El Dorado Irrigation District

Board Policies (BP) and Administrative Regulations (AR)

Revised August 10, 2026

Table of Contents

BOARD POLICY 0000: MISSION, GOVERNANCE, STANDARDS, ACCOUNTABILITY 8

BP 0010 District Mission Statement 9

BP 0020 Professional Governance Standards 10

BP 0030 Accountability 11

AR 0031 Emergency Response 12

BP 0040 Standards of Behavior 13

AR 0041 Code of Ethics for Standards of Behavior 14

BOARD POLICY 1000: BOARD POLICY PURPOSE AND ENFORCEMENT 15

BP 1010 Introduction 16

AR 1010 El Dorado Irrigation District 17

BP 1020 Purpose 18

BP 1030 Amendments 19

BP 1040 Restriction, Wrongful Acts, and Enforcement 20

AR 1040 Wrongful Acts Subject to Penalties 21

AR 1041 Water Waste Prohibition 22

AR 1050 State Criminal Laws Protecting Public Water Supplies and Wastewater Systems 26

AR 1060 Unauthorized Use of Water 27

AR 1070 Unauthorized Regulation of Water or Wastewater Flow 28

AR 1080 Resale of Water or Wastewater Service 29

AR 1090 Liability for Maintenance or Damages 30

AR 1110 Service Interruptions 31

AR 1120 Right of Access 32

AR 1130 Public Access to Customer Records 33

BOARD POLICY 2000: MANAGEMENT OF THE DISTRICT 34

BP 2010 Concepts and Roles in District Management 35

AR 2010 Management Functions 36

AR 2011 Organization Chart/Lines of Responsibility 37

AR 2012 Staff Organization 38

AR 2013 Temporary and Part-Time Personnel/Consultants 39

AR 2014 Cell Phone Reimbursement Policy 40

AR 2015 Personal and Private Internet Service Use and Reimbursement 44

BP 2020 Role of the General Manager 47

AR 2021 Communications and Public Outreach 48

BP 2030 Role of the General Counsel 50

BP 2040 Formulation and Enforcement of Administrative Regulations 51
BP 2050 Administrative Leeway in the Absence of Policy 52
BP 2060 Conflict of Interest 53
BOARD POLICY 3000: DISTRICT BUSINESS OPERATIONS 54
BP 3010 Budget 55
AR 3011 Budget Development 57
AR 3012 Budget Management and Five-Year Financial Plan 59
AR 3013 Appropriation for Contingencies 60
AR 3015 Financial Control Test 61
BP 3020 Designated Reserves 62
BP 3030 General Manager's Reporting Responsibilities 67
BP 3040 Annual Audit 68
AR 3052 Employee Expense and Reimbursement 69
AR 3053 Donations Policy 74
BP 3055 Disposition of Personal Property 76
AR 3055 Disposition of Personal Property 77
BP 3060 Contracts and Procurement 78
AR 3061 Procurement and Contracts 79
AR 3065 Debt Policy 86
BP 3070 Records Retention and Management 96
AR 3070 Electronic Mail Management and Retention 97
BP 3075 Public Records Act Requests 101
AR 3075 Responding to Public Records Act Requests 102
BP 3080 Claims against the District 106
AR 3081 Claims Against the District 107
BP 3090 Investment Policy 108
AR 3091 Investment 110
BOARD POLICY 4000: HUMAN RESOURCES 129
BP 4010 Human Resources Policy 130
AR 4010 Concepts and Roles in Human Resources 131
AR 4011 Role of the Manager of Human Resources 132
AR 4012 El Dorado Irrigation District Employee Handbook 133
AR 4013 Harassment-Free Work Environment 134
AR 4014 Medical Reimbursement Program 136
AR 4015 Injury and Illness Prevention Program 138
AR 4016 District Vacancies, Recruitment and Retention Efforts 139

AR 4060 Information Security and Awareness Program 141
BOARD POLICY 4500: INFORMATION SYSTEMS 145
BP 4500 Information Systems 146
AR 4510 Generative Artificial Intelligence Acceptable Use 147
BOARD POLICY 5000: WATER SUPPLY 150
BP 5010 Water Supply Management 151
AR 5010 Water Availability and Commitments 152
AR 5011 Water Supply Management Conditions 153
AR 5012 District Infrastructure and Facilities 155
AR 5013 Water Service Interruptions or Restrictions 156
AR 5014 Fire Suppression 157
AR 5015 Ground Water Supply 159
BP 5020 Cross-Connection Control and Backflow Prevention 160
AR 5021 Cross-Connection Control and Backflow Prevention 161
BP 5030 Water Conservation 162
BP 5040 Drought Preparedness and Climate Variability 163
BP 5050 Watershed Management 164
BOARD POLICY 6000: WASTEWATER COLLECTION 165
BP 6010 Wastewater System Management 166
AR 6020 Wastewater Discharge and Disposal 167
AR 6021 Industrial Pretreatment and Pollution Program 172
AR 6022 Requirements for the Control of Fats, Oils, and Grease from Food Service Establishments 173
BOARD POLICY 7000: RECYCLED WATER 174
BP 7010 Authorized and Mandated Use of Recycled Water 175
AR 7010 Suitability of Recycled Water Supplies 176
AR 7011 Determination of Required Use 177
AR 7012 Construction and Inspection of Facilities 178
AR 7013 Discontinuation / Interruption of Service 179
BOARD POLICY 8000: HYDROELECTRIC SYSTEM 181
BP 8010 Hydroelectric System Management 182
AR 8010 Priority of Consumptive Water Diversion over Power Generation 183
AR 8011 Participation in Power Markets 184
AR 8012 Emergency Preparedness 185
AR 8013 System Operation 186
AR 8014 Priority of the Dam Safety Program 187
BP 8020 Additional Generation Opportunities 188

BOARD POLICY 9000: CUSTOMER SERVICE *189*
BP 9010 Customer Service 190
AR 9010 Access to Programs, Services, and Facilities 191
AR 9011 Use of District Facilities 192
BP 9020 Establishing New Service 193
AR 9021 Eligibility for Service 194
AR 9022 Payment of Service Connection Charges 196
AR 9023 Non-Standard Service 198
AR 9024.1 Small Farm 199
AR 9024.2 Agricultural Metered Irrigation (AMI) 201
AR 9025 Authorized Use of Water 203
AR 9026 Water Meters 204
AR 9027 Sub-Meters 206
AR 9028 Extension or Improvement of Facilities 207
AR 9029 District Access to Facilities 212
BP 9030 Annexation of Land to the District 213
AR 9031 Application for Annexation 214
AR 9032 Recording of Annexation 215
BP 9040 Improvement and Assessment Districts 216
BP 9050 Payment for On-going Service 217
AR 9051 Billing 218
AR 9052 Payment 222
AR 9053 Active Delinquency 224
AR 9054 Liens 225
AR 9055 Collections 226
AR 9056 Low-Income Assistance Programs 227
BP 9060 Discontinuance of Service 228
AR 9061 Disconnection or Discontinuation of Service 229
AR 9062 Cancellation of Service by the Customer 230
AR 9063 Reinstatement of Service 231
BP 9070 Additional Services 232
AR 9071 Additional Services 233
AR 9072 Underground Service Alert (USA) 234
AR 9073 Temporary Water Use Program 235
BOARD POLICY 10000: RECREATION *236*
BP 10010 Authority and Enforcement of Park Regulations 237

AR 10011 Recreation **238**
AR 10016 Protection of District Property and Wildlife **243**
AR 10017 District Recreation and Forest Lands Adjoining Caples and Silver Lakes **244**
AR 10018 District Recreation Staff **245**
AR 10019 Water Quality **246**
BOARD POLICY 11000: FEES AND CHARGES ***247***
BP 11010 Fees and Charges **248**
AR 11010 Adoption of Rates, Fees, and Charges **249**
AR 11020 Deposits - General **252**
AR 11030 Bond Segregation / Re-apportionment Deposit **253**
AR 11050 Land-based Financing Fee **254**
AR 11060 Customer Maintenance Call Fee **255**
AR 11070 Facility Improvement Letter Fee **256**
AR 11080 Delinquent Account Field Call Fee **257**
AR 11090 Temporary Water Use Charges **258**
AR 11100 Private Fire Service Charges **259**
AR 11110 Commercial and Industrial Waste Discharge Permit Fee **260**
AR 11120 Inspection Fees **261**
AR 11130 Meter Fees **262**
AR 11140 Ditch Service Fees **263**
AR 11150 Account Set-Up Fee **264**
AR 11160 Bad Check Fee **265**
AR 11170 Late Payment Fee **266**
AR 11180 Lien Release Fee **267**
AR 11190 Overhead Charges **268**
AR 11200 Quitclaim Easement Charges **269**
AR 11210 Miscellaneous Fees **270**
AR 11220 Special Rate Categories **271**
AR 11230 Penalties and Fines **272**
AR 11240 Attachment A **273**
BOARD POLICY 12000: BY-LAWS OF THE BOARD ***274***
BP 12010 Purpose **275**
BP 12020 Duties and Powers **276**
BP 12030 Public Statements and Individual Board Member Actions **277**
BP 12040 Code of Ethics **278**
BP 12050 Accountability, Review, and Evaluation **279**

BP 12060 Compensation 280
BP 12065 Board Expense and Reimbursement 281
AR 12065 Board Expense and Reimbursement 282
BP 12070 Members 288
BP 12080 Meeting Procedures 289
AR 12081 Meetings 292
AR 12082 Order of Business 294
AR 12083 Order for Each Specific Agenda Item 295
AR 12084 Agenda Items 296
BP 12090 Board Officers 297
BP 12100 Representative Appointments 298
AR 12101 Board Representative Appointments 299
BP 12110 Standing Committees 300
AR 12111 Standing Committee Appointments 301
BP 12120 Ad-hoc Committees 302
BP 12130 Conflict of Interest 303

BOARD POLICY 0000

MISSION, GOVERNANCE, STANDARDS, ACCOUNTABILITY

BP 0010 District Mission Statement

Adopted: December 11, 2006

The El Dorado Irrigation District is a public agency dedicated to providing high quality water, wastewater treatment, recycled water, hydropower, and recreation service in an environmentally and fiscally responsible manner.

Strategic goals include:

- Maintain continuous, dependable water service and a clean, healthy water supply
- Provide quality wastewater collection, treatment and disposal service
- Provide recycled water in geographic locations where feasible
- Generate hydro-electric power, when appropriate, and according to the FERC requirements
- Ensure opportunities for quality recreation
- Ensure District operations consistently meet all appropriate environmental and other regulations

BP 0020 Professional Governance Standards

Adopted: December 11, 2006

The El Dorado Irrigation District Board of Directors believes that to govern effectively, individual Board members must work with the General Manager, the General Counsel, and with each other to ensure that District operations meet the standards of the District Mission Statement.

This team approach recognizes the separate governance role of the Board and allows the team to assume collective responsibility for building unity and creating a positive work environment for the benefit of the District's customers and employees.

BP 0030 Accountability

Adopted: December 11, 2006

The El Dorado Irrigation District Board of Directors is committed to ensuring that the District is accountable to the public it serves. A General Manager and General Counsel accountability report is an appropriate way to inform the community about the state of the District. The process of developing and maintaining a General Manager and General Counsel accountability report gives the District staff opportunities to review achievements, identify areas for improvement, enlist community support, and establish a vision for the future.

The components of the General Manager and General Counsel accountability report will be established annually to be evaluated the following year during the Board conducted performance evaluation process.

AR 0031 Emergency Response

Approved: December 12, 2006

The District will conduct emergency operations in accordance with EID Board Resolution No. 2006-075 (Adoption of the National Incident Management System) or its successor and pursuant to the EID Emergency Response Plan.

BP 0040 Standards of Behavior

Adopted: December 11, 2006

El Dorado Irrigation District is committed to providing high-quality services with respect and courtesy to customers and co-workers alike.

The General Manager is responsible for creating and enforcing standards of behavior that reflect compliance with all applicable laws and regulations, respects diverse views and expectations, and is committed to open, fiscally sound measures and Board directed guidelines to achieve performance excellence.

The General Counsel is responsible for ensuring the District's legal positions are represented and that District business is conducted in compliance with all applicable laws and regulations.

AR 0041 Code of Ethics for Standards of Behavior

Approved: December 12, 2006

Employees shall provide services with integrity and are expected to maintain high standards in their working relationships. These standards include the following:

- Obey the law. We will conduct our business in accordance with all applicable laws and regulations. Compliance with the law does not comprise our entire ethical responsibility. Rather, it is a minimum, absolutely essential condition for performance of our duties.

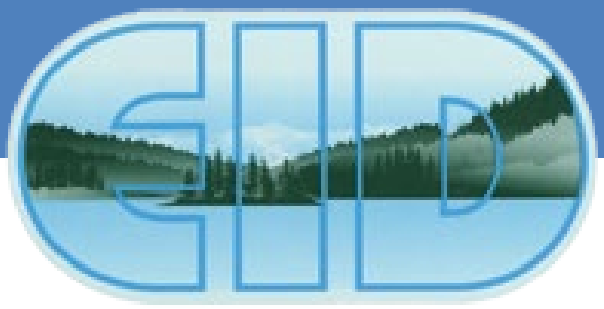
- Promote a positive work environment that supports doing what is right, respecting others, and performing to the best of our abilities. While everyone who works for the District must contribute to the creation and maintenance of such an environment, our executives and management personnel assume special responsibility for fostering a work environment that will bring out the best in all of us. Supervisors must be careful in words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to deviate from acceptable ethical behavior.

- Work safely: Protect yourself, your fellow employees, and District facilities. We are committed to providing a drug-free, safe, and healthy work environment. Each of us is responsible for compliance with environmental, health, and safety laws and regulations. Observe posted warnings and regulations. Report immediately to the appropriate management any accident or injury sustained on the job or any safety concern.

- Make accurate public disclosures. We must assure that all disclosures and other public communication are full, fair, accurate, and timely and understandable.

- Avoid conflicts of interest. Avoid any relationship, influence, or activity that might impair or even appear to impair your ability to make objective and fair decisions when performing your job.

- Accountability. Each employee is responsible for adherence to the standards of conduct set forth in this Code and for raising questions if the standards are not being met. Violations of this Code are cause for corrective action, which may include disciplinary action.



BOARD POLICY 1000

BOARD POLICY PURPOSE AND ENFORCEMENT

BP 1010 Introduction

Adopted: December 11, 2006
Amended: December 15, 2015

The El Dorado Irrigation District is governed by a five-member Board of Directors pursuant to Irrigation District Law (Water Code §§20500, et seq.). The members are elected to four-year terms on a staggered basis from five geographically identified divisions in the service area. As required and authorized by state law, the division boundaries are regularly re-evaluated to ensure population is equally distributed among the divisions and the other criteria specified by California Election Code section 22000(a) are considered. The Board sets policy for the District and provides leadership on behalf of District customers.

The Board of Directors establishes the Board meeting schedule, location and time of the meetings.

The Board hires, may terminate, and directs the General Manager and the General Counsel pursuant to their separate employment contracts. All other employees of the District, except for the legal office, work under direction of the General Manager.

AR 1010 El Dorado Irrigation District

Approved: December 12, 2006

The El Dorado Irrigation District is a public agency located in El Dorado County, California, with headquarters in the City of Placerville. Included in the District's service area are the communities of Cameron Park, Camino, Diamond Springs, El Dorado, El Dorado Hills, Placerville, Pollock Pines, Shingle Springs, Rescue, and many smaller communities.

EID is an irrigation special district organized in 1925 under the Irrigation District Law (Water Code §§20500, et seq.). Its original purpose was to ensure domestic water for Placerville and irrigation water for local farmers. The District now provides water, wastewater treatment, recycled water, hydroelectric and solar power generation, recreation, and water-use efficiency services.

The Board meets on the second and fourth Mondays of every month, beginning at 9:00 am, in the Board Room of the Harry J. Dunlop Customer Service Building on Mosquito Road in Placerville. Public participation at Board meetings is recognized as an essential part of representative government and the Board encourages public comments in the decision-making process.

BP 1020 Purpose

Adopted: December 11, 2006
Revised: January 28, 2013

The purpose of these Policies is to set forth the role of the Board of Directors and the responsibilities of the General Manager and the General Counsel in carrying out the terms and conditions under which El Dorado Irrigation District provides services to its customers.

The Policies are to direct the operations and administration of the District in a way that ensures that services are provided at the lowest possible cost, consistent with District goals and objectives, and are generally equitably distributed among those benefited, or by other specific policy of the Board.

The Board of Directors has the authority to interpret these Policies and to rule on any point of contention that is not specifically covered herein.

The Policies, as currently amended, are maintained on file at the District's headquarters on Mosquito Road in Placerville. Copies, in either standard format or alternative formats are suitable for persons with disabilities, are available to the public upon request.

BP 1030 Amendments

Adopted: December 11, 2006

The Board of Directors may amend the Policies by an affirmative vote of at least three members at a publicized public hearing.

BP 1040 Restriction, Wrongful Acts, and Enforcement

Adopted: December 11, 2006

The District is authorized under California statutes to establish and enforce its Board Policies and to enforce certain laws and restrictions referenced herein. Civil Code Sections 1882-1882.6 permits the District to file a civil action for damages for the unauthorized taking of District water, illegal or unauthorized connections to any facilities owned or used by the District to provide services, and tampering with District property. The statutes also permit the recovery of three times the amount of actual damage, plus the costs of suit and reasonable attorneys' fees. Numerous Penal Code Statues criminalize similar misconduct.

Any violation of these Policies shall be cause for the Board of Directors or their designee to apply such penalties as may be provided by law, file a criminal complaint, or to take any other action as deemed appropriate, including the discontinuance of drinking water, recycled water, wastewater, and recreation services.

At recreation facilities owned, operated, or leased by the District, EID's recreation staff are authorized and empowered to enforce District rules and regulations, as well as state and local codes, relating to the safe use of the facilities. Staff may issue citations for violations or eject or exclude any violator as specified in the Park Operations Manual, pursuant to BP 10000 Recreation.

AR 1040 Wrongful Acts Subject to Penalties

Approved: December 12, 2006

The following acts are considered violations of state law and are subject to penalties imposed by the District and/or criminal authorities.

No person shall:

A. divert or cause to be diverted any District water, wastewater, or recycled water flow without authorization or consent of the District;

B. make or cause to be made any connection or re-connection to facilities owned or used by the District in order to obtain water, wastewater, or recycled water service without authorization or consent of the District;

C. prevent any meter from accurately performing its measuring functions by tampering or any other means;

D. tamper with any property or facilities owned or used by the District to provide potable water service, recycled water service, or wastewater service;

E. use or receive direct benefit from the District's facilities with knowledge or reason to believe that the diversion of water or the tampering or unauthorized connection with District water or wastewater facilities existed at the time of such use, or that the use or receipt of benefit was without authorization or consent of the District; or

F. cause damage to any water, sewer, or recycled water facility or related appurtenances above or below ground by carelessness or neglect.

