularly work 24 hours or more, but less than 40 hours per week, will receive pro-rated benefits such as health insurance, holidays, vacation leave and sick leave.

TEMPORARY SEASONAL EMPLOYEE

Temporary full- or part-time seasonal positions may be filled May through September at the discretion of the District. A sick leave benefit is provided for employees in this employment classification. Please *see LEAVES/HOURS OF WORK/ATTENDANCE* for the sick leave benefit provided.

ORIENTATION EMPLOYEES

Orientation employees are hired as potential regular employees. They may accrue and use sick leave hours, but are not entitled to use any accrued paid vacation hours until after six (6) months of satisfactory employment. An orientation employee may be discharged during the orientation period for any reason or no reason.

ORIENTATION PERIOD

All new employees are subject to a six (6) month orientation period. This is an opportunity for you to qualify for regular employment. During that time, you will decide your interest in the job, and the District will assess your performance. The orientation period is very important. You should try to do your best, as you look forward to regular employment with the District. Toward the end of the orientation period, the employee is evaluated. If, in the sole judgment of the District, the new employee's performance is satisfactory or better, the employee will become a regular employee. If, in the District's judgment, the employee's performance is marginal or unsatisfactory, the District may discharge the employee or extend the orientation period for up to another six (6) calendar months to further evaluate the employee's performance and suitability for the job.

ASSIGNMENT OF DUTIES

The District is a relatively small organization. To function as efficiently as possible, we may ask you to perform seemingly "menial" duties outside your regular assignments. It is no reflection on your worth to the District, but a necessary arrangement for most small organizations.

To make the most efficient use of personnel, the District also reserves the right to change your work conditions and the duties originally assigned. If these arrangements become necessary, we expect your best cooperation.

PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify the District of any changes in personnel data. Personal mailing addresses, telephone numbers and names of dependents, individuals to be contacted in the event of emergency, educational accomplishments and other such status reports should be accurate and current at all times. If any personnel data has changed, please notify the Human Resources Administrator.

EQUAL EMPLOYMENT OPPORTUNITY

The District is an Equal Opportunity Employer. It provides equal employment opportunity without regard to race, sex, color, creed, national origin, religion, marital status, age or physical handicap. This policy applies to all applicants for job placement, transfer, promotion, training, demotion, all forms of compensation, layoff or termination and any other conditions of employment.

It is also the policy of the District to provide a work environment free from harassment. This includes sexual harassment and the use of derogatory or demeaning remarks, ethnic or sexist jokes directed at or offensive to another employee or individual, punishing an employee because he or she files a discrimination complaint or assists in a related investigation, displays of sexually suggestive objects or materials in the work place and any form of unwelcome sexual advance.

If you experience these or any other forms of discrimination or sexual harassment, you should report this immediately to the District Manager. In cases where discrimination or sexual harassment can be established, disciplinary action up to and including dismissal may be taken by the District.

All employees must practice prevention of discriminatory activities or sexual harassment always. The District Manager is personally accountable for prompt action to follow up on complaints and to take appropriate preventive measures against recurrence.

If you feel you are not, or will not be, treated fairly by the District Manager, we encourage you to approach the President of the Board or any other Commissioner to air your grievance.

It is the policy of the District that employment decisions shall be based on merit, qualifications, and competence. Except where required or permitted by law, employment practices shall not be influenced or affected by virtue of an applicant's or employee's race, color, religion, sex, national origin, age, or any other characteristic protected by law. In addition, it is the District's policy to provide an environment that is free of unlawful harassment of any kind, including that which is sexual, age-related, or ethnic. This policy governs all aspects of employment promotion, assignment, discharge, and other terms and conditions of employment.

SEXUAL HARASSMENT

The Beacon Hill Water & Sewer District prohibits sexual harassment of its employees in any form. Employees must not engage in such prohibited conduct and where such conduct is found to exist, discipline will result.

Unwelcome sexual advances, requests for sexual favors or other verbal, physical, or visual conduct of a sexual nature constitute sexual harassment when:

- submission to such conduct is made a condition of an individual's employment; or
- submission or rejection of such conduct is used as a basis for making employment decisions affecting the individual; or
- such conduct, intentionally or unintentionally, unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment.

Any employee who experiences or is aware of any instances of sexual harassment by a co-worker, customer or visitor, should report it immediately to the District Manager. If the complaint involves the District Manager, then the employee should go directly to the President of the Board or any other Commission member.

All complaints will be investigated and, upon completion of the investigation, the appropriate parties will be notified of the findings. Special privacy safeguards will be applied in handling sexual harassment complaints. No employee will suffer retaliation for reporting instances of sexual harassment.

Violators of this policy will receive a written warning on their first offense. Subsequent incidents may result in immediate termination.

We trust that all employees of the District will act responsibly to maintain a pleasant working environment, free of discrimination, allowing each employee to perform to his or her maximum potential. The District encourages any employee to bring questions he or she may have regarding discrimination of this type to the District Manager.

SAFETY AND HEALTH

The District's safety and health rules and procedures are designed to ensure that each job and area of the workplace will be as free as possible from hazards. The District has established procedures in an Accident Prevention Program and Safety Manual for which all District employees are responsible for compliance.

Employees who are aware of an unrecognized or poorly identified hazard or potential hazard in their jobs or the workplace are encouraged to report such hazards to the District Manager. Any ideas for removing or guarding against the hazard are welcome.

All field and office employees are considered responsible for steering and monitoring the organizations safety and health initiatives. Safety meetings involving all employees will be held monthly.

In case of an accident involving a personal injury, regardless of how serious, the employee shall notify the District Manager and file the appropriate accident report. Failure to report accidents can result in a violation of legal requirements, and can lead to difficulties in processing insurance and benefit claims.

If an employee is injured on the job, he\she will be entitled to benefits under the state worker's compensation insurance and the District will assist employees in obtaining all benefits to which they are

legally entitled.

ACCIDENTS

All job related accidents, however minor, should be reported to the District Manager for notification of the Department of Labor and Industries. Coverage may be denied for unreported accidents, and many minor injuries may require medical attention at a later date.

In case of a traffic accident, each District vehicle is equipped with an instruction booklet. All District employees shall become familiar with it and use it accordingly. Use the mobile phone or telephone to contact the District office as soon as possible.

PROTECTIVE CLOTHING

The District shall provide all necessary Personal Protective Equipment to be used in association with water and sewer operations. All Personal Protective Equipment, purchased by the District, shall remain with the District upon an employee's termination or departure. A \$300.00 annual allotment will be made available to each regular field worker for purchase of General Work Clothing and District-approved work boots. Upon each purchase, the receipt must be given to the accounts payable clerk with a copy to the payroll department. The employee's clothing allowance will be tracked on their timesheet. Balances may roll over into the following year and accrue up to a maximum of \$600.00. Any purchases in excess of the employee's allowance must be reimbursed out of personal funds to the District immediately.

Field employees should make every effort to wear clothing with the District Logo for ease of identification with our customers. When logo clothing is ordered, field employees will be charged for half of the cost of the logo garment and the District will pay for the other half up to \$100 per year. Work clothing is defined by the IRS as clothing that cannot be worn outside of the job. While much of what field employees purchase does not meet this definition, the nature of our work makes clothing worn at work unsuitable for use elsewhere. Therefore, it is assumed by the District that clothing purchased with allowances will be used for work only.

Office employees may also purchase District Logo clothing. Employee must pay half the cost of the logo garment and the District will pay for the other half up to \$100 per year.

SMOKE-FREE WORKPLACE

All District buildings and vehicles are non-smoking areas. No smoking will be allowed by employees, citizens and/or other visitors.

EMPLOYEE CELLULAR TELEPHONE/ELECTRONIC MAIL/INTERNET USAGE

CELLULAR PHONE

PURPOSE

The purpose of the Cellular Telephone Policy is to outline the criteria for the use of District-provided cellular telephones and to establish guidelines for reimbursement by employees for personal use of District phones.

