

• **Board of Directors**
Legal, Claims and Personnel Committee

September 14, 2004 Board Meeting

8-4

Subject

Authorize revisions to the Administrative Code of The Metropolitan Water District of Southern California to conform to current laws, practices and board authorizations, and make corrections

Description

This letter proposes amendments to Metropolitan's Administrative Code to conform the provisions to Metropolitan's current practices, to conform the Code to pertinent laws, to correct minor errors and to provide consistency between Administrative Code sections. The proposed amendments are set forth in [Attachment 1](#), with overstrikes reflecting deletions and underlining reflecting additions. [Attachment 2](#) sets forth the sections, as they would now appear in the Administrative Code. The proposed amendments include those described in the following Administrative Code sections:

- Administrative Code §§ 1106 and 6225 are amended to reflect currently authorized holidays and delete language redundancies.
- Administrative Code §§ 2100, 2416, 2700, 2715, 2720, 4401, 4403, 6108, 6112(d), 6208, 6218, 6221(c), 6225, 6226, 6243, 6265, 6401, 6437, 6438, 6500, 6501, 6502, 6503, 6504, 6505, 6506, 6520, 6521, 6522, 6529, 6530, 6532, 6533, 6560, 6765(b), 6767(e), 6785(b), 6787(e) and 8221(e) are revised or deleted to conform these Code sections, or to clarify that these Code sections conform to existing Metropolitan practices, organization and procedures or current law. Section 6437 regarding use of automobiles is added to conform with existing sections 2206 and 6414.
- Administrative Code §§ 4402, 4503, 4514, 6101(e), 6209, 6210(c) and 6528 are revised to make minor editorial corrections.
- Administrative Code §§ 2140, 2141, 2146, 2315, 6101(g), 6200, 6205, 6206, 6210(b)(3), 6217, 6219, 6234, 6323, 6324, 6327, 6328, 6329, 6331, 6332, 6400, 6411 and 6543 are revised or deleted to conform the Code designations to the current Metropolitan management structure.

Policy

Administrative Code §§ 2417; 2419: approval of changes regarding amendments to the Administrative Code; and June 29, 1999 Board Letter - Implementation of District-wide reorganization plan

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because the proposed action involves continuing administrative activities such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to the provisions of CEQA per Section 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and approve the changes to the Administrative Code set forth in [**Attachment 2**](#) to reflect the changes recommended in this letter.

Fiscal Impact: None

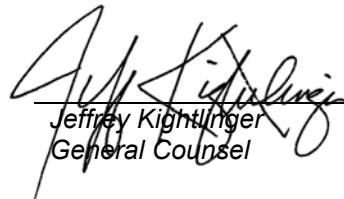
Option #2

Do not update the Administrative Code.

Fiscal Impact: None

Staff Recommendation

Option #1



8/24/2004
Jeffrey Kightlinger
General Counsel
Date

Attachment 1 – The Administrative Code of the Metropolitan Water District of Southern California (showing additions and deletions)

Attachment 2 – The Administrative Code of the Metropolitan Water District of Southern California

BLA #2891

**THE ADMINISTRATIVE CODE OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
(showing additions and deletions)**

§ 1106. Holiday.

Whenever the word "Holiday" is used in this Code, it shall include January 1, the third Monday in January (observance of Martin Luther King's birthday), the third Monday in February (Presidents' Day), March 31 (observance of Cesar Chavez's Birthday), the Friday before Easter, the last Monday in May (Memorial Day), July 4, the first Monday in September (Labor Day), November 11 (Veteran's Day), Thanksgiving Day, the day following Thanksgiving Day, December 24 ~~if December 24 falls on a Monday, Tuesday, Wednesday, or Thursday~~, December 25, December 31 ~~if December 31 falls on a Monday, Tuesday, Wednesday, or Thursday~~, and any day or portion of a day declared by the Board as a Holiday. If any Holiday other than December 24 and 31 falls on Sunday, the following Monday is a Holiday. If any Holiday other than December 24 and 31 falls on Saturday, the preceding Friday is a Holiday.

§ 2100. Regular Meetings.

Regular meetings of the Board shall be held on the second Tuesday of each month, ~~at the hour of 11:00 a.m.~~; provided that if said Tuesday falls upon a holiday designated in Section 1106 hereof, such regular meeting shall be held ~~at 11:00 a.m.~~ on the next business day, and the staff shall arrange its affairs accordingly.

§ 2140. Duties of the ~~Board Executive Officer~~ Executive Vice President.

Under the direction of the Chief Executive Officer, the duties of the ~~Board Executive Officer~~ Executive Vice President are to:

- (a) Provide administrative and ministerial services for the Board and directors; and,
- (b) Act as the liaison between the Board and management.

§ 2141. Duties of the Board Executive Secretary.

The duties of the Board Executive Secretary are to:

- (a) Provide administrative and ministerial services for the Board and directors under the direction of the ~~Board Executive Officer~~ Executive Vice President;
- (b) Act as the liaison between the Board and management under the direction of the ~~Board Executive Officer~~ Executive Vice President;

- (c) Accept service of process on behalf of the District; and,
- (d) Report to the ~~Board Executive Officer~~Executive Vice President

§ 2146. Use of Board and Committee Facilities.

All requests for use of the Board and committee rooms shall be submitted to the ~~Board Executive Officer~~Executive Vice President, and the use of such rooms by outside agencies and groups shall be limited to appropriate purposes pursuant to the terms and conditions, including payment, established by the ~~Board Executive Officer~~Executive Vice President.

§ 2315. Standing Committee Inspection Trips.

When deemed to be of value by the Executive Committee, any standing, special, sub, or ad hoc committee may schedule one- or two-day inspection trips that will aid its members in the deliberations of matters before that committee. Trips of longer duration require approval by the Chairman and Board officers. Such inspection trips should be coordinated through the ~~Communications Division~~External Affairs Group.

§ 2416. Day of Regular Meeting.

The regular meeting of the Executive Committee shall be held on the ~~third~~fourth Tuesday of the month.

§ 2700. Chief Executive Officer's Annual Reports.

The Chief Executive Officer shall annually make the following reports:

- (a) To the Board:
 - (1) On financial matters generally;
 - (2) After consulting with the General Counsel, on the results of his review made pursuant to Section 5204 of District compliance with minimum fund requirements outlined in Sections 5201-5204 and with the articles and covenants contained in resolutions of issuance;
 - (3) On all leases made during the preceding year under the authority of Sections 8222, ~~and~~8223, 8230 and 8232, and
 - (4) On the status of appropriations pursuant to Section 5108(c).

(b) To the Engineering and Operations Committee on all consulting agreements in effect during the preceding year and the exercise of authority under Section 8103(k). Each such report shall indicate when a consultant is a former employee of the District.

(c) To the Executive Committee on the Chief Executive Officer's Business Plan and goals and objectives as required by Section 6415.

§ 2715. Chief Executive Officer's Semi-Annual Reports.

(a) The Chief Executive Officer shall semi-annually report to the Executive Committee on the implementation of Sections 6300-6305 and on the status of the Affirmative Action Program.

(b) The Chief Executive Officer shall semi-annually report to the Board on the status of the District's Local Resources and Conservation Programs.

§ 2720. Chief Executive Officer's Quarterly Reports.

The Chief Executive Officer shall quarterly make the following reports:

(a) To the Engineering and Operations Committee:

(1) On service connections approved by the Chief Executive Officer pursuant to Sections 4700-4708 with the estimated cost and approximate location of each;

(2) On the execution of any relocation agreements involving an amount in excess of \$100,000 under the authority of Section 8118(a);

(3) On the execution of any contract authorized pursuant to Section 8121;

(54) Deeds or grants accepted during the preceding quarter;

(65) Easements, or similar rights, granted during the preceding quarter under the authority of Section 8220, and shall also include in such report any relocation or protection agreement made in connection therewith;

(76) All leases made during the preceding quarter under the authority of Sections 8222, and 8223, 8230 and 8232;

(87) The details of any transactions during the preceding quarter in which an improvement was disposed of in such a manner as to make the improvement available for subsequent use by a party other than the District;

(98) Property sold pursuant to the authority granted by Section 8240 et seq.; and

(~~109~~) The status of all information technology projects throughout the organization.

(b) To the Legal, Claims and Personnel Committee, jointly with the General Counsel, the exercise of any power delegated to them by Sections 6431, 6433 and 6434.

(c) To the Legal, Claims and Personnel Committee on the employment of any consultant, the extension of any consulting agreement, and on the exercise of authority under Section 8103(k) and 8117 during the preceding calendar quarter. The report covering the last calendar quarter of the year may be combined with and included in the annual report. Each such report shall indicate when a consultant is a former employee of the District.

(d) ~~To the Water Planning, Quality and Resources Committee on the status of the Local Projects Program, including the execution of any Local Projects Program agreements under the authority of Section 4516.~~

(ed) ~~To Audit, Budget and Finance the Budget, Finance and Investment~~ Committee a summary of financial performance including Comparative Statements of Operations and Comparative Balance Sheets and variances thereof from estimates.

§ 4401. Rates.

(c) For purposes of agreements existing under the Local Resource Program, Local Project Program, Groundwater Recovery Program and other similar programs, references to the “full service water rate,” “full service treated water rate,” “treated non-interruptible water rate” or “other prevailing rate” or to the “reclaimed water rate” or “recycled service rate” shall be deemed to refer to the sum of the System Access Rate, Water Stewardship Rate, System Power Rate, the expected weighted average of Tier 1 Supply Rate and Tier 2 Supply Rate (equal to the estimated sales revenues expected from the sale of water at the Tier 1 and Tier 2 Supply Rates divided by the total District sales in acre-feet expected to be made at the Tier 1 and Tier 2 Supply Rates), ~~the Capacity Reservation Charge or a~~ Capacity Charge expressed on a dollar per acre-foot basis and Treatment Surcharge.

§ 4402. Readiness-to-Serve Charge.

(a) The readiness-to-serve charge shall be set by the Board from time to time to recover the costs of emergency system storage and the cost of system conveyance capacity for peak and standby use not recovered by property tax revenue. The readiness-to-serve charge will be allocated among the member public agencies beginning January 1, 2003, in proportion to the average of deliveries (including exchanges and transfers) through Metropolitan’s system (in acre feet) to each member public agency during the ten-year period ending June 30, 2001; and thereafter as a ten-year rolling average; provided that Metropolitan sales of reclaimed water under the Local Projects Program, and Local Resources Program, groundwater under the Groundwater Recovery Program and deliveries under Replenishment and Interim Agricultural Water Service shall not be included in the water deliveries calculation.

§ 4403. Capacity Reservation Charge and Capacity Charge.

(a) ~~The capacity reservation charge and peaking surcharge shall be set by the Board from time to time. The capacity reservation charge shall be set to recover the cost of distribution capacity that is used for peaking. The capacity reservation charge will be payable by each member agency through December 31, 2003, for system capacity (on a per cubic foot per second basis) requested by the member agency. Beginning January 1, 2004, the capacity charge ~~will~~ shall be payable by each member agency for system capacity (~~at the same level per cubic foot per second as the capacity reservation charge,~~) based on the maximum summer day demand placed on the system between May 1 and September 30 for the three-calendar year period ending December 31, 2002, and thereafter for a rolling three-calendar year period.~~

(b) The capacity ~~reservation~~ charge shall be due monthly, quarterly or semiannually, as agreed upon by Metropolitan and the member public agency.

§ 4503. Suspension of Deliveries.

Whenever repairs or maintenance of the District's system, in the opinion of the Chief Executive Officer of the District, shall require suspension of delivery of water at any point or points, such delivery may be suspended without liability on the part of the District; provided, that except in cases of emergency, as determined by the Chief Executive Officer, notice of such suspension of service shall be given to the affected member public agency in advance of such suspension.

Each member agency should have a seven-day supply of water in case of an interruption in Metropolitan deliveries. Except in cases of emergency, the District will notice long-term (over seven days) shutdowns at least one year in advance and produce a shutdown schedule in September for shutdowns less than seven days.

Replenishment Seasonal Storage Service certifications will be adjusted for the reduction of credits that are accrued due to shutdowns that are greater than seven days. No adjustments will be made for shutdowns seven days or less unless the member agency provides a service to the District by serving another member agency in-lieu of District deliveries during a shutdown even if the shutdown is seven days or less.

§ 4514. Replenishment Service.

- (a) General - The goals of the Replenishment Service program are to:
- (1) Achieve greater conjunctive use of imported and local supplies.
 - (2) Encourage construction of additional local production facilities.
 - (3) Reduce member agencies' dependence on deliveries from Metropolitan during periods of shortage.

Member agencies are encouraged to take replenishment water through a discounted rate offered by Metropolitan. This economic incentive encourages local agencies to invest in new water production, storage, treatment and transmission facilities, or to fully utilize existing facilities. These facilities are needed to augment local agencies' capability to produce local water, as well as store imported water purchased from Metropolitan during periods of abundance.