AR 1041 Water Waste Prohibition

Approved: February 26, 2008
Revised: August 27, 2008
March 2, 2009
March 31, 2014
May 10, 2016

The District prohibits uses of District-supplied raw, potable, and recycled water that constitute water waste. The objective is to encourage reasonable use of water supplies by prohibiting all intentional or unintentional water waste, including the use of wasteful equipment or techniques, when a reasonable solution or alternative is available. See AR 5011 for additional water waste regulations that apply during declared drought conditions.

AR 1041.1 Definition of Water Waste

Any of the following acts or omissions, whether willful or negligent, shall constitute the waste of water.

A. Causing or permitting water to discharge, flow, or run to waste into any gutter, sanitary sewer, water course, or storm drain, or to any adjacent lot, from any tap, hose, faucet, pipe, sprinkler, or nozzle. In the case of irrigation, “discharge,” “flow,” or “run to waste” means that the earth intended to be irrigated has been saturated with water to the point that excess water flows over the earth to waste. In the case of washing, “discharge,” “flow,” or “run to waste” means that water in excess of that necessary to wash, wet or clean the dirty or dusty object, such as an automobile, sidewalk, or parking area, flows to waste.

B. Allowing water fixtures or heating or cooling devices to leak or discharge.

C. Maintaining ponds, waterways, decorative basins, or swimming pools without water recirculation devices.

D. Backwashing so as to discharge to waste swimming pools, decorative basins, or ponds in excess of the frequency reasonably necessary to maintain the clarity and cleanliness of the water.

E. Operation of an irrigation system that applies water to an impervious surface or that is in disrepair.

F. Hosing off sidewalks, driveways and other impervious hardscapes, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency.

G. Use of a water hose not equipped with a control nozzle capable of completely shutting off the flow of water except when positive pressure to leave the hose on is applied.

H. Irrigation of landscaping during or within 48 hours of measurable precipitation.

I. Overfilling of any pond, pool, or fountain that results in water discharging to waste.

J. Irrigating ornamental turf with potable water on public street medians.

K. Failure to comply with any conservation practices during a District-declared drought.

AR 1041.2 Exceptions

Notwithstanding AR 1041.3, the following acts do not constitute the waste of water.

A. Flow resulting from temporary water supply system, water fixture, or heating/cooling device failures or malfunctions lasting 48 hours or less.

B. Flow resulting from firefighting or routine inspection of fire hydrants or from fire training activities.

C. Water applied to abate spills of flammable or other hazardous materials, where water is an appropriate abatement methodology.

D. Water applied to prevent or abate imminent health, safety, or accident hazards when alternate methods are not available.

AR 1041.3 Informing District Customers of the Regulation

The District shall inform customers at least once a year of the water waste regulation, either through a special item in the newsletter that accompanies each two-month bill or as a separate insert in the bill.

AR 1041.4 Enforcement

To enforce this regulation, District personnel will follow the process outlined in AR 1041.5, Penalties for Violation of the District's Water Waste Regulation.

AR 1041.5 Penalties for Violation of the District's Water Waste Regulation

District personnel may report or receive reports of violations of AR 1041, which prohibits uses of raw, potable, and recycled water that result in waste. Violations will be penalized as follows:

- First reported violation of any provision of AR 1041: the District shall issue to the customer a written warning notice of and direction to cease and desist violation.

- Second reported violation of any provision of AR 1041: the District shall levy a fine on the violator's bill of $100, or 20% of the two-month water bill, whichever is greater.

- Third reported violation of any provision of AR 1041: the District shall levy a $200 fine on the violator's bill. If all three violations occurred within a 12-month period, the District may elect to discontinue service of the water supply that has been wasted. If service is discontinued due to AR 1041 violations, the District will charge a reconnection fee of $100 to restore service after abatement of the violation and payment of the fine. Restoration of service may occur without prejudice to any party's position pending appeal under AR 1041.6.

- Fourth reported violation of any provision of AR 1041: the District shall levy a $500 fine on the violator's water bill. If all four violations occurred within an 18-month period, the District may elect to discontinue service of the water supply that has been wasted. If service is discontinued due to AR 1041 violations, the District will charge a reconnection fee of $100 to restore service after abatement of the violation and payment of the fine. Restoration of service may occur without prejudice to any party's position pending appeal under AR 1041.6.

Unpaid fines are subject to the property lien procedure of Water Code section 25806.

AR 1041.6 Appeal and Hearing

A customer may appeal any notice of water waste violation by filing a written request for a hearing with the District's General Counsel within seven calendar days after receiving the notice. The appeal shall identify the property and state the grounds of appeal together with all material facts in support of it. Appeals will be heard by the General Counsel or her or his designee. The filing of a request for hearing shall stay any consequences for violation until the appeal is decided.

When a hearing is requested, the hearing officer shall send written notice to the appellant by certified mail, return receipt requested, stating the time and place of the

hearing. Hearing procedures shall be informal, but serve the goals of proper decorum and the pursuit of the truth. At the hearing, the appellant shall have the right to present information as to the alleged facts upon which the notice was issued, and as to any other facts that may aid the hearing officer in determining whether a violation has occurred and, if so, the appropriate consequences.

Within ten calendar days after the close of the hearing, the hearing officer shall issue a written determination either upholding, reversing, or modifying the notice of water waste violation, and briefly stating the reasons that support the determination. Failure to issue a written determination within ten calendar days shall automatically reverse the notice of water waste violation. The hearing officer's written determination shall constitute the District's final action.

AR 1050 State Criminal Laws Protecting Public Water Supplies and Wastewater Systems

Approved: December 12, 2006

In relation to the protection of public water supplies, many offenses are misdemeanors under the laws of California, and offenders may be criminally prosecuted. Such offenses include but are not limited to the following: stealing water, interfering with or damaging water tanks, pump stations, and pipelines; and discharging or depositing substances into the public wastewater system.

AR 1060 Unauthorized Use of Water

Approved: December 12, 2006

No customer may use water on any tract of land not included in his or her application for service. Each parcel must be served by a separate meter.

AR 1070 Unauthorized Regulation of Water or Wastewater Flow

Approved: December 12, 2006

No person except authorized employees of the District is permitted to turn on or turn off water at any connection or to open or close any gate valve or other device that regulates the flow or measurement of water, wastewater, or recycled water.

AR 1080 Resale of Water or Wastewater Service

Approved: December 12, 2006

No retail customer shall enter into any contract or agreement to resell any portion of the water or wastewater service to which he or she is entitled without the specific authorization of the Board.

The owner of a mobile home park, trailer park, apartment building, or other multi-unit structure or development may install a separate meter for each unit and may supply water purchased from the District to occupants of each such unit under the following conditions:

A. the rate charged shall not exceed the commodity rate charged by the District during the same period;

B. the District has the right to examine books and records of the property owner, upon reasonable notice, to ensure that the amount charged does not exceed the limits of these Policies; and

C. the property owner shall comply with all state, federal, and local provisions of law applicable to the sale, distribution, and use of water.

AR 1090 Liability for Maintenance or Damages

Approved: December 12, 2006
Revised: April 1, 2013

The District assumes no responsibility for the delivery of water or disposal of wastewater through private pipelines or for any damage resulting from operation of such pipelines. The property owner is solely responsible for maintenance and repair of water and wastewater lateral pipelines connecting to the District's system. For water lateral pipelines, the connection between the water main and the meter box, including the water meter, are owned and maintained by the District. Wastewater service lateral responsibilities are more fully set forth in AR 6020.

AR 1110 Service Interruptions

Approved: December 12, 2006

The District shall make every reasonable effort to notify customers in advance of any interruption in water supply or wastewater collection, outside of emergency circumstances. However, the District disclaims any liability for damages sustained to customer-owned water or wastewater facilities such as booster pumps, water heaters, or solar equipment. The District also disclaims responsibility for damages to private property, privately owned plumbing and other fixtures that may result from an interruption of water supply or wastewater collection or change in water pressure.

AR 1120 Right of Access

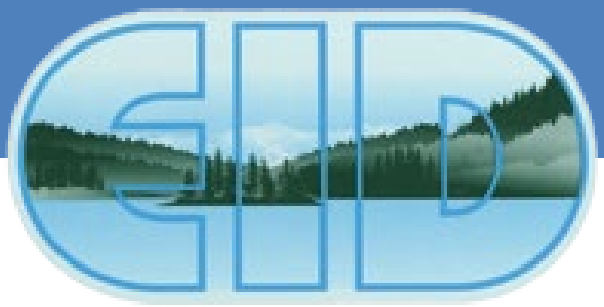
Approved: December 12, 2006
Revised: November 10, 2015

Employees and agents of the District shall have unrestricted access to all premises, including private property, as necessary or desirable during such hours and upon such notice as is reasonable under the circumstances, to inspect and repair facilities or take other actions for the purpose of protecting the District, its customers, and public health and to enforce the provisions of these Policies, as necessary.

AR 1130 Public Access to Customer Records

Approved: December 12, 2006

The names, addresses, and any other data collected by the District regarding customers or property owners within the District, including computerized geographical information and project development files, shall not be available to the public except to the extent required by law.



BOARD POLICY 2000

MANAGEMENT OF THE DISTRICT

BP 2010 Concepts and Roles in District Management

Adopted: December 11, 2006

The General Manager and General Counsel are appointed by the Board of Directors and serve at the Board's pleasure. The General Manager employs department heads and management personnel to assist in the effective management of the District. All units, departments, programs, and services make up the District's management system and are organized so that appropriate decision-making takes place at various levels in accordance with Board Policies and Administrative Regulations.

AR 2010 Management Functions

Approved: December 12, 2006

District's management function is to:

- provide leadership in enhancing the quality of service provided to District customers and the community;
- ensure employee commitment to a customer-oriented approach in delivering services;
- establish a framework of District responsibility to make sure each department fulfills its role in accomplishing the District's mission;
- establish and implement appropriate budgeting oversight;
- implement and support District programs with the goal of providing high-quality, cost-efficient services;
- effectively manage the day-to-day operations of the District's various departments, programs, and projects;
- respond to local, state, and federal mandates; and
- evaluate procedures, practices, and personnel to ensure the most efficient and effective operation of the District.

AR 2011 Organization Chart/Lines of Responsibility

Approved: December 12, 2006

The General Manager or his/her designee shall maintain up-to-date District organizational charts that clearly designate lines of primary responsibility and the relationships among all District positions.

The organizational charts shall clarify working relationships and functions. They are not intended to indicate all lines of communication and cooperation that must exist to create effective and efficient operation of the District.

Supervisors and managers shall ensure that all personnel understand to whom they are responsible and for what functions.

AR 2012 Staff Organization

Approved: December 12, 2006

The General Manager shall organize District staff in a manner best suited to achieve success, in order to implement Board policies.

The Board directs the General Manager to strive to ensure a respectful, responsive, and resourceful organizational culture that:

- values individuals;
- promotes effective listening and communications skills;
- creates a climate of trust through honesty, openness, fairness, and inclusion;
- responds whenever possible to employee training needs, whether they be organizational, departmental, interdepartmental, or individual;
- provides a collaborative environment to facilitate conflict resolution, improve efficiencies, and accommodate change;
- encourages individuals to solve problems and take prudent risks; and,
- recognizes employees for good work.

AR 2013 Temporary and Part-Time Personnel/Consultants

Approved: December 12, 2006

The General Manager may hire consultants, part-time or temporary employees to assist or advise with the administration and duties of the District, subject to the adopted purchasing practices of the District.

Expenditures of funds for the hiring of consultants shall not exceed the funds budgeted by major categories for such purposes in the annual budget or revisions of the annual budget of the District.

AR 2014 Cell Phone Reimbursement Policy

Approved: August 11, 2010
Revised: August 18, 2015
March 16, 2026

The District will reimburse employees for the reasonable and necessary costs associated with the use of their personal cellular phones to conduct District business through a monthly stipend. This policy establishes guidelines and procedures for reimbursement.

1. Scope

This policy applies to all District Board Members, the general manager, general counsel, department directors, managers, supervisors, and all other employees who are required by their supervisors to use a cellular phone and who elect to use their Personal Cell Phones for District business in lieu of District Issued Cell Phones.

2. Definitions

Cell Phone - Any mobile device providing voice and/or data communications between two or more parties. Communications may include, but are not limited to, voice communications, District email, timekeeping software, District SCADA and system alerts, and internet access. Devices may include cellular telephones, smartphones, tablets, or other approved devices utilizing a cellular signal or Wi-Fi.

Personal Cell Phone - A Cell Phone owned and paid for by the employee.

District-Issued Cell Phone - A Cell Phone owned and provided by the District.

Stipend - A fixed monthly amount paid to an employee to reimburse them for the business use of their Personal Cell Phone.

3. Policy

Certain job positions require employees to be accessible and conduct business using a Cell Phone. Employees requiring use of a Cell Phone will be offered a District-Issued Cell Phone. The District will not require employees to use their Personal Cell Phone to conduct District-related business. However, many employees already own Personal Cell Phones and would prefer to use their Personal Cell Phones to conduct District business rather than accept and use District-Issued Cell Phones. Therefore, a District employee required to use a Cell Phone may request to voluntarily use their own Personal Cell Phone subject to the criteria in this Policy. To compensate employees for the business use of their Personal Cell Phones when they voluntarily elect to use them for District Purposes, the District will provide a monthly stipend to eligible employees and a one-time reimbursement to offset the purchase cost of their device. This stipend is intended to cover a reasonable, fixed portion of the costs associated with an employee's personal cell phone plan. The fixed rate is outlined in Section 5 of this policy.

Reimbursement for the use of a Personal Cell Phone is subject to the following:

Public Records and Privacy - While the District respects employee privacy, any business-related information (including calls, texts, voice mail, and email) stored on a personal device is considered a public record. Employees have no expectation of privacy in such information. In the event of a Public Records Act request, litigation, or other legal requirement, the District may access, review, and disclose this data, in accordance with the policies and procedures set forth in Board Policy 3075 and Administrative Regulation 3075. Employees are responsible for retaining all business-related information on their Personal Cell Phone for the duration set forth in the District's adopted Records Retention Schedule.

Security - Employees must take reasonable precautions to protect devices from unauthorized use. Acceptable precautions include a minimum six-digit PIN, a seven-character password, or approved biometrics (such as face and fingerprint recognition).

Driving Safety - Employees must comply with all applicable laws regarding cell phone use while driving. California law prohibits talking on a cell phone without a hands-free device and prohibits writing, sending, or reading text-based communications while driving a motor vehicle. An employee who is issued a ticket or fine as a result of violating either of these laws while operating a District vehicle or a personal vehicle on District business shall be solely responsible for costs resulting from such actions and will be subject to disciplinary action.

Service Providers - Employees must use good judgment when selecting a service provider, taking into consideration service area (coverage).

Cell Phone Possession and Operability – Employees receiving a reimbursement for the use of a Personal Cell Phone are expected to be available through their Personal Cell Phone during normal business hours and to keep their devices operable and in their possession. Employees must report any loss of functionality or the loss of a device to their supervisor as soon as practicable. Supervisors must report the loss of functionality or the loss of a device to IT as soon as practicable.

Under no circumstances may an employee who is not authorized for a cell phone stipend configure a personal phone or similar device to connect to the District's network or email system.

4. Eligibility

An employee's eligibility for a cell phone stipend is determined by their job duties and the operational needs of the District. With the approval of the Department Director, the employee's supervisor is responsible for determining eligibility based on the criteria below. Not all employees are eligible for a stipend.

Eligibility Criteria - An employee may be eligible for a cell phone stipend if their position requires them to:

- Regularly be available for work-related communication outside of normal business hours;
- Spend a significant amount of their work time in the field or away from their assigned workstation, where access to a landline is impractical; or
- Have reliable access to email, data, or specific applications essential for performing their duties while in the field.

Changes in Eligibility - The cell phone stipend may be terminated at the sole discretion of the District and/or if an employee's job duties change. The stipend shall be suspended during extended leaves of absence (e.g., those exceeding 30 calendar days) and terminated upon separation from the District. Supervisors are responsible for promptly notifying Human Resources of any such changes.

5. Reimbursement

One-Time Device Reimbursement

Eligible employees approved to use their Personal Cell Phone for District business in lieu of a District Issued Cell Phone will receive a one-time reimbursement to offset up to 50% of the initial purchase price of a Personal Cell Phone. The amount of the one-time reimbursement is intended to cover the reasonable and necessary business-related expense of the phone, which the District estimates will not exceed more than 50% of the phone's value for most employees. Recognizing that most Personal Cell Phones must be replaced after approximately 3 years, the monthly stipend is intended to cover the depreciation and replacement value of the phone itself over that time frame.

Monthly Stipend

Eligible employees approved to use their Personal Cell Phone for District business in lieu of a District Issued Cell Phone will receive a monthly stipend. The amount of the stipend will be approved by the General Manager and periodically reviewed. The monthly stipend is intended to reimburse employees for the reasonable and necessary business-related use of the phone, which the District estimates will not exceed more than 50% of the phone's use for most employees. The reimbursement shall be paid each month to eligible employees as a non-taxable reimbursement on their regular paycheck.

This policy is designed to meet the requirements of an "accountable plan" under IRS regulations. Stipends provided are not considered salary or wages and are not subject to payroll taxes, provided the requirements of this policy are met.

Device and Stipend Request and Approval

An employee's supervisor must complete and submit a "Cell Phone Device and Stipend Authorization Form" to the Department Director for approval, including justification for the stipend.

Employee Responsibility

Employees receiving a stipend are responsible for purchasing and maintaining their cell phone and service plan. They are responsible for all costs. The District will not be

responsible for lost, stolen, or damaged personal devices. An employee that does not promptly replace a lost or stolen device, or who is otherwise not reachable by a Personal Cell Phone, will lose eligibility for the monthly stipend.

Proof of Service
To comply with IRS accountable plan rules, employees receiving a stipend may be requested to provide a copy of their cell phone bill to the Finance Department upon initial setup or, to verify that they maintain an active Personal Cell Plan. Failure to provide proof promptly may result in the suspension of the stipend. Stipends paid without proof may be treated as taxable wages.

Employee Directory
Employees who are approved to and elect to use their Personal Cell Phone for business purposes in lieu of a District-Issued Cell Phone, consent to listing their Personal Cell Phone number in the District's internal directory for legitimate business use. Except as required by law, the District will not release Personal Cell Phone numbers to the public and will take reasonable steps to protect employee Personal Cell Phone numbers. However, by electing to use a Personal Cell Phone in lieu of a District-Issued Cell Phone to conduct District Business, employees acknowledge the risk that their Personal Cell Phone number may become public and waive any claims against the District for invasion of their right to privacy.

6. Misuse

The District expects employees to use Personal and District-Issued Cell Phones ethically, appropriately, and in accordance with the Employee Code of Conduct, Employee Handbook, and all other District policies.

Misuse or abuse of this Policy may result in employee reimbursement for charges, loss of device, and/or disciplinary action.

The District reserves the right to terminate cell phone reimbursement at any time for any reason.