ACQUISITION

The acquisition of cellular phones shall be limited to those instances where there is a demonstrated need for equipment to perform essential District business or to improve safety, increase productivity, increase service to the public, or where necessary communications cannot be provided by any other means. The purchase of cellular phones shall be subject to approval by the General Manager

USAGE

Cellular phones are provided to employees when needed to enhance normal and emergency operations. All cellular telephones are a District resource and shall not be used for personal telephone calls, except calls placed in emergency situations (e.g., requesting roadside assistance or medical aid, informing a family member when delayed) and are to be kept as brief as possible. The following pertain to use of District-owned cellular phones:

- The use of District-owned cellular phones for personal business is generally prohibited.
- District-owned cellular phones will be used only during an employee's regularly scheduled business hours except in cases of business necessity or emergencies.
- Employees shall reimburse the District for any personal calls made on District cellular telephones. Employees will be required to identify personal calls on the billing detail and reimburse the District.
- Cellular phones should not be used when a less costly alternative is safe, convenient, and readily available.
- The District reserves the right to monitor the use of all District-owned cellular telephones.
- Cellular transmissions are not secure. Discretion should be used in relating confidential information.
- Employees in possession of cellular phones are expected to protect the equipment from loss, damage or theft.

ELECTRONIC MAIL/INTERNET

PURPOSE

This policy is to ensure that use of the Internet by employees of the Beacon Hill Water & Sewer District is consistent with District policies, all applicable laws and the individual user's job responsibilities. Use of the Internet and communication through electronic mail (e-mail) allows employees to provide improved quality of service, greater productivity and cost effective operations. This policy is intended as a guide and aid to using these tools for District purposes. The policy may be reviewed and updated at any time to meet the requirements of changing technology.

USAGE

With a few exceptions, everything in government relating to the conduct of government or the performance of governmental functions, whether written, recorded, taped, or electronically stored is subject to public inspection. The Public Records Act (RCW 40.14) applies to electronic mail. The following guidelines shall be followed for records retention of e-mail. For these and other reasons, while e-mail is less formal than memoranda or letters, it shall still follow the standards of good business etiquette.

- Informal messages with no retention value and that do not relate to the functional responsibility of the recipient or sender, such as meeting notices, reminders, telephone messages and informal notes, shall be deleted once their administrative purpose is served.
- All other messages used in connection with the transaction of governmental business constitute a public record. Such records are subject to public inspection and copying; users should print out a copy of the record and file for keeping according to the District's Records Retention Schedule.
- Confidential or sensitive issues shall not be communicated via e-mail unless appropriately identified and distributed responsibly.

The BHWSO e-mail system is the property of the District. Employees shall use good judgment in the use of the e-mail system.

Employees shall not use District provided e-mail in a fashion that promotes discrimination on the basis of race, creed, color, gender, religion, disability or sexual preference; sexual harassment; copyright infringement; an employee's personal political beliefs or personal business interests; or for any unlawful activity. This includes forwarding material of a humorous nature to avoid questions of intent.

The District may access data that is normally under an individual's control without the consent of the individual employee when necessary to carry out normal business functions, or if suspicious of possible misuse of any of the items listed above.

INTERNET USAGE

Internet access is provided to BHWSO employees as a research and communication tool to help them conduct District business. Employees are trusted and expected to exercise good judgment in both duration and frequency of Internet use.

When there is a clear business reason for downloading Internet software, the appropriate anti-virus detection program shall be used to prevent infection. Copyrighted software requires evidence of ownership and if acquired, evidence of compliance with licensing agreements.

If you are not sure if materials are copyrighted, do not use them verbatim without appropriate attribution or the written permission of the author.

Unacceptable Internet access use includes, but is not limited to the following:

- Viewing, forwarding or downloading pornographic profane or sexually explicit materials;
- Use of Internet to harass employees, vendors, customers and others;
- Sports or games;
- Use of Internet for any political purposes;
- Unauthorized transfer of copyrighted materials utilizing District Internet capabilities;
- Any site that charges a fee without prior approval of District Manager; and
- Communication of personal or private business.

SECURITY

E-mail and the Internet downloads are the leading cause of computer viruses which can intrude into the District's database. Virus detection software has been installed on the network and each workstation. This software is not to be disabled for any reason. Also, the employee shall use due diligence with downloads. Do not open files or follow links that are sent from unknown or suspect sources.

DISCIPLINE/ENFORCEMENT POLICY

The District reserves the right to monitor e-mail and Internet usage.

Violators of this policy will be subject to discipline. It is the responsibility of the District Manager to enforce these policies and to monitor and audit employee the use of e-mail and internet access. Employees found in violation of this policy may be subject to the following:

- Internet and e-mail access may be revoked; and
- Disciplinary action as outlined in the Employee Handbook, up to and including termination in the event of serious or repeated infractions may be taken.

Electronic Mail and Internet Agreement

I, _____, received a copy of the policy regarding electronic mail and Internet usage for Beacon Hill Water & Sewer District. I have read the policy and agree to comply with all stated provisions and terms for usage involving District provided equipment and accounts.

I understand that, pending investigation, failure to adhere to this policy may result in discipline, in accordance with District policy.

Employee Signature

Date

District Manager

Date

STANDARDS OF CONDUCT AND DISCIPLINE

GENERAL

The District provides essential public services upon which many individuals and companies rely. Thus, all employees are expected to provide excellent and reliable performance. Any failure to meet this high standard is a ground for concern, discipline, or possible discharge.

DISCIPLINE

The District adheres to the concept of progressive discipline. This means that the District will take appropriate action based on the seriousness of the situation and the circumstances. Discipline less than discharge may take the form of a verbal warning, a written warning, a performance evaluation indicating substandard performance in one or more areas, probation or suspension. Which of these options is chosen or whether any of them are used prior to discharge depends on the seriousness of the infraction. All disciplinary action shall be noted in the employee's personnel file. The evaluation of the seriousness of the offense will be made solely by the District Manager.

BEHAVIORS RESULTING IN DISCIPLINE

There are certain kinds of actions that cannot be permitted to occur because of their unfair or adverse impact on customers, suppliers or coworkers. Such offenses may result in discipline up to and including discharge. By way of example only, some such offenses are listed below. These examples are for illustrative purposes and are not intended to be all inclusive. Other behavior also may be grounds for discipline or discharge.

- Failure or refusal to carry out safe and reasonable job assignments and management requests;
- Unauthorized release of District information;
- Swearing or verbal abuse while on District premises;
- Falsification of any work, personnel or other District records;
- Unauthorized taking of District funds or property or unauthorized charges against a District account;
- Dishonesty;
- Discrimination against or harassment of coworkers;
- Possession, consumption or being under the influence of alcohol or drugs at work or while on District premises;
- Deliberate damage to District property;
- Serious misconduct of any kind;

- Fighting or threatening to fight with another employee;
- Inefficient or substandard performance of assigned duties or responsibilities;
- Failure to report an absence in accordance with the sick leave policy;
- Failure to comply with safety requirements;
- Carelessness or negligence in the performance of an assigned duty or in the care and use of District property;
- Sleeping on the job; and
- Other violations of District policy.

POSSESSION AND USE OF DANGEROUS WEAPONS

A dangerous weapon is any instrument capable of producing bodily harm, in a manner, under circumstances, and at a time and place that manifests intent to intimidate another person or that warrants alarm for the safety of another person. Dangerous weapons are defined by RCW 9.41.

In the interest of maintaining a workplace that is safe and free of violence possession or use of dangerous weapons is prohibited on District property, in District vehicles or in any personal vehicle which is used for District business.

GIFTS AND GRATUITIES

Employees are expected to decline the acceptance of anything of value, no matter how small, that may involve or imply an obligation including the performance of work on District customer's private property during non-working hours if such work is related to the customers or the District's sewer and/or water systems.

IMPROPER ABSENCE FROM WORK

Absence from work, tardiness, or quitting early without a reason recognized as valid by the District is unacceptable conduct. The employee must obtain permission from the Manager ahead of time to be away from his/her job, except where the absence is for a reason recognized as valid by the District and could not be anticipated by the employee, in which case the employee must notify the Manager by telephone or message as soon as possible.

Each employee is expected to be at work promptly at or before the designated starting time. Tardiness and absences from work, for any reason, may subject an employee to discipline. The District will determine when discipline is appropriate for violations of this policy.

USE OF DISTRICT PROPERTY

An employee shall not directly or indirectly use, or allow the use of District property for non-District use, including equipment, vehicles, supplies and other property entrusted or issued to them.