To receive the lower rates, agencies must certify to Metropolitan the amounts of imported water that they have stored in local reservoirs and groundwater basins by direct and in-lieu means. Certification forms are provided to agencies to assist in their calculations and standardize the certifications. Agencies shall comply with the administrative procedures as set forth in the most current Replenishment Service Handbook, as amended from time to time by the Chief Executive Officer, to receive the Replenishment Service rate on water purchased from Metropolitan.

(b) Storage Types - Replenishment Service water shall be stored for long-term storage. Long-term storage is that water delivered by Metropolitan to a member public agency or sub-agency for storage, by direct or in-lieu methods, beyond a 12-month period. Under this concept, total annual purchases from Metropolitan increase by the amount of Replenishment Service water purchased. Water that an agency leaves in storage to replace groundwater overdraft in any previous drought year when Replenishment Service was declared unavailable is considered long-term storage.

(c) Normal Period of Availability - Replenishment Service water service shall be available between July 1 through June 30 whenever and so long as the Chief Executive Officer determines that water and system capacity are available. If required for Metropolitan's system regulation, groundwater replenishment by spreading or injecting or water deliveries/sales pursuant to any storage or operating agreement, may be offered to specific member public agencies during any time of the year at the **Replenishment Seasonal Storage** Service rate at the Chief Executive Officer's discretion. If an agency should take Replenishment Service water when it is deemed not available by the Chief Executive Officer then it shall pay the rates for that water set forth in Section 4401(a)(1). With respect to service for direct reservoir replenishment and for groundwater replenishment by spreading or injecting, service availability may be activated or terminated immediately upon notice by the Chief Executive Officer to affected member public agencies. With respect to service for in-lieu groundwater replenishment or in-lieu reservoir replenishment, service availability may be activated upon notice to the member public agencies and terminated upon 48 hours notice to the member public agencies.

(d) Certification - Member public agencies may receive Replenishment Service only upon filing of the required certifications specified in Section 4507. All certifications as to the storage of water Replenishment Service must be on forms provided by the District or in electronic format acceptable to the District. Receipt of a certification electronically by computer modem or otherwise shall be considered identical to receipt of a written and signed certification binding on the member public agency for all purposes. The Chief Executive Officer may make or cause to be made such investigations as the Chief Executive Officer may require in order to determine the quantities of water to which the Replenishment Service rates shall apply. Such investigations may result in revisions either upward or downward in the amount of water actually received in Replenishment Service. No such investigation shall be made unless the member public agency has requested Replenishment Service and

submitted the requisite certifications. The Chief Executive Officer may reject any certification if the certifying agency is unable to furnish sufficient documentation as to the facts of the certification.

§ 6101. Definitions.

(e) Employee Relations Officer. - The Chief Executive ~~Officer~~Officer or his authorized representative.

(g) Management Employee. - Any employee having significant responsibilities for formulating and administering District policies and programs, including executive officers, their principal assistants and other officers, as defined and listed in the Metropolitan Water District Code, and ~~division, branch and section heads designated by the executive officers group, section and unit managers designated by Executive Officers.~~

§ 6108. Certification of Employee Organizations.

(c) Recognition of District Employee Associations. - (1) The Employees Association of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations.

(2) The ~~Field~~ Supervisors ~~and Professional Personnel~~ Association of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. (3) The Management and Professional Employees Association of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. (4) The Association of Confidential Employees of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. ~~(5) The Water Attorneys of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations.~~

§ 6112. Use of District Facilities.

(d) Recognized employee organizations may use District bulletin boards subject to rules to be prescribed by the Chief Executive Officer, provided such use does not interfere with the needs of the District. Any notice posted on behalf of a recognized employee organization shall be dated and signed by the authorized representative responsible for its issuance. ~~Information posted by recognized employee organizations shall not contain anything which may reasonably be construed as maligning the District or any of its employees or agents.~~

§ 6200. Definitions.

(b) "Unclassified service" shall mean and include all ~~unrepresented employees, including the~~ officers ~~and positions of the District as~~ listed in Section ~~6400~~ 6500 of this Code, and:

~~Director of Environmental Compliance~~
~~Director of Human Resources~~
~~Director of Public Affairs~~
~~Director of Water Quality~~
~~Legislative Representatives~~

§ 6205. Eligibility and Qualifications for Employment.

Eligibility for employment shall be limited as follows:

(c) After completing the District's "Application for Employment," with the exception of applicants filling nonsupervisory positions at remote field locations, each applicant shall be interviewed initially in the Human Resources divisionSection unless otherwise specified by the Department Head. The Human Resources divisionSection will make a preliminary evaluation of education and professional qualifications, experience, character, and personality. Applicants selected by the Human Resources divisionSection shall then be interviewed by the supervisor initiating the personnel requisition. In remote locations, the preliminary interviews may be conducted by supervisory personnel.

(d) Prior to accepting any applicant for employment, the Human Resources Sectiondivision shall:

(1) If applicable, determine the applicant's aptitude to perform the duties of the position, arrange for oral, written or manual examination, including machine or equipment operation, as appropriate.

(2) Perform a reference check with at least two previous employers if applicable, or obtain a military service record for recently separated servicemen.

(3) Obtain a motor vehicle driving record from the State Department of Motor Vehicles if the position involves or could involve the use of a District vehicle.

(4) Arrange for preemployment physical examination to determine physical fitness to perform the duties required. Temporary personnel need not be physically examined.

(e) Upon completion of the processing described in Sections 6205(c) and 6205(d) and approval by the supervisor, the Human Resources divisionSection shall forward the application and all pertinent documents to the Department Head for approval of employment.

(f) Upon authorization by the Department Head, the Human Resources divisionSection will complete processing of the applicant for employment.

§ 6206. Appointments and Removals.

(a) Manner of Maintenance of Records. - All appointments and removals shall be in writing. With respect to ~~executive officers~~Department Heads, the original shall be delivered to the executive officer appointed or removed and a signed copy shall be filed in the office of the Executive Secretary. ~~With respect to other officers, the original shall be delivered to the officer appointed or removed, a signed copy shall be filed in the office of the Department Head making an appointment or removal, and a signed copy shall be filed in the office of the Executive Secretary.~~ With respect to other employees, the records of appointments and removals shall be maintained~~as directed by the Department Head within whose department the employee is employed and a copy thereof shall be filed as directed by the Chief Executive Officer~~Human Resources Section Manager.

§ 6208. Pay Rate Administration.

(b) Pay rates for Department Heads shall be individually fixed by the Board. Pay rates for all employees shall be fixed by their respective Department Heads within the ranges fixed by the Board for such positions in accordance with practices, policies and procedures promulgated by the Chief Executive Officer. The ~~Legal, Claims and Personnel Committee~~Executive Committee shall annually make a recommendation to the Board concerning any changes in the salaries and other compensation of the Department Heads, such changes to be acted upon by the Board no later than at its June meeting to be effective at the start of the payroll period beginning nearest to July 1.

(c) Job descriptions in terms of duties and responsibilities shall be prepared by the ~~Manager~~Human Resources Section Manager for each position. Job descriptions for positions requiring appointment or approval of appointment by the Board shall be submitted to the Board for approval. Job descriptions for positions peculiar to the Legal, ~~or~~ auditing, ~~or~~ Ethics departments shall be subject to approval of the General Counsel, ~~or~~ General Auditor, ~~or~~ Ethics office as appropriate. It shall be the duty of ~~the Manager of~~ Human Resources to insure that all employees are properly classified.

(e) New employees, upon entering District service, will be placed by the ~~Manager of~~Human ResourcesHuman Resources Section Manager at a salary grade and step within the salary range appropriate for the position available and the applicant's qualifications. Employees who are promoted to a position in a higher range shall be paid at least the minimum of such range but not more than four steps over their prior rate or the fifth step of the higher pay rate range, whichever is higher, but not in excess of the maximum rate specified for the position to which promoted. New employees are eligible for a merit increase after completion of a six-month probationary period. The eligibility date for subsequent merit reviews shall be 12 months from the most recent merit increase, promotion or demotion, whichever is later. Employees at the top step of the pay range will not be eligible for any merit increase. Merit increases will be awarded as provided for by Section 6211.

(h) Pay Rate Survey.

(1) As needed, the Chief Executive Officer has the authority to cause a survey to be made of rates of pay and benefits of employees of other organizations specified by the Board, and

may thereafter recommend to the Board revisions in the pay rate structure and benefits for employees. The survey need not include positions for which pay rates are established pursuant to a memorandum of understanding approved by the Board which is in effect for the entire calendar year. Action, if any, on the pay rate survey may be taken at the same meeting the survey information is presented or at a subsequent meeting. The General Counsel and General Auditor may also recommend to the Legal, Claims and Personnel Committee revisions regarding positions peculiar to their own departments. ~~when such positions are not represented by employee organizations.~~

(2) The list of agencies to be used in the District's pay rate survey may include the following:

City of Glendale
Southern California Water Company
Southern California Edison Company
City of Pasadena
Mobil Oil Company
City of Los Angeles
State Department of Water Resources
County of Orange
City of Los Angeles Department of
Water & Power
Southern California Gas Company
County of Los Angeles

§ 6209. Discharge.

(b) Probationary employees serve at the pleasure of their respective Department Heads. Classified employees may be discharged, for cause, immediately by their respective Department Heads. When immediate discharge is not deemed appropriate, written notice shall be given at least 14 calendar days in advance of discharge for probationary employees and at least 30 calendar days in advance of discharge for other classified employees.

§ 6210. Employee Evaluation.

(b) District requirements:

(1) Probationary employees. The evaluation process should be completed at least 30 days prior to the end of the employee's six-month probationary period.

(2) Regular employees. The evaluation process should be completed on an annual basis, even if the employee is at the top step of his or her classification and therefore is ineligible for a merit increase.

(3) Temporary employees. An evaluation should be submitted to the Human ~~R~~esources Division Section at the end of the employee's service, if that service is for a period of one month or more.

(c) An employee must sign the evaluation and note the date received. The signature indicates only that the evaluation form and any accompanying documents were received; it is not a statement that the employee agrees with the ratings. The employee may attach a rebuttal to the evaluation.

§ 6217. Disciplinary Procedure.

If a regular employee is to be suspended for two (2) daysforty (40) hours or more, demoted, i.e., moved from one classification to another classification having a lower salary grade, or discharged, the employee shall:

(c) Be accorded the right to respond in writing within a reasonable 14 days period of time to the proposed charges; or, in the alternative, be accorded the right to meet within a reasonable period of time with the Division Group Manager or designee who has the authority to recommend modification or elimination of the proposed disciplinary action.

§ 6218. Appeal Procedure.

(a) Any regular non-probationary employee who is suspended for more than five (5) working daysforty (40) hours or more, demoted, i.e., moved from one classification to another classification having a lower salary grade, or discharged shall be entitled to select one of the alternatives listed in Section 6218(b):

(b) Alternatives:

(1) *Hearing* - The Department Head shall select a Hearing Officer from among the Chief Operating Officer, Assistant Department Heads, a list of names provided by the State Mediation Service, or an individual from outside the District, to hear the dispute and present a recommendation to the Department Head.

(2) *Consultation* - The grievant, the grievant's representative, if any, the grievant's second level manager and a representative of the Employee Relations Relations Team Section of the Division of the Human Resources Section shall meet in an attempt to resolve the problem.

(3) *Mediation* - The grievant, the grievant's representative, if any, the grievant's second level manager and a representative of the Employee Relations Section Team of the Division Human Resources Section shall meet with the assistance of a Mediator from the State Department of Industrial Relations in an attempt to resolve the problem.

(c) Appeal Process:

(1) A written request specifying one of the alternatives listed in Section 6218(b) must be filed by the employee with the ~~Director Human Resources Section Human Resources~~ Section Manager within fifteen (15) days of the date of the notice of disciplinary action.

(2) Within ten (10) days of an employee filing a request with the ~~Director of Human Resources Section Human Resources~~ Section Manager, the employee shall receive written notice of the particulars concerning the alternative selected.

(3) The results of the alternative selected by the grievant shall be advisory to the Department Head.

(4) The Department Head shall either accept, reject or modify such result. The Department Head's decision shall be communicated in writing to the parties and shall be final and binding.

§ 6219. Disciplinary Actions.

KK. Violation of properly adopted rules and regulations set forth in writing by the employee's department/~~division group~~.

§ 6221. Demotion.

(c) Unclassified employees, other than Department Heads, ~~and their principal assistants~~, may be involuntarily demoted by their respective Department Heads. Classified employees may be involuntarily demoted for cause or in connection with a reduction in force.

§ 6225. Holidays.

(a) Except as provided in Section 6225(e), regular full-time employees shall be entitled to leave of absence without loss of pay on all Holidays. ~~Each Holiday shall consist of eight (8) hours. Each holiday shall be the same length as an employee's workday.~~ When a Holiday falls on an employee's scheduled day off, the Holiday shall be deemed to fall on the employee's next scheduled working day if the Holiday is on a Sunday or Monday. Otherwise, the Holiday shall be deemed to fall on the employee's last scheduled working day preceding the Holiday. If December 24 and 31 fall on a Saturday or Sunday, employees shall be credited at the beginning of the first biweekly period of the annual payroll cycle with ~~a Holiday two personal holidays~~ to be taken in the same annual payroll cycle ~~of those dates on a days~~ of the employee's choice, subject to the approval of the Department Head.