AR 2015 Personal and Private Internet Service Use and Reimbursement

Approved: August 11, 2010
Revised: July 14, 2014
December 5, 2016
May 3, 2017

This administrative regulation establishes guidelines for the use of personal computers and/or personal or private internet services to conduct District business through secure remote access over the internet. The District recognizes that this practice can enhance employee productivity and the delivery of system support services. The regulation also establishes conditions under which employees may be reimbursed for the use of their personal computer and/or personal or private internet services. The regulation is not intended to alter the District's practice of providing computer workstations for employee use or cellular internet service on District workstations for those employees who routinely and frequently work in the field and have a business need for secure remote access to District information systems.

AR 2015.1 Definitions

Personal Computer – A personal computer is a general purpose computer whose size, cost, capabilities, and features make it useful for individuals, and which is intended to be operated directly by an end-user with no intervening computer operator. A personal computer may be a desktop computer or a laptop, netbook, tablet or a handheld model, and is not equipped by the manufacturer with the features or functionality intended to make it suitable to serve as the end-user's mobile phone. Software applications for most personal computers include, but are not limited to, word processing, spreadsheets, databases, web browsers and e-mail clients, digital media playback, and myriad personal productivity and special-purpose software applications. Personal computers typically have connections to the internet, allowing access to a wide range of other resources. Personal computers may be connected to a network, either by a cable or a wireless connection.

Personal and Private Internet Service – A personal internet service uses an internet service provider (ISP) company to gain access to the internet for personal use with no expectation of resale. Personal internet services are typically found in residences and in some public areas. A private internet service is generally a reseller of ISP services at a facility such as a hotel or conference center where the operator can authorize only specific users to access the internet for a limited time on a fee basis, such as per day or per hour. Either type of service connects its users or customers to the World Wide Web using a wired or wireless access point.

Full-time Telecommuter – A full-time telecommuter is an employee with job duties that require the employee to work from a home office four or more days per week on a recurring basis. Job titles currently authorized as full-time telecommuters under this program are Board Members, who are expected to complete the vast majority of their District-related job functions through remote access and do not maintain individual offices in District facilities. The procedures for Board Members obtaining reimbursement are set forth in AR 12065.

AR 2015.2 Scope

The program applies to all District employees.

AR 2015.3 Program

The District treats the reimbursement of an expense incurred while performing services for the District as non-taxable income. The following approaches for the use and potential payment of costs related to personal computer and/or personal or private internet are authorized. One or more of these approaches may apply to an employee at a time.

A. Use While Fulfilling Standby or Support Duties
Employees expected to fulfill standby or support duties are provided with a District-owned computer appropriately configured and secured for this purpose. No use of a non-District personal computer is permitted for fulfilling standby or support duties. No reimbursement is authorized for occasional or potential use of personal or private internet service used to conduct District-related activities for employees where secure remote access to District information systems has been provided as a tool by their supervisor. Providing employees with secure remote access via the internet to various business applications and information sources is viewed by the District as a convenience, not a requirement. When remote access is not authorized, feasible, available, or possible, employees must report in person to the job site to attend to their job duties.

B. Use While Traveling on District Business
Employees who expect they will need remote access services when traveling on District business should make arrangements at least three business days in advance with the IT Department to acquire a temporary District-owned computer if necessary and/or temporary cellular internet service for the duration of the business trip. If such arrangements are not possible, a reimbursement payment is authorized for the cost of using a private internet service.

C. Incidental Mobile Internet Use
No reimbursement is authorized for employees that use their personal internet service on a smart phone or similar mobile device for District business if the employee has not been authorized for the Smart Phone Allowance under the Cell

Phone and Smart Phone Allowance and Use program. See AR 2014.3 for additional provisions of this program.

D. Full-time Telecommuting Use

Employees who are required to use their personal computer for District business on a near full-time basis are eligible to receive a payment for the actual cost of the computer and certain related items:

- Reimbursement for the purchase price of a single personal computer, including peripheral devices, accessories, and extended warranty, up to a maximum of $1,000, and no more than one time every four years.
- Reimbursement for the purchase price of software applications required to effectively and securely perform District duties.
- Purchases should be made to maximize productivity, and are recommended within the first 180 days of assuming office or starting a new term.

Not eligible for reimbursement are any other costs associated with personal computer ownership, including but not limited to:

- Equipment or software diagnostic and repair services,
- Software and equipment maintenance fees,
- Training fees,
- Data backup and recovery goods or services.

Employees who are required to use their personal internet service for District business on a near full-time basis will receive a payment for the actual cost of the service, up to a maximum of $40 per month.

BP 2020 Role of the General Manager

Adopted: December 11, 2006

The success of the District depends upon the ability of individuals and groups to adapt to the changing needs of the District and its customers in effectively carrying out the Board's direction. The General Manager shall establish and maintain a standard of respect, ethical behavior, responsiveness, and resourcefulness for District managers and staff to:

- work cooperatively to identify District, customer, and community needs;
- motivate, challenge, and guide others in providing high-quality, cost-efficient services;
- continuously evaluate the effectiveness and quality of the services provided;
- be knowledgeable about District policies and procedures, negotiated agreements, and past practices;
- keep the Board and public informed on the status of the District and make recommendations for changes and improvements that will promote the continued success of the District;
- keep the Board informed on decisions that significantly impact the operations of the District;
- inform the Board on industry developments that have a bearing on the duties or policies of the Board;
- conduct strategic planning and make appropriate recommendations for the future;
- employ a professional staff to assist in carrying out Board Policies;
- offer professional leadership through ongoing program improvements;
- develop and administer regulations and procedures to govern employer-employee relations under state and federal statutes;
- enter into contracts as necessary to perform the functions of the District; and
- comply with all the duties and responsibilities set forth by state and federal law.

AR 2021 Communications and Public Outreach

Approved: February 18, 2021

El Dorado Irrigation District (EID) shall provide public outreach on a continuing basis in order to keep its customers and community educated and informed about EID activities and services. EID representatives will strive to achieve this through:

- Promoting the District's mission and strategic goals (BP 0010)
- Enhancing the District's communications with customers, partners, and stakeholders
- Build positive awareness about steps the District takes to safeguard and manage the District's vital network of infrastructure and facilities
- Support the District's reputation as a trustworthy and transparent manager of financial resources
- Public outreach activities are dictated by the potential scope of impacts to customers, stakeholders, and other agency involvement. Larger projects with the potential to impact many customers or stakeholders may trigger more comprehensive coverage than smaller projects. Smaller, more localized projects may require more one-on-one interaction with neighbors who are affected by the project. The following list indicates a variety of methods that will be used.
- Dedicated web page with background information, project description, why the project is required/needed, community benefits, frequently asked questions (FAQs), project maps, news repository, ways to stay informed as project progresses (eNotification), and environmental documents (if appropriate). These types of pages that include eNews messaging are appropriate for large or long-term projects that may get a lot of public or media inquiries.
- Information prepared for publication in local news media (Mountain Democrat, Village Life, etc.), including pitches to local journalists for coverage, site visits and interviews.
- Information posted to the District's appropriate social media accounts that describe project status and updates, or the areas where the project is located.
- Direct communication with residents affected by projects will include letters, door hangers, and on-site conversations, where appropriate.
- Direct communication by way of automated phone or email blasts.

- Initiation of a dedicated project email address for community concerns, primarily for large or long-term projects that may get a lot of public or media inquiries.

- Publications and information will contain an appropriate contact phone number, either with the direct telephone line of the project manager or with EID's main Placerville number listed with instructions to ask for project representatives. The project size and length will determine which method is appropriate.

- EID's Communication Department will work with the project manager to assist with information gathering and production, and coordination of public meetings as appropriate. The Communications Department staff may work with the media and the public as a liaison for the project manager.

- Video and photos will be utilized as appropriate to enhance communication and outreach efforts.

BP 2030 Role of the General Counsel

Adopted: December 11, 2006

The General Counsel shall be attorney for the District, acting by and through its Board of Directors, management, employees, and agents. The General Counsel shall be responsible for:

- providing high-quality, cost-efficient legal services to the District and all District personnel acting within the scope of their employment;
- securing and managing the services of outside counsel to provide specialized knowledge or avoid potential conflicting attorney roles;
- ensuring full compliance with applicable laws and regulations in all District activities;
- proactive counseling and representing the District, the Board, the General Manager and the departments in transactions and events involving District interests;
- representing the District in litigation; and
- ethical behavior.

BP 2040 Formulation and Enforcement of Administrative Regulations

Adopted: December 11, 2006

The General Manager, in cooperation with the General Counsel, shall establish and amend as necessary or desirable, Administrative Regulations to implement Board policies and bylaws according to law.

Administrative Regulations shall be effective immediately upon adoption by the General Manager and General Counsel. Adopted Administrative Regulations shall be provided to the Board. The General Manager and/or General Counsel have the authority to interpret all Administrative Regulations and to rule on any point of contention that is not specifically covered therein.

BP 2050 Administrative Leeway in the Absence of Policy

Adopted: December 11, 2006

While the Board Policies and Administrative Regulations are intended to be inclusive, in the absence of a policy or regulation, all employees are directed to act reasonably and in good faith based on the mission and goals of the District. Likewise, the General Manager shall have the power to act in emergency situations where no Board Policies or Administrative Regulations exist.

BP 2060 Conflict of Interest

Adopted: December 11, 2006

The General Manager and the Board of Directors shall adopt and promulgate a Conflict of Interest Code in compliance with the Political Reform Act, Government Code section 81000, et seq.

Copies of the Conflict of Interest Code can be obtained from the Office of the General Counsel.

BOARD POLICY 3000

DISTRICT BUSINESS OPERATIONS

BP 3010 Budget

Adopted: September 11, 2006
Amended: May 23, 2016
August 10, 2026 | Revision consolidated BP 3020 Revisions to the Budget, BP 3050 Financial Condition and Activities, and AR 3051 Budget Principles into BP 3010 Budget

Financial Management Policy
The Board is responsible for promoting the most efficient and effective use of the District's financial resources to accomplish the goals of the District, support facilities and programs, and deliver quality services to customers. The General Manager shall keep the Board informed of the District's financial operations so the Board can make sound decisions and fulfill its legal responsibilities.

Budget Adoption
The Board shall adopt an annual Operating and Capital Improvement Plan (CIP) budget alongside a five-year Financial Plan and CIP. Projected annual revenues in every adopted operating budget, excluding Facility Capacity Charges and water transfer revenues, must equal or exceed projected annual operating expenses plus debt payments.

Debt Service Coverage
To ensure adequate funding for pay-as-you-go capital projects, the District shall maintain a minimum debt service coverage ratio of 1.25x calculated as net revenues (excluding Facility Capacity Charges (FCCs) and water transfer revenues) divided by annuals debt service expense.

Budget Revisions
Any revisions to an adopted budget require Board approval. The General Manager shall promptly notify the Board of any circumstances that may require budget revision, including changes in law or regulation, shifts in service demand, price increases, or any other external factors.

Financial Condition and Activities
The District will be run in a fiscally responsible and prudent manner according to the following budget principles.

1. The budget shall be structurally balanced — recurring revenues fund recurring expenses.

2. Rates and fees shall be set at levels sufficient to recover the full cost of providing service, including operations, maintenance, debt service, and capital reinvestment.

3. The District shall maintain reserves at Board-adopted minimum levels to protect against revenue shortfalls, emergencies, and infrastructure needs.

4. Reserves and unappropriated fund balances shall not be drawn down without Board approval and a plan for replenishment.

5. Future debt shall be used only for capital projects, with repayment terms that do not exceed the useful life of the asset financed.

6. The annual budget shall be informed by a long-term financial plan and linked to the District's Capital Improvement Plan.

7. Rate revenues from each enterprise system shall be used only for the costs of that system.

8. Public funds shall be expended in compliance with applicable law and sound procurement practices that prevent conflicts of interest and ensure competitive purchasing.

9. Financial performance will be monitored throughout the year, with material variances reported to the Board.

10. Government-required filings and debt service payments shall be made accurately and on time.

AR 3011 Budget Development

Approved: December 12, 2006
Revised: November 4, 2010

It is the responsibility of the General Manager to develop the budget based on the priorities and needs of the District and its customers. The budget and any budget modification shall:

A. include, but not be limited to, operating expenses, debt, construction, and reserve funds;

B. meet all legal requirements;

C. support the District's mission;

D. maintain prudent levels of reserves in water, wastewater, hydroelectric, and recreation to fund contingencies that meet the District's debt service requirements;

E. allow the District to meets its financial obligations, including bond covenants; including the annual allocation of property taxes between water and wastewater operating funds;

F. be consistent with a financial plan that guides the District in satisfying its multi-year commitments; and

G. encourage public participation through required disclosures and public hearings.

Responsibility for overseeing the budget development process is assigned to the department head for Finance and Management Services, who will work directly with each department head or manager in drafting the budget. Once the annual budget is prepared, the Board shall act on it.

Timing for preparation and presentation of the annual budget and the five-year Capital Improvement Plan is as follows:

The five-year Capital Improvement Plan will be presented in a workshop for the Board in September or October of each year. The five-year plan will then be presented to and adopted by the Board no later than the end of November of any given year.

The budget will be presented in a workshop for the Board in November on or after the five-year Capital Improvement Plan is adopted. The budget then will be presented and adopted by the Board prior to the end of the calendar year.

Following budget adoption, the department head for Finance and Management Services shall exercise supervision over the finances of the District in keeping with regular budgetary procedures.

Finance Manager shall bring to the Board any modification to the adopted property tax allocation between the water and wastewater operating funds in order to meet the anticipated debt coverage requirements for those separate utilities.

AR 3012 Budget Management and Five-Year Financial Plan

Approved: December 12, 2006
Revised: November 4, 2014

The General Manager desires to maximize efficiency in the management of revenue and expenditures and thereby assigns responsibility for monitoring program budgets to department heads and program managers who shall use financial reports, program reports, and other pertinent data to ensure maximum effectiveness of program operation.

Purpose of the Five-Year Financial Plan
The Five-Year Financial Plan establishes the cost of funding the operations and maintenance, capital expenditures, and debt expenses required to meet the District's mission of providing high quality, wastewater treatment, recycled water, hydro-power, and recreational services in an environmentally and fiscally responsible manner, meeting the District's debt covenant requirements to its bond holders and matching future revenues to those costs.

Long-term financial planning:

- Avoids volatile rate adjustments;
- Better manages debt;
- Better manages prepayment of debt;
- Funds the Capital Improvement Plan;
- Provides a plan for meeting debt covenant requirements; and
- Sets clear, public goals and expectations.

Goals and Objectives of the Financial Plan

The goals and objectives are to:

- Establish necessary operating and maintenance costs, debt expenses, and pay-as-you-go project costs;
- Generate adequate revenues to fund those costs, meet debt covenants, and maintain adequate cash reserves;
- Avoid "rate shock" – small annual rate adjustments are better than years of zero rate increases followed by double-digit increases to make up shortfalls;
- Maintain strong credit ratings with rating agencies (S&P – A+, Moody's – A1);
- Maintain cash reserves between $60 million and $80 million;
- Maintain CIP funding levels to replace high priority capital assets prior to end of life, avoiding critical asset failures;
- Maintain 1.7 to 2.0 debt coverage ratio with Facility Capacity Charges (FCC); and
- Maintain 1.25 debt coverage ratio without FCC's – in all years, meet Finance Control test that annual operating revenue, excluding FCC's, must equal or exceed total annual operating expenses plus debt payments.

AR 3013 Appropriation for Contingencies

Approved: December 12, 2006

Fund balances that are budgeted for contingencies may be transferred to an expenditure appropriation as needed, upon authorization of the responsible department head or program manager.

AR 3015 Financial Control Test

Approved: August 22, 2012

The projected annual revenues of every adopted District operating budget, excluding Facility Capacity Charges, must equal or exceed the projected annual operating expenses plus debt payments.

BP 3020 Designated Reserves

Adopted: August 10, 2026 | Adoption consolidated AR 3014 Reserves into BP 3020 Designated Reserves

1.0 INTRODUCTION

This Designated Reserves Board Policy (Policy) establishes guidelines to ensure the prudent financial management of the District's Water and Wastewater Systems through the creation and maintenance of appropriate designated reserves. It provides direction to management for achieving the District's strategic objectives and promotes transparency by clearly communicating to external stakeholders—including constituents/ratepayers, rating agencies, and investors—and the general public the District's financial needs and how those needs will be met.

Designated Reserves (Reserves) provide funding for scheduled and unscheduled expenses including operations and maintenance, capital improvements, repair and replacement, emergencies, and unfunded liability related to pension and other post-employment benefits (OPEB). This Policy describes the prudent reserve levels to meet these needs, identifies the sources of funding for such reserves, recommended target amounts for the reserves and possible funding strategies.

2.0 STATEMENT OF PURPOSE

The purpose of this Policy is to ensure the District's ongoing fiscally sound financial management of the Water and Wastewater Systems and to have sufficient funding available to meet its operating, capital, and debt service obligations. This Policy establishes the level of reserves necessary for maintaining the sustainability, creditworthiness, and credit ratings for the utility systems under the District's management by adequately providing for:

- cash flow requirements and working capital;
- economic uncertainties, local disasters, and other financial hardships or downturns in the local, regional, state, or national economies;
- contingencies for unforeseen operating and capital needs;
- emergency repairs;
- unfunded liabilities;
- loss of significant revenues sources due to variations in operations resulting from, among other things, variable weather conditions or conservation, or changes to supply portfolio; and
- unfunded mandates including costly unexpected regulatory requirements.

3.0 TYPES OF RESERVES

Reserve funds are established utilizing the following criteria:

- Contain a defined and distinct purpose.
- Contain a target level or a range of target levels.
- Identify events or conditions that prompt the use of the reserves.
- Identify the requirements that must be met to use the funds.

- Provide a mechanism to fund and to replenish reserves to approved levels.
- Establish a priority for funding from net cash from operations.
- Specify periodic review dates, usually annually as part of the budget process, for balances and target levels.
- Establish that balances should be maintained in amounts sufficient to meet minimum reserve targets in cash and/or cash equivalents.

Unrestricted Reserves

3.1 Operating Reserve

The Operating Reserve is maintained to preserve the financial stability of each enterprise system and to protect against significant fluctuations in revenues and expenses resulting from unforeseen events.

Operating Reserves are typically established based on the number of days of cash on hand (DOCH). DOCH is a calculation that demonstrates the number of days each system can fulfill operating obligations in the event of total revenue loss. The DOCH calculation is as follows: *DOCH = (unrestricted cash + investments) ÷ (operating expenses − non-cash items) × 365 (non-cash items include pension, other post-employment benefits, depreciation, and amortization).*

Minimum and Target Levels: The Operating Reserve shall have a minimum of 90 DOCH, a target level of 180 DOCH and no maximum target.

Use of Reserve: This reserve may be utilized as needed to pay outstanding operating expenses prior to the receipt of anticipated operating revenues, an unexpected increase in expenses, or during the event of a decline in revenue.

Replenishment: If at any time the amount on deposit falls below 90 DOCH, the District will take steps to restore it within one year.

Source of funding: Unrestricted revenues of the Water and Wastewater Systems.