INSUBORDINATION

Insubordination is not an acceptable form of conduct without a valid reason, such as threat to an employee's safety in terms of life or limb. Insubordination includes but is not limited to: failure to obey orders or perform job assignments given by the Manager; threatening, intimidating, coercing, or interfering with supervision; abusive language to the Manager or co-workers.

PROBLEM RESOLUTION PROCEDURE

If there is something about the District or your job that is bothering you, or if you have cause to feel that you have not been treated fairly in accordance with Federal or State law, or District policy, a means of redress is available to you in the form of the District's problem resolution procedure.

The District is anxious to learn of any condition that may be causing problems for you on the job. Such conditions cannot be corrected unless you make them known to the District. If something is bothering you, bring it out in the open and discuss it frankly with the people who can resolve it. All information will only be disclosed on a need-to-know basis in order to investigate and resolve the matter.

The District will make efforts to settle your problem promptly and in a fair manner. Here are the steps you should take and the order in which you should take them.

- Step 1 Within five working days of the incident or situation giving rise to your problem, discuss the problem with the District Manager. In most instances, a friendly talk with the Manager may solve a problem to your satisfaction. Your suggestions will be treated in a business-like manner. The Manager will investigate your concerns and provide you with an answer within five working days unless additional time is required due to the circumstances.

- Step 2 If the issue is not resolved verbally with the Manager, it should be reduced to writing and submitted to the District Manager within ten (10) working days of his/her verbal response. The District Manager shall respond in writing within ten (10) working days of receiving the employee's written concerns.

- Step 3 If the employee is not satisfied with the District Manager's written response and elects to pursue further settlement, the issue should be submitted in writing to the District's Board of Commissioners, along with a copy of the District Manager's response, within fifteen (15) working days of that response. The District Manager shall place the issue on the agenda for the Commissioners' next regularly scheduled meeting or may schedule a special meeting to discuss the employee's concern. Executive sessions will be held whenever appropriate. The Commissioners will endeavor to provide a response to the employee's concern within fifteen (15) working days of his/her meeting.

- Step 4 If the employee is not satisfied with the Commissioner's response, the issue must be submitted within fifteen (15) working days in writing to the office of the Judicial Arbitration and Mediation Service ("JAMS") for mediation. Requests for a mediator also may be made to the Federal Mediation and Conciliation Service ("FMCS"). The employee must copy the District on the written request for mediation. The employee and the District shall endeavor to schedule the mediation within thirty (30) days of the

date the employee submitted the problem to mediation. The employee and the District may agree on a mediator from the JAMS or FMCS panel.

If they are unable to agree, JAMS or FMCS will provide a list of seven (7) mediators and each party may alternatively strike names from the list until one remains. The remaining person will serve as the mediator. The employee may not initiate a superior court lawsuit against the District until the mediation process is completed. The employee and the District will each pay one-half of the cost of the mediator's service and if the employee elects to be represented, the employee is solely responsible for the cost of such representation.

As stated under the section on sexual harassment, should the problem at issue directly involve the District Manager, steps one and two of this policy may be waived and the process should begin with written notification of the problem directly to the Board of Commissioners with a copy to the District Manager.

The District also has adopted Resolution No. 312 pursuant to the Whistleblower's Protection Act of 1992. The contents of this manual shall not conflict with the purpose of that protection or any other federal or state law which provides employee protection from employer acts.

PERFORMANCE AND TRAINING

PERFORMANCE EVALUATIONS

We will try to evaluate employees on an annual basis, usually during the month of July. The purpose of this review will be to give the Manager, as well as the employee, a scheduled opportunity to exchange comments, concerns, criticisms and positive notables regarding job-related issues. This formal review shall not be a substitute for ongoing face-to-face communication between employees and the Manager. Employees will be expected to sign evaluations upon completion of the review session.

OUTSIDE EDUCATION

The District may require employees to attend certain educational training or workshop forums. Registration fees in these cases may be directly billed to and paid by the District. With regard to non-required educational pursuits, that in the judgment of the District Manager would benefit both the District and the employee, the District may agree to reimburse related costs following successful completion of the course by the employee. Success shall be defined as a certificate of completion or a passing course grade submitted along with associated tuition or course materials receipts. At the request of the employee, the District may agree to bear those upfront costs in exchange for a written statement by the employee to reimburse the District within several months or have the costs withheld from the employee's paycheck if not successfully completed.

VACATION AND HOLIDAYS

VACATION

Vacation hours are credited to each employee on the anniversary of his/her employment. Each new employee will receive his/her vacation time following the successful completion of the orientation period. Regular employees are eligible for vacation time based on the following schedule:

1st year - 96 hours

After:	1 year - 104 hours	12 years - 152 hours
	2 years - 120 hours	14 years - 160 hours
	3 years - 128 hours	16 years - 168 hours
	5 years - 136 hours	18 years - 176 hours
	10 years - 144 hours	

Vacation may be taken in less than full day increments.

The District recognizes the importance of rest and recreation for its employees. We encourage you to actually take time off from work for rest and recreation. Vacation leave may accumulate to a total of 240 working hours, after which time, if no leave is taken, no additional leave may be credited. An employee shall at no time have more than 240 hours of accumulated vacation leave. The District reserves the right to waive this requirement when, in the opinion of the Manager, extraordinary circumstances warrant an extension.

All vacation leave is subject to the approval of the Manager. A one week notice is strongly requested.

VACATION BUY BACK

An employee requesting buy back of vacation must meet the following criteria:

- Have at least 40 hours of vacation beyond buy back.
- Minimum buy back of 40 hour increments.
- Take at least 80 hours of personal leave per year.
- The granting of any buyback request is at the discretion of the District Manager and is subject to the availability of budget funds.

HOLIDAYS

All regular employees are granted the following paid holidays based on 8 hours per holiday for a total of 104 hours holiday pay. On the 4/10 work schedule, an employee may or may not elect to supplement their 8 hour holiday time off with (2) hours of vacation/floater/comp time.

NEW YEARS DAY
PRESIDENT'S DAY
INDEPENDENCE DAY
VETERAN'S DAY
CHRISTMAS DAY

MARTIN LUTHER KING JR.'S BIRTHDAY
MEMORIAL DAY
LABOR DAY
THANKSGIVING DAY
(4) FLOATING HOLIDAYS (includes 1 floater, 1 bereavement, and 2 converted holidays).

Whenever a holiday falls on a Sunday, we will observe the following Monday as the holiday. Any holiday falling on a Saturday or Friday shall be observed on the preceding Thursday.

Effective June 12, 2014, the State Legislature adopted SSB 5173, which entitles employees to two unpaid holidays per calendar year for reason of faith or conscience. The provisions of this policy are detailed in Exhibit D of this Personnel Manual.

LEAVES/HOURS OF WORK/ATTENDANCE

SICK LEAVE

Benefit:

An employee shall accrue sick leave benefits for all hours worked at the following rates:

- Regular Full Time Employees accrue (8) hours per month for each month worked.
- Part Time & Temporary Employees accrue (1) hour for every (40) hours worked.
- Paid sick leave for all employee classifications shall be provided at the greater of the newly increased minimum wage or the employee's regular and normal wage.
- Accrued sick leave balances for all employee classifications will be provided on the employee's pay stub.

Availability:

- Regular Full Time Employees are entitled to use their accrued sick leave at any time after commencement of their employment.
- Part Time & Temporary Employees are entitled to use their accrued paid sick leave beginning on the ninetieth calendar day after the commencement of their employment.

Usage:

An Employee is authorized to use paid sick leave for the following reasons:

- Mental or physical illness
- Injury or health condition
- Medical diagnosis, care or treatment of a mental or physical illness, injury or health condition
- Preventive medical care
- To allow for family care (see Family Members) with conditions above mentioned.
- For an employee's child's school or place of care that has been closed for health-related reasons
- For absences that qualify for leave under the domestic violence leave act

Family Members:

The District allows the use of sick leave, (see Usage) for the following family members:

- A child, including biological, adopted, foster, step or a child to whom the employee stands in loco parentis, is a legal guardian or is a de facto parent, regardless of age or dependency status
- A biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.
- A spouse

- A registered domestic partner
- A grandparent
- A grandchild
- A sibling

Reporting Requirements:

It is required that all employees notify the District Manager of the reason for absence as close to (1) hour before the start of the employee's regular work day. In the event it is impracticable for an employee to provide notice to their employer, a person on the employee's behalf may provide notice to the employer. This notice requirement may be waived by the District during extended absences or in cases of emergency.