~~(b) If the total number of Holidays in any annual payroll cycle determined in accordance with the definition in Section 1106 of this Administrative Code is less than 13, each employee shall be entitled to so many additional Holidays to be taken in units of 8 hours per day on days~~

~~of the employee's choice within the annual payroll cycle, subject to the approval of the employee's Department Head, as will make the total of all Holidays in that cycle equal to 13.~~

~~(e) Any employee beginning employment with the District no later than the end of the thirteenth pay period of a cycle shall be entitled to take at any time after the annual payroll cycle after the thirteenth period no more than one Holiday of the employee's choice made available by this section, if any. Any employee beginning employment with the District after the thirteenth period of a cycle shall not be entitled in the annual payroll cycle to any Holiday other than Holidays specified in Section 1106 of this Administrative Code by date.~~

~~(d) Any employee whose employment with the District terminates with at least thirteen but no more than twenty-six pay periods of continuous service shall be entitled to take during the term of employment no more than one Holiday of the employee's choice made available by this section, if any. Any employee whose employment with the District terminates with less than thirteen pay periods of service, shall not be entitled to any Holiday other than Holidays specified in Section 1106 of this Administrative Code by date.~~

~~(e)(b)~~ When an employee is on leave without pay on both the scheduled working day preceding and the scheduled working day following a Holiday, the employee shall not be entitled to be paid for the Holiday.

~~(fc)~~ If an employee terminates before December 24 and/or December 31 after taking and being paid for Holidaysone or both of the personal holidays in addition to those permitted created by Section 6225(da), the monies paid for such personal holidays shall be withheld from severance pay made pursuant to Section 6248.

§ 6226. Annual Leave.

(a) Subject to any applicable memorandum of understanding or employment agreement, employees shall accumulate annual leave with full pay at the following rates for each hour of total service:

Range of Hours		Accumulation Factor For Each Hour Within Range	Maximum Accumulation
From	Through		
1	8,352	.0386250	161.28
8,353	18,792	.0574720	240
18,793	20,880	.0616100	257.28
20,881	22,968	.0652880	272.64
22,969	25,056	.0689660	288
25,057	27,144	.0731040	305.28
27,145	Last hour of total service	.0767817	320.64

Notwithstanding the above, the maximum accumulation ~~of an~~ in those classifications listed in Section 6500, shall be 1.25 times the maximum accumulation that would otherwise be applicable.

§ 6234. Domestic Partners.

(c) Upon establishment or termination of the domestic partnership, the employee shall notify the ~~Director Manager of Human Resources Section Manager~~ by filing a form designated by the ~~Human Resources Division Section~~.

§ 6243. Bereavement Leave.

Upon the death of a member of an employee's immediate family, the employee shall be allowed such bereavement leave with pay as is actually necessary to take care of funeral arrangements or to attend the funeral, but not to exceed ~~24 working hours~~~~three (3) working days~~ with regard to any such death within the State of California and not to exceed forty (40) working hours if the death occurs outside the State of California. For the purposes of this section, "immediate family" means spouse, domestic partner, or the employee's or spouse's/domestic partner's child, parent, ~~parent in law~~, brother, sister, stepparent, stepchild, grandparent, grandchild, aunt or uncle.

§ 6265. Service Awards.

The Chief Executive Officer is authorized to provide for a program of service award presentations to employees meeting specified periods of service.

~~Service awards for twenty years and subsequent five year intervals of service shall be presented by the Chair of the Board.~~

§ 6323. Definitions.

(a) "Employee" shall mean directors and employees unless specifically stated otherwise. Employees within a bargaining unit which has a Memorandum of Understanding with the District shall be governed by its provisions to the extent it provides for reimbursement of expenses or per diem. Where authorization for an employee to travel is required from a "~~Department Head or division head group manager~~", the term shall mean the positions so identified by the organizational chart contained in the most recent annual District budget adopted by the Board. In the case of a director, the terms shall be deemed to mean the Chairman of the Board.

(e) "Business meal" shall be one in which employees provide non-employees and themselves meals and beverages ordinarily associated with normal eating customs under circumstances which are generally considered to be conducive to furthering the business of the District. A "business meal" unless otherwise justified does not include a meal furnished by an employee to someone in expectation that another meal will be furnished to the employee or in repayment of one previously

furnished. A "business meal" shall also include employees' meals at business meetings away from a District facility with non-employees who pay for their own meals, or at a business program sponsored by a business or professional association where the subject matter of the discussion is of importance to the District. Employees (not including directors) ordinarily may not themselves partake in, or provide for others, business meals without prior authorization by their ~~division, assistant division or branch head; group, assistant group or section manager~~ provided, however, whenever an employee who customarily performs District job assignments at a specific location, or locations, is required to be at a substantial distance from that location on District business during a period when a meal is usually partaken, the employee shall be reimbursed by the District for the expense of meals partaken at such other locations. In addition to the above, a Department Head may authorize meals for employees under special circumstances.

§ 6324. Authorization for Domestic Travel.

(b) Employees

(1) Employees if authorized by their supervisors may travel anywhere within Southern California (including ~~or~~ Bakersfield) to carry out their job assignments.

(2) ~~Division heads Group managers~~ are authorized, and may authorize their staff, to travel anywhere within the United States to carry out a job assignment.

§ 6327. Route and Mode of Travel.

(b) The ~~d~~Department Head or ~~division head~~group manager shall reject or reduce claims for reimbursement of expenses resulting from unauthorized travel or inappropriate selection by the employee of class of transportation, lodging, or meals.

(c) Department Heads, assistant department heads, ~~division~~group, assistant ~~division~~group, and ~~branch~~headssection managers are authorized and may authorize other employees to approve transportation orders to check out pool cars from the Los Angeles headquarters garage. Directors requiring the use of District vehicles shall place their requests through the Chief Executive Officer.

§ 6328. Other Expenses.

Expenses not otherwise covered by these regulations and not exceeding \$100 may be approved by the ~~division head~~group manager if consistent with the requirements of Sections 6320 and 6321. Those in excess of \$100 shall be approved by the Department Head.

§ 6329. Funds.

(b) If necessary, funds will be advanced to employees to be on travel status on a temporary basis upon submission of Form 25-22, Authorization for Temporary Cash Advance, approved by a ~~d~~Department Head or ~~division headgroup manager~~. The original of the authorization is to be forwarded to the Controller.

§ 6331. Preparation, Approval and Processing of Claims.

(b) Expense accounts shall be prepared and submitted by directors and employees under the following circumstances in accordance with the schedules outlined herein:

(3) Employees' expense claims, approved in accordance with the provisions of this section, shall be submitted to the ~~Finance and Business Services Division~~Office of the Chief Financial Officer no later than the end of the month following the month in which the employee incurred the expenses or participated in an activity for which District funds were utilized on the employee's behalf.

(c) The expense reports of all directors shall be reviewed and approved by the Executive Secretary. Department Heads' expense reports shall be verified as accurate by their respective executive secretaries. The expense reports of assistant department heads and ~~division~~group managers shall be approved by their ~~d~~Department ~~h~~Heads. All other employee expense reports shall be approved by the employees' authorizing supervisors up through the ~~division~~group manager level, as applicable.

(d) All approved expense reports shall be submitted to the Controller's ~~Branch~~Section of the ~~Finance and Business Services Division~~Office of the Chief Financial Officer for review, processing and, if appropriate, reimbursement of amounts due the claimants. Questions if any, on directors' claims shall be referred back to the Executive Secretary for resolution. Questions pertaining to employees' claims shall be referred back to the employees or their supervisors, as warranted. Unresolved disputes as to claims submitted by employees shall be forwarded by the ~~Finance and Business Services Division~~Office of the Chief Financial Officer to the Chief Executive Officer, who after conference with the employee may reduce or disallow any claim and the employee shall reimburse the District.

§ 6332. Audit.

(c) Questionable claims of assistant department heads or ~~division~~group managers shall be referred by the General Auditor to the Chief Executive Officer for resolution. Questionable claims of other employees shall be referred to the appropriate level of management or supervision for resolution. The Chief Executive Officer, or his designee, in consultation with the General Counsel's office, shall have the authority to make final determinations on audit issues involving the expense reports of all employees below the level of ~~d~~Department ~~h~~Head.

§ 6352. No Smoking Policy.

~~There shall be no smoking in one-half of the headquarters cafeteria and in elevators, restrooms, and conference rooms at all District facilities.~~

§ 6400. Creation of Offices.

The following offices are hereby created:

(b) Principal assistants within the executive offices, with number as authorized from time to time by the Board.

(1) Principal assistants to the Chief Executive Officer:

Chief Operating Officer

~~Chief Engineer~~Executive Vice President

~~Chief of Operations~~

Chief Financial Officer

~~Chief of Communications~~

Vice President(s)

(2) Principal assistants to the General Counsel:

Assistant General Counsel

(3) Principal assistants to the General Auditor:

Assistant General Auditor

(c) Other Offices:

Controller

Treasurer

Executive Secretary

§ 6401. Method of Appointment and Removal.

Officers and employees shall be appointed and removed in the following manner:

(a) Executive Officers. - Executive officers shall be appointed by, and shall hold office at the pleasure of, the Board.

(b) Principal Assistants to Executive Officers. - The principal assistants to the executive officers shall be appointed and may be removed by such executive officers, subject to ~~approval by the Board~~ notification. In the event the Board determines that an executive officer is unable for any reason to appoint or remove a principal assistant, the Board may appoint and remove such assistant.

(c) Other Officers

(1) The Executive Secretary shall be appointed and may be removed by the Chief Executive Officer, subject to approval by the Board.

(2) The Controller and the Treasurer shall be appointed and may be removed by the Chief Executive Officer.

§ 6411. Principal Assistants.

The powers and duties of the principal assistants to the Chief Executive Officer are as follows:

(a) The Chief Operating Officer, Executive Vice President, Chief Engineer, Chief of Operations, Chief of Planning and Resources, and Chief Financial Officer shall perform such duties and render such services as may be assigned to them by the Chief Executive Officer with like effect as though such duties or services were performed or rendered in person by the Chief Executive Officer. The Chief Executive Officer shall designate in writing by office and name principal assistants to act in the Chief Executive Officer's place in the event the Chief Executive Officer is absent, unable to act in person, or until the appointment and qualification of the Chief Executive Officer's successor, and shall specify the order in which such principal assistants shall assume the powers and duties of the Chief Executive Officer in any such event. The designation may be changed by the Chief Executive Officer at any time and for any reason, but a designation shall be kept on file at all times. The original of the designation shall be filed in the office of the Executive Secretary, and a signed copy shall be delivered to the principal assistants named therein.

(b) The Chief Operating Officer, Executive Vice President, Chief Engineer, Chief of Operations, Chief of Planning and Resources, and Chief Financial Officer shall act in the name of the Chief Executive Officer, except when empowered by law or in writing by the Board or the Chief Executive Officer to act in their own names, and their acts shall be equally effective whether done in their own names or in the name of their principal.

§ 6437. Use of District Automobile.

The General Counsel is authorized to use the General Counsel's District automobile for such purposes other than District business as may be necessary.

§ 64378. Assistants General Counsel and Deputies General Counsel.

(a) The Assistants General Counsel and Deputies General Counsel shall perform such duties and render such services to the District as may be prescribed and assigned to them by the General Counsel, with like effect as though such duties or services were performed or rendered in person by the General Counsel. During the absence or disability of the General Counsel, or his inability for any

reason to act in person, or in case of his death, resignation or removal, until the appointment and qualification of his successor, the Assistants General Counsel shall perform all of the duties and exercise all of the powers of the General Counsel. The Assistants General Counsel and Deputies General Counsel shall act in the name of the General Counsel, except when directed by the latter to act in their own names, and their acts shall be equally effective whether done in the name of the General Counsel or in their own names.

(b) The General Counsel may designate a Deputy General Counsel, who during the absence or disability of the General Counsel and of the Assistants General Counsel, or the inability of bothall of them for any reason to act in person, or in case of the death, resignation or removal of bothall of them, until the appointment and qualification of their successors, of either of them, shall perform all duties and exercise all of the powers of the General Counsel. Such designation shall be made in writing, the original to be delivered to the Deputy General Counsel, a signed copy to be filed in the office of the Executive Secretaryof the Board. Each Deputy General Counsel shall act in the name of the General Counsel except when directed by the latter to act in his own name.

§ 6500. Hourly Pay Rate Schedule.