3.2 Capital Replacement Reserve

The Capital Reserve provides funding for major capital projects and/or replacement expenditures plus an amount for related contingencies and emergencies. This reserve is established to ensure that proper balances are maintained, and projects are appropriately planned in consideration of regulatory requirements, rate impacts, creditworthiness and any unforeseen capital emergencies.

Solely for the purposes of calculation, the District will take into account all amounts currently available from any Facility Capacity Charges (FCC) and debt financing for capital purposes as a separate funding source for those projects. The Capital Reserve will only include non-debt or non-FCC funded capital projects. Nothing herein will alter, amend or change the treatment of, or accounting for debt proceeds as prescribed in the governing documents of such debt.

Minimum and Target Levels – The Capital Reserve shall maintain a minimum of one year of expected capital expenditures in the subsequent year, plus any contingency.

The target level shall be the subsequent year's expected capital expenditures, plus 50% of the following year's expected capital expenditures, plus any contingency, and a maximum of five-years of capital expenditures.

Authorization – Upon the approval by the Board of the Capital Improvement Plan (CIP), staff is authorized to use funds from the Capital Reserve to pay for the approved projects in an amount equal to the authorization for the applicable budget year. If the Reserve is less than the amount needed to fund the CIP for the applicable year, projects will be funded from available fund balance, any qualifying available debt proceeds, or deferred until funding can be identified. The General Manager or their designee is authorized to approve the use of funds in accordance with the approved annual budget.

Source of funding: Revenues of the Water and Wastewater Systems.

3.3 Emergency Reserve

The Emergency Reserve is intended to fund emergencies such as damages caused by a natural disaster or a declared local, state, or federal emergency.

Minimum and Target Levels – The Emergency Reserve shall maintain a minimum of one month of operating expenditures, a target of three months of operating expenditures, with a maximum equal to the target.

Authorization – The General Manager or their designee is authorized to approve the use of funds for emergencies per BP 3060 Contracts and Procurement. Upon the occurrence of an event identified above and until such time that the Board can act, the General Manager is authorized to approve the use of funds from this Reserve.

Source of funding: Unrestricted revenues of the Water and Wastewater Systems. In addition, reimbursements from FEMA and/or insurance shall be returned to this reserve until target levels are restored.

Restricted Board Reserves

3.4 Facility Capacity Charges (FCC) Reserve

This reserve is comprised of funds collected from FCCs. FCCs provide funding for District facilities in existence at the time the charge is imposed or new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other District rights involving capital expense relating to its use of existing or new District facilities. There is no minimum, maximum or target level. The District has a separate fund for this reserve.

Source of funding: FCCs are paid as a one-time charge by any person or entity connecting to the District's water and wastewater systems.

3.5 Pension and Other Post-Employment Benefits (OPEB) Reserves

The District obtains a full actuarial valuation report for Pension and OPEB at least every two years. The Pension report is prepared by the California Public Employees

Retirement System (CalPERS) and the OPEB report is prepared by a District consultant, which changes from time to time. The actuarial valuations determine the annual benefit payment that maintains compliance with Government Accounting Standards Board (GASB) Statement 75 regarding the reporting of unfunded liabilities on financial statements.

The Unfunded Accrued Liability (UAL) is the liability from benefits already earned that exceeds current assets on deposit with CalPERS and for OPEB the California Employers' Retiree Benefit Trust (CERBT). The UAL is paid as a fixed dollar amount, independent from payroll fluctuations. The UAL payments have an actuarial data lag and are based on actuarial valuations from two years prior, meaning there is a lag in adjusting for current market conditions.

UAL annual payments are mandatory regardless of staffing levels. Making an annual payment saves the District interest otherwise applied by CalPERS. If the District chooses to make monthly payments, CalPERS automatically sets up a 12-month payment plan with a 6.8% interest rate for both pension and OPEB.

Although the District does not maintain traditional reserves for the Pension and OPEB UAL, funding targets are hereby established and funds will ultimately be held in a California Employers' Pension Prefunding Trust (CEPPT) for Pension and the CERBT for OPEB until funding targets are met.

Target Level:
Pension – At the time of adopting this reserve policy, the District was 93.6% funded and will maintain this as the minimum target, with a maximum target of 100%.

OPEB – At the time of adopting this reserve policy, the District was 26% funded and will maintain this as the minimum with a target of 75%, and a maximum of 100%.

Pension and OPEB costs increase annually based on multiple factors including CalPERS investment returns, the addition of personnel, retiring employees, increased health costs, increased wages, etc. To meet the funding targets, the District will:

- make annual payments for pension and OPEB in July;
- conduct an annual financial analysis that determines budget savings and one-time revenues that can be redirected toward pension and OPEB obligations to reach funding targets; and
- establish a California Employers' Pension Prefunding Trust (CEPPT) within two years of the approval of this Policy (no later than August 31, 2028).

Once the applicable trust reaches the District's funding goal, the District may withdraw annual pension and OPEB payment amounts from the respective trust, provided that such withdrawals do not reduce the funding level below the established target.

Source of funding: Unrestricted revenues of the Water and Wastewater Systems.

4.0 REPORTING

In conjunction with the creation of the annual budget, staff will prepare a reserve analysis, showing current reserve levels and targets for each type of reserve. Staff will

identify any major change in conditions that may threaten reserve levels. When applicable, this analysis would include an explanation of why reserve levels are below target levels and/or a recommended course of action and a timeline/schedule to improve them. The analysis shall be presented to the Board and made available to the public to support transparency.

5.0 POLICY REVIEW

This Policy will be reviewed, after consulting with the District's Municipal Advisor and Bond Counsel, at least every three years and presented to the Board for approval to reflect changes in financial conditions, regulatory requirements, and best practices.

The following table illustrates the Reserves target levels based on priority:

	Reserve Type	Unrestricted Reserve Funding Levels		
		Minimum	**Target**	**Maximum**
1	**Operating**	90 Days of Cash on Hand	180 Days of Cash on Hand	NA
2	**Capital Replacement**	One year of expected capital expenditures in the subsequent year, plus any contingency	Subsequent year's expected capital expenditures, plus 50% of the following year's expected capital expenditures, plus any contingency	Five years of capital expenditures
3	**Emergency**	One month of operating expenses	Three months of operating expenses	Equal to Target
		Restricted Reserve Funding Levels		
4	**Facility Capacity Charges (FCC)**	All FCC proceeds will be held in the FCC Fund		
5	**Pension**	94% Funded	100% Funded	Equal to Target
6	**OPEB**	26% Funded	75% Funded	100% Funded

BP 3030 General Manager's Reporting Responsibilities

Adopted: September 11, 2006

The General Manager shall submit quarterly financial status reports during the fiscal year to the Board. All reports should show whether the District is meeting its financial obligations and include a forecast for the remainder of the current fiscal year.

BP 3040 Annual Audit

Adopted: September 11, 2006
Revised: September 11, 2017

Government Code section 26909 requires government agencies to undergo periodic external financial reviews. Accordingly, the District shall hire an independent certified public accountant or certified public accountant firm to perform an annual audit of the District's fiscal operations. The independent certified public accountant or certified public accountant firm shall have knowledge and experience in public agency accounting and shall prepare an audit report. The Board will review and receive the annual audit report within 180 days after the end of the fiscal year.

Except as otherwise directed by the Board, the District shall hire an independent certified public accountant or certified public accountant firm for a term of not to exceed three years with an option to extend the contract for an additional one year, requiring Board approval, when there are emergency or extenuating circumstances that, in the Board's discretion, warrant the one-year extension.

The District shall not hire the same certified public accountant or certified public accounting firm for more than four consecutive fiscal years. The Board shall approve all contracts and extensions of contracts for auditing services.

AR 3052 Employee Expense and Reimbursement

Approved: January 14, 2011
Revised: October 27, 2025
February 5, 2026
June 12, 2026

Scope

This Administrative Regulation applies to all District employees, other than the Board of Directors, who incur expenses in the conduct of District business. Board expenses and reimbursement are governed by BP 12065 and AR 12065.

This Administrative Regulation also makes narrowly limited provisions for payment or reimbursement of expenses of other personnel from other agencies and the public as specifically provided below.

General Principles

The following general principles govern all employee requests for and all District payment or reimbursement of expenses.

- District employees shall not profit by or experience a financial loss by incurring travel and other expenses while conducting authorized District business. To support this principle, the District shall provide a meal per diem in accordance with the United States General Services Administration (GSA) per diem rates. Reimbursement shall be based on the applicable GSA rate rather than actual meal costs, allowing employees discretion in how they allocate their per diem allowance. This approach reduces the District's administrative burden associated with processing itemized travel reimbursements.

- District employees compelled to travel or incur other expense in the performance of their duties for the District shall have their expenses for registration, lodging, transportation, meals, incidentals, and other costs paid or reimbursed, provided those expenses were actually and necessarily incurred and are reasonable in amount, and subject to the maximum limits established by this Administrative Regulation for lodging, meals, and private automobile use.

- The District will not pay or reimburse any costs for alcoholic beverages, or for any expenses incurred on behalf of an employee’s spouse or family member who accompanies the employee.

- Travel arrangements should be as economical as practical considering the travel purpose, traveler, the time available to accomplish the travel, available transportation and facilities, and time away from other job duties. Common

carrier travel shall be in “coach,” “economy,” or equivalent class. Rental cars shall be economy or equivalent class unless weather, road conditions, or job duties necessitate otherwise.

- When the sponsor of a training, conference, meeting, or seminar offers discounted lodging, employees seeking District payment or reimbursement of lodging expenses shall utilize the discounted lodging if space is available.

- Subject to this rule, lodging should be booked whenever possible at establishments that waive transient occupancy taxes for government agencies.

- Employees opting to use private automobiles for District business are responsible for ensuring that the vehicle is in sound and safe operating condition. They must possess a valid driver’s license and have current auto insurance as required by the Employee Handbook.

- Participants for any travel requiring expense reimbursement should ordinarily be limited to no more than two staff members, who will be responsible for sharing information with other interested parties upon return. A department head or the General Manager may authorize more participants if he or she determines that the travel involves training or meetings of sufficient technical content or breadth that more widespread participation is warranted.

- Employees seeking payment or reimbursement must obtain prior authorization for expenses or travel as provided herein before incurring the expenses and commencing travel.

- No expense is payable or reimbursable unless it is consistent with the intent of this Administrative Regulation.

- Cardholders may not use a District credit card to book or pay for their own travel or training expenses. When credit card payment is required, another authorized cardholder must process the transaction on the employee's behalf. Exceptions may be granted when circumstances beyond the employee's control make this impractical, provided the employee obtains prior approval from their supervisor or manager.

- The General Manager may, in their sole discretion, authorize one-time exceptions to any requirement of this Administrative Regulation, based on good cause shown by the responsible department head. Exceptions will be made only in the interests of fairness and to further the intent of this Administrative Regulation.

Procedures

The following procedures apply to all expense payments and reimbursements.

- Requests for travel authorization and expense payment or reimbursement shall be processed using forms as specified by the Finance Director.

  - Travel authorization forms shall require written approval from the employee's supervisor and department head, and the General Manager or their designee. Approval should be obtained in advance.
  - Travel expense statement forms shall require written approval from the supervisor and the Finance Director or their designee.
  - Employee mileage-only reimbursement forms for meetings, training, etc. that do not involve lodging or other expenses shall require written approval from the supervisor.

- Requests for travel authorization should be submitted at least 30 days prior to travel, whenever feasible, to allow appropriate consideration and to minimize costs.

- Expense statements and all required substantiation should be submitted not more than 10 business days after the expense is incurred or the travel is completed, whichever is later.

- The Finance Director may, in their reasonable discretion, decline to process or revise the reimbursable amount on any documentation that does not meet these timelines, does not comply with this Administrative Regulation, is inaccurate, or is incomplete.

- Invoices, published rates, or other comparable documentation are required for pre-payment or cash advances for registration fees, lodging costs, transportation costs, and other authorized expenses.

- Receipts are required for reimbursement of registration fees, lodging costs, transportation costs, parking fees, tolls, and other authorized expenses (anything that is not a meal or incidental expense such as coffee, parking meters, etc.). Employees that receive a District vehicle allowance will not receive reimbursement for mileage. Receipts shall be itemized whenever feasible, and appropriately annotated by the requesting party in all instances.

- Payment or reimbursement of certain expenses is limited as follows:

  - Lodging – On a daily basis, not more than three times the then-current per diem hotel rate provided for the locality under the federal per diem method in the United States Internal Revenue Service's Publication 1542. In-room entertainment fees, spa fees, and similar ancillary services are not lodging expenses and are not authorized for payment or reimbursement. Whenever feasible, lodging should be prearranged prior to travel with a District credit card.

  - Private automobile transportation – On a per-mile basis, the United States Internal Revenue Service's then-current federal rate will be used to calculate all mileage reimbursements. Mileage for travel shall be computed from the employee's starting point and ending point (residence or work location).

Requests for mileage reimbursements must include confirmation such as Google Maps.

- Long-distance automobile transportation – Employees should not use a District or private automobile for travel more than a five (5) hour, one-way driving distance from the District offices. Any exception to this rule must receive prior approval from the employee's department head. If air travel would be more economical considering both travel and labor expenses (for non-exempt employees), but the employee is allowed to travel by private automobile, the District will reimburse transportation costs incurred up to the amount of the air travel cost. The District will not pay or reimburse any transportation costs in excess of that amount, nor any extra days of lodging, meals and other expenses.

- Meals – The United States General Services Administration per diem limits found at www.gsa.gov for meals and incidental expenses (M&IE) rates for the applicable calendar year will be used to calculate per diems. The District will not provide the portion of per diem for any meals that are already included as part of the program for the training, conferences, or seminars or when a meal is purchased on the employee's behalf by a third party. Per diems are calculated based on the location of the event and do not require proof of purchase. Incidental per diems is only reimbursed when overnight travel is required. On travel days, employees shall be reimbursed only for meals that correspond to the meal periods necessitated by the travel schedule.

- Payment or reimbursement of expenses for non-District employees is prohibited, except as follows:

  - Meal costs for the subject of a job interview or a person participating on a job interview panel, when deemed appropriate by the Human Resources Director.

  - Meal costs for representatives of other governmental agencies, community organizations, or private interests, when the meal is attended by one or more District employees, the meal directly and substantially facilitates the conduct of District business, and the expense is authorized by the employee's department head. Due to the potential for abuse, it is the express intent of this regulation that District department heads construe and apply this exception narrowly and only when the District's best interests are clearly served by invoking it.

  - District employees may request and receive cash advances of no less than $50.00 and no more than 75% of non-prepaid, authorized expenses. Cash advances will be reconciled against actual expenses at the conclusion of travel. The employee shall refund the District within 2 business days of returning to work for any excess of advanced funds over non-prepaid, authorized expenses actually incurred.

Additional or Overtime Compensation

Overtime or additional compensation for attendance or travel time involved with seminars, conferences, or training sessions for employees will be compensated in accordance with then-current Fair Labor Standards Act guidelines. Employees and supervisors should consult with the Human Resources Department for guidance.

AR 3053 Donations Policy

Approved: August 11, 2025
Revised: July 1, 2026

This policy provides guidance regarding El Dorado Irrigation District's (EID) response to donation requests. The policy is designed to ensure that any donation(s) align with EID's mission, provide a public benefit, and comply with California law on public funds.

This policy applies to all external requests for donations, including but not limited to, requests from outside entities, members of the public, and/or requests from EID's recognized employee organizations.

I. External Donations

Who Can Receive Donations:

- Non-profit organizations, schools, public agencies and recognized community groups that support a public benefit purpose, including but not limited to environmental protection, resource management, and education. All receiving entities must not discriminate because of an individual's legally protected classification(s) and must be non-denominational.

What Can Be Donated:

- Non-monetary items, such as annual or day use passes to Sly Park Recreation Area or District surplus equipment and supplies.

Guiding Principles:

- Donations must support a clear public benefit purpose and must not be for private benefit.
- Donations should not be offered to a select group of private individuals.
- All donations are subject to budget and resource availability and any surplus findings must maintain compliance with Board Policy 3055 and Administrative Regulation 3055 (Disposition of Personal Property).

II. Donations to EID Recognized Employee Organizations

Who Can Receive Donations:

- Recognized EID employee organizations that organize activities to improve morale, recognition, or engagement.

What Can Be Donated:

- Non-monetary items like annual recreational passes, day use passes, campsite or facility reservations, or use of District equipment or supplies for employee events organized by the employee association.

III. General Process for Donation Requests

- All requests must be submitted in writing utilizing EID's Donation Request Form, available on the EID website, and explain how the donation is for a public purpose or for a recognized employee organization event.
- External requests are reviewed and approved by a Department Head or their delegate, the General Manager, and the District's Office of General Counsel.
- Requests from a recognized EID employee organization are reviewed and approved by Human Resources and the General Manager.
- EID has the exclusive right to approve or deny requests based on available resources and alignment with the District's goals, including the guiding principle of fiscal responsibility.

IV. Legal Compliance

- The California Constitution prohibits any gift of public money or thing for any private purpose (Cal. Const. Art. 16, § 6). If the funds or items of value are used for a public purpose, they are not considered a gift within the meaning of this constitutional prohibition. All EID donations must comply with California law on public funds, meaning they must serve a legitimate public purpose and provide a public benefit.

V. Review and Updates

- This policy will be reviewed annually to ensure it remains effective and compliant with legal requirements.

BP 3055 Disposition of Personal Property

Adopted: September 11, 2006
Supersedes: Purchasing Policies and Procedures Manual adopted 11/25/91, revised 2/27/95, revised 7/19/99

The District will dispose of surplus property in a fiscally responsible manner according to the adopted administrative regulations.

AR 3055 Disposition of Personal Property

Approved: December 12, 2006

AR 3055.1 Disposition of personal property valued at $50,000 or more

Disposition of personal property valued at $50,000 or more will be made only after approval of the Board of Directors.

AR 3055.2 Disposition of personal property valued between $5,000 and $50,000

Disposition of personal property valued between $5,000 and $50,000 will be made only after approval of the General Manager, who will report all such dispositions to the Board of Directors on a quarterly basis.

AR 3055.3 Disposition of personal property valued at less than $5,000

Disposition of personal property valued less than $5,000 shall be made by the District Services Administrator as approved by the department head for Finance and Management Services, who will report all such dispositions to the General Manager on a quarterly basis.

AR 3055.4 Restrictions on employee purchases

District employees shall not purchase District property unless such property is disposed of through a third party such as a contract auctioneer.

BP 3060 Contracts and Procurement

Adopted: September 11, 2006
Supersedes: Purchasing Policies and Procedures Manual adopted 11/25/91, revised 2/27/95, revised 7/19/99
Revised: August 13, 2012
February 22, 2021

The District shall adopt procurement and contracting procedures by administrative regulations. Such procedures shall be designed to provide a fair, open, and competitive process that avoids conflicts of interest, collusion, and favoritism.