For absences exceeding three days, the District Manager may require verification from a qualified health provider that the use of paid sick leave is for an authorized purpose. If required, the verification shall be provided by the employee within a reasonable time period during or after the leave. This requirement may not result in an unreasonable burden or expense on the employee or exceed privacy or verification requirements otherwise established by law.

Carry over:

- Regular full-time employees: Sick leave accumulation shall not exceed 1,200 working hours. Following (10) years of service, upon termination, except when termination is for due cause, the employee or his/her beneficiary shall be entitled to monetary compensation of accumulated sick leave at the employees' current rate of pay to 100% accumulated sick leave to a maximum of 720 hours.
- Part Time & Temporary Employees: Upon separation from employment, the District is not required to provide financial or other reimbursement to the employee for accrued unused paid sick leave at the time of separation. If separated from employment and having reached the 90th calendar day of employment prior to separation and rehired within twelve months from separation date and reached the ninetieth calendar day of employment prior to separation, the District will make their previously accrued unused paid sick leave balance available for use upon rehire. No other benefits are available to employees hired under this employment classification.

SICK LEAVE SHARING

The District allows the voluntary sharing of sick leave between employees under the following circumstances:

- An employee has depleted all his/her sick leave reserves.
- The employee needs additional leave that would qualify as sick leave, which could cause the employee to go on unpaid leave or terminate employment.
- The employee in need of leave does not qualify for Industrial Insurance benefits.
- The employee has previously abided by the rules of sick leave usage.
- Both donating and receiving employee have been employed by BHWSO for at least six

months of continuous service.

- The donating employee must retain a minimum of 240 hours of sick leave in their pool, and can donate up to 80 hours of their remaining sick leave per receiving employee per fiscal year.
- Donations to other employees should remain anonymous.
- The manager formally approves and documents the sick leave transfer between the employees.
- Sick leave is transferred on an hour for hour basis with no monetary value attached regardless of the rates of pay of the employees.

FAMILY AND MEDICAL LEAVE (FMLA)

The District complies with the federal Family and Medical Leave Act of 1993 (FMLA) and with Washington's Family and Medical Leave Act. This means that, in cases where the law grants an employee more leave than these policies provide, the District provides the employee the leave required by law.

The FMLA provides up to twelve weeks of unpaid leave every twelve month, to eligible employees for certain family and medical reasons.

Unpaid FMLA leave may be granted for the following reasons:

- To care for a child after birth or placement for adoption or foster care;
- To care for an employee's spouse, son, daughter or parent who has a serious health condition; or
- For serious health condition that makes an employee unable to perform the essential functions of his/her job.

Leave to care for a child after birth or placement for adoption or foster care must be concluded within twelve months of the birth or placement.

Under some circumstances, an employee may take FMLA leave in blocks of time, or by reducing an employee's normal weekly or daily work schedule if a medical condition warrants such. In such cases, the District may request the employee to provide a written certification from his/her health care provider which includes the projected dates and duration of treatment and a statement of the medical necessity for taking the leave or working a reduced schedule.

The District may temporarily transfer an employee to an available alternative position with equivalent pay and benefits if the alternative position would better accommodate the employee requesting the change in working schedule.

The District may require an employee to use accrued sick leave and vacation leave as part of the employee's FMLA entitlement.

WASHINGTON STATE: PAID FAMILY AND MEDICAL LEAVE

Paid Family and Medical Leave is a mandatory statewide insurance program that will provide almost every Washington employee with paid time off to give or receive care.

If you qualify, this program will allow you to take up to 12 weeks, as needed, if you:

- Welcome a child into your family (through birth, adoption or foster placement)
- Experience a serious illness or injury
- Need to care for a seriously ill or injured relative
- Need time to prepare for a family member's pre- and post-deployment activities, as well as time for childcare issues related to family member's military deployment. For specifics on military-connected paid leave, visit www.dol.gov/whd/regs/compliance/whdfs28mc.pdf

If you face multiple events in a year, you might be eligible to receive up to 16 weeks and up to 18 weeks if you experience a serious health condition during pregnancy that results in incapacity.

Payments of Premiums

The program is funded by premiums paid by both employees and employers. It will be administered by the Employment Security Department (ESD).

Premium collection starts on January 1, 2019. The District is not required to pay the employer premium since it has less than 50 employees. As a benefit, the District has opted to pay the employee portion of the premium.

Taking Leave

Starting January 1, 2020, employees who have worked 820 hours in the qualifying period (equal to 16 hours a week for a year) will be able to apply to take paid medical leave or paid family leave. The 820 hours are cumulative, regardless of the number of employers or jobs someone has during the year. All paid work over the course of the year counts toward the 820 hours, including part-time, seasonal and temporary work.

While on leave, you are entitled to partial wage replacement. That means you will receive a portion of your average weekly pay. The benefit is generally up to 90 percent of your weekly wage, with a minimum of \$100 per week and a maximum of \$1,000 per week. You will be paid by the State of Washington rather than your employer.

Unlike the federal Family and Medical Leave Act (FMLA), employees of small businesses may take Paid Family and Medical Leave if they meet the standard eligibility requirements.

More information on applying for this benefit is available at www.paidleave.wa.gov.

The District will allow an employee who has accrued vacation, sick or other paid time off to choose whether: (a) To take such leave; or (b) not take such leave and receive paid family or medical leave benefits, as provided in RCW 50A.04.020.

Protections Provided

Employees who return from leave under this law will be restored to a same or equivalent job if they work for an employer with 50 or more employees, have worked for this employer for at least 12 months, and have worked 1,250 hours in the 12 months before taking leave (about 24 hours per week, on average).

You can keep your health insurance while on leave. If you contribute to the cost of your health insurance, you must continue to pay your portion of the premium cost while on leave.

Your employer is prohibited from discriminating or retaliating against you for requesting or taking paid leave.

BEREAVEMENT LEAVE

In lieu of bereavement leave compensated days, each employee shall be provided with one additional floating holiday (8 hours) per year which may be used for bereavement or any time off. Providing that arrangements are made with the District Manager, any period of bereavement may be extended or supplemented by the use of an employee's accrued sick leave or vacation time.

ABSENTEEISM

An efficient work force is dependent on a punctual and available staff. It is important that employees report for work every day on time. Each employee is an essential part of the District and any absence adversely affects the productivity of the organization.

If you must be absent or tardy, notify the District Manager as soon as possible, preferably close to one (1) hour before you are scheduled to work.

LEAVES OF ABSENCE

Leave of absence, without pay, for reasons other than vacation or sick leave may be granted by the District Manager. Where leaves are granted for other than disciplinary purposes, credit for accumulation of benefits shall continue. Leave may be granted for educational training, limited military service and other desirable purposes.

In order to be eligible for consideration, you must have completed at least one (1) full year of employment as a regular employee. A request must be submitted, in writing, to the District Manager, stating the reason and length of the leave desired. The length of allowable leave is to be determined on a case by case basis.

Failure to return to work upon completion of your leave of absence will be considered a voluntary resignation. An employee on leave of absence shall not be permitted to accept other employment during the leave.

OTHER

JURY DUTY

Serving on a jury is a fundamental responsibility of citizenship, and the District supports this important role in our society. However, to ensure that we can provide proper service to our the public, if you receive a notice for jury duty service, please notify the General Manager as soon as possible so that appropriate scheduling needs can be met. If your absence would pose a significant hardship for the District, you may be asked to request a postponement of jury duty from the court. Jury duty leave is paid at your regular rate for the time you are required to serve, less juror's fee received. You are expected to report to work on any day that you are released from service with four or more hours left in your regular shift.

WITNESS DUTY

BHWSO employees will be paid when subpoenaed to court regarding situations that arise while

conducting District business. Employees will be paid at the straight time rate of pay and are free to use any remaining paid leave benefits (such as personal leave) to receive compensation for any period of witness duty absence that would otherwise be unpaid. (Example: Unpaid witness duty would include matters related to an employee's own personal matters). The subpoena should be shown to the General Manager immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits.