(a) Effective July 1, 1996, ~~t~~The hourly pay rate (as that term is defined in subdivision (i) of Section 6200) schedule of positions occupied by ~~management and confidential unclassified service employees~~ not in an appropriate unit recognized pursuant to Section 6108 employees shall be as follows:

Grade	Range	Title
51	\$26.19-\$35.32 (\$54,475-\$73,466)	Staff Assistant to the CEO
65	\$38.25-\$51.36 (\$79,560-\$106,829)	Principal Legislative Representative
67	\$40.37-\$54.24 (\$83,970-\$112,819)	Assistant General Auditor
70	\$43.75-\$58.86 (\$91,000-\$122,429)	Employee Relations Unit Manager
71	\$44.94-\$60.45 (\$93,475-\$125,736)	Executive Legislative Representative
73	\$47.41-\$63.82 (\$98,613-\$132,746)	Assistant Group Manager Deputy General Counsel IV-Lbr
75	\$50.01-\$67.40 (\$104,021-\$140,192)	Human Resources Section Manager Project Manager
79	\$55.73-\$75.11 (\$115,918-\$156,229)	Group Manager

82 \$60.45-\$81.49 Assistant General Counsel
(\$125,736-\$169,499) Executive Vice President
Vice President

83 \$62.13-\$83.73 Chief Financial Officer
(\$129,230-\$174,158)

86 \$67.40-\$90.84 Chief Operating Officer
(\$140,192-\$188,947)

(Shows approximate annual salary range for convenience, Board approved rates are hourly.

None of the above positions are eligible for overtime

* These positions were changed by authority of the Chief Executive Officer, as orally reported to the Board of Directors.

Grade	Range	Title	Positions	
			Authorized	Total
63	\$36.28 48.71 (\$75,462-101,317)	*Sr. Asst. Dir. Public Affairs	0	0
65	\$38.25 51.36 (\$79,560-106,829)	Assist. General Auditor Assoc. Director of Water Quality Prin. Legislative Representative	1 1 3	5
	\$115,918(FR)	General Auditor	1	1
68	\$41.47 55.73 (\$86,258-115,918)	Director of Public Affairs Director of Water Quality Director of Human Resources Dir. of Environmental Compliance Asst. Chief Engineer Asst. Chief of Operations Asst. Chief of Planning and Resources Asst. Chief Financial Officer Exec. Asst. for Strategic Policy Development Director of Business Development Director of Information Technology	1 1 1 1 4 2 4 1 1 1 18	

71	\$44.94-60.45	*Exec. Asst. to Chief Executive Officer	2
	(\$93,475-125,736)	Exec. Legislative Rep.	1
74	\$48.71-65.60	Chief Engineer	1
	(\$101,317-136,448)	Chief Financial Officer	1
		Chief of Planning and Resources	1
		Chief of Operations	1
		Chief of Communications	1
		Senior Executive Assistant to Chief Executive Officer	1
			6
76	\$51.36-69.24	Asst. General Counsel	1
	(\$106,829-144,019)		1
80	\$57.26-77.18	*Deputy General Manager	2
	(\$119,101-160,534)		2
		Chief Operating Officer	1
	\$179,500(FR)	General Counsel	1
	\$200,000(FR)	Chief Executive Officer	1
		TOTAL	39

(+) = Shows approximate annual salary range for convenience, Board approved rates are hourly

None of the above positions are eligible for overtime

*These positions were changed by authority of the Chief Executive Officer, as orally reported to the Board of Directors.

(FR) = Designates flat rate annual salary

(c) Unrepresented employees are eligible to receive a monthly transportation allowance. Transportation allowance amounts are to be administered by the Chief Executive Officer based on a schedule approved by the Board of Directors.

(d) Unrepresented employees are eligible to participate in a pay for performance incentive program promulgated by the Chief Executive Officer. The Board shall establish the total expenditure for the program.

(e) Unless otherwise directed by the Board, the base hourly rate for the employees identified in Section 6500(b) will be adjusted annually to correspond with the annual across-the-board salary adjustment provided to the District's management unit.

§ 6501. Provisions Related to ~~Classifications~~Unrepresented Positions.

(a) The Chief Executive Officer may designate titles other than those ~~previously determined to be management and confidential employee titles identified in Section 6500 to be unrepresented positions~~ when the following criteria are met:

(1) The incumbent employee performs duties determined by the Chief Executive Officer ~~as having significant responsibilities for formulating and administering District policies or programs at the executive level, or as having significant responsibilities for administering employer-employee relations matters at the executive level, to be those of a management employee as defined in Section 6101(g) or a confidential employee as defined in Section 6101(b)~~.

(2) The title is provided for, and the employee is to be paid at the same grade as and within the same range of an identical position included in another salary schedule approved by the Board.

(b) Any titles designated pursuant to Section 6501~~(ea)~~ shall be deleted as ~~a management or confidential employee title an unrepresented position~~ if not included by the Board when it next amends Section 6500 or approves a related memorandum of understanding pursuant to Section 6110(e).

(c) The Chief Executive Officer may eliminate titles ~~designated as unrepresented included as a management and confidential title~~ when the title is included in ~~a another schedule of positions other than management or confidential~~ approved by the Board, ~~and~~ if the Chief Executive Officer determines the incumbent holding the title no longer ~~has significant responsibilities for formulating and administering District policies or programs at the executive level, or as having significant responsibilities for administering employer-employee relations matters at the executive level, qualifies as a management employee as defined in Section 6101(g) or as a confidential employee as defined in Section 6101(b)~~.

§ 6502. Call Back Pay.

(a) ~~A management or confidential employee shall receive call-back pay whenever unexpectedly required to return to duty because of unanticipated work requirements if notice to return is given to the employee following termination normal work shift and departure from the employee's headquarters.~~

(b) ~~Call-back pay shall be:~~

(1) ~~For a management or confidential employee residing within the camp or village, or on the same District property as the worksite: a minimum of one hour's pay at the overtime rate for a call-back between the period of 6:00 a.m. and 12:00 midnight. A minimum of two hours' pay at the overtime rate for a call-back between the period of 12:00 midnight and 6:00 a.m.~~

(2) For a management or confidential employee residing outside the camp or village, or off the same District property as the work site: a minimum of three hours' pay at the overtime rate for a call back between the period of 6:00 a.m. and 12:00 midnight. A minimum of four hours' pay at the overtime rate for a call back between the period of 12:00 midnight and 6:00 a.m.

(c) Whenever a management or confidential employee receives more than one call back within a time period specified in Section 6502(b), the employee shall not be entitled to additional overtime pay except for time actually worked beyond the first call back period.

(d) Notwithstanding Section 6502(b) above, whenever a management or confidential employee is unexpectedly required to return to duty as provided in Section 6502(b) before the established starting time of the employee's next regular shift, it shall be deemed an early shift start and the employee shall be compensated at this overtime rate only for the hours between the time of call back and the start of the employee's regularly scheduled shift.

(e) Hours worked after the minimum call back overtime pay periods specified in Section 6502(b) shall continue to be paid at the employee's overtime rate until the start of the employee's regularly scheduled shift.

(f) For purposes of overtime computation, travel time from the employee's residence to the reporting station and return shall be included in the minimum overtime pay period specified in Section 6502(b) except that if the employee is required to remain on duty until the start of the regularly scheduled shift, return travel time to the employee's residence will not be paid. Overtime pay for call back situations shall be computed as follows: If the combined travel time and work time is less than the appropriate call back time specified in Section 6502(b) (i.e., 1, 2, 3, or 4 hours), overtime pay shall be the appropriate call back time. See Example No. 1. If the combined travel time and work time is more than the appropriate call back time specified in Section 6502(b) overtime pay shall be the actual total of work time and travel time. See Example No. 2.

Example No. 1: Employee who lives off District property is called back to work at 8:00 p.m. Employee is entitled to three hours call back pay. Employee's round trip travel time is one hour. Employee works one hour. Employee is entitled to three hours overtime pay.

Example No. 2: Employee who lives off District property is called back to work at 6:00 p.m. Employee is entitled to three hours call back pay. Employee's round trip travel time is one hour. Employee works three hours. Employee is entitled to four hours overtime pay.

(g) A management or confidential employee exempt from overtime pay is not entitled to call back pay.

§ 6503. Shift Pay.

(a) A management or confidential employee will be paid shift pay at one dollar and ten cents per hour, in addition to the employee's regular salary and overtime pay, as follows:

~~Shift pay will be paid only for hours worked before 6:00 a.m. or after 6:00 p.m. if an employee works eight or more consecutive hours and if four of these hours fall before 6:00 a.m. and after 6:00 p.m. and shall apply only to employees who normally work a rotating shift, or regularly work a shift other than the normal day shift, or who substitute for employees who normally work a rotating shift or regularly work a shift other than the normal day shift.~~

~~(b) No shift pay will be paid for overtime work performed as an extension of a day shift.~~

~~(c) Employees exempt from overtime pay shall not be entitled to shift pay.~~

§ 6504. Standby Pay.

~~Management and confidential employees who are assigned to stand by in a nonworking status during off duty hours shall be entitled to stand by pay at the rate of one dollar and ten cents per hour during the period when they are required to stand by. Employees who are exempt from overtime pay shall also be exempt from standby pay.~~

§ 6505. Diving Pay.

~~A premium pay of \$5 for each diving hour will be paid to a management or confidential employee in addition to all other forms of compensation. Diving hours are to be computed in whole hours, any fraction of an hour spent underwater resulting in payment for the full hour. Employees who are exempt from overtime pay shall not be entitled to diving pay.~~

§ 6506. Compensation for Extended Hours.

~~At the discretion of the Chief Executive Officer, any employee holding a classification listed in Section 6500 who is exempt from overtime and at pay grade 63 or below, shall be eligible for additional compensation for extended hours of work. The compensation shall be at the employee's straight time hourly rate for each hour worked in excess of 90 hours in any approved payroll period cycle. Extended hours of work are excluded from hours as defined in Section 6200(c).~~

§ 6520. General.

In addition to other benefits set forth in this Administrative Code, ~~management and confidential unrepresented~~ employees, and to the extent specified, annuitants, shall be entitled to the following benefits effective June 28, 1987, unless otherwise provided hereinafter:

§ 6521. Retirement.

The District shall pay to the Public Employees' Retirement System (PERS) on behalf of each ~~management and confidential unrepresented~~ employee an amount equal to the required employee contribution to PERS, not to exceed seven percent of each employee's salary. The contribution shall be treated as an employer contribution made pursuant to Section 414(h)(2) of the Internal Revenue Code of

the United States in determining the tax treatment of the contribution. Such contributions shall be treated for all purposes other than taxation in the same manner and to the same extent as contributions made by employees prior to June 30, 1985. Such contributions shall be paid from the same source of funds as used in paying wages to the affected employees. The employee does not have the option to receive the District-contributed amount paid pursuant to this section directly instead of having it paid to PERS. Notwithstanding any provision in this Code to the contrary, the wages of each ~~management and confidential unrepresented~~ employee shall be reduced by the indicated percentage of the amount of such employee's contribution paid by the District pursuant to the provisions of this section:

For such employees employed prior to January 1, 1981

64.3%

For such employees employed on or after January 1, 1981

100.0%

This section shall be operative only so long as the District pickup of the retirement contribution continues to be excluded from the gross income of the employee under the provisions of the Internal Revenue Code.

§ 6522. Medical Insurance.

Metropolitan's monthly contribution for employees in classifications listed in Section 6500 and related annuitants to the medical plans maintained by the Public Employees' Retirement System under the provisions of the Public Employees' Medical and Hospital Care Act shall be ~~as follows: 90 percent of the total premium for the PERS-Care medical plan.~~

~~For plans in effect on January 1, 1999:~~

Employee or Annuitant Only	\$246
Employee or Annuitant Plus One Dependent	\$492
Employee Annuitant Plus Two or More Dependents	\$639

§ 6528. Personal Leave.

Employees in classifications listed in Section 6500 who are exempt from overtime pay and ~~has~~ ~~have~~ been employed by the District for more than 1,044 hours of current service, including military leave during the period of current service, may take personal leave with pay up to 24 hours each annual payroll cycle which shall not be charged against accumulated sick leave. Such personal leave may be taken for any personal reason, so long as such leave does not interfere with the mission of the District.

§ 6529. Part-Time Disability Leave.

A ~~management and confidential unrepresented~~ employee, otherwise eligible for disability leave pursuant to Section 6228, may be permitted by the employee's Department Head to work for a period,

subject to termination by the Department Head, on a part-time basis if a physician's statement is furnished, satisfactory to and accepted by the District, stating the employee is physically able to work on a part-time basis. The Department Head may not re-delegate the authority provided by this section. Notwithstanding any provision to the contrary in Sections 6200 through 6265, the employee shall be permitted to accrue leave in accordance with District regulation for those hours not on disability leave, but shall not be allowed to use leave until returning to work on a full-time basis and a physician's statement, satisfactory to and accepted by the District, is received stating the employee is physically able to return to work on a full-time basis for an indefinite time. For all other purposes of Section 6228, an employee on part-time disability leave shall be considered to be on full-time disability leave and shall not be considered as having returned to work.