Prior to approving a contract or procurement with any outside entity, the District shall first obtain bids when required by law or when beneficial to the District. If bids are not required by law and the General Manager does not opt to use the bidding process, goods and services shall be at the lowest price consistent with desired quality or which is in the best interests of the District.

The Board of Directors hereby delegates to the General Manager the authority to approve contracts and procurements and change orders with values of up to and including $100,000. The Board of Directors also delegates to the General Manager, consistent with BP 3010, the authority to approve funding for the Capital Improvement Plan with values of up to and including $100,000. Except during emergencies, the Board of Directors shall approve all contracts or procurements or change orders with values greater than $100,000.

In the event of an emergency requiring immediate contract or procurement action, the General Manager is hereby authorized to approve any and all contracts necessary to abate the emergency after first informing the President of the Board of Directors and scheduling an emergency meeting of the Board of Directors at the earliest possible opportunity. The General Manager shall bring any and all contracts or procurements with values exceeding the levels set forth above, but approved during an emergency, to the Board of Directors for ratification at the first meeting of the Board immediately following the emergency.

AR 3061 Procurement and Contracts

Approved: December 12, 2006
Revised: October 22, 2008
October 16, 2012
February 14, 2013
November 15, 2017
March 29, 2021
May 18, 2022
December 12, 2022

AR 3061.01 Purpose

This administrative regulation seeks to establish efficient, equitable, and uniform procedures for all District contracting for goods (including, without limitation, materials and equipment), services (professional and other), rentals and leases of personal property, and construction; provide for fair and equitable treatment by the District of all persons involved in the contracting process; maximize the purchasing value of public funds; exercise financial control over the District expenditures it covers; clearly define authority for spending approvals and contracting functions; and provide safeguards for maintaining a high-quality procurement system.

AR 3061.02 Procurement and Contract Administration

The District's Office of the General Counsel and Finance Department will jointly implement and administer standard operating procedures for District contracting, to implement the purpose and requirements of these administrative regulations.

The District shall conduct all contracting for goods, services, rentals and leases of personal property, and construction in accordance with these administrative regulations and associated standard operating procedures.

AR 3061.03 Appropriated Funds

The District shall procure only items and services for which the Board of Directors has appropriated funds.

AR 3061.04 Procurement and Contract Authority

Except as otherwise provided herein, and subject to the ultimate authority and direction of the Board of Directors and General Manager, all contracts and procurements must be approved as follows:

A. **Capital Improvement Plan Funded Procurements**: Consistent with Board Policy 3060, the General Manager has the authority to approve funding for Capital Improvement Plan projects of up to and including $100,000. All other Capital Improvement Plan funding is subject to approval by the Board of Directors. A single contract or commitment shall not exceed $100,000 without approval by the Board of Directors. All other contracts or commitments for Capital Improvement Plan projects require the following spending approval:

1. Up to and including $100,000 - General Manager

2. Up to and including $50,000 - Department Director

3. Up to and including $25,000 - Division Manager

4. Up to and including $10,000 – Supervisor, or CIP Project Manager who has been pre-approved in writing by his/her department director at the recommendation of his/her division manager, with approval from the Finance Department.

5. Up to and including $1,000 - Employee who has been pre-approved in writing by his/her department director at the recommendation of his/her division manager, with approval from the Finance Department.

When a Capital Improvement Plan project has been funded by the Board, change orders up to $100,000 may be approved by the General Manager or their designee within the approval levels outlined above, provided that the project has sufficient available unencumbered funding, including Board authorized contingency, for said change order(s).

Where a single contract or commitment that was originally approved for less than or equal to $100,000, requires an amendment or change order that increases the total value of the contract or commitment to more than $100,000, the change order or amendment shall be submitted to the Board of Directors for approval.

B. **Budget Funded Procurements**: For procurements funded by the operations budget, a single contract or commitment shall not exceed $100,000 (either individually or in aggregate through change orders or contract amendments) without approval by the Board of Directors. All other contracts or commitments require the following spending approval:

1. Up to and including $100,000 - General Manager

2. Up to and including $50,000 - Department Director

3. Up to and including $25,000 - Division Manager

4. Up to and including $10,000 – Supervisor, or Project Manager who has been pre-approved in writing by his/her department director at the recommendation of his/her division manager, with approval from the Finance Department.

5. Up to and including $1,000 - Employee who has been pre-approved in writing by his/her department director at the recommendation of his/her division manager, with approval from the Finance Department.

Where a single contract or commitment that was originally approved for less than or equal to $100,000, requires an amendment or change order that increases the total value of the contract or commitment to more than $100,000, the change order or amendment shall be submitted to the Board of Directors for approval. Where a single contract or commitment that was originally approved at the authority levels identified above, subsequently requires an amendment or change order that increases the total value of the contract or commitment to a higher approval authority limit, the change order or amendment shall be subject to the approval authority level that corresponds to the revised total value of the contract or commitment.

Where the Board of Directors previously approved a single contract or commitment, any associated change order or contract amendment shall be subject to Board approval if the amendments or change orders cumulatively total more than $100,000 in a single calendar year.

C. **Standard Forms:** Under the direction of the General Counsel, the District shall adopt and maintain standard forms, which the District shall use for all contracts and procurements, unless the use of such standard forms is infeasible or otherwise not in the District's best interests.

D. **No Artificial Division:** District procurements shall not be artificially divided to avoid the approval requirements set forth herein.

AR 3061.05 Solicitation of Bids and Proposals

Except as otherwise provided herein, and subject to the ultimate authority and direction of the Board of Directors and General Manager, all solicitations for goods and/or services shall adhere to the following guidelines:

A. **Formal Solicitation of Sealed Bids and Proposals:** Except as authorized herein or by statute and/or action of the Board of Directors, the District shall solicit contracts or procurements over $50,000 by issuing a formal Request for Bids (RFB) or Request for Proposals (RFP) with written bidding instructions; the criteria for contract award; bid protest procedures; contract terms and conditions; plans and specifications (for RFBs); insurance and bonding requirements, published notice, or other means of advertisement, each as required by law or deemed necessary to promote competition and protect or further the District's interests; and all other information required by law.

   Notwithstanding any provision contained herein, the District shall comply with all laws and regulations concerning solicitation, bid, and award procedures for the construction of public works projects regardless of the size of the project or amount of the contract.

   When required by law, the District shall award all contracts solicited under this subsection to the lowest responsive responsible bidder. The District shall award all other contracts to the proposer whose proposal is in the District's best interests. In circumstances in which the District formally solicits bids or proposals and receives only one responsive bid or proposal, the District may negotiate with and award the contract to the sole bidder/proposer.

B. **Informal Solicitations:** The District shall solicit contracts and procurements, except those for the construction of public works projects, of $50,000 or less as follows:

   1. $15,000.01 to $50,000 – Three (3) documented quotes or proposals.

   2. $5,000.01 to $15,000 –Two (2) documented quotes or proposals.

   3. Goods or services procurements under $5,000 shall not require competitive solicitation.

   4. The above thresholds include taxes, fees and freight.

   5. The District may re-use unchanged awards for one year following acceptance.

C. **Request for Qualifications:** The District may use a Request for Qualification (RFQ) procedure to acquire the services of certain professionals that require extended analysis, the exercise of discretion, independent judgment, and an advanced, specialized type of knowledge, expertise, or training customarily acquired either by a prolonged course of study or equivalent experience in the

field. The District may utilize the RFQ procedure for single procurements, or for establishing an on-call list of professional services providers capable and qualified to conduct certain types of services. No contract for the services of legal counsel may be awarded without the approval of the District's General Counsel. Procedures for the selection of architect, engineer, and land surveying services shall be in accordance with state law.

D. **Procurements Not Subject to Competition:** For certain procurements, it is impractical to implement competition in the solicitation process. Accordingly, the District shall maintain a standard operating procedure listing the types of procurements that generally do not require competition other than at the direction of the General Counsel or the Finance Department upon reviewing a specific procurement request. The listing can be changed only by approval of the General Manager and General Counsel.

E. **Authorization for the Procurement of Goods or Services from a Single Source:** Notwithstanding anything herein, for good cause documented in writing and approved by the General Counsel and an executive manager with sufficient spending authority, the District may negotiate with a single source for the procurement of goods or services, including construction services when authorized by law. Good cause for single-sourcing may include, for example, when there is only one available source for a necessary good or service, the General Manager has authorized standardization of goods or services pursuant to Section 3061.09, a prospective consultant or vendor possesses unique skills and expertise necessary for a particular procurement, or emergency or extraordinary circumstances require immediate action that cannot be delayed for obtaining bids or proposals.

F. **Prequalification of Bidders:** The District may pre-qualify bidders for public works construction contracts. Pre-qualification of bidders will be conducted in accordance with the legal requirements for contractor pre-qualification and in consultation with the Office of the General Counsel.

AR 3061.06 Protests

The District shall adopt and maintain a protest procedure for protests of the solicitation and award of contracts, and include a description of the protest procedure in solicitation documents. Any actual or prospective bidder, proposer, or contractor who is aggrieved in connection with the solicitation of a bid or proposal, or the award of a contract on which he/she bid or proposed, may file a written protest in the manner prescribed in the solicitation documents.

AR 3061.07 Piggyback Procurements

The District may enter purchase contracts with a supplier for the purchase of goods or services when the pricing and terms have been previously established by another local, state, or federal, public entity, or an association of public entities, provided:

a. the resulting contract with the supplier of goods or services is the result of competitive bidding or negotiation and is made in compliance with the competitive bid or proposal requirements of the participating entity or association;

b. the purchase is made within the longer of one year of the competitive bid or negotiation, or the original contract term or subsequent extension(s);

c. the purchase conforms to the District's specifications for the goods or services; and

d. the purchase is of equal or better value to the District than if made directly by the District.

AR 3061.08 Cooperative Procurements

The District may enter an agreement with one or more local, state, or federal public entity, or association of public entities to procure goods or services cooperatively, provided:

A. the resulting contract with the supplier of goods or services is the result of competitive bidding or negotiation and is made in compliance with the competitive bid or proposal requirements of the participating entity or association;

B. the contract conforms to the District's specifications for the goods or service; and

C. the purchase is of equal or better value to the District than if made directly by the District.

AR 3061.09 Standardization of Goods and Services

The General Manager may authorize the uniform adoption or other standardization of a good or service to promote efficiency or for other good cause when the good or service is designated to match others in use, or planned to be used, by the District. All standardizations shall be valid for a term up to three years, which term may be extended one time up to three additional years after examining market conditions and upon a determination by the General Manager that the standardization still serves the District's best interests.

AR 3061.10 Contract Documents

Standardized contracting documents will be developed and provided by the District's Office of the General Counsel. Non-standard (vendor agreements) are not authorized for use unless approved by the Office of General Counsel.

AR 3061.11 Americans with Disabilities Consideration during Procurement

District staff shall include accessibility as a criterion during purchasing decision making. Whenever possible, evaluate design, office supplies, furniture and building materials purchases for compatibility with a wide range of disabilities and sensitivities. Select items that are easily adjustable or can be modified to accommodate a variety of physical and ergonomic needs.

AR 3061.12 On-Call Contracts

The District may solicit proposals and enter into contracts for services to be performed on an on-call basis for a designated term, to facilitate smaller, more routine type tasks on an as-needed basis. Each project entered under an on-call contract shall be performed pursuant to an on-call task order, at the rates listed in the on-call contract. An individual on-call task shall not total more than $150,000. An individual on-call task order shall not exceed $100,000 without approval by the Board of Directors. Individual task orders up to $25,000 will only require a single quote from an on-call vendor. For individual tasks over $25,000, the District will seek to obtain quotes from at least three (3) vendors, if feasible, or document good cause for single source procurement.

AR 3065 Debt Policy

Adopted: July 14, 2017
Revised: June 8, 2020

Scope and Application

This Debt Policy established by and for the Finance Department, pertains to financings under the jurisdiction of the El Dorado Irrigation District Finance Department. This Administrative Regulation is intended to guide the Finance Department in its debt issuance in the course of its customary practices. From time to time, certain circumstances arise which could cause the Finance Department to deviate from the policies herein.

This Administrative Regulation and any subsequent amendments hereto shall be on file with the Finance Department and shall be contained on the District's website.

Mission of the Finance Department for Debt

The Finance Department shall issue and manage long-term financings for capital improvements by balancing market and credit risk with satisfactory economic benefits and proper fiscal controls. To achieve the mission goals, the Finance Department shall adhere to the following:

I. Debt Management Objectives

- The Finance Department shall maintain cost-effective access to the capital markets through prudent policies.
- The Finance Department shall maintain moderate debt and debt service payments with effective planning.
- The Finance Department shall meet significant capital demands through debt financing and alternate financing.
- The Finance Department shall achieve the highest possible credit ratings within the context of the District's capital needs and financing capabilities.

II. Types and Purposes of Debt

The Finance Department may utilize several types of municipal debt obligations to finance

long-term capital projects. Long-term debt is only issued to finance the acquisition and/or construction of capital improvements. Long-term debt financing shall never be used to fund operating or maintenance costs.

General Obligation Bonds- General Obligation Bonds may only be issued with two-thirds approval of a popular vote. The California State Constitution (Article XVI, Section 18) limits the use of the proceeds from GO Bonds to the acquisition or improvement of real property.

Pension Obligation Bonds- Pension Obligation Bonds can be issued to finance all or part of the unfunded pension liabilities of the District. Typically, these bonds are issued at a lower rate of return than what is being paid to CalPERS, and in this way, provide an economic benefit to the District.

Enterprise Revenue Bonds- Enterprise Revenue Bonds finance long-lived assets for one of the revenue producing utilities, and are payable from revenue sources within that utility.

Financing Leases- The District may finance a capital asset by leasing it directly from the vendor or leasing company, with the lessor receiving a portion of each rental payment as tax-exempt interest.

Refunding Obligations- Pursuant to the Government Code and various other financing statutes applicable in particular situations, the Board of Directors is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the District. Absent any significant non-economic factors, a refunding should produce minimum net debt service savings (net of reserve fund earnings and other offsets) of at least 3% of the par value of the refunded bonds on a net present value basis, using the refunding issue's True Interest Cost (TIC) as the discount rate, unless the Finance Director determines that a lower savings percentage is acceptable for issues or maturities with short maturity dates.

Other Obligations- There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to state and federal loan programs and bond anticipation notes.

III. Debt Approval Procedures

A. **Reviewed by the Board of Directors-** All long-term financing proposed transactions for capital improvements shall be reviewed and approved by the Board of Directors. For matters related to the Board's approval process, "long-term financing" means financing, which constitutes an obligation beyond one fiscal year.

1. Proposed transactions submitted for Board of Director approval should be reviewed prior to submission by the Finance Director, General Manager and General Counsel.

2. Upon approval by the Finance Director, General Manager and General Counsel, the proposed transaction shall then be presented to the full Board of Directors.

B. Approval by the Board of Directors-All long-term financing transactions shall be approved and adopted by the Board. The Board shall comply with all public hearing requirements applicable to the specific type of bond being approved, if any.

IV. Debt Limitations

There is no statutory restriction on the amount of bonds that can be outstanding at any given time. However, it is the policy of the District that annual operating revenue, excluding Facility Capacity Charges (FCCs), must equal or exceed total annual operating expenses plus annual debt service payments. Each proposed financing will be individually assessed by the Finance Department and subject to the approval policies contained herein.

Any debt secured by revenues of a utility shall maintain a coverage ratio equal to 125% of net revenues of the utility by bond covenant but, as stated in AR 3012, the goal is to maintain 1.7 to 2.0 debt coverage with FCCs; and maintain a 1.25 debt coverage ratio without FCCs

V. Methods of Sale

The Finance Director shall review each transaction on a case-by-case basis to determine the most appropriate method of sale.

A. **Competitive Sale-** In a competitive sale, bids for the purchase of the bonds are opened at a specified place and time and are awarded to the underwriter (or syndicate) whose conforming bid represents the lowest true interest cost to the District (TIC). The District may take bids in person, by facsimile, or by electronic means.

1. Bond sales shall be advertised as broadly as possible, including advertising in an industry newspaper. The financial advisors for each transaction shall undertake to market the bonds to prospective bidders and investors as relevant.

2. Terms of the bonds shall be amendable as late as possible and ideally until at least 1:00 p.m. Pacific Standard Time (PST) the day prior to the day bids are to be received.

3. Bond sales shall be cancelable at any time prior to the time bids are to be received.

4. Upon award to the bidder whose conforming bid represents the lowest true interest cost, the District may restructure the bonds in accordance with the Official Notice of Sale.

    i. The District shall reserve the unfettered right to reject all bids or waive bid irregularities.

    ii. The Finance Director, or his designee, shall award any bonds sold via competitive sale.

B. **Negotiated Sale-** In a negotiated sale, the District chooses the initial buyer of the bonds in advance of the sale date. The initial buyer is usually an investment banking firm, or a syndicate of investment banking firms interested in reoffering the bonds to investors through an underwriting process. This type of sale allows the District to discuss different financing techniques with the underwriter in advance of the sale date.

C. **Private Placement-** Also referred to as a direct placement; private placement is a variation of a negotiated sale. Instead of retaining the services of an investment banking firm to underwrite the securities, the District will sell the bonds directly to a limited number of investors. The District may use a placement agent to assist it in identifying likely investors.

VI. Debt Structuring Practices

A. Standard Terms-The following terms shall be applied to the District's transactions as appropriate. Individual terms may change as dictated by the marketplace or the unique qualities of the transaction.

    1. All Bonds
        i. Term - 30 years is standard, but up to 35 years may be acceptable, depending on cash flow assumptions, construction timeline, and remaining useful life of the asset being financed.

        ii. Maximum Yield not to exceed 12% for tax-exempt financings.

iii. Maximum Premium case-by-case, as recommended by the District's Financial Advisor.

iv. Maximum Discount case-by-case, as recommended by the District's Financial Advisor.

v. Payment Dates Fixed after considering cash flow needs, the Finance Director will determine the occurrence of all new debt service payments.

vi. Coupons fixed rate or variable rate.

vii. Call Provisions shortest possible optional call consistent with optimal pricing.

viii. Structure of Debt prefer level debt service, but shall be determined on a case-by-case basis, at the discretion of the Finance Director working with the Financial Advisor.

ix. Debt Service Reserve lesser of 10% principal amount, 125% average annual debt service, 100% maximum annual debt service or surety bond.

x. Capitalized Interest sized through substantial completion plus a minimum of six months unless other assets are available to be pledged or otherwise limited under

xi. Federal Tax Law. Liquidated damages of construction contract must include amount of daily debt service.

xii. Net Funding the project and capitalized interest funds may be net funded if investments are secured upon issuance of bonds.

xiii. Reimbursement Resolution must be adopted by the District Council if the project hard costs are paid prior to the bond sale.

xiv. Good Faith Deposit determined on a case-by-case basis by the Finance Director.