HOURS OF WORK

The normal work week for regular employees is 40 hours and regular work days are Monday through Thursday. Normal working hours are from 7:00 a.m. to 5:30 p.m. with a one half (1/2) hour unpaid lunch break for office staff and 6:30 a.m. to 5:00 p.m. with a one half (1/2) hour unpaid lunch break for field crew. As required by state regulations, all employees are allowed 10 minutes rest time for every four (4) hours worked. However, given our relatively small staff, each employee should incorporate these breaks into the ebb and flow of the work day to minimize interruption of projects and maximize operations coverage. Similarly, each employee is required to have at least a thirty (30) minute lunch break within five (5) hours of beginning work. Where extraordinary circumstances will appear to require an employee's elongated participation in a given project, that employee will make the appropriate adjustment in the course of that day's events to satisfy this requirement.

The Employee time sheet is the basis for computing compensation. Always maintain your time sheet daily to insure an accurate account of all hours worked and/or other benefit time used. Hours worked and/or other benefit hours used are to be entered on the appropriate line and column. Holiday, sick leave, vacation and compensation time are to be designated as such on the time sheet. Unless you are given time off without pay, the total regular time including comp time, vacation and sick leave for each work day should add up to your total regular daily hours. The total of all daily regular time should equal the total regular hours for that month.

Time sheets are to be signed by the employee and be reviewed by the Manager verifying accuracy before being submitted for processing.

OVERTIME AND COMPENSATORY TIME OFF

The District allows for the accrual of "comp" time to employees working over their normal daily or weekly work hours at the rate of 1.5 times the time over an employee's regular work day hours (minimum increment of fifteen (15) minutes). An Employee may also request monetary compensation for accrued overtime as an alternative to comp time. No more than 80 hours of compensatory time may be accumulated. Compensation above the 80 hours maximum accumulation must be taken monetarily.

All overtime, except in emergencies, shall be authorized by the Manager. Although at least a day notice is preferable, compensatory time off can be taken on short notice with prior approval by the Manager.

STANDBY, CALL BACK AND INCLEMENT WEATHER

STANDBY

Regular, full time field employees of the District will be assigned, on a weekly basis, emergency telephone standby duty for evenings and weekends. The employee is not required to remain on

District premises during these off hours and can use the time freely for his/her own purposes but should be available to receive calls by pager, cellular or home phone. Employees on standby are required to maintain themselves in a state of readiness so that they may respond when paged or called within 30 minutes of notification. Employees on standby shall not consume alcoholic beverages or prohibited drugs as per the requirements of the District's Drug & Alcohol Policy (page 28). If contacted, and for whatever reason employee is unavailable within 30 minutes, that employee will attempt to pass the duty to respond on to another field employee. Coordination will occur between the field crew at the end of each week, or prior to holiday closures, to designate the person either in order of rotation or most available for that particular period. The District's after hour's service will then be contacted with the name of that primary designee for contact during the upcoming period.

A minimum of one (1) hour per day at the overtime rate will be credited to an employee on standby. An Employee on holiday standby will be credited with a minimum of three (3) hours at the overtime rate.

CALL BACK

Should a situation develop where the employee must check a District facility or respond to a customer call, employee will receive a minimum of two (2) hours call-out time at the overtime rate for the time involved away from home on District business until he\she returns.

INCLEMENT WEATHER

If, due to unusual weather conditions the employee is unable to report for work, all time off will be deducted from vacation or compensatory time off. If the employee has no vacation or compensatory time off available, absence will be without pay. When the employee submits a timesheet for the period, the amount of time away from the job, and the employee's selection of what time to use (vacation or compensatory) shall be specified.

BENEFITS

GROUP INSURANCE PLAN

All regular employees are entitled to access the group insurance benefit package. This includes coverage for medical, dental, long term disability and life insurance. Employees may purchase additional life and AD&D insurance for themselves, spouses and/or children.

As with all other employee benefit programs, these insurance plans are subject to change. The District reserves the right to change the type of coverage, the payment of premium and all other conditions associated with this benefit program.

The District will continue to pay your insurance premiums while you are on an approved unpaid leave of absence, to the extent permitted by the insurance carrier's policies.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

Both the District and the employee contribute to the Washington State's Department of Retirement's (DRS) PERS account. The rate of contribution is set by the Washington State Legislature and is subject to change as enacted by law. The Human Resources Administrator will assist you with plan options and enrollment.

In addition the Commissioners have adopted a Resolution allowing employees to participate in a DRS Deferred Compensation Plan. This contribution is by the employee only through payroll deduction. This is a supplemental retirement savings program that offers an employee the opportunity to invest money toward his/her retirement.

WELLNESS PROGRAM

The District strives to promote an environment that is supportive of employees' health needs and that offers opportunities for employees to participate and optimize newly-learned health related skills. The Wellness Program is voluntary and open to all District employees. The purpose of the Wellness Program is to educate and increase health awareness by providing wellness programs and information that will benefit the employees, as well as the District as an employer, through better employee fitness, improved morale and productivity and more prudent use of health care benefits.

HEALTH REIMBURSEMENT ACCOUNT/VOLUNTARY EMPLOYEE BENEFICIARY ASSN

It is the policy of the District to contribute to a Health Reimbursement Account/Voluntary Employee Beneficiary Association (HRA/VEBA) plan for benefit-eligible employees as authorized in Resolution No. 380, adopted October 16, 2003 or as thereafter amended. Procedural implementation of this plan will be as follows:

- An employee that is covered by other health coverage under a group health plan that extends to the employee and his/her dependents is eligible to waive the health insurance coverage provided by the District. An amount equal to what the District would have paid for that employee, less the premium for life, long term disability and dental components, if applicable, can be contributed monthly into an HRA/VEBA account for each eligible employee after completion of a Medical Benefits "Opt-Out" Form provided by the District.
- Subject to the provisions outlined herein, the District will make payments of unused sick/vacation leave, consistent with prevailing District policy at the time, into an employee's HRA/VEBA account for voluntary separation from employment with the District. In the event of involuntary termination of an employee, the payment of unused sick/vacation leave is not eligible for deposit into the employee's HRA/VEBA account.
- A determination shall be made by an annual group vote of HRA/VEBA eligible employees, declaring each year to be either a Medical Expense Plan (MEP) year or a non-Medical Expense Plan (non-MEP) year.
- In October of each year, the District Manager will determine the HRA/VEBA eligible voting population. In November, each eligible voter will be provided with a ballot upon which a declaration will be made as to whether the upcoming calendar year sick leave or sick/vacation leave eligible payouts will be made to an HRA/VEBA account(s) or not. A simple majority vote of all eligible voters shall be binding on all HRA/VEBA eligible employees.
- If it is to be a MEP year, an employee voluntarily separating from employment is required to process a Hold Harmless Agreement as provided by the District Manager.
- Statements in this policy do not constitute tax, investment, or legal advice. Employees should

seek independent tax, investment, and legal advice regarding participation in any HRA/VEBA.

- The District retains the right to modify or repeal the above HRA/VEBA plan for benefit-eligible employees at its discretion and without prior notification to the employees. Nothing in the District's HRA/VEBA plan for benefit-eligible employees is intended to reduce or otherwise detrimentally affect the pension benefits of current employees. The HRA/VEBA plan is not intended, nor shall it be interpreted, as limiting or compromising the District's status as an "at will" employer.

**Beacon Hill Water & Sewer District Medical Benefits Opt-Out Form
For Voluntary Employees Beneficiary Association
VEBA**

I hereby waive all coverage under the District's medical plan in exchange for contribution to an individual HRA/VEBA. I understand my waiver has serious effects on my family and me including the following:

- I will receive an amount equal to the District's monthly contribution toward health benefits less the cost of life, dental and long term disability insurance in return for waiving medical coverage for each full month the waiver remains in effect.
- I understand I am eligible to waive medical coverage only if I have other health coverage under a group health plan that covers my dependents and me. I understand that I must provide the District proof of other coverage prior to the District's acceptance of my waiver including the name and telephone number of the person and plan through which I have other coverage. Such proof must be in writing from the other plan. I authorize the District to obtain information from my other plan to the extent necessary to assure the District of my coverage in the plan.
- I must notify the District Manager in writing within thirty (30) days of losing other coverage. If I do not timely notify the District Manager of losing other coverage, I may not re-enroll in the coverage I am waived until the next plan year.
- I may revoke this waiver for myself or for myself and any spouse or dependents if I notify the District Manager in writing at least thirty (30) days ahead of when I want to "Opt-Back" under the District's medical plan.
- If I re-enroll in the District's plan after having waived coverage, I will be subject to provisions of the plan as in effect when I seek to re-enroll.
- The District may discontinue this opt-out program or change the amount of monthly contribution at any time and without prior notice.