§ 6530. Bereavement Leave.

Upon the death of a member of an employee's immediate family, Aa classification listed in Section 6500 shall be entitled to five days of bereavement leave if the employee is otherwise eligible to use bereavement leave under Section 6243 and the death occurs outside of California. allowed such bereavement leave with pay as is actually necessary to take care of funeral arrangements or to attend the funeral, but not to exceed three (3) working days with regard to any such death within the State of California and not to exceed forty (40) working hours if the death occurs outside the State of California. For the purposes of this section, "immediate family" means spouse, domestic partner, or the employee's or spouse's/domestic partner's child, parent, brother, sister, stepparent, stepchild, grandparent, and grandchild, aunt or uncle.

§ 6532. Professional Dues.

Any employee in an unrepresented management classification position listed in Section 6500 shall be reimbursed for professional dues, pursuant to authorization by the employee's Department Head, when professional dues are related to the fulfillment of the District's purposes.

§ 6533. Deferred Compensation.

The District shall provide a matching contribution, on behalf of each employee in a classification listed in Section 6500 who is a participant in the savings plan provided for in Division VI, Chapter 7, Article 5 of this Code, in the amount of 50 cents for each dollar contributed by the District in accordance with a compensation-reduction election made by the participant pursuant to Section 6765(a). Commencing July 1, 1998, or as soon thereafter as practical, the maximum District matching contribution shall not exceed four and one-half percent of the employee's total cash compensation and salary reductions permitted under Sections 401(k), 414(h) and 457 of the Internal Revenue Code during that time period. This section shall only be operative to the extent that the District can make matching contributions and maintain compliance with the Internal Revenue Code.

§ 6543. Formal Level.

(b) Level II

(1) In the event the grievant is not satisfied with the decision at Level I, the grievant may appeal the decision to the branch headsection manager within five working days by submitting to the branch headsection manager the original form entitled "Grievance Form" and including with it the decision previously rendered and a clear, concise statement of the reasons for the appeal.

(2) The branch headsection manager shall attempt to resolve the grievance and shall communicate a decision to the grievant in writing within five working days after receiving the appeal.

(3) Either the grievant or the branch headsection manager may request one personal conference to be held within the above time limit, and if the group manager deems it appropriate, the division head group manager may participate in such conference.

§ 6560. Per Diem Subsistence.

~~Per diem subsistence for meals and incidental expenses shall be \$35 and per diem subsistence for lodging shall be \$65 for management and confidential employees who are on travel status.~~

§ 6765. Article VI - Contribution and Allocation.

(b) Matching Contributions:

(1) Amount of Matching Contributions. - A Matching Contribution shall be allocated to the Matching Contributions Account of each Participant in an amount equal to a specified percentage from 0 percent to 100 percent of a Participant's Tax Deferred Elective Contributions for ~~each payroll period the Plan Year~~, but not in excess of a specified percentage of the Participant's Compensation for ~~such payroll period the Plan Year~~, both of which percentages shall be established by the District from time to time.

(2) Payments to Trustee. - Each Matching Contribution shall be paid by the District and transmitted to the Trustee not later than 30 days after the end of the payroll period for which the Matching Contributions are made.

§ 6767. Article VIII - Distributions and Withdrawals.

(e) Loans to Participants

(2) Any loans made pursuant to the provisions hereof, shall satisfy the following conditions: (1) such loans shall be available to all Participants on a reasonably equivalent basis; (2) such loans shall not be made available to Participants who are highly compensated Employees or officers of the District in an amount which, when stated as a percentage of the balance of such

Participants' Accounts, is greater than is available to other Participants; (3) such loans shall bear a reasonable rate of interest (unless the Chief Executive Officer determines otherwise, such loan shall bear interest equal to one percent above the reference rate being charged by Bank of America NT&SA, or the prime rate or similar rate of a successor bank or other commercial bank designated by the Chief Executive Officer, in effect at the beginning of the month in which the loan is made); (4) each such loan shall be adequately secured, with the security to consist of the portion of the Participant's Accounts equal to the loan principal and any additional security that the Chief Executive Officer determines to be necessary; (5) the amount of any such loan, when added to the outstanding balance of all other loans from ~~the Savings Plan~~ all qualified plans and 457(b) plans of the District to the Participant, shall not exceed either (i) \$50,000 reduced by the excess (if any) of the highest outstanding balance during the preceding 12 months of loans from the Savings Plan to the Participant over the outstanding balance of loans from the Savings Plan to the Participant on the date such loan is made or (ii) one-half the value of such Participant's Accounts, including in such balance prior loans to the Participant (for the purpose of this clause, the value of the balance of such Participant's Accounts shall be established as of the Valuation Date preceding the date upon which the loan is made); and (6) each such loan, by its terms, shall be repaid within five years (except that if the Chief Executive Officer is satisfied that the loan proceeds are being used to acquire the principal residence of a Participant, the Chief Executive Officer may, in his discretion, establish a term of up to 15 years for repayment).

§ 6785. Article VI - Contribution and Allocation.

(b) Matching Contributions:

(1) Amount of Matching Contributions.- A Matching Contribution shall be allocated to the Matching Contributions Account of each Participant in an amount equal to a specified percentage from 0 percent to 100 percent of a Participant's Tax Deferred Elective Contributions for ~~each payroll period~~ the Plan Year, but not in excess of a specified percentage of the Participant's Compensation for ~~such payroll period~~ the Plan Year, both of which percentages shall be established by the District from time to time.

(2) Payments to Trustee. - Each Matching Contribution shall be paid by the District and transmitted to the Trustee not later than 30 days after the end of the payroll period for which the Matching Contributions are made.

§ 6787. Article VIII - Distributions and Withdrawals.

(e) Loans to Participants

(2) Any loans made pursuant to the provisions hereof, shall satisfy the following conditions: (1) such loans shall be available to all Participants on a reasonably equivalent basis; (2) such loans shall not be made available to Participants who are highly compensated Employees or officers of the District in an amount which, when stated as a percentage of the balance of such Participants' Accounts, is greater than is available to other Participants; (3) such loans shall bear a reasonable rate of interest (unless the Chief Executive Officer determines otherwise, such loan shall bear

interest equal to one percent above the reference rate being charged by Bank of America NT&SA, or the prime rate or similar rate of a successor bank or other commercial bank designated by the Chief Executive Officer, in effect at the beginning of the month in which the loan is made); (4) each such loan shall be adequately secured, with the security to consist of the portion of the Participant's Accounts equal to the loan principal and any additional security that the Chief Executive Officer determines to be necessary; (5) the amount of any such loan, when added to the outstanding balance of all other loans from ~~the Savings Plan all qualified plans and 457(b) plans of the District~~ to the Participant, shall not exceed either (i) \$50,000 reduced by the excess (if any) of the highest outstanding balance during the preceding 12 months of loans from the Savings Plan to the Participant over the outstanding balance of loans from the Savings Plan to the Participant on the date such loan is made or (ii) one-half the value of such Participant's Accounts, including in such balance prior loans to the Participant (for the purpose of this clause, the value of the balance of such Participant's Accounts shall be established as of the Valuation Date preceding the date upon which the loan is made); and (6) each such loan, by its terms, shall be repaid within five years (except that if the Chief Executive Officer is satisfied that the loan proceeds are being used to acquire the principal residence of a Participant, the Chief Executive Officer may, in his discretion, establish a term of up to 15 years for repayment).

§ 8221. Authority to Acquire Real Property; Appraisal.

The Chief Executive Officer is authorized to acquire any real property which the Chief Executive Officer determines to be required for District purposes as provided herein:

(e) In any action in eminent domain filed by the District, or any inverse condemnation action filed against the District alleging a taking of real property, the General Counsel is authorized to acquire the property by stipulated judgment providing for payment of not more than the acquisition price which the Chief Executive Officer is authorized to pay by Section 8221(c), unless otherwise authorized by the Board, ~~or under the provisions of Section 2596(b)~~, together with interest thereon as provided in Section 8221(c).

**THE ADMINISTRATIVE CODE OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

§ 1106. Holiday.

Whenever the word "Holiday" is used in this Code, it shall include January 1, the third Monday in January (observance of Martin Luther King's birthday), the third Monday in February (Presidents' Day), March 31 (observance of Cesar Chavez's Birthday), the Friday before Easter, the last Monday in May (Memorial Day), July 4, the first Monday in September (Labor Day), November 11 (Veteran's Day), Thanksgiving Day, the day following Thanksgiving Day, December 24, December 25, December 31, and any day or portion of a day declared by the Board as a Holiday. If any Holiday other than December 24 and 31 falls on Sunday, the following Monday is a Holiday. If any Holiday other than December 24 and 31 falls on Saturday, the preceding Friday is a Holiday.

§ 2100. Regular Meetings.

Regular meetings of the Board shall be held on the second Tuesday of each month; provided that if said Tuesday falls upon a holiday designated in Section 1106 hereof, such regular meeting shall be held on the next business day, and the staff shall arrange its affairs accordingly.

§ 2140. Duties of the Executive Vice President.

Under the direction of the Chief Executive Officer, the duties of the Executive Vice President are to:

- (a) Provide administrative and ministerial services for the Board and directors; and,
- (b) Act as the liaison between the Board and management.

§ 2141. Duties of the Board Executive Secretary.

The duties of the Board Executive Secretary are to:

- (a) Provide administrative and ministerial services for the Board and directors under the direction of the Executive Vice President;
- (b) Act as the liaison between the Board and management under the direction of the Executive Vice President;
- (c) Accept service of process on behalf of the District; and,
- (d) Report to the Executive Vice President

§ 2146. Use of Board and Committee Facilities.

All requests for use of the Board and committee rooms shall be submitted to the Executive Vice President, and the use of such rooms by outside agencies and groups shall be limited to appropriate purposes pursuant to the terms and conditions, including payment, established by the Executive Vice President.

§ 2315. Standing Committee Inspection Trips.

When deemed to be of value by the Executive Committee, any standing, special, sub, or ad hoc committee may schedule one- or two-day inspection trips that will aid its members in the deliberations of matters before that committee. Trips of longer duration require approval by the Chairman and Board officers. Such inspection trips should be coordinated through the External Affairs Group.

§ 2416. Day of Regular Meeting.

The regular meeting of the Executive Committee shall be held on the fourth Tuesday of the month.

§ 2700. Chief Executive Officer's Annual Reports.

The Chief Executive Officer shall annually make the following reports:

(a) To the Board:

(1) On financial matters generally;

(2) After consulting with the General Counsel, on the results of his review made pursuant to Section 5204 of District compliance with minimum fund requirements outlined in Sections 5201-5204 and with the articles and covenants contained in resolutions of issuance;

(3) On all leases made during the preceding year under the authority of Sections 8222, 8223, 8230 and 8232, and

(4) On the status of appropriations pursuant to Section 5108(c).

(b) To the Engineering and Operations Committee on all consulting agreements in effect during the preceding year and the exercise of authority under Section 8103(k). Each such report shall indicate when a consultant is a former employee of the District.

(c) To the Executive Committee on the Chief Executive Officer's Business Plan and goals and objectives as required by Section 6415.

§ 2715. Chief Executive Officer's Semi-Annual Reports.

(a) The Chief Executive Officer shall semi-annually report to the Executive Committee on the implementation of Sections 6300-6305 and on the status of the Affirmative Action Program.

(b) The Chief Executive Officer shall semi-annually report to the Board on the status of the District's Local Resources and Conservation Programs.

§ 2720. Chief Executive Officer's Quarterly Reports.

The Chief Executive Officer shall quarterly make the following reports:

(a) To the Engineering and Operations Committee:

(1) On service connections approved by the Chief Executive Officer pursuant to Sections 4700-4708 with the estimated cost and approximate location of each;

(2) On the execution of any relocation agreements involving an amount in excess of \$100,000 under the authority of Section 8118(a);

(3) On the execution of any contract authorized pursuant to Section 8121;

(4) Deeds or grants accepted during the preceding quarter;

(5) Easements, or similar rights, granted during the preceding quarter under the authority of Section 8220, and shall also include in such report any relocation or protection agreement made in connection therewith;

(6) All leases made during the preceding quarter under the authority of Sections 8222, 8223, 8230 and 8232;

(7) The details of any transactions during the preceding quarter in which an improvement was disposed of in such a manner as to make the improvement available for subsequent use by a party other than the District;

(8) Property sold pursuant to the authority granted by Section 8240 et seq.; and

(9) The status of all information technology projects throughout the organization.

(b) To the Legal, Claims and Personnel Committee, jointly with the General Counsel, the exercise of any power delegated to them by Sections 6431, 6433 and 6434.

(c) To the Legal, Claims and Personnel Committee on the employment of any consultant, the extension of any consulting agreement, and on the exercise of authority under Section 8103(k) and 8117 during the preceding calendar quarter. The report covering the last calendar quarter of the year may be combined with and included in the annual report. Each such report shall indicate when a consultant is a former employee of the District.