2. **Variable Rate Bonds-** The District may elect to issue any bonds as variable rate bonds, which are broadly defined to mean daily, weekly, monthly, semi-annual or auction rate.

i. Purpose reduction of net borrowing cost; match of assets and liabilities.

ii. Max Portfolio Allocation no more than 20% of the District's outstanding debt portfolio shall be in un-hedged short-term paper consistent with policies for underlying debt types.

iii. Term consistent with policies for underlying debt types.

iv. Maximum Yield not to exceed 12%.

v. Monitoring-the Finance Department shall monitor all variable rate bonds on a monthly basis and shall determine, from time to time, whether to change modes and/or replace a broker/dealer or remarketing agent.

vi. Budgeting-the Finance Department will recommend that annual debt service on any variable rate bonds be budgeted at 1.5 times the rolling 3-year average of the Bond Market Association index, or another relevant index of time frame.

vii. Liquidity a liquidity facility shall be obtained, either externally or internally, for all short-term indebtedness containing a put feature.

viii. All bonds issued as variable rate bonds shall be issued as "multi-modal" bonds.

ix. Good Faith Deposit determined on a case-by-case basis by the Finance Director.

x. Budgeting Debt Service budget shall be 3-year BMA rolling average times 1.5 as well as ongoing fees associated with floating rate bonds.

VII. Derivatives Policy

Derivative products and other financial instruments can be beneficial interest rate management tools that can assist the District as part of its overall debt and investment management program, but need to be monitored very closely. Derivative products may be used by the District to reduce risk exposures or reduce interest costs, but may not be used for speculative purposes.

VIII. Permitted Investments

All investments of bond proceeds shall adhere to the District's Investment Policy, approved periodically by the Board of Directors, as outlined in Board Policy 3090 and Administrative Regulation 3091. With the exception of guaranteed investment contracts, investments shall not allow security types or credit standards less than those of the District's Investment Policy.

A. El Dorado Irrigation District Investment Policy: see Board Policy 3090.

B. Investment Agreements (IAs)

1. Purpose (a) maximize interest earnings, thereby reducing net borrowing cost, (b) match of assets and liabilities and/or (c) hedging.

2. Counterparty minimum rating of AA- from S&P or Aa3 from Moody's.

3. Mandatory Termination limited to credit-related events and non- payment.

4. Cure Provisions - timelines on District's obligations to cure must provide for appropriate legislative action.

5. District's Priority of Payment termination payments – subordinate to related debt payments.

6. Procurement/Award – award based on best bid as defined in bid form after limited negotiation of terms.

7. Term not in excess of the term of the bonds.

IX. Professional Assistance

A. Financial Advisors The District shall utilize the services of independent financial advisor(s) on debt financing when deemed prudent by the Finance Director. The District may utilize an RFP-selected pool of such financial advisors to mitigate time constraints and reduce overhead costs of the District in procuring such services. Services shall be documented by contract and payment shall be capped.

B. Underwriters In the case of a competitive sale, the District will award the bonds to the underwriting firm whose bid results in the lowest True Interest Cost. In the case of a negotiated sale, the Finance Director will determine the best method of selection, taking into consideration all factors involved in each particular sale.

C. Bond Counsel The Finance Department, in consultation with General Counsel, shall select bond counsel for each transaction.

D. Broker-Dealers and Remarketing Agents For all variable rate bonds, the Finance Director shall select broker-dealers or remarketing agents for each transaction. The District shall monitor performance on a monthly basis. The District may replace a remarketing agent or broker-dealer with notice at any time.

E. Trustees Selected for each transaction by RFP, unless use of current trustee is deemed practical by the Finance Director. The Trustee (or applicable holding company) shall have total assets under management of a minimum of $50 million and be subject to supervision or examination by federal or state authority.

F. Rebate Consultant Selected by RFP for all bonds unless use of current consultant is deemed practical by the Finance Director.

G. Financial Printer Selected by underwriter.

H. Auction Agents Selected for each relevant issue by RFP issued by the Finance Department or its agent and subject to negotiation of terms.

I. Liquidity Providers Selected for each relevant issue by RFP issued by the Finance Department or its agent and subject to negotiation of terms.

J. Investment Agreement Counterparties Selected by bid in compliance with Federal Tax Law Requirements in accordance with relevant bond documents and the District's Investment Policy.

1. In general, uncollateralized Investment Agreements shall be executed with counterparties rated at least AAA with collateral required upon downgrade below AAA.

2. Repurchase Agreements or Forward Delivery Agreements shall be executed with counterparties rated at least AA (by at least one of the major rating agencies) with downgrade provisions requiring assignment or collateral should the rating fall below A- or A3 by Standard and Poor's or Moody's Investor Services respectively.

X. Ongoing Debt Administration

A. **Continuing Disclosure-** It is the goal of the Finance Department to be as transparent as possible.

1. Annual Report. The District will covenant to provide its annual disclosure report no later than 270 days following the end of the fiscal year. However, the District will use its best efforts to issue the Annual Report as soon as practical following the issuance of the District's annual Comprehensive Annual Financial Report (CAFR). The District shall use its best efforts to issue the Annual Report electronically and to post the Annual Report on its website.

2. Material Event. The District will issue a material event notice in accordance with the provisions of SEC Rule 15c2-12. Prior to the issuance of any material event, the Finance Director will discuss with the General Manager and General Counsel and outside professionals as appropriate the materiality of any event and the process for equal, timely, and appropriate disclosure to the marketplace.

Upon recommendation of the Finance Director, the District may retain a firm to assist it in maintaining compliance with all continuing disclosure requirements.

B. Arbitrage Rebate Compliance

The District shall calculate arbitrage annually in each year that the related construction fund (or equivalent) has had an outstanding balance. Thereafter, the District shall calculate arbitrage on the fifth anniversary of the bond issuance in accordance with IRS recommended practices. Upon recommendation of the Finance Director, the District may retain a firm to assist it in maintaining the Arbitrage Rate Compliance.

C. Insurance Certifications

The District (through its Risk Manager) shall provide annual insurance certification to the Trustee and Bond Insurer, if required under the legal documents for each issue.

D. Ratings

The policy of the Finance Department is to secure underlying ratings on all newly issued obligations from at least two national rating agencies.

1. **Annual Update-** The Finance Department shall update each rating agency that rates District debt issues at least annually unless such update is declined by the respective rating agency.

2. **Reporting**- The Finance Department shall ensure prompt delivery of the Annual CAFR to each of the rating agencies following adoption by the Board of Directors.

3. **Other-** Reporting Certificates of Substantial Completion on projects financed with long-term obligations shall be delivered to the rating agencies and Bond Insurer, as relevant.

4. **Districtwide Ratings Notification-** Any changes in ratings will be promptly noticed to the Board.

BP 3070 Records Retention and Management

Adopted: September 11, 2006
Amended: September 27, 2010
April 28, 2014

The District shall manage the life cycle of District records and information under a consolidated records management program and ensure that all records are protected, stored, retrieved, and archived with accuracy, efficiency, and compliance.

The District's records shall be classified and retained, destroyed, and disposed of pursuant to a records retention schedule adopted from time to time by the Board of Directors in accordance with Water Code section 21403 and Government Code section 60201, or their successors. The General Counsel is authorized to approve amendments to the adopted records retention schedule, other than the standard protocol for records destruction or disposition, provided that the amended schedule complies with guidelines provided by the Secretary of State pursuant to Government Code section 12236, or its successor. The General Counsel shall submit a quarterly written report to the Board of Directors summarizing all approved changes to the schedule since the last report.

AR 3070 Electronic Mail Management and Retention

Adopted: October 15, 2014

AR 3070.1 Purpose

The El Dorado Irrigation District ("District") provides electronic mail ("e-mail") to its employees to facilitate the conduct of District business. In return for providing e-mail, the District expects its employees to manage and protect records resulting from their e-mail communications. This regulation describes the responsibilities of all District employees concerning the creation, removal, storage, and retention of e-mails.

District e-mail and e-mail systems are intended solely as a means of communicating information. No District e-mail user is authorized to use the District e-mail system for the long-term storage and maintenance of District records. To ensure the District e-mail system functions as intended, it is imperative that all District employees and e-mail users regularly delete e-mails from the system as provided in this regulation.

This regulation supplements and is intended to be carried out in concert with District's Records Retention Schedule ("Records Schedule"). While not all e-mail communications are District records, all e-mail communications are subject to discovery and can be used as electronic evidence in the event of litigation. Unmanaged and unidentified e-mails residing on District computers could create expensive and unmanageable problems in the event of litigation and pose a threat to District's ability to properly and coherently document and reconstruct business and decision-making processes.

The following items detail specific features of the District's computer network and related hardware and software that comprise the District e-mail system:

1. The District performs an electronic back-up of its computer network, including the e-mail system, following each business day. Those back-ups are an electronic recording of the status of District's computer systems at a particular moment in time and cannot accurately capture or reflect all e-mail or other activity that occurred on the District's computer network on a specific day. For example, a back-up does not capture items on employees' physical computer desktop or in their non-network drives.

2. The District maintains a particular computer system back-up for no more than two weeks, after which that back-up is completely overwritten. Such overwriting is necessary for management and security reasons and to aid the recovery of the

computer system in case of a complete failure. Because the process is transitory, a back-up is not reliable and cannot constitute District records.

3. The District maintains an e-mail filtering system that is intended to reduce SPAM, Phishing, viruses, and other unwanted cyber-security threats from entering the District's network. District employees are responsible for promptly reviewing summary e-mail lists from the e-mail filter to determine if valid e-mails were captured by the filter and to delete unwanted, unknown or potentially threatening e-mails. The e-mail filtering system automatically and permanently deletes filtered e-mail after a set time period.

4. The District maintains an e-mail removal system that is intended to automatically dispose of e-mail messages that are unwanted or no longer relevant. District employees are responsible for promptly reviewing incoming, draft, and sent e-mail to determine and segregate for separate handling those that constitute District records, to delete unwanted, unknown or potentially threatening e-mails, and to delete or allow the removal of all other e-mails. The e-mail removal system automatically and permanently deletes e-mail after a set time period depending upon the folder location of the e-mail message.

AR 3070.2 Scope of Regulation

Some e-mail communications constitute District records. Therefore, e-mails also may be governed by the District's Records Schedule depending on their use, character, and contents. In general, e-mail communications fall into three categories:

1. E-mails (including attachments) that document official District business, which include conducting a business transaction with a vendor or consultant, interacting with regulatory agencies, responding to a public information request, and directing employees or consultants are District records and are subject to the District's Records Schedule. The employee who receives or sends an e-mail that is a District record is responsible for promptly transferring the record to a paper or electronic medium, as appropriate, and then filing it and retaining it in accordance with the Records Schedule.

2. E-mails (including attachments) that provide specific information, document an event or communication that serves a transitory official purpose, or involve informal communications - such as announcing the date and time of a meeting or event, responding to professional "list serves" an employee participates in, or circulating draft documents - are not considered District records. Typically, this type of e-mail serves its purpose once it is read, responded to, or superseded and there is no need to retain it. Occasionally the employee who sends or receives this type of e-mail needs to intentionally save the e-mail for a limited

period of time for informational or official purposes. When this need arises, the employee may place the e-mail into a user-defined folder where the e-mail message can be retained for up to 2 years. If an employee believes that any e-mail of this type constitutes a District record, such an e-mail or attachment should be promptly transferred to a paper or electronic medium, as appropriate, and then filed and retained in accordance with the Records Schedule. If an employee is unsure about whether or not an e-mail that falls into this category constitutes a District record, the employee should put it into a user-defined folder to safeguard the e-mail until a final determination can be made and appropriate action taken.

3. E-mails (including attachments) providing personal or general information - such as personal messages, informal communications between employees, meeting or event announcements and reminders, linking to news articles, and working notes and drafts (unless intentionally saved for an official purpose) are not District records. This type of e-mail serves its purpose once it is read, responded to, or superseded and the employee shall promptly delete it or allow it to be removed automatically.

The District's Information Technology staff shall administer this regulation, with oversight and ultimate authority over the regulation exercised by the General Manager.

AR 3070.3 E-mail Retention and Removal

Each District employee is expected to review their e-mail messages at least once each business day under normal circumstances. If an employee will be away from work or unable to review their e-mail, they must notify e-mail senders with an out of office alert or make other provisions to ensure that e-mail is reviewed promptly. Additionally, each District employee is expected to appropriately manage their e-mail messages on a regular basis. E-mail management at least weekly is encouraged as a best practice.

Any e-mail communications (including attachments) that constitute District records must be saved as a paper or electronic document in accordance with the District's Records Schedule. Each District employee is responsible for complying with this regulation with respect to the e-mails they send or receive. If an employee has any question or concern about retaining an e-mail or attachment or other issues of compliance with this regulation, they should discuss the issue with the Information Technology or Records Management staff, as appropriate. If deemed necessary, the Records Management or Information Technology staff may consult with the General Manager and legal counsel about any e-mail retention or removal issue.

E-mail (including attachments) contained in an employee's electronic mailbox within the District e-mail system will be automatically and permanently deleted from the following folders or their sub-folders when the date and time stamp of the e-mail exceeds the identified age:

Folder	Automatic e-mail removal after
Deleted items folder	30 days
Junk e-mail folder	30 days
Inbox	90 days
Sent items folder	90 days
Drafts folder	90 days
Employee-defined folder	2 years

Therefore, e-mails that have continuing business value to District or one of its employees or officers or are otherwise deemed District records under this regulation must be stored on an employee-defined e-mail folder in the short or intermediate term, or stored long-term on an appropriate paper or electronic medium for the duration prescribed by the District Records Schedule.

Whenever feasible, e-mail messages should be filed with other District records concerning the same subject matter or program to ensure that such e-mails are preserved, stored and disposed of in the same manner as like records. If an e-mail does not relate obviously or directly to an existing District subject file or program, an employee should either request that a new records retention category be created or file the e-mail with correspondence.

These rules also apply to any attachments to e-mails, which should be handled in the same manner as described above.

District employees and officers are prohibited from keeping any District-related documents or e-mails on e-mail systems, electronic devices, storage media, or storage services that are not provided by the District nor that are not expressly authorized by the District for this purpose. In addition, employees shall not retain District records or e-mails in alternate locations for the intent or purpose of circumventing the District's Records Schedule or Electronic Mail Management and Retention Regulation.

It is the responsibility of each District employee to comply with this regulation and to manage their e-mails in accordance with it. All employee use of e-mail, including personal use, is subject to District's E-mail/Internet/Computer Use policies provided in the Employee Handbook, as such policies may be amended or restated from time to time. In accordance with those E-mail / Internet / Computer Use policies, the District reserves the right at any time to review employees' e-mail boxes and to purge any e-mails retained there in violation of this regulation.

BP 3075 Public Records Act Requests

Adopted: September 11, 2017
Revised: April 23, 2025

The District shall respond to requests for public records in accordance with the California Public Records Act (CPRA), Government Code section 7920.000 et seq, and the case law interpreting the CPRA. The Office of General Counsel shall be responsible for overseeing and responding to such requests pursuant to the CPRA.

By law, written records sent, received, or stored in a personal electronic account (such as a personal e-mail account) or on a personal device (such as a personal computer, smartphone, or tablet) of a District employee or officer may be considered "public records" subject to disclosure under the CPRA, if, at a minimum, they relate in some substantive way to the conduct of the District's business. Communications that are primarily personal and contain no more than incidental mentions of District business, generally will not be considered public records.

District employees and officers shall use their District accounts for communications that relate to District business. District employees and officers shall avoid using private electronic accounts when conducting such communications. The General Manager and General Counsel shall adopt and oversee administrative regulations to carry out the purposes of this Policy.

District employees and officers shall forward emails that relate to the District's business received on private accounts to their respective eid.org accounts for appropriate District retention. Employees and officers that communicate on social media about District business shall adhere to the administrative regulation adopted hereunder when responding to public record requests.

AR 3075 Responding to Public Records Act Requests

Approved: October 24, 2017
Revised: April 23, 2025

AR 3075.1 Purpose

This administrative regulation seeks to establish uniform procedures for responding to requests for public records made pursuant to the California Public Records Act (CPRA), Government Code section 7920.000 et seq.

AR 3075.2 Employee and Officer Training

To ensure that District employees and officers have a sufficient understanding of what constitutes a "public record" under the CPRA, the District will arrange for each District employee and officer to receive training regarding responding to requests for public records under the CPRA. Within sixty (60) days of employment or swearing in as a District officer, all officers and employees will receive training regarding the CPRA and this training shall include training regarding the standards for distinguishing between "public" records and "private" records. (*See City of San Jose v. Superior Court* (2017) 2 Cal.5th 608).

AR 3075.3 Procedures for Responding To All CPRA Requests

The District's Office of the General Counsel shall be responsible for responding to CPRA requests. The General Counsel shall designate a person in charge of receiving requests, conducting searches for public records, and responding to such requests. In performing these duties, the District shall adhere to the following procedural steps:

1. The General Counsel, or his/her designee, shall assign a unique tracking number to the request, based on the year received and in a sequential format for each request (e.g., "2017-001 CPRA").

2. The General Counsel, or his/her designee, shall identify custodians of the records that respond, or potentially respond, to the relevant request and provide a copy of the request to the identified custodians.

3. The custodians shall conduct a reasonable search for records that respond, or potentially respond, to the request.

4. The General Counsel, or his/her designee, shall determine, generally within 10 days from receipt of the request, whether the request seeks disclosable public records in the District's possession and promptly notify the person making the request of the determination. In "unusual circumstances," as defined under Government Code section 7922.535, the General Counsel, or his/her designee, may extend the time limit for such a determination by up to 14 days, by providing written notice to the person making the request of the extension and the reasons for the extension.

5. When dispatching the determination described in AR 3075.3(4) above, and if it is determined that the request seeks disclosable records, the General Counsel, or his/her designee, shall either provide the records that respond to the request if available at that time, or state the estimated date and time when the records will be made available.

6. The General Counsel, or his/her designee, shall compile potentially responsive records and determine whether such records, or portions of records, should be withheld or redacted consistent with the CPRA.

7. The General Counsel, or his/her designee, shall promptly provide all responsive public records, not otherwise exempt from disclosure, to the requester, in in accordance with the CPRA.

8. The District shall retain a copy of records produced in response to the request, either in hard-copy or electronic form, consistent with the District's records retention policy.

9. The General Counsel, or his/her designee, shall maintain an index of CPRA requests, identifying tracking number, requester name, date request received, and date responsive records were provided.

AR 3075.4 Additional Procedures for Responding To CPRA Requests Regarding Personal Accounts or Devices

If a Public Records Act request seeks records sent or received on an electronic personal account or personal electronic device of a District employee or officer (*see City of San Jose v. Superior Court* (2017) 2 Cal.5th 608), the District shall adhere to the following additional procedural steps:

1. The General Counsel, or his/her designee, shall provide a copy of the request to the District employee(s) or officer(s) described in the request.

2. The General Counsel, or his/her designee, shall advise the District employee(s) or officer(s) who is the subject of the request, as necessary or appropriate, regarding exemptions under the CPRA and what constitutes a "public record" subject to disclosure under the CPRA. Because the General Counsel is the attorney for the District and not any individual officer or employee, the General Counsel, at his/her discretion, may hire a special outside counsel to advise any individual officer or employee who is the subject of the request. Alternatively, an officer or employee that is a member of the District's Board of Directors, may seek the advice of independent counsel, and seek reimbursement for the costs associated there with, subject to approval of the Board.