I have read this waiver, had the chance to consider it and signed it knowingly and voluntarily. I hereby waive all coverage under the plan on the terms set out above.

Name (please print or type)

Signature

Date

SECONDARY EMPLOYMENT AND CONFLICTS OF INTEREST

SECONDARY EMPLOYMENT

"Moonlighting" activity in the sanitary sewer and/or water fields within the District boundary or other outside work on projects involving the District or any District employees in their official capacity is prohibited. "Moonlighting" activity during an employee's normal working hours is prohibited.

Employees may not receive any income or material gain from individuals outside the District for materials produced or services rendered while performing their jobs. Nor may employees solicit any type of work from customers on behalf of themselves, other individuals or businesses, during normal work hours. No employee shall officially inspect or approve for compliance any work he or she personally performed in outside employment.

Employees may hold outside jobs as long as they meet the performance standards of their job with the District. Employees should consider the impact that outside employment may have on their health and physical endurance. All employees will be judged by the same performance standards and will be subject to the District's scheduling demands, regardless of any existing outside work requirements.

If an employee's outside work interferes with performance or the ability to meet the requirements of the District as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with the District.

CONFLICTS OF INTEREST

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest or the appearance of such. The purpose of the following guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of the District's business dealings or where outside interests can influence the employee's ability to perform his/her job requirements in an unbiased manner.

Any employee who participates in practices that are considered a conflict of interest will be subject to disciplinary action, including discharge.

POTENTIAL CONFLICTS

- Purchasing\Contracts - If an employee has any influence on transactions involving purchases, contracts, or leases, it is imperative that he or she disclose to the District manager as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.
- Gifts - Personal gain may result not only in cases where an employee or relative has a significant interest in a firm with which the District does business but also when an employee or relative receives any substantial gift or special consideration as a result of any transaction or business dealings involving the District.

TERMINATIONS

INTRODUCTION

There are three ways in which employment with the District is usually terminated: resignation, layoff or discharge.

VOLUNTARY RESIGNATION

Non-management employees must give at least fourteen (14) calendar day's prior written notice of resignation. Management employees must give not less than sixty (60) calendar day's prior written notice of resignation. Retirement is considered a form of voluntary resignation.

Employees who give the required notice of resignation and who have completed the orientation period will receive pay for up to thirty (30) days of earned but unused vacation with their final paycheck. Employees who resign without giving the required notice of resignation will not receive any pay for earned but unused vacation and will not be eligible for rehire.

LAYOFF

Employees may be laid off whenever a shortage of work or funds, the elimination of a position, or other changes in the District's operations or work practices require a reduction in the number of employees. If there is only one employee in a position affected by a layoff, the employee in that position will be laid off. If there is more than one employee in a position affected by a layoff, employees will be selected for layoff based on current performance, experience and other relevant qualifications. Performance evaluations may be used as an aid in selecting employees for layoff. If skills, ability, experience, competence and qualifications of the employees affected by layoff are judged equal by the District, then the least senior employee will be laid off first. Non-management employees should receive as much forewarning notice as possible, but at least two (2) weeks written notice of layoff. Management employees should receive at least sixty (60) days notice of layoff.

EXIT INTERVIEWS

The District tries to conduct exit interviews with all terminated employees. The purpose of this interview includes ensuring the return of all District property, reviewing financial arrangements, including the amount of the final paycheck, reviewing the reasons for resignation, layoff or discharge, and obtaining the employee's input and suggestions for improvements at the District. Employees may be informed of any rights to continue employee benefits at this time. The final paycheck is usually available on the payday for the pay period during which employment terminated.

STATEMENT ON "COURTESY"

Courtesy is the condition of being polite. Politeness is the circumstance where considered regard for others is always shown. District employees should be courteous and exhibit politeness in all contacts with others. We too often think of courtesy only in terms of words such as "Thank You" and "You're Welcome". These words are important but they are only the start of real courtesy. Insincere "lip service" to the ideal of politeness accomplishes little, and phrases of thanks, sympathy, apology, etc., are too often worthless unless your listener believes you sincerely mean what you are saying. So, in being polite, mean what you are to say, choose your words advisedly, and speak to them so that the party to whom they are directed knows that you mean exactly what you are saying.

Courtesy is always something more than words, and the additional factor is to always find the opportunity and the time to show your friendliness, sympathetic understanding, and good will. On every call, you can give this evidence by the natural and friendly tone of your voice and by an eager interest that says, "How can I help this person?"

For many customers, you may be the only personal contact which they have with your District and, consequently, their judgment of the District may be dependent almost wholly on your manner and tone of service. Therefore, it is important that you be friendly and helpful, displaying personal interest, speaking naturally, using judgment and imagination in an effort to meet, within reason, the customer's wishes.

When assistance cannot be given, it is important that your tone and manner convey a desire to help, regret that you could not help, and a feeling of confidence that you have willingly and cheerfully done all that you could reasonably do.

PRINCIPLES OF EFFECTIVE CUSTOMER SERVICE

- Understand the customer's point of view. Try to put yourself in the other person's place. To do this, so that you can appreciate his/her problem, takes emotional maturity and communication skill.
- Let the person tell his/her story. The best approach for an upset customer is to let them get it off his/her chest, without getting you upset. Give them a chance to express his/her feelings. Draw them out with questions or noncommittal remarks such as "I know how you feel." This will help them calm down. It will also reveal some points of agreement or settlement that are important in leading to a solution.
- Learn to listen. It's not enough to sit passively while the customer talks. One has to listen with his/her mind, looking for the paths that lead to understanding and problem solving. It involves leading the speaker with timely questions. It requires the ability to turn the speaker's question back to them so that they will tell his/her story fully and not be given answers before they are ready. Listening is a skill.
- Speak their language. It will not help to use the words common to your profession when dealing with the public. You have to translate. You should never embarrass your customer or put them on the defensive by making them ask "What do you mean?" Find the words they will understand when talking about your service. Aim at communicating, not showing off your knowledge.

- Say it with respect. Courtesy, respect, consideration are all shown in little things such as a friendly tone of voice, a manner that shows the customer that you consider them a person worthy of respect and courtesy with a choice of words that will be meaningful to your customer.
- Make them feel important. When you have other work, besides meeting people, set it aside when the person comes to you. Try not to make them wait until you've finished. Learn their name quickly and use it. Their name is important to them and they should feel that it is important to you. Never use an abbreviated name (nickname). It is appropriate to address customers\public by last name, Mr., Mrs., or Ms. It may be offensive to the customer and shows a lack of respect to use first name only.
- Be prepared. When you know a specific person is coming, review their file or request in advance.
- Show interest and attention. Many times a public contact can be rendered ineffective because the person at the desk or counter is carelessly groomed, the desk is a paper jungle or the customer has to compete with a radio to be heard. Often people are offended by such circumstances. They suggest a lack of interest in oneself and, therefore, a lack of interest in others.
- Know how to bring contact to conclusion. Don't lose the effectiveness of your problem solving skills by letting the discussion drag on. When you feel the problem has been solved, you should courteously end the contact. This takes tact but should be done firmly and pleasantly.
- Maintain good conduct. As an employee of the District you are a representative of this organization during your work hours. You are expected to conduct yourself in a professional manner. During any on-the-job contact with the general public, agents or representatives of the District, fellow employees and any vendors or parties conducting business with the District, you are expected to be polite, pleasant, professional and appropriately attired. If you feel you are losing control of your temper, refer the matter to the District Manager immediately. We will not put up with the use of foul language or gestures by our employees.
- Refer all inquiries from the news media to the Manager.

GUIDELINES FOR HANDLING VOLATILE SITUATIONS IN THE FIELD

Should a member of the Field Crew encounter hostility from a customer, or others in the field, it is important for them to know how to handle the situation in a manner that will not escalate the situation.