(d) To the Budget, Finance and Investment Committee a summary of financial performance including Comparative Statements of Operations and Comparative Balance Sheets and variances thereof from estimates.

§ 4401. Rates.

(c) For purposes of agreements existing under the Local Resource Program, Local Project Program, Groundwater Recovery Program and other similar programs, references to the "full service water rate," "full service treated water rate," "treated non-interruptible water rate" or "other prevailing rate" or to the "reclaimed water rate" or "recycled service rate" shall be deemed to refer to the sum of the System Access Rate, Water Stewardship Rate, System Power Rate, the expected weighted average of Tier 1 Supply Rate and Tier 2 Supply Rate (equal to the estimated sales revenues expected from the sale of water at the Tier 1 and Tier 2 Supply Rates divided by the total District sales in acre-feet expected to be made at the Tier 1 and Tier 2 Supply Rates), a Capacity Charge expressed on a dollar per acre-foot basis and Treatment Surcharge.

§ 4402. Readiness-to-Serve Charge.

(a) The readiness-to-serve charge shall be set by the Board from time to time to recover the costs of emergency system storage and the cost of system conveyance capacity for peak and standby use not recovered by property tax revenue. The readiness-to-serve charge will be allocated among the member public agencies beginning January 1, 2003, in proportion to the average of deliveries (including exchanges and transfers) through Metropolitan's system (in acre feet) to each member public agency during the ten-year period ending June 30, 2001; and thereafter as a ten-year rolling average; provided that Metropolitan sales of reclaimed water under the Local Projects Program and Local Resources Program, groundwater under the Groundwater Recovery Program and deliveries under Replenishment and Interim Agricultural Water Service shall not be included in the water deliveries calculation.

§ 4403. Capacity Reservation Charge and Capacity Charge.

(a) Beginning January 1, 2004, the capacity charge shall be payable by each member agency for system capacity based on the maximum summer day demand placed on the system between May 1 and September 30 for the three-calendar year period ending December 31, 2002, and thereafter for a rolling three-calendar year period.

(b) The capacity charge shall be due monthly, quarterly or semiannually, as agreed upon by Metropolitan and the member public agency.

§ 4503. Suspension of Deliveries.

Whenever repairs or maintenance of the District's system, in the opinion of the Chief Executive Officer of the District, shall require suspension of delivery of water at any point or points, such delivery may be suspended without liability on the part of the District; provided, that except in cases of emergency, as determined by the Chief Executive Officer, notice of such suspension of service shall be given to the affected member public agency in advance of such suspension.

Each member agency should have a seven-day supply of water in case of an interruption in Metropolitan deliveries. Except in cases of emergency, the District will notice long-term (over seven days) shutdowns at least one year in advance and produce a shutdown schedule in September for shutdowns less than seven days.

Replenishment Service certifications will be adjusted for the reduction of credits that are accrued due to shutdowns that are greater than seven days. No adjustments will be made for shutdowns seven days or less unless the member agency provides a service to the District by serving another member agency in-lieu of District deliveries during a shutdown even if the shutdown is seven days or less.

§ 4514. Replenishment Service.

(a) General - The goals of the Replenishment Service program are to:

(1) Achieve greater conjunctive use of imported and local supplies.

(2) Encourage construction of additional local production facilities.

(3) Reduce member agencies' dependence on deliveries from Metropolitan during periods of shortage.

Member agencies are encouraged to take replenishment water through a discounted rate offered by Metropolitan. This economic incentive encourages local agencies to invest in new water production, storage, treatment and transmission facilities, or to fully utilize existing facilities. These facilities are needed to augment local agencies' capability to produce local water, as well as store imported water purchased from Metropolitan during periods of abundance.

To receive the lower rates, agencies must certify to Metropolitan the amounts of imported water that they have stored in local reservoirs and groundwater basins by direct and in-lieu means. Certification forms are provided to agencies to assist in their calculations and standardize the certifications. Agencies shall comply with the administrative procedures as set forth in the most current Replenishment Service Handbook, as amended from time to time by the Chief Executive Officer, to receive the Replenishment Service rate on water purchased from Metropolitan.

(b) Storage Types - Replenishment Service water shall be stored for long-term storage. Long-term storage is that water delivered by Metropolitan to a member public agency or sub-agency for storage, by direct or in-lieu methods, beyond a 12-month period. Under this concept, total annual purchases from Metropolitan increase by the amount of Replenishment Service water purchased. Water that an agency leaves in storage to replace groundwater overdraft in any previous drought year when Replenishment Service was declared unavailable is considered long-term storage.

(c) Normal Period of Availability - Replenishment Service water service shall be available between July 1 through June 30 whenever and so long as the Chief Executive Officer determines that water and system capacity are available. If required for Metropolitan's system regulation, groundwater replenishment by spreading or injecting or water deliveries/sales pursuant to any storage or operating agreement, may be offered to specific member public agencies during any time of the year at the Replenishment Service rate at the Chief Executive Officer's discretion. If an agency should take Replenishment Service water when it is deemed not available by the Chief Executive Officer then it shall pay the rates for that water set forth in Section 4401(a)(1). With respect to service for direct reservoir replenishment and for groundwater replenishment by spreading or injecting, service availability may be activated or terminated immediately upon notice by the Chief Executive Officer to affected member public agencies. With respect to service for in-lieu groundwater replenishment or in-lieu reservoir replenishment, service availability may be activated upon notice to the member public agencies and terminated upon 48 hours notice to the member public agencies.

(d) Certification - Member public agencies may receive Replenishment Service only upon filing of the required certifications specified in Section 4507. All certifications as to the storage of water Replenishment Service must be on forms provided by the District or in electronic format acceptable to the District. Receipt of a certification electronically by computer modem or otherwise shall be considered identical to receipt of a written and signed certification binding on the member public agency for all purposes. The Chief Executive Officer may make or cause to be made such investigations as the Chief Executive Officer may require in order to determine the quantities of water to which the Replenishment Service rates shall apply. Such investigations may result in revisions either upward or downward in the amount of water actually received in Replenishment Service. No such investigation shall be made unless the member public agency has requested Replenishment Service and submitted the requisite certifications. The Chief Executive Officer may reject any certification if the certifying agency is unable to furnish sufficient documentation as to the facts of the certification.

§ 6101. Definitions.

(e) Employee Relations Officer. - The Chief Executive Officer or his authorized representative.

(g) Management Employee. - Any employee having significant responsibilities for formulating and administering District policies and programs, including executive officers, their principal assistants and other officers, as defined and listed in the Metropolitan Water District Code, and group, section and unit managers designated by executive officers.

§ 6108. Certification of Employee Organizations.

(c) Recognition of District Employee Associations. - (1) The Employees Association of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. (2) The Supervisors Association of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. (3) The Management and Professional Employees Association of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. (4) The Association of Confidential Employees of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations. (5) The Water Attorneys of The Metropolitan Water District of Southern California shall be recognized as the employee organization that represents employees of the District within that unit in their employment relations.

§ 6112. Use of District Facilities.

(d) Recognized employee organizations may use District bulletin boards subject to rules to be prescribed by the Chief Executive Officer, provided such use does not interfere with the needs of the District. Any notice posted on behalf of a recognized employee organization shall be dated and signed by the authorized representative responsible for its issuance. Information posted by recognized employee organizations shall not contain anything which may reasonably be construed as maligning the District or any of its employees or agents.

§ 6200. Definitions.

(b) "Unclassified service" shall mean and include all unrepresented employees, including the officers and positions listed in Section 6500 of this Code.

§ 6205. Eligibility and Qualifications for Employment.

Eligibility for employment shall be limited as follows:

(c) After completing the District's "Application for Employment," with the exception of applicants filling nonsupervisory positions at remote field locations, each applicant shall be interviewed initially in the Human Resources Section unless otherwise specified by the Department Head. The Human Resources Section will make a preliminary evaluation of education and professional qualifications, experience, character, and personality. Applicants selected by the Human Resources Section shall then be interviewed by the supervisor initiating the personnel requisition. In remote locations, the preliminary interviews may be conducted by supervisory personnel.

(d) Prior to accepting any applicant for employment, the Human Resources Section shall:

(1) If applicable, determine the applicant's aptitude to perform the duties of the position, arrange for oral, written or manual examination, including machine or equipment operation, as appropriate.

(2) Perform a reference check with at least two previous employers if applicable, or obtain a military service record for recently separated servicemen.

(3) Obtain a motor vehicle driving record from the State Department of Motor Vehicles if the position involves or could involve the use of a District vehicle.

(4) Arrange for preemployment physical examination to determine physical fitness to perform the duties required. Temporary personnel need not be physically examined.

(e) Upon completion of the processing described in Sections 6205(c) and 6205(d) and approval by the supervisor, the Human Resources Section shall forward the application and all pertinent documents to the Department Head for approval of employment.

(f) Upon authorization by the Department Head, the Human Resources Section will complete processing of the applicant for employment.

§ 6206. Appointments and Removals.

(a) Manner of Maintenance of Records. - All appointments and removals shall be in writing. With respect to Department Heads, the original shall be delivered to the executive officer appointed or removed and a signed copy shall be filed in the office of the Executive Secretary. With respect to other employees, the records of appointments and removals shall be maintained by the Human Resources Section Manager.

§ 6208. Pay Rate Administration.

(b) Pay rates for Department Heads shall be individually fixed by the Board. Pay rates for all employees shall be fixed by their respective Department Heads within the ranges fixed by the Board for such positions in accordance with practices, policies and procedures promulgated by the Chief Executive Officer. The Executive Committee shall annually make a recommendation to the Board concerning any changes in the salaries and other compensation of the Department Heads, such changes to be acted upon by the Board no later than at its June meeting to be effective at the start of the payroll period beginning nearest to July 1.

(c) Job descriptions in terms of duties and responsibilities shall be prepared by the Human Resources Section Manager for each position. Job descriptions for positions requiring appointment or approval of appointment by the Board shall be submitted to the Board for approval. Job

descriptions for positions peculiar to the Legal, auditing, or Ethics departments shall be subject to approval of the General Counsel, General Auditor or Ethics office as appropriate. It shall be the duty of Human Resources to insure that all employees are properly classified.

(e) New employees, upon entering District service, will be placed by the Human Resources Section Manager at a salary grade and step within the salary range appropriate for the position available and the applicant's qualifications. Employees who are promoted to a position in a higher range shall be paid at least the minimum of such range but not more than four steps over their prior rate or the fifth step of the higher pay rate range, whichever is higher, but not in excess of the maximum rate specified for the position to which promoted. New employees are eligible for a merit increase after completion of a six-month probationary period. The eligibility date for subsequent merit reviews shall be 12 months from the most recent merit increase, promotion or demotion, whichever is later. Employees at the top step of the pay range will not be eligible for any merit increase. Merit increases will be awarded as provided for by Section 6211.

(h) Pay Rate Survey.

(1) As needed, the Chief Executive Officer has the authority to cause a survey to be made of rates of pay and benefits of employees of other organizations specified by the Board, and may thereafter recommend to the Board revisions in the pay rate structure and benefits for employees. The survey need not include positions for which pay rates are established pursuant to a memorandum of understanding approved by the Board which is in effect for the entire calendar year. Action, if any, on the pay rate survey may be taken at the same meeting the survey information is presented or at a subsequent meeting. The General Counsel and General Auditor may also recommend to the Legal, Claims and Personnel Committee revisions regarding positions peculiar to their own departments.

(2) The list of agencies to be used in the District's pay rate survey may include the following:

City of Glendale
Southern California Water Company
Southern California Edison Company
City of Pasadena
Mobil Oil Company
City of Los Angeles
State Department of Water Resources
County of Orange
City of Los Angeles Department of
Water & Power
Southern California Gas Company
County of Los Angeles

§ 6209. Discharge.

(b) Probationary employees serve at the pleasure of their respective Department Heads. Classified employees may be discharged, for cause, immediately by their respective Department Heads. When immediate discharge is not deemed appropriate, written notice shall be given at least 14 calendar days in advance of discharge for probationary employees and at least 30 calendar days in advance of discharge for other classified employees.

§ 6210. Employee Evaluation.

(b) District requirements:

(1) Probationary employees. The evaluation process should be completed at least 30 days prior to the end of the employee's six-month probationary period.

(2) Regular employees. The evaluation process should be completed on an annual basis, even if the employee is at the top step of his or her classification and therefore is ineligible for a merit increase.

(3) Temporary employees. An evaluation should be submitted to the Human Resources Section at the end of the employee's service, if that service is for a period of one month or more.

(c) An employee must sign the evaluation and note the date received. The signature indicates only that the evaluation form and any accompanying documents were received; it is not a statement that the employee agrees with the ratings. The employee may attach a rebuttal to the evaluation.

§ 6217. Disciplinary Procedure.

If a regular employee is to be suspended for forty (40) hours or more, demoted, i.e., moved from one classification to another classification having a lower salary grade, or discharged, the employee shall:

(c) Be accorded the right to respond in writing within 14 days to the proposed charges; or, in the alternative, be accorded the right to meet within a reasonable period of time with the Group Manager or designee who has the authority to recommend modification or elimination of the proposed disciplinary action.