3. The District employee(s) or officer(s) who is the subject of the request shall, within ten (10) calendar days of the District's receipt of the request, perform a reasonable search of his/her personal accounts (such as a personal e-mail account or social media account) and/or personal devices (such as a personal computer or phone) for any written records, including e-mail communications or text messages, that substantively relate to District business and are responsive to the CPRA request.

4. To protect the privacy of its officers and employees, the District shall not search the private accounts or devices of any District employee or officer, unless requested in writing by that employee or officer.

5. District employee(s) or officer(s) shall document their search methodologies, criteria, and terms, when conducting searches on their own private accounts and devices.

6. District employees and officers shall provide all potentially responsive records (written records that relate in some substantive way to District business and are not primarily personal) to the Office of General Counsel, and shall complete and sign a declaration, on a standard declaration form that is prepared by the Office of the General Counsel, attesting that the employee or officer completed a reasonable search of his/her accounts and devices and provided all potentially responsive records to the District. The declaration shall be a public record. Whenever an employee or officer withholds a potentially responsive record based on a determination that it is either not a public record, or not responsive to the request, the employee or officer shall describe, in the declaration required herein, additional facts sufficient to show that the withheld records are not public records, and are instead, personal materials.

7. Once the Office of the General Counsel has received public records from an employee or officer, the General Counsel, or his/her designee, shall determine whether any of the records, or portions thereof, should be withheld or redacted consistent with the CPRA.

8. Complete any remaining procedural steps for CPRA requests, as listed above in AR 3075.3.

BP 3080 Claims against the District

Adopted: September 11, 2006
Supersedes: Policy #10
Revised: August 13, 2012
April 23, 2025

The District shall adopt administrative regulations that comply with state law for the review and disposition of claims for damages submitted to the District pursuant to the Government Claims Act (Gov. Code §§900-935.4). Such procedures shall be designed to provide a fair, open, and unbiased process that avoids conflicts of interest, collusion, and favoritism. Claims not covered by the District's insurer of less than and including $50,000 shall be resolved by the General Manager; the Board of Directors shall review and resolve claims greater than $50,000.

AR 3081 Claims Against the District

Approved: December 12, 2006
Revised: October 16, 2012

Pursuant to Government Code § 935, the District hereby adopts the following claims procedure: All claims against the District subject to the Government Claims Act (Government Code § 810 et seq.) ("Act"), and all other claims not governed by any other statute or regulation expressly relating thereto, shall be submitted to the District in accordance with the procedures set forth in the Act (Government Code §§ 900-935.4), preferably using the District's claims form. The District shall process such claims in accordance with the Act. The District's Risk Analyst, is delegated the authority of the General Manager to take action on and resolve any and all claims against the District subject hereto of less than, and including, $50,000, but any action taken by the Risk Analyst shall first be approved by the District's General Counsel. The Risk Analyst may submit any and all claims subject to this regulation to the District's insurer, and will work with the District's insurer in the adjustment of such claims.

BP 3090 Investment Policy

Adopted: September 11, 2006
Revised: October 14, 2025
Supersedes: BP 3095 and 3096

The District's funds shall be invested by District bonded personnel in accordance with principles of sound treasury management and the provisions of California Government Code Sections 53600 et seq. The General Manager is responsible for ensuring that the District's investments provide the highest level of safety and security for the portfolio, align maturities with future liabilities, and meet daily cash flow demands while achieving the best possible market rate of return.

Delegation of Investment Function

The Board will adopt a resolution designating the Finance Director to the dual role of Finance Director/Treasurer and authorizing the General Manager to assign those duties to the Finance and Accounting Manager in the event of the Finance Director's absence. This ensures that the District's investments are consistently reviewed and monitored to meet daily cash flow demands while achieving the highest possible market rate of return.

Under state law, delegation of the investment function by any local governing body to the Treasurer is limited to a one-year period. Accordingly, the Board will delegate the investment function to the District's Finance Director/Treasurer in conjunction with its annual investment review and adoption.

Investment Policy Certification

The Finance Director/Treasurer is responsible for submitting the District's investment policy and administrative regulations for re-certification by the California Municipal Treasurers Association (CMTA) every three years. The process ensures compliance with current legislative requirements and adherence to professional standards and practices of prudent investment management.

Exhibit 1: Summary of Suitable and Authorized Investments

Investment Type	Maximum Percentage of Portfolio	Maximum par value per name	Credit/Minimum Quality Requirements
US Treasury Bills, Bonds, and Notes	0-100%	None	Backed by the full faith and credit of the United States Government; Must carry an Aaa/AA+ rating by Moody's Investors Service (Moody's) and S&P Global Ratings (S&P)
Federal Agency Securities	0-100%	None	Implied guarantee of the U.S. Government; Must carry an Aaa/AA+ rating by Moody's and S&P
State of California Obligations	0-30%	$5,000,000	Must be rated in the "A" category or better (or its equivalent) by a nationally recognized rating service such as Moody's or S&P
California Local Agency Obligations	0-30%	$5,000,000	Must be rated in the "A" category or better (or its equivalent) by a nationally recognized rating service such as Moody's or S&P
Money Market Funds	0-20%	10% per single issuer	Multiple requirements: Must hold the highest ranking by at least two nationally recognized rating agencies; have a fund advisor registered with the U.S. Securities and Exchange Commission (SEC); and maintain assets under management of more than $500 million
Commercial Paper	0-25%	10% per single issuer	Multiple requirements: Must be rated A-1, P-1 (or its equivalent) by at least two nationally recognized rating agencies and must have total assets exceeding $500 million
Bankers Acceptances	0-40%	10% per single issuer	Maturity may not exceed 180 days
Certificates of Deposit	0-30%	$250k per single issuer	Must be insured up to the Federal Deposit Insurance Corporation (FDIC) coverage limit, currently $250,000 per FDIC member.
Repurchase Agreements	0-20%	$2,000,000	Must be supported by the signed Security Loan Agreement on file. Reverse Repurchase Agreements are specifically not authorized under this investment policy.
Local Agency Investment Fund (LAIF)	0-100%	$75,000,000	Investment in the California LAIF, which allows the State Treasurer to invest funds through the Pooled Money Investment Account
Medium-term Corporate Bonds	0-30%	10% per single issuer	Must be rated in the "A" category or better (or its equivalent) by a nationally recognized rating service such as Moody's or S&P
Supranationals	0-15%	10% per single issuer	Must be rated in the "AA" category or better (or its equivalent) by a nationally recognized rating service such as Moody's or S&P
California Asset Management Program (CAMP)	0-75%	75% of the total portfolio	Pooled money investment fund obligation of the California Joint Powers Authority

AR 3091 Investment

Approved: December 12, 2006

Revised: December 11, 2025

It is the policy of the District to invest public funds in a manner that will provide maximum security, adequate liquidity and sufficient yield, while meeting the daily cash flow demands of the District and conforming to all statutes and regulations governing the investment of public funds.

1. *Scope*

This investment policy applies to all the financial assets of El Dorado Irrigation District. These funds are accounted for in the District's audited Annual Financial Report. If the District invests funds on behalf of another agency and, if that agency does not have its own policy, the District 's investment policy shall govern the agency's investments.

A. Pooling of Funds

Except for cash in certain restricted and special funds, the District shall consolidate cash balances from all funds to maximize investment earnings. Investment income shall be allocated to various funds in accordance with generally accepted accounting principles.

B. Funds Included in this Policy

- Water and Wastewater Enterprise Funds
- Capital Improvement Funds
- Debt Service Funds
- Recreation Funds
- Hydroelectric Funds
- Any new fund created by District Board unless specifically exempted.
- Interest earnings and expenses are allocated proportionately and equitably to each fund.

C. Funds Excluded from this Policy

This policy does not include retirement, retiree health care savings/trust/plan(s) or deferred compensation plans. Investment of bond proceeds shall be subject to the conditions and restrictions of bond documents and are not governed by this policy.

2. *General Objectives*

A. Safety

Preservation of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective shall be to mitigate credit risk and interest rate risk. To attain this objective, the District shall diversify its investments by investing funds among several financial institutions

and a variety of securities offering independent returns.

1. Credit Risk
   The District shall minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:
   - Limiting investments to the most creditworthy types of securities
   - Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the District will do business per section 4 Authorized Dealers and Associations
   - By diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place an undue financial burden on the District
2. Interest Rate Risk
   To minimize the negative impact of material changes in the market value of securities in the portfolio, the District shall:
   - Structure the investment portfolio so that securities mature concurrent with cash needs to meet anticipated demands, thereby avoiding the need to sell securities on the open market prior to maturity
   - Invest operating funds primarily in shorter-term securities, money market mutual funds, the State of California's Local Agency Investment Fund ("LAIF") and California Asset Management Program ("CAMP").

B. Liquidity

The District 's investment portfolio shall remain sufficiently liquid to enable the District to meet all operating requirements that might be reasonably anticipated without requiring a sale of securities. Since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets. A portion of the portfolio may be placed in money market mutual funds or LAIF which offer same-day liquidity for short-term funds.

C. Yield (Return on Investment)

The District's investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the District 's investment risk constraints and the liquidity characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

3. *Standards of Care*

A. Prudence

The standard of prudence to be used by District investment officials shall be the "prudent investor standard" (California Government Code Section 53600.3) in that a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of an enterprise of a like character and with like aims. This standard shall be applied in the context of managing the overall portfolio. District investment officers acting in accordance with written procedures and the investment policy and exercising due

diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

B. Ethics and Conflicts of Interest

Officers and employees involved in the District investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions. District employees and investment officials shall disclose any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any personal financial/investment positions that could be related to the performance of the District immediately to the El Dorado Irrigation District Treasurer and annually to the Fair Political Practices Commission. District employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District. The primary District investment officer (District Treasurer) will hold a surety bond in the amount of $100,000 at the expense of the District. The surety bond protects the District from potential loss due to fraud, negligence, or misconduct.

C. Delegation of Authority

The Treasurer, or the position authorized by the District's Board to perform Treasurer functions, is hereby authorized to invest the District 's funds in accordance with California Government Code 53600 et seq. As of the date of this investment policy's most current amendments, the District's Board has authorized its Finance Director to perform Treasurer functions. In the absence of the District Treasurer or Finance Director, the investment of funds will be delegated to the Finance Manager by the General Manager. Investments made by the Finance Manager will be restricted to LAIF, CAMP, or to securities maturing within six months. Prior to investing in securities, the Finance Manager will consider the cash flow requirements of the District and may invest in securities maturing over six months if directed by the General Manager in writing or verbally, which shall be confirmed in writing within 30 days.

D. Internal Controls

The District Treasurer is responsible for establishing and maintaining a system of written internal controls. These controls shall be reviewed annually with an independent external auditor who will notify the District Board if there is material non-compliance with its policies and procedures. The internal controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by District employees and officers. The internal structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points:

- Control of collusion

- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Delivery versus payment (DVP)
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Wire transfer agreements

E. Review of Investment Portfolio

The securities held by the District must comply with Section 6 Suitable and Authorized Investments at the time of purchase. Because some securities may not comply with Section 6 Suitable and Authorized Investments subsequent to the date of purchase, the Treasurer shall at least quarterly review the portfolio to identify those securities that do not comply. The Treasurer shall establish procedures to report to the District Board, major and critical incidences of noncompliance identified through the review of the portfolio.

4. *Authorized Financial Dealers and Institutions*

The District Treasurer shall establish selection criteria for pre-approval of financial institutions and security broker/dealers to do business with the District. The District Treasurer shall maintain a list of District approved financial institutions, registered investment advisors and security broker/dealers who are authorized to provide investment services to the District. These may include primary dealers, or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). To qualify for consideration, a financial institution or a security broker/dealer must also have an office in California, and that office must perform the transactions with the District.

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following to the District Treasurer as appropriate:

- Current audited financial statements
- Proof of Financial Industry Regulatory Authority (FINRA) certification
- Complete broker/dealer questionnaire
- Proof of State of California registration
- For banking institutions, a statement of compliance with the Federal Reserve Bank of New York's capital guideline
- Statement of having read, understood and agreeing to comply with the District 's investment policy and depository contracts

If a third-party investment advisor is authorized to conduct investment transactions on the District's behalf, the investment advisor may use their own list of broker/dealers and financial institutions. The investment advisor's list must be available to the District upon request.

5. *Safekeeping and Custody*

All security transactions, including collateral for repurchase agreements, entered into by

the District shall be conducted on a delivery-versus-payment (DVP) basis which will ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities shall be held by a third-party custodian designated by the District Treasurer and evidenced by safekeeping receipts with a written custodial agreement. The only exception to the foregoing shall be depository accounts and securities purchases made with: LAIF, CAMP, time certificates of deposit and money market mutual funds since the purchased securities are not deliverable. Settlement instructions sent to the safekeeping agent shall require authorization. The District Treasurer shall be bonded to protect the public against possible embezzlement and malfeasance. Safekeeping procedures shall be reviewed annually by an independent external auditor and any irregularities noted shall be reported promptly to the District Board.

6. *Suitable and Authorized Investments*

The District is governed by the California Government Code, Sections 53600 et seq. If the Code is amended to allow additional investments or is changed regarding the limits on certain categories of investments, the District is authorized to conform to the changes in the revised Code, provided that the changes are not specifically prohibited by the District 's policy. The District shall be required to present those changes in the annual review of the policy and to incorporate the new legislation within the policy. Surplus funds are defined as funds not required for the immediate necessities of the District and include investments in individually managed portfolio(s), money market fund(s) and/or State LAIF, CAMP and all portfolio limitations and restrictions shall apply to this aggregate amount. For purposes of compliance with the California Government Code and the District ’s Investment Policy, the credit rating requirement for medium-term notes, deposit notes, bank notes and commercial paper shall be based on the quality ratings at the time of purchase. If the quality rating of the issuer is downgraded, subsequent to purchase, by any of the Nationally Recognized Statistical-Rating Organizations below "A", or its equivalent, it shall be reported to the District Board with a recommendation, and ongoing information shall be provided if the bond is not sold. Percentage limitations of surplus funds invested are noted for the various investment instruments. Where there is a specified percentage limitation for a particular category of investments, that percentage is applicable only at the date of purchase. A later increase or decrease in a percentage resulting from a change in values or assets shall not constitute a violation of that restriction.

The District is empowered by statute to invest in the following types of securities and those that the District Treasurer is trained and competent to handle.

A. Investment Types

1. Bonds issued by the District, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by the District or by a department, board, agency, or authority of the local agency.
2. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
3. Federal Agency or United States government-sponsored enterprise obligations (GSE), participations, or other instruments.
4. State of California and Local Agency Obligations. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the

revenues from revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state; and bonds, notes, warrants, or other evidence of indebtedness of any local agency within this state including bonds payable solely out of the revenues from revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Notes eligible for investment shall be rated in a category of "A" or its equivalent or better by two Nationally Recognized Statistical-Rating Organizations.

5. Medium-Term Notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five (5) years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases of medium-term notes may not exceed thirty (30) percent of the District 's surplus funds. Investments in medium-term notes for any one non-government issuer shall be limited to no more than ten (10) percent of surplus funds. Notes eligible for investment shall be rated in a category of "A" or its equivalent or better by two Nationally Recognized Statistical-Rating Organizations.
6. Bankers Acceptances otherwise known as bills of exchange or time drafts, drawn on and accepted by a commercial bank, which are eligible for purchase by the Federal Reserve System. Purchased bankers acceptances may not exceed one hundred and eighty (180) days maturity or forty (40) percent of the District 's surplus funds, and no more than ten (10) percent of the District 's surplus funds may be invested in the banker’s acceptances of any one commercial bank.
7. Commercial Paper of “prime” quality of the highest ranking or the highest letter and number rating as provided for by a Nationally Recognized Statistical-Rating Organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):
   a. The entity is organized and operating in the United States as a general corporation and has total assets in excess of five hundred million dollars ($500,000,000). In addition, its debt other than commercial paper, if any, must be rated “A” or higher by a Nationally Recognized Statistical-Rating Organization.
   b. The entity is organized within the United States as a special purpose corporation, trust, or limited liability company and has a program-wide credit enhancement including, but not limited to, over-collateralization, letters of credit, or a surety bond. In addition, the entity has commercial paper that is rated “A-1” or higher, or the equivalent, by a Nationally Recognized Statistical-Rating Organization.

      Eligible commercial paper shall have a maximum maturity of two hundred and seventy (270) days or less. The District may not invest more than twenty-five (25) percent of its surplus funds in no more than ten (10) percent of the outstanding eligible commercial paper of any single issuer.
8. Negotiable Certificates of Deposit issued by a nationally or state-chartered bank or savings association or federal association or a state or federal credit union or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed thirty (30) percent of the District 's surplus money invested and shall be limited to no more than three (3) percent of any one issuer.

Deposit notes and bank notes purchased through a broker or dealer shall be included with negotiable certificates of deposit in calculating allowable maximum percentages. Negotiable certificates of deposit, deposit notes and bank notes shall be rated in a category of "A" or its equivalent or better by two Nationally Recognized Statistical-Rating Organizations (NRSRO). Purchases of FDIC member CD's are limited to $250,000 per issuer are federally insured and thereby not require to be rated by a NRSRO.

9. Time Deposits. The District may invest in non-negotiable Certificates of Deposit at commercial banks and savings and loan associations that are collateralized in accordance with the California Government Code. To be eligible to receive District funds, the depository institution shall have received an overall rating of not less than "satisfactory" in its most recent evaluation of its record of meeting the credit needs of California's communities, including low and moderate-income neighborhoods. In selecting depositories, the credit worthiness of institutions shall be considered. Banks and savings and loan associations seeking to establish an investment relationship with the District shall submit an audited financial report that shall be reviewed for compliance with the District 's investment standards. Any institution not providing an audited annual financial report shall be removed from the approved list and all funds maturing will be withdrawn. A list of eligible institutions shall be maintained. Qualification shall be determined by the following criteria:
   a. Tangible capital must equal or exceed one and a half (1½) percent; core capital must equal or exceed three (3) percent; and, risk-based capital must equal eight (8) percent of assets adjusted for assigned risk-weightings.
   b. Return on assets of a minimum of a half of one (½) percent; a return on equity of a minimum of eight (8) percent; an equity to assets ratio of a minimum of five (5) percent; and, District investments shall be no greater than a half of one (½) percent of the total assets of the depository.
   c. Independent auditor's statement must have a clean opinion.
10. Savings accounts. Savings accounts when used in conjunction with the District 's checking accounts at a qualified bank where funds are collateralized in accordance with the California Government Code.
11. U. S. Government money market funds registered with the Securities and Exchange Commission and which comply with rule 2a7 of the Investment Company Act of 1940. The dollar weighted average maturity of the portfolio shall be less than ninety (90) days and the portfolio is managed to maintain a one dollar ($1.00) share price. Also, the fund shall meet either of the following criteria: (a) Attained the highest ranking or the highest letter and numerical rating provided by not less than two Nationally Recognized Statistical-Rating Organizations; (b) retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars ($500,000,000).
12. Repurchase Agreements. Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of any securities authorized by the Code, so long as the proceeds of the repurchase agreement are invested solely to supplement the income normally received from these securities. The District shall adopt as a standard the Bond Market Association Master

Repurchase Agreement and shall maintain a list of approved counterparts and limit counter parties to primary dealers rated "A" or better by two Nationally Recognized Statistical-Rating Organizations. Reverse repurchase agreements and securities lending agreements shall require District Board authorization separate from District Board approval of this policy. Securities lending agreements shall include the following safeguard measures: terms of lending agreements, indemnification provisions, reinvestment guidelines, liquidity provisions, credit risks and monitoring requirements. Additionally, any securities lending agreement shall be reviewed by the District Attorney to ensure the District 's interests are properly protected.

a. Investments in repurchase agreements may be made, on any authorized investment, when the term of the agreement does not exceed one year.
b. Reverse repurchase agreements or securities lending agreements may be utilized when the security to be sold on the reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the District for a minimum of thirty (30) days prior to sale; the total of all reverse repurchase agreements on investments owned by the District does not exceed twenty (20) percent of the base value of the portfolio; and the agreement does not exceed a term of ninety-two (92) days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between sale of a security using a reverse repurchase agreement and the final maturity date of the same security.