- Listen - Allow them to tell their concerns to you. Repeat their concern to them. This will help eliminate misunderstandings, and hopefully reduce customer frustration.
- Show Respect - Be Considerate. Speak in a low tone, friend voice and show interest in what they are explaining to you.

- Know When To Leave - Should the expressed frustration continue to escalate, do not get into an argument. Bring the conversation to a polite conclusion and leave. This will give them an opportunity to calm down and removes you from a potentially dangerous situation. Report the situation to the District Manager.
- Threats - Should a member of the Field Crew receive a threat of any kind, they should leave the site immediately and report the situation to the District Manager.

EMPLOYEE DRUG & ALCOHOL POLICY

PROHIBITED CONDUCT

No employee may use, sell, manufacture, receive, distribute, dispense or possess any illegal drug, or be under the influence of, or use alcohol, or abuse prescription or over the counter (OTC) drugs while on District property, while operating District or personal vehicles on District business, or while representing the District in an official capacity on or off the District premises.

USE OF LEGALLY OBTAINED PRESCRIPTION DRUGS

All employees taking prescription medications (prescribed to them) are required, for safety reasons to carry the medicines in the original container as issued by the pharmacy.

If the employee's physician prescribes any drug, the employee is responsible for asking the physician if any side effects will result that will potentially impair his\her work behavior. If the probability is high, or certain, the employee should have the physician write a brief memo to the District Manager explaining only the duration of the side effect and whether or not the employee can satisfactorily perform his\her designated task. The District Manager will determine the temporary duty assignment, if necessary.

MANAGEMENT AND EMPLOYEE RESPONSIBILITIES

Any alleged illegal drug or paraphernalia found or seized as a result of enforcement of this policy, will be collected by the District Manager, who will immediately notify the Sheriff's Department for directions on disposal. The Sheriff's Department may elect to come to the worksite and collect the items.

Under no circumstances will an employee or the District Manager store or dispose of any alleged illegal drug or paraphernalia without first contacting the Sheriff's Department.

Any employee convicted of any offense (on or off duty) that results in suspension or limitations of driving privileges will notify the District Manager before operating a District vehicle or his/her own vehicle on District business.

As part of our commitment to all employees in maintaining a safe and productive Drug-Free Workplace, the District provides the services of a confidential Employee Assistance Program (EAP). This program provides confidential assessments of employees and their family members who may be in need of help due to a substance abuse problem or any difficulty. The EAP is designed to help the employee or their family members deal with their problems or refer them to someone else who can counsel them.

Use of the EAP by any employee who voluntarily seeks assistance for a substance abuse or other problem, or who is referred to the program by the District Manager, is CONFIDENTIAL, and will not be reflected in the employee's personnel file, nor will the use in any way affect promotions or assignments. EAP is available through Unum: Toll-free, 24-hour access at 1-800-854-1446 and online access at www.lifebalance.net. User ID and password: lifebalance.

DRUG AND ALCOHOL TESTING

PURPOSE

The purpose of drug and alcohol testing is to deter employees from abusing drugs or alcohol and provide early identification and referral to treatment of employees with drug or alcohol problems.

DEFINITIONS

- Alcohol means ethyl alcohol (ethanol). References to use of alcohol include use of a beverage, mixture or preparation containing ethyl alcohol.
- Chain of Custody refers to the procedures used to account for the integrity of a urine specimen by tracking its handling and storage from initial collection to final disposition.
- Collection Site means a place where individuals present themselves for the purpose of providing a urine or breath sample to be analyzed for the presence of drugs or alcohol.
- Collector is a person who instructs and assists individuals at a collection site and who receives and makes the initial examination of the specimen provided by those individuals.
- Confirmation Test is a second analytical procedure run on a urine specimen that was positive on the initial screening test. The confirmation method must be capable of providing requisite specificity, sensitivity and quantitative accuracy. The confirmation method for drugs is gas chromatography / mass spectrometry.
- Drug means controlled substances as specific in Government regulations. As part of this program, urine specimens are analyzed for five controlled substances: marijuana, opiates, cocaine, amphetamines and phencyclidine (PCP).
- Drug Test means that any chemical, biological or physical instrumental analysis administered for the purpose of determining the presence of a drug or its metabolite analysis, at a government-certified laboratory is in accordance with the Department of Health and Human Services procedures.
- Employee means an individual who performs services for compensation and is covered by the Industrial Insurance Act.
- Employee Assistance Program (EAP) means a program designed to help employees experiencing personal problems, including alcohol and drug abuse, by providing

professional assessment, counseling, referral services and follow-up monitoring. These services can be provided by an in-house or a contracted EAP.

- Initial Test (also called a "screening test") means a sensitive, rapid and reliable procedure to identify negative and presumptive positive specimens. It is currently an immunoassay procedure.
- Last Chance Agreement means a notice to an employee referred to the EAP under certain conditions, stating the terms and conditions of employment with which the employee must comply. Failure to comply with this notice normally will result in termination of employment.
- Medical Review Officer (MRO) means a licensed physician trained in the field of alcohol and other drug testing who provides medical assessment of positive test results, request re-analysis if necessary, and makes a determination whether or not alcohol or other drug abuse has occurred.
- Prescription Medication means a drug or medication lawfully prescribed by a physician for an individual and taken by the individual only in accordance with such prescription.
- Reasonable Suspicion Testing - Is testing based on contemporaneous, articulable observations by the Manager who has received training concerning the signs and symptoms of drug and alcohol use.
- Rehabilitation means the process by which an employee's alcohol or other drug abuse problem is resolved through identification, assessment, treatment and post-treatment support and follow-up monitoring.
- Treatment means a therapeutic residential or outpatient program for employees with alcohol or drug abuse problems.
- Verified Positive Result means a confirmed positive test result by the drug testing laboratory that has been reviewed and verified as positive by a medical review officer in accordance with MRO guidelines promulgated by the U.S. Department of Health and Human Services.

GUIDELINES

Drug testing will be conducted by laboratories approved by the Substance Abuse and mental Health Services Administration National Laboratory Certification Program using both initial and confirmation tests. Both tests must be positive (above government established cutoff levels) before the laboratory can report the result as a confirmed positive test. All laboratory positive test results must be reviewed by a Medical Review Officer (MRO) prior to the release of any information to the District. Alcohol testing will normally be conducted using a breath device approved by the National Highway Traffic Safety administration. A blood specimen may be used when an approved breath testing device is not available. An employee may request that a blood specimen, in addition to the breath test, be collected and analyzed for alcohol at his or her own expense. It is recommended that alcohol testing be conducted as closely as possible in accordance with DOT regulations.

EMPLOYEE PROTECTIONS

The following employee protections have been incorporated to ensure the integrity and accuracy of the drug testing program:

- Employees are given advance warning that a drug testing program will be implemented.
- Drug tests are conducted by a laboratory certified by the Substance Abuse and Mental Health Services.
- Administration using the most accurate and reliable testing methodologies.
- Chain of custody procedures are used to account for the integrity of each urine specimen by tracking its handling and storage from point of collection to final disposition.
- All confirmed positive results receive a professional medical review that includes offering the employee the opportunity to provide information to explain the test result or to have the original sample re-tested at a different certified drug testing laboratory.
- Rehabilitation is offered to employees who test positive for the first time, except where independent grounds for termination of employment exist.

COMMERCIAL DRIVER'S LICENSE (CDL)

An employee will be disqualified from driving a commercial motor vehicle if he/she fails a drug or alcohol test as part of either a drug and/or alcohol testing program required by employers or a pre-employment drug and alcohol testing. These disqualifications remain in effect until the employee presents evidence of satisfactory participation in, or successful completion of, a drug or alcohol education or treatment program meeting federal certification criteria.

REASONS FOR TESTING

Reasonable Suspicion

Alcohol and/or drug testing is conducted when the Manager, based on specific facts and reasonable inferences drawn from those facts, believes that an employee is under the influence of drugs or alcohol. Circumstances which constitute a basis for determining "reasonable suspicion" may include, but are not limited to:

- An employee showing signs of impairment such as difficulty in maintaining balance, slurred speech, glassy or bloodshot eyes, alcohol on breath or otherwise appearing unable to perform assigned work in a safe and satisfactory manner.
- Abnormal conduct or erratic behavior while at work or a significant deterioration of work performance.
- Direct observation of drug or alcohol use on the job.