§ 6218. Appeal Procedure.

(a) Any regular non-probationary employee who is suspended for forty (40) hours or more, demoted, i.e., moved from one classification to another classification having a lower salary grade, or discharged shall be entitled to select one of the alternatives listed in Section 6218(b):

(b) Alternatives:

(1) *Hearing* - The Department Head shall select a Hearing Officer from a list of names provided by the State Mediation Service, or an individual from outside the District, to hear the dispute and present a recommendation to the Department Head.

(2) *Consultation* - The grievant, the grievant's representative, if any, the grievant's second level manager and a representative of the Employee Relations Team of the Human Resources Section shall meet in an attempt to resolve the problem.

(3) *Mediation* - The grievant, the grievant's representative, if any, the grievant's second level manager and a representative of the Employee Relations Team of the Human Resources Section shall meet with the assistance of a Mediator from the State Department of Industrial Relations in an attempt to resolve the problem.

(c) Appeal Process:

(1) A written request specifying one of the alternatives listed in Section 6218(b) must be filed by the employee with the Human Resources Section Manager within fifteen (15) days of the date of the notice of disciplinary action.

(2) Within ten (10) days of an employee filing a request with the Human Resources Section Manager, the employee shall receive written notice of the particulars concerning the alternative selected.

(3) The results of the alternative selected by the grievant shall be advisory to the Department Head.

(4) The Department Head shall either accept, reject or modify such result. The Department Head's decision shall be communicated in writing to the parties and shall be final and binding.

§ 6219. Disciplinary Actions.

KK. Violation of properly adopted rules and regulations set forth in writing by the employee's department/group.

§ 6221. Demotion.

(c) Unclassified employees, other than Department Heads, may be involuntarily demoted by their respective Department Heads. Classified employees may be involuntarily demoted for cause or in connection with a reduction in force.

§ 6225. Holidays.

(a) Except as provided in Section 6225(e), regular full-time employees shall be entitled to leave of absence without loss of pay on all Holidays. Each holiday shall be the same length as an employee's workday. When a Holiday falls on an employee's scheduled day off, the Holiday shall be deemed to fall on the employee's next scheduled working day if the Holiday is on a Sunday or Monday. Otherwise, the Holiday shall be deemed to fall on the employee's last scheduled working day preceding the Holiday. If December 24 and 31 fall on a Saturday or Sunday, employees shall be credited at the beginning of the first biweekly period of the annual payroll cycle with two personal holidays to be taken in the same annual payroll cycle of those dates on days of the employee's choice, subject to the approval of the Department Head.

(b) When an employee is on leave without pay on both the scheduled working day preceding and the scheduled working day following a Holiday, the employee shall not be entitled to be paid for the Holiday.

(c) If an employee terminates before December 24 and/or December 31 after taking one or both of the personal holidays created by Section 6225(a), the monies paid for such personal holidays shall be withheld from severance pay made pursuant to Section 6248.

§ 6226. Annual Leave.

(a) Subject to any applicable memorandum of understanding or employment agreement, employees shall accumulate annual leave with full pay at the following rates for each hour of total service:

Range of Hours		Accumulation Factor For Each Hour Within Range	Maximum Accumulation
From	Through		
1	8,352	.0386250	161.28
8,353	18,792	.0574720	240
18,793	20,880	.0616100	257.28
20,881	22,968	.0652880	272.64
22,969	25,056	.0689660	288
25,057	27,144	.0731040	305.28
27,145	Last hour of total service	.0767817	320.64

Notwithstanding the above, the maximum accumulation in those classifications listed in Section 6500, shall be 1.25 times the maximum accumulation that would otherwise be applicable.

§ 6234. Domestic Partners.

(c) Upon establishment or termination of the domestic partnership, the employee shall notify the Human Resources Section Manager by filing a form designated by the Human Resources Section.

§ 6243. Bereavement Leave.

Upon the death of a member of an employee's immediate family, the employee shall be allowed such bereavement leave with pay as is actually necessary to take care of funeral arrangements or to attend the funeral, but not to exceed three (3) working days with regard to any such death within the State of California and not to exceed forty (40) working hours if the death occurs outside the State of California. For the purposes of this section, "immediate family" means spouse, domestic partner, or the employee's or spouse's/domestic partner's child, parent, brother, sister, stepparent, stepchild, grandparent, grandchild, aunt or uncle.

§ 6265. Service Awards.

The Chief Executive Officer is authorized to provide for a program of service award presentations to employees meeting specified periods of service.

§ 6323. Definitions.

(a) "Employee" shall mean directors and employees unless specifically stated otherwise. Employees within a bargaining unit which has a Memorandum of Understanding with the District shall be governed by its provisions to the extent it provides for reimbursement of expenses or per diem. Where authorization for an employee to travel is required from a "Department Head or group manager," the term shall mean the positions so identified by the organizational chart contained in the most recent annual District budget adopted by the Board. In the case of a director, the terms shall be deemed to mean the Chairman of the Board.

(e) "Business meal" shall be one in which employees provide non-employees and themselves meals and beverages ordinarily associated with normal eating customs under circumstances which are generally considered to be conducive to furthering the business of the District. A "business meal" unless otherwise justified does not include a meal furnished by an employee to someone in expectation that another meal will be furnished to the employee or in repayment of one previously furnished. A "business meal" shall also include employees' meals at business meetings away from a District facility with non-employees who pay for their own meals, or at a business program sponsored by a business or professional association where the subject matter of the discussion is of importance to the District. Employees (not including directors) ordinarily may not themselves partake in, or provide

for others, business meals without prior authorization by their group, assistant group or section manager provided, however, whenever an employee who customarily performs District job assignments at a specific location, or locations, is required to be at a substantial distance from that location on District business during a period when a meal is usually partaken, the employee shall be reimbursed by the District for the expense of meals partaken at such other locations. In addition to the above, a Department Head may authorize meals for employees under special circumstances.

§ 6324. Authorization for Domestic Travel.

(b) Employees

(1) Employees if authorized by their supervisors may travel anywhere within Southern California (including Bakersfield) to carry out their job assignments.

(2) Group managers are authorized, and may authorize their staff, to travel anywhere within the United States to carry out a job assignment.

§ 6327. Route and Mode of Travel.

(b) The Department Head or group manager shall reject or reduce claims for reimbursement of expenses resulting from unauthorized travel or inappropriate selection by the employee of class of transportation, lodging, or meals.

(c) Department Heads, assistant department heads, group, assistant group, and section managers are authorized and may authorize other employees to approve transportation orders to check out pool cars from the Los Angeles headquarters garage. Directors requiring the use of District vehicles shall place their requests through the Chief Executive Officer.

§ 6328. Other Expenses.

Expenses not otherwise covered by these regulations and not exceeding \$100 may be approved by the group manager if consistent with the requirements of Sections 6320 and 6321. Those in excess of \$100 shall be approved by the Department Head.

§ 6329. Funds.

(b) If necessary, funds will be advanced to employees to be on travel status on a temporary basis upon submission of Form 25-22, Authorization for Temporary Cash Advance, approved by a Department Head or group manager. The original of the authorization is to be forwarded to the Controller.

§ 6331. Preparation, Approval and Processing of Claims.

(b) Expense accounts shall be prepared and submitted by directors and employees under the following circumstances in accordance with the schedules outlined herein:

(3) Employees' expense claims, approved in accordance with the provisions of this section, shall be submitted to the Office of the Chief Financial Officer no later than the end of the month following the month in which the employee incurred the expenses or participated in an activity for which District funds were utilized on the employee's behalf.

(c) The expense reports of all directors shall be reviewed and approved by the Executive Secretary. Department Heads' expense reports shall be verified as accurate by their respective executive secretaries. The expense reports of assistant department heads and group managers shall be approved by their Department Heads. All other employee expense reports shall be approved by the employees' authorizing supervisors up through the group manager level, as applicable.

(d) All approved expense reports shall be submitted to the Controller's Section of the Office of the Chief Financial Officer for review, processing and, if appropriate, reimbursement of amounts due the claimants. Questions if any, on directors' claims shall be referred back to the Executive Secretary for resolution. Questions pertaining to employees' claims shall be referred back to the employees or their supervisors, as warranted. Unresolved disputes as to claims submitted by employees shall be forwarded by the Office of the Chief Financial Officer to the Chief Executive Officer, who after conference with the employee may reduce or disallow any claim and the employee shall reimburse the District.

§ 6332. Audit.

(c) Questionable claims of assistant department heads or group managers shall be referred by the General Auditor to the Chief Executive Officer for resolution. Questionable claims of other employees shall be referred to the appropriate level of management or supervision for resolution. The Chief Executive Officer, or his designee, in consultation with the General Counsel's office, shall have the authority to make final determinations on audit issues involving the expense reports of all employees below the level of Department Head.

§ 6400. Creation of Offices.

The following offices are hereby created:

(b) Principal assistants within the executive offices, with number as authorized from time to time by the Board.

- (1) Principal assistants to the Chief Executive Officer:
 - Chief Operating Officer
 - Executive Vice President
 - Chief Financial Officer
 - Vice President(s)
 - (2) Principal assistants to the General Counsel:
 - Assistant General Counsel
 - (3) Principal assistants to the General Auditor:
 - Assistant General Auditor
- (c) Other Offices:
- Controller
 - Treasurer
 - Executive Secretary

§ 6401. Method of Appointment and Removal.

Officers and employees shall be appointed and removed in the following manner:

- (a) Executive Officers. - Executive officers shall be appointed by, and shall hold office at the pleasure of, the Board.
- (b) Principal Assistants to Executive Officers. - The principal assistants to the executive officers shall be appointed and may be removed by such executive officers, subject to Board notification. In the event the Board determines that an executive officer is unable for any reason to appoint or remove a principal assistant, the Board may appoint and remove such assistant.
- (c) Other Officers
 - (1) The Executive Secretary shall be appointed and may be removed by the Chief Executive Officer, subject to approval by the Board.
 - (2) The Controller and the Treasurer shall be appointed and may be removed by the Chief Executive Officer.

§ 6411. Principal Assistants.

The powers and duties of the principal assistants to the Chief Executive Officer are as follows:

- (a) The Chief Operating Officer, Executive Vice President and Chief Financial Officer shall perform such duties and render such services as may be assigned to them by the Chief

Executive Officer with like effect as though such duties or services were performed or rendered in person by the Chief Executive Officer. The Chief Executive Officer shall designate in writing by office and name principal assistants to act in the Chief Executive Officer's place in the event the Chief Executive Officer is absent, unable to act in person, or until the appointment and qualification of the Chief Executive Officer's successor, and shall specify the order in which such principal assistants shall assume the powers and duties of the Chief Executive Officer in any such event. The designation may be changed by the Chief Executive Officer at any time and for any reason, but a designation shall be kept on file at all times. The original of the designation shall be filed in the office of the Executive Secretary, and a signed copy shall be delivered to the principal assistants named therein.

(b) The Chief Operating Officer, Executive Vice President, and Chief Financial Officer shall act in the name of the Chief Executive Officer, except when empowered by law or in writing by the Board or the Chief Executive Officer to act in their own names, and their acts shall be equally effective whether done in their own names or in the name of their principal.

§ 6437. Use of District Automobile.

The General Counsel is authorized to use the General Counsel's District automobile for such purposes other than District business as may be necessary.

§ 6438. Assistants General Counsel and Deputies General Counsel.

(a) The Assistants General Counsel and Deputies General Counsel shall perform such duties and render such services to the District as may be prescribed and assigned to them by the General Counsel, with like effect as though such duties or services were performed or rendered in person by the General Counsel. During the absence or disability of the General Counsel, or his inability for any reason to act in person, or in case of his death, resignation or removal, until the appointment and qualification of his successor, the Assistants General Counsel shall perform all of the duties and exercise all of the powers of the General Counsel. The Assistants General Counsel and Deputies General Counsel shall act in the name of the General Counsel, except when directed by the latter to act in their own names, and their acts shall be equally effective whether done in the name of the General Counsel or in their own names.

(b) The General Counsel may designate a Deputy General Counsel, who during the absence or disability of the General Counsel and of the Assistants General Counsel, or the inability of all of them for any reason to act in person, or in case of the death, resignation or removal of all of them, until the appointment and qualification of their successors, shall perform all duties and exercise all of the powers of the General Counsel. Such designation shall be made in writing, the original to be delivered to the Deputy General Counsel, a signed copy to be filed in the office of the Executive Secretary. Each Deputy General Counsel shall act in the name of the General Counsel except when directed by the latter to act in his own name.

§ 6500. Hourly Pay Rate Schedule.