13. Local Agency Investment Fund (LAIF). The District may invest in The Local Agency Investment Fund (LAIF), a special fund in the California State Treasury created and governed pursuant to Government Code Sections 16429.1 et seq. This law permits the District with the consent of the Board of Directors, to remit money not required for the District 's immediate need, to the State Treasurer for deposit in this special fund for the purpose of investment. LAIF currently limits investments to $75 million from any one public agency by State law; therefore, there is a seventy-five-million-dollar ($75,000,000) limit for the El Dorado Irrigation District. The California Government Code states that monies placed for deposit in LAIF are in trust in the custody of the State Treasurer and cannot be borrowed or be withheld from the District. Further, the right of the District to withdraw its deposited money from the LAIF upon demand may not be altered, impaired, or denied in any way by any state official or agency based upon the State's failure to adopt a budget by July 1 of each new fiscal year.
14. California Asset Management Program (CAMP). The District may invest in the California Asset Management Program, a Joint Powers Authority Program established to provide professional investment services exclusively for public agencies. However, at no time shall deposits in CAMP exceed 75% of the District's total portfolio.
15. Supranational Obligations. Defined as United States dollar denominated senior unsecured, unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by at least two Nationally Recognized Statistical Rating

Organizations. There is a 15% limit on the percentage of the portfolio that can be invested in this category.

B. Summary Table of Suitable and Authorized Investments

Investment Type	Maximum Percentage of Portfolio	Maximum par value per name	Credit/Minimum Quality Requirements
US Treasury Bills, Bonds and Notes	0-100%	None	Full faith and credit of the United States Government and have a Aaa/AA+ rating by Moody's and S&P.
Federal Agency Securities	0-100%	None	Implied guarantee of the US Government. Federal Agency Securities have a Aaa/AA+ rating by Moody's and S&P.
State of California Obligations	0-30%	$5,000,000	Shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service such as Moody's or S&P.
CA Local Agency Obligations	0-30%	$5,000,000	Shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service such as Moody's or S&P.
Money Market Funds	0-20%	10% per single issuer	Multiple requirements including highest ranking by two nationally recognized rating agencies, must have fund advisor registered with the SEC, have more than $500 million under management, etc.
Commercial Paper	0-25%	10% per single issuer	Multiple requirements including highest ranking A-1, P-1, by two nationally recognized rating agencies, and must have total assets exceeding $500 million.
Bankers Acceptances	0-40%	10% per single issuer	May not exceed one hundred and eighty (180) days maturity
Certificates of Deposit	0-30%	$250k per single issuer	FDIC insurance coverage amount, currently $250,000 maximum per FDIC member.
Repurchase Agreements	0-20%	$2,000,000	Signed Security Loan Agreement in file. Reverse Repurchase Agreements are specifically not authorized under this investment policy.
Local Agency Investment Fund	0-100%	$75,000,000	Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account
Medium-term Corporate Bonds	0-30%	10% per single issuer	Shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service such as Moody's or S&P.
Supranationals	0-15%	10% per single issuer	Shall be rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service such as Moody's or S&P.
California Asset Management Program (CAMP)	0-75%	75% of total portfolio	Pooled money investment fund obligation of California Joint Powers Authority

C. Collateralization

Collateralization shall be required on two types of investments: Certificates of deposit and repurchase (and reverse repurchase) agreements. A collateral agreement must be current and on file before any funds can be transferred for collateralized certificates of deposit. Collateral shall be held by an independent third party with

whom the District has a current written custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the District and retained. The right of collateral substitution is granted in accordance with the following requirements:

1. Certificates of Deposit
   a. Government securities used as collateral require one hundred and two (102) percent of market value to the face amount of the deposit
   b. Promissory notes secured by first trust deeds used as collateral require one hundred and fifty (150) percent of market value to the face amount of the deposit
   c. Irrevocable letters of Credit issued by the Federal Home Loan Bank of San Francisco require one hundred and five (105) percent of market value to the face amount of the deposit
2. Repurchase and Reverse Repurchase Agreements
   a. Only U.S. Treasury securities or federal agency securities are acceptable collateral. All securities underlying repurchase agreements must be delivered to the District ’s custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed one hundred and two (102) percent of the total dollar value of the money invested by the District for the term of the investment. For any repurchase agreement with a term of more than one (1) day, the value of the underlying securities must be reviewed on an ongoing basis according to market conditions. Market value must be calculated each time there is a substitution of collateral.
   b. The District or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to a repurchase agreement.

D. Investments Not Approved

Any security type or structure not specifically approved by this policy is hereby prohibited. Security types, which are hereby prohibited include, but are not limited to: Collateralized mortgage obligations (CMO's), mortgage pass-through securities, reverse repurchase agreements used as a leveraging vehicle, "exotic" derivatives structures such as range notes, dual index notes, inverse floating-rate notes, leveraged or de-leveraged floating-rate notes, interest-only strips that are derived from a pool of mortgages and any security that could result in zero interest accrual if held to maturity, or any other complex variable or structured note with an unusually high degree of volatility or risk.

E. Investments Pools/Mutual Funds

A thorough investigation of the pool/fund is required prior to investing, and on a continual basis. The investigation will, at a minimum, obtain the following:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and

withdrawal are allowed.

- A schedule for receiving statements and portfolio listings
- A description of how the pool/fund maintain reserves, retained earnings, etc. or is all income after expenses distributed to participants.
- A fee schedule that discloses when and how fees are assessed.
- The eligibility of the pool/fund to invest in bond proceeds and a description of its practices.

7. *Investing Parameters*

A. **Diversification**

The District shall diversify its investments by security type, issuer, maturity, and financial institutions. No percentage limitations are established for United States government, United States government agencies and United States government sponsored enterprises; however, percentage limitations are established for other permitted investments, as noted in Section 6 of this policy. The investments shall be diversified by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury and Federal Agency securities), limiting investment in securities that have higher credit risks, and investing in securities with varying maturities.

B. **Maximum Maturities**

To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. Where there is no specified maturity limitation on an investment, no investment shall be made in any security, which, at the time of the investment, has a term remaining to maturity in excess of five (5) years, unless the District Board has granted express authority to make that investment no less than three months prior to the investment.

In addition to the five (5) year limitation on investments specified in this policy, the average maturity of the District 's combined portfolio shall not exceed two and a half (2½) years without prior approval of the District Board.

8. *Reporting*

The Treasurer shall submit investment reports to the District Board that provide a clear picture of the status of the current investment portfolio and shall contain sufficient information to permit an independent organization to evaluate the performance of the investment program.

A. **Reporting to District Board**

In accordance with California Government Code Section 53607, the District Treasurer shall submit to the District Board an investment report that summarizes all securities in the portfolio monthly. The report shall include:

- Investment type
- Issuer
- Maturity date
- Book value
- Market value

- Source of valuation
- Statement of compliance with the investment policy
- Statement of the ability to meet expenditures for the next six months

In addition, a narrative shall accompany the portfolio addressing noteworthy items or the current investment climate. Annually, the District Treasurer shall provide a review of the District 's Investment Policy and renew the delegation of authority to the Finance Director.

B. **Reporting to California Debt and Investment Advisory Commission (CDIAC)**

The District shall forward copies of investment portfolio reports and copies of the annual El Dorado Irrigation District ’s Statement of Investment Policy to CDIAC on an as-required basis.

9. *Performance Standards*

The investment portfolio shall be managed in accordance with the parameters specified within this policy and always within consistently safe and prudent treasury management procedures.

A. Market Yield (Benchmark)

The District ’s overall investment strategy is passive: Investments are generally held to maturity. The District ’s portfolio shall be designed to attain a competitive yield or rate of return. The two-year U.S. Treasury Note and the average monthly effective yield of LAIF shall be considered useful benchmarks to the District ’s portfolio performance.

B. Marking to Market

The market value of the portfolio shall be calculated at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed. In defining market value, consideration shall be given to pronouncements from the Government Accounting Standards Board (GASB) that address the reporting of investment assets and investment income for all investment portfolios held by governmental entities. The fair value of all securities reported in the District ’s portfolio is based on currently quoted market prices.

C. Review of Investment Portfolio

The securities held by the District must be in compliance with Authorized and Suitable Investments at the time of purchase. District Treasurer shall establish procedures to report to the District Board any major or critical incidences of noncompliance identified through the review of the portfolio.

10. *Investment Policy Compliance and Adoption*

A. Policy Compliance and Changes

Any deviation from the policy shall be reported to District Board at the next scheduled meeting. The District Treasurer shall promptly notify the District Board of any material change in the policy, and any modifications to the policy must be approved by the District Board.

B. Annual Statement of Investment Policy

The District Treasurer shall render a written Investment Policy that shall be reviewed at least annually by the District Board to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its

relevance to current law and financial and economic trends. The District Board shall consider the annual Investment Policy and any changes therein at a public meeting. The Investment Policy shall be adopted by resolution of the District Board.

APPENDIX
GLOSSARY OF INVESTMENT TERMS

AGENCY: A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government (i.e., Government National Mortgage Association). Federally sponsored agencies (FSA's) are backed by each agency with a market perception that there is an implicit government guarantee (i.e., Federal National Mortgage Association).

ASKED PRICE: The price at which securities are offered for sale, also known as offering price.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID PRICE: The price offered by a buyer of securities. (When you are selling securities, you *ask* for a bid.)

BOND PROCEEDS: The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BOOK VALUE: The value at which a debt security is shown on the holder's balance sheet. Book value is often acquisition cost plus/minus amortization and accretion, which may differ significantly from the security's current value in the market.

BROKER: Someone who brings buyers and sellers together and is compensated for his/her service.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

CREDIT QUALITY: The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by a Nationally Recognized Statistical-Rating Organization.

CREDIT RISK: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

CUSTODIAN: A bank or other financial institution that keeps custody of stock certificates and other assets.

CURRENT YIELD (CURRENT RETURN): A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, by buying and selling for his/her own account.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DIVERSIFICATION: Dividing investment funds among a variety of security types by sector, maturity and quality ratings offering independent returns.

DURATION: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

FAIR VALUE: The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

FEDERAL CREDIT AGENCIES: Agencies of the Federal Government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small-business firms, students, farmers, farm co-operatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits currently up to $250,000 per deposit.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banks services to member commercial banks, thrift institutions, credit unions and insurance companies.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., twelve Regional Banks and about 5,700 commercial banks that are members of the system.

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA): A self-regulatory organization (SRO) responsible for governing business between brokers, dealers and the investing public.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB): A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by

mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FMHA mortgages. The term “pass-throughs” is often used to describe Ginnie Maes.

GOVERNMENT SECURITIES: An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

INTEREST RATE RISK: The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

INTERNAL CONTROLS: An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

- **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- **Separation of transaction authority from accounting and record keeping** - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
- **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
- **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
- **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
- **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if

the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF): Chapter 730, Statutes of 1976 of the State of California, established the Local Agency Investment Fund. This fund enables local governmental agencies to remit money not required for immediate needs to the State Treasurer for the purpose of investment. In order to derive the maximum rate of return possible, the State Treasurer has elected to invest these monies with State monies as a part of the Pooled Money Investment Account. Each local governmental unit has the exclusive determination of the length of time its money will be on deposit with the State Treasurer. At the end of each calendar quarter, all earnings derived from investments are distributed by the State Controller to the participating government agencies in proportion to each agency's respective amounts deposited in the Fund and the length of time such amounts remained therein. Prior to the distribution, the State's costs of administering the program are deducted from the earnings.

MARK-TO-MARKET: The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

MARKET RISK: The risk that the value of a security will raise or decline as a result of changes in market conditions.

MARKET VALUE: The current price at which a security is trading and could presumably be purchased or sold at that particular point in time.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of a financial obligation is due and payable.

MONEY MARKET MUTUAL FUND: Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

MUTUAL FUND: An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by Securities and Exchange Commission (SEC) disclosure guidelines.

NATIONALLY RECOGNIZED STATISTICAL-RATING ORGANIZATION (NRSRO): Standard and Poor’s, Moody’s, and Fitch Financial Services are examples of such organizations.

OFFER: An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

PAR VALUE: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.

PORTFOLIO: Combined holding of more than one stock, bond, commodity, real estate investment, cash equivalent, or other asset. The purpose of a portfolio is to reduce risk by diversification.

PRINCIPAL: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker/dealers, banks and a few unregulated firms.

PRINCIPAL: (1) The face amount or par value of a debt instrument. (2) One who acts as a dealer buying and selling for his own account.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REINVESTMENT RISK: The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate the buyer for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is increasing bank reserves.

REVERSE REPURCHASE AGREEMENT: An agreement of one party (for example, a financial institution) to purchase securities at a specified price from a second party (such as a public agency) and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specific date.

RISK: Degree of uncertainty of return on an asset.

RULE 2A-7 OF THE INVESTMENT COMPANY ACT: Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

SAFEKEEPING SERVICE: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vault for protection and security.

SECONDARY MARKET: A market is made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES LENDING: An agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises, (FHLB, FNMA, FHLMC, etc.), and Corporations that have imbedded options, (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns), into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

SUPRANATIONALS: World Development banks that share the same goal of providing an improved standard of living in their member countries, but each having different mandates. There are three banks (Supranationals) in which California local agencies

can invest in their debt obligations: the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).

SWAP: Trading one asset for another.

TOTAL RETURN: The sum of all investment income plus changes in the capital value of the portfolio.

TREASURY BILLS: Short-term U.S. government non-interest bearing discounted debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

TREASURY BOND: A long-term coupon-bearing U.S. Treasury security issued as a direct obligation of the U.S. Government and having an initial maturity of more than 10 years and issued in minimum denominations of $1,000.

TREASURY NOTE: A medium-term coupon-bearing U.S. Treasury security issued as a direct obligation of the U.S. Government and having an initial maturity of from one to ten years and issued in denominations ranging from $1,000 to $1 million or more.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission (SEC) Rule 15C3-1 outlining requirements that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

VOLATILITY: A degree of fluctuation in the price and valuation of securities.

YIELD: The current rate of return on an investment security generally expressed as a percentage of the security's current price. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

BOARD POLICY 4000

HUMAN RESOURCES

BP 4010 Human Resources Policy

Adopted: August 28, 2006
Supersedes: Policy No. 6 – Adopted August 19, 1980, Amended February 28, 1994

The General Manager is responsible, either directly or through assignment, for developing clear, fair, and organized human resources regulations. The regulations should establish conditions that will attract and retain the highest qualified individuals for all positions.

The human resources regulations shall:

- clarify the rules of employment;
- include effective procedures for handling grievances;
- protect against retaliation for non-disruptive expression of dissent;
- acquaint employees with the District's interpretation of their protections under this policy;
- ensure that standards, programs, and procedures meet or exceed acceptable industry standards as written in state and federal regulations;
- ensure a healthy and safe work environment for all District employees;
- ensure that people who work for or on behalf of the District are paid a competitive wage and are provided competitive benefits; and
- comply with all applicable state and federal laws and regulations.

AR 4010 Concepts and Roles in Human Resources

Approved: December 12, 2006

The District desires to attract and retain the best qualified people for the benefit and welfare of EID customers and to meet customer expectations.

Accordingly, human resources regulations must be:

- implemented in an atmosphere of mutual trust and good will,
- consistent with policies established by the Board of Directors, and
- consistent with applicable state and federal rules and regulations.

AR 4011 Role of the Manager of Human Resources

Approved: December 12, 2006
Revised: March 9, 2015

The Manager of Human Resources is responsible for ensuring that the District:

- attracts and retains qualified employees within the context of management succession planning and overall workforce planning;
- determines fair and equitable salary schedules for unrepresented, management, and confidential employees;
- negotiates with employee organizations;
- maintains an atmosphere that engenders a positive work environment;
- establishes disciplinary processes, including an appeals process, that adheres to all applicable statutes and regulations in accordance with the human resources regulations described in the collective bargaining agreement and the employee handbook;
- fosters and supports equal employment opportunities;
- fosters and supports a high level of employee performance and satisfaction; and
- establishes employee development and performance evaluation procedures to enhance and improve performance.

AR 4012 El Dorado Irrigation District Employee Handbook

Approved: December 12, 2006

In accordance with BP 4010, the District's employee handbook is provided to new employees on their first day of employment at the District.

Copies of the handbook are available upon request.

AR 4013 Harassment-Free Work Environment

Approved: December 12, 2006

The District is committed to providing a workplace free of harassment. This includes harassment based on factors such as race; color; gender; religion; national origin; ancestry; age; physical and mental disability; medical condition; veteran status; sexual orientation; marital status; family care or medical leave status; and pregnancy, childbirth, and related medical conditions.

The District will not tolerate harassment of employees by non-employees with whom District employees have a business, service, or professional relationship.

Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive, or hostile working environment or that interferes with work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

Harassing conduct may take many forms and includes but is not limited to the following: intimidation; slurs; jokes; statements; gestures; assault; impeding or blocking another's movement or otherwise physically interfering with normal work; and pictures, drawings, or cartoons based on an employee's gender, race, color, national origin, religion, age, physical disability, mental disability, medical condition, ancestry, marital status, sexual orientation, family care or medical leave status, marital status or any other legally protected category or status.

Sexually harassing conduct in the workplace includes all of the prohibited actions listed above as well as unwelcome conduct such as requests for sexual favors, conversation containing sexual comments, and unwelcome sexual advances.

AR 4013.1 Reporting Harassment

Any incident of harassment shall be reported immediately to a supervisor or manager, to any member of management, or to Human Resources. Managers who receive complaints or who observe harassing conduct must inform Human Resources immediately. The District emphasizes that employees are not required to notify their supervisor if