- A report of on the job alcohol or other drug use provided by a reliable and credible source, which has been independently corroborated.
- Arrest or conviction for a drug or alcohol related offense, or the identification of an employee as the focus of a criminal investigation into unauthorized drug possession, use or trafficking.

Post-Accident Testing

Alcohol and/or drug testing is conducted when an employee(s) is involved in an on-the-job accident or engages in unsafe job related activity that poses a danger to himself / herself or fellow employees. Post-accident testing should be initiated in the following circumstances:

There was an accident that resulted in:

- A death or
- An injury requiring off-site medical attention or
- Property damage estimated to exceed \$2,000 or
- Eight (8) or more hours of lost time.

There was a violation of a safety rule or standard that exposes the employee, other employees or the public to:

- Possible death or
- Serious bodily injury or
- Significant property damage.

FOLLOW-UP

All employees who enter an alcohol or drug abuse rehabilitation program through the EAP, as a result of being identified as an abuser by a drug test or alcohol or drug incident, and receive a last chance memorandum (Exhibit B) will be subject to unannounced testing for a period of up to two years. This type of testing is an effective tool in helping recovering employees maintain their sobriety while holding them responsible for their own recovery.

- If the EAP determines that the employee does not require inpatient or outpatient treatment they will still be required to participate in follow-up testing.
- The frequency of testing will be at least quarterly.
- Employees who fail a follow-up test will normally be terminated.
- Employees who voluntarily enter treatment are not subject to the District's follow-up testing program, but are subject to any follow-up testing that the treatment agency requires.

REQUEST FOR TESTING FORM

The form used to request post-accident testing is the Drug / Alcohol Testing Request form (Exhibit A).

ADMINISTERING THE TESTS

The collection for drug testing is scheduled and administered in the following manner:

The District:

- Informs employee that he/she is going to be tested and the rationale for the test,
- Completes the District's consent request form,
- Calls the drug testing collection site and informs them that you are bringing in an employee for testing.
- Provides transportation to the collection site.
- Note 1: An employee will not be allowed to drive for post-accident testing.
- Note 2: Employees being tested for follow up can be given the place and time of collection, and provide their own transportation to the collection site.

The employee (applicant) is required to:

- Sign the consent form (Exhibit B),
- Present signature and photo identification to the collector (i.e. Washington Drivers License),
- Sign the laboratory consent and chain of custody forms at collection site.

DISCIPLINARY ACTIONS

An employee's refusal to take the following actions when required is considered insubordination and results in corrective action up to and including termination of employment.

- Take a drug or alcohol test.
- Appear for testing (without an excused absence).
- Accept the EAP recommendation when required to use the EAP due to a positive drug test or violating a District rule pertaining to drugs or alcohol.
- Comply with the conditions of a last chance agreement.

FIRST VERIFIED POSITIVE TEST

No employee will be terminated because of a first verified positive test result. Instead, the employee is required to submit to EAP evaluation and, if necessary, receive a one-time opportunity to enter a treatment program. These employees are subject to discipline, up to and including termination for independent reasons.

- On entering a treatment program, the employee is required to accept and comply with terms of the last chance agreement (Appendix A).
- The employee will also be subject to follow-up drug and alcohol testing for 2 years following the date of the last chance agreement.
- Before returning to work, the employee must pass a drug / alcohol test.

SECOND VERIFIED POSITIVE TEST

Any employee who has a second verified positive drug or alcohol test result will normally be terminated from employment.

FAILURE TO COMPLETE REHABILITATION PROGRAM

An employee who has been required to enter a treatment program due to a verified positive drug or alcohol test or for violating a District rule associated with drugs or alcohol and who fails to complete all follow-up counseling and testing or otherwise violates any term of the last chance agreement, will normally be terminated from employment.

HANDLING TESTING RESULTS SHOWING SIGNS OF ADULTERATION

Specific gravity and creatinine below acceptable levels:

- Does not invalidate a test result.
- Could mean that liquid was added to the specimen during specimen collection or that the employee drank large quantities of fluid.
- If this is a reoccurring problem, it may be recommended that the time between notification and collection be minimized and that collection take place in the morning whenever possible. An employee may be collected under visual observation the next time he/she is tested.

Specimen not suitable for testing:

- Specimen is unsuitable for testing but presence of adulterants is not substantiated. Another sample should be collected under direct observation (DOT).
- Specimen is adulterated.

- Specimen is unsuitable for testing due to the presence of an identified adulterant.
- Constitutes a refusal to test and removal from any safety sensitive position.

CONFIDENTIALITY

All information received by the employer through a drug / alcohol testing program is confidential communications. Access to this information is limited to those who have a legitimate need to know, including:

- Disclosure to the EAP manager or appropriate counselor;
- Disclosure to the District official with authority to take appropriate personnel action against employee;
- Disclosure required or permitted by law or government regulation;
- Disclosure directed by a court order or required by the District to defend itself against a challenge to an adverse personnel action.

EFFECTIVE DATE OF THE DRUG TESTING POLICY

The drug testing components of this policy will take effect sixty (60) days following formal approval by the Board of Commissioners of the District. The advance notice is to send the message that the District will not tolerate drug abuse in the workplace and is going to do something about it. It also provides ample notification to give employees the opportunity to quit or volunteer for treatment. Please review the cover letter attached for additional rationale and information.

Exhibit B

Last Chance Agreement

I, _____, understand that my (reinstatement and) continued employment (are) is contingent upon compliance with all of the following terms or this agreement.

1. I will be evaluated for chemical dependency by the District's Employee Assistance Program (EAP).
2. I will comply with all of the EAP treatment and follow-up recommendations.
3. I authorize the District to receive all relevant information regarding my progress in my rehabilitation program.
4. I will be subject to unannounced testing (follow-up monitoring) for up to two years.
5. I realize that any future violation of the District's drug-free workplace policy will result in my termination of employment.
6. I am responsible for meeting the same standards of performance and conduct that are set for other employees.

I understand that failure to comply with all of the terms of this agreement will result in further disciplinary action, up to and including termination of employment with the District.

Employee Signature

Date

General Manager

Date

Exhibit C

Consent Form

I consent to taking a breath/blood alcohol and/or urine drug test as required by the District's Drug Free Workplace policy. I authorize release of my test results to appropriate representatives of the Beacon Hill Water & Sewer District.

I understand that the District's designated collection site will collect breath, urine or blood specimens from me for the purpose of testing for alcohol, drugs or controlled substances. The laboratory will release the results of my test to the District's designated Medical Officer. If the results of my test are positive, I will have the opportunity to explain the reason for the positive test prior to the test result being released to the District. If the Medical Review Officer verifies my result as a first time positive, I will normally be offered a treatment opportunity in lieu of termination. I realize that I could be terminated for reasons independent of the drug test.

My refusal to take a test will result in disciplinary action, up to and including termination of employment.

Employee Name

Employee Signature

Date

UNPAID HOLIDAYS FOR REASONS OF FAITH OR CONSCIENCE

Employees are entitled to two unpaid holidays per calendar year for a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization.

The employee may select the days on which he or she desires to take the two unpaid holidays after consultation with his or her supervisor. If an employee prefers to take the two unpaid holidays on specific days, then the employee will be allowed to take the unpaid holidays on the days he or she has selected unless the absence would unduly disrupt operations, impose an undue hardship, or the employee is necessary to maintain public safety. The term “undue hardship” has the meaning contained in the rule established by the Office of Financial Management.

If possible, an employee should submit a written request for an unpaid holiday provided for by this section to the employee’s supervisor a minimum of 1 (~~days/weeks~~) prior to the requested day. Approval of the unpaid holiday shall not be deemed approved unless it has been authorized in writing by the employee’s supervisor. The employee’s supervisor shall evaluate requests by considering the desires of the employee, scheduled work, anticipated peak workloads, response to unexpected emergencies, the availability, if any, of a qualified substitute, and consideration of the meaning of “undue hardship” developed by rule of the Office of Financial Management.

The two unpaid holidays allowed by this section must be taken during the calendar year, if at all; they do not carry over from one year to the next.