(a) The hourly pay rate (as that term is defined in subdivision (i) of Section 6200) schedule of positions occupied by unclassified service employees not in an appropriate unit recognized pursuant to Section 6108 shall be as follows:

Grade	Range	Title
51	\$26.19-\$35.32 (\$54,475-\$73,466)	Staff Assistant to the CEO
65	\$38.25-\$51.36 (\$79,560-\$106,829)	Principal Legislative Representative
67	\$40.37-\$54.24 (\$83,970-\$112,819)	Assistant General Auditor
70	\$43.75-\$58.86 (\$91,000-\$122,429)	Employee Relations Unit Manager
71	\$44.94-\$60.45 (\$93,475-\$125,736)	Executive Legislative Representative
73	\$47.41-\$63.82 (\$98,613-\$132,746)	Assistant Group Manager Deputy General Counsel IV-Lbr
75	\$50.01-\$67.40 (\$104,021-\$140,192)	Human Resources Section Manager Project Manager
79	\$55.73-\$75.11 (\$115,918-\$156,229)	Group Manager
82	\$60.45-\$81.49 (\$125,736-\$169,499)	Assistant General Counsel Executive Vice President Vice President
83	\$62.13-\$83.73 (\$129,230-\$174,158)	Chief Financial Officer
86	\$67.40-\$90.84 (\$140,192-\$188,947)	Chief Operating Officer

() = Shows approximate annual salary range for convenience, Board approved rates are hourly.
None of the above positions are eligible for overtime

* These positions were changed by authority of the Chief Executive Officer, as orally reported to the Board of Directors.

(c) Unrepresented employees are eligible to receive a monthly transportation allowance. Transportation allowance amounts are to be administered by the Chief Executive Officer based on a schedule approved by the Board of Directors.

(d) Unrepresented employees are eligible to participate in a pay for performance incentive program promulgated by the Chief Executive Officer. The Board shall establish the total expenditure for the program.

(e) Unless otherwise directed by the Board, the base hourly rate for the employees identified in Section 6500(b) will be adjusted annually to correspond with the annual across-the-board salary adjustment provided to the District's management unit.

§ 6501. Provisions Related to Unrepresented Positions.

(a) The Chief Executive Officer may designate titles other than those identified in Section 6500 to be unrepresented positions when the following criteria are met:

(1) The incumbent employee performs duties determined by the Chief Executive Officer as having significant responsibilities for formulating and administering District policies or programs at the executive level, or as having significant responsibilities for administering employer-employee relations matters at the executive level.

(2) The title is provided for, and the employee is to be paid at the same grade as and within the same range of an identical position included in another salary schedule approved by the Board.

(b) Any titles designated pursuant to Section 6501a) shall be deleted as an unrepresented position if not included by the Board when it next amends Section 6500 or approves a related memorandum of understanding pursuant to Section 6110(e).

(c) The Chief Executive Officer may eliminate titles designated as unrepresented when the title is included in another schedule approved by the Board, and if the Chief Executive Officer determines the incumbent holding the title no longer has significant responsibilities for formulating and administering District policies or programs at the executive level, or as having significant responsibilities for administering employer-employee relations matters at the executive level.

§ 6520. General.

In addition to other benefits set forth in this Administrative Code, unrepresented employees, and to the extent specified, annuitants, shall be entitled to the following benefits effective June 28, 1987, unless otherwise provided hereinafter:

§ 6521. Retirement.

The District shall pay to the Public Employees' Retirement System (PERS) on behalf of each unrepresented employee an amount equal to the required employee contribution to PERS, not to exceed seven percent of each employee's salary. The contribution shall be treated as an employer contribution made pursuant to Section 414(h)(2) of the Internal Revenue Code of the United States in determining the tax treatment of the contribution. Such contributions shall be treated for all purposes other than taxation in the same manner and to the same extent as contributions made by employees prior to June 30, 1985. Such contributions shall be paid from the same source of funds as used in paying wages to the affected employees. The employee does not have the option to receive the District-contributed amount paid pursuant to this section directly instead of having it paid to PERS. Notwithstanding any provision in this Code to the contrary, the wages of each unrepresented employee shall be reduced by the indicated percentage of the amount of such employee's contribution paid by the District pursuant to the provisions of this section:

For such employees employed prior to January 1, 1981
64.3%

For such employees employed on or after January 1, 1981
100.0%

This section shall be operative only so long as the District pickup of the retirement contribution continues to be excluded from the gross income of the employee under the provisions of the Internal Revenue Code.

§ 6522. Medical Insurance.

Metropolitan's monthly contribution for employees in classifications listed in Section 6500 and related annuitants to the medical plans maintained by the Public Employees' Retirement System under the provisions of the Public Employees' Medical and Hospital Care Act shall be 90 percent of the total premium for the PERS-Care medical plan.

§ 6528. Personal Leave.

Employees in classifications listed in Section 6500 who are exempt from overtime pay and have been employed by the District for more than 1,044 hours of current service, including military leave during the period of current service, may take personal leave with pay up to 24 hours each annual payroll cycle which shall not be charged against accumulated sick leave. Such personal leave may be taken for any personal reason, so long as such leave does not interfere with the mission of the District.

§ 6529. Part-Time Disability Leave.

An unrepresented employee, otherwise eligible for disability leave pursuant to Section 6228, may be permitted by the employee's Department Head to work for a period, subject to termination by the Department Head, on a part-time basis if a physician's statement is furnished, satisfactory to and accepted by the District, stating the employee is physically able to work on a part-time basis. The Department Head may not re-delegate the authority provided by this section. Notwithstanding any provision to the contrary in Sections 6200 through 6265, the employee shall be permitted to accrue leave in accordance with District regulation for those hours not on disability leave, but shall not be allowed to use leave until returning to work on a full-time basis and a physician's statement, satisfactory to and accepted by the District, is received stating the employee is physically able to return to work on a full-time basis for an indefinite time. For all other purposes of Section 6228, an employee on part-time disability leave shall be considered to be on full-time disability leave and shall not be considered as having returned to work.

§ 6530. Bereavement Leave.

Upon the death of a member of an employee's immediate family, a classification listed in Section 6500 shall be allowed such bereavement leave with pay as is actually necessary to take care of funeral arrangements or to attend the funeral, but not to exceed three (3) working days with regard to any such death within the State of California and not to exceed forty (40) working hours if the death occurs outside the State of California. For the purposes of this section, "immediate family" means spouse, domestic partner, or the employee's or spouse's/domestic partner's child, parent, brother, sister, stepparent, stepchild, grandparent, grandchild, aunt or uncle.

§ 6532. Professional Dues.

Any employee in an unrepresented position listed in Section 6500 shall be reimbursed for professional dues, pursuant to authorization by the employee's Department Head, when professional dues are related to the fulfillment of the District's purposes.

§ 6533. Deferred Compensation.

The District shall provide a matching contribution, on behalf of each employee in a classification listed in Section 6500 who is a participant in the savings plan provided for in Division VI, Chapter 7, Article 5 of this Code, in the amount of 50 cents for each dollar contributed in accordance with a compensation-reduction election made by the participant pursuant to Section 6765(a). Commencing July 1, 1998, or as soon thereafter as practical, the maximum District matching contribution shall not exceed four and one-half percent of the employee's total cash compensation and salary reductions permitted under Sections 401(k), 414(h) and 457 of the Internal Revenue Code during that time period. This section shall only be operative to the extent that the District can make matching contributions and maintain compliance with the Internal Revenue Code.

§ 6543. Formal Level.

(b) Level II

(1) In the event the grievant is not satisfied with the decision at Level I, the grievant may appeal the decision to the section manager within five working days by submitting to the section manager the original form entitled "Grievance Form" and including with it the decision previously rendered and a clear, concise statement of the reasons for the appeal.

(2) The section manager shall attempt to resolve the grievance and shall communicate a decision to the grievant in writing within five working days after receiving the appeal.

(3) Either the grievant or the section manager may request one personal conference to be held within the above time limit, and if the group manager deems it appropriate, the group manager may participate in such conference.

§ 6765. Article VI - Contribution and Allocation.

(b) Matching Contributions:

(1) Amount of Matching Contributions. - A Matching Contribution shall be allocated to the Matching Contributions Account of each Participant in an amount equal to a specified percentage from 0 percent to 100 percent of a Participant's Tax Deferred Elective Contributions for the Plan Year, but not in excess of a specified percentage of the Participant's Compensation for the Plan Year, both of which percentages shall be established by the District from time to time.

(2) Payments to Trustee. - Each Matching Contribution shall be paid by the District and transmitted to the Trustee not later than 30 days after the end of the payroll period for which the Matching Contributions are made.

§ 6767. Article VIII - Distributions and Withdrawals.

(e) Loans to Participants

(2) Any loans made pursuant to the provisions hereof, shall satisfy the following conditions: (1) such loans shall be available to all Participants on a reasonably equivalent basis; (2) such loans shall not be made available to Participants who are highly compensated Employees or officers of the District in an amount which, when stated as a percentage of the balance of such Participants' Accounts, is greater than is available to other Participants; (3) such loans shall bear a reasonable rate of interest (unless the Chief Executive Officer determines otherwise, such loan shall bear interest equal to one percent above the reference rate being charged by Bank of America NT&SA, or the prime rate or similar rate of a successor bank or other commercial bank designated by the Chief Executive Officer, in effect at the beginning of the month in which the loan is made); (4) each such loan shall be adequately secured, with the security to consist of the portion of the Participant's Accounts

equal to the loan principal and any additional security that the Chief Executive Officer determines to be necessary; (5) the amount of any such loan, when added to the outstanding balance of all other loans from all qualified plans and 457(b) plans of the District to the Participant, shall not exceed either (i) \$50,000 reduced by the excess (if any) of the highest outstanding balance during the preceding 12 months of loans from the Savings Plan to the Participant over the outstanding balance of loans from the Savings Plan to the Participant on the date such loan is made or (ii) one-half the value of such Participant's Accounts, including in such balance prior loans to the Participant (for the purpose of this clause, the value of the balance of such Participant's Accounts shall be established as of the Valuation Date preceding the date upon which the loan is made); and (6) each such loan, by its terms, shall be repaid within five years (except that if the Chief Executive Officer is satisfied that the loan proceeds are being used to acquire the principal residence of a Participant, the Chief Executive Officer may, in his discretion, establish a term of up to 15 years for repayment).

§ 6785. Article VI - Contribution and Allocation.

(b) Matching Contributions:

(1) Amount of Matching Contributions.- A Matching Contribution shall be allocated to the Matching Contributions Account of each Participant in an amount equal to a specified percentage from 0 percent to 100 percent of a Participant's Tax Deferred Elective Contributions for the Plan Year, but not in excess of a specified percentage of the Participant's Compensation for the Plan Year, both of which percentages shall be established by the District from time to time.

(2) Payments to Trustee. - Each Matching Contribution shall be paid by the District and transmitted to the Trustee not later than 30 days after the end of the payroll period for which the Matching Contributions are made.

§ 6787. Article VIII - Distributions and Withdrawals.

(e) Loans to Participants

(2) Any loans made pursuant to the provisions hereof, shall satisfy the following conditions: (1) such loans shall be available to all Participants on a reasonably equivalent basis; (2) such loans shall not be made available to Participants who are highly compensated Employees or officers of the District in an amount which, when stated as a percentage of the balance of such Participants' Accounts, is greater than is available to other Participants; (3) such loans shall bear a reasonable rate of interest (unless the Chief Executive Officer determines otherwise, such loan shall bear interest equal to one percent above the reference rate being charged by Bank of America NT&SA, or the prime rate or similar rate of a successor bank or other commercial bank designated by the Chief Executive Officer, in effect at the beginning of the month in which the loan is made); (4) each such loan shall be adequately secured, with the security to consist of the portion of the Participant's Accounts equal to the loan principal and any additional security that the Chief Executive Officer determines to be necessary; (5) the amount of any such loan, when added to the outstanding balance of all other loans from all qualified plans and 457(b) plans of the District to the Participant, shall not exceed either (i)

\$50,000 reduced by the excess (if any) of the highest outstanding balance during the preceding 12 months of loans from the Savings Plan to the Participant over the outstanding balance of loans from the Savings Plan to the Participant on the date such loan is made or (ii) one-half the value of such Participant's Accounts, including in such balance prior loans to the Participant (for the purpose of this clause, the value of the balance of such Participant's Accounts shall be established as of the Valuation Date preceding the date upon which the loan is made); and (6) each such loan, by its terms, shall be repaid within five years (except that if the Chief Executive Officer is satisfied that the loan proceeds are being used to acquire the principal residence of a Participant, the Chief Executive Officer may, in his discretion, establish a term of up to 15 years for repayment).

§ 8221. Authority to Acquire Real Property; Appraisal.

The Chief Executive Officer is authorized to acquire any real property which the Chief Executive Officer determines to be required for District purposes as provided herein:

(e) In any action in eminent domain filed by the District, or any inverse condemnation action filed against the District alleging a taking of real property, the General Counsel is authorized to acquire the property by stipulated judgment providing for payment of not more than the acquisition price which the Chief Executive Officer is authorized to pay by Section 8221(c), unless otherwise authorized by the Board, together with interest thereon as provided in Section 8221(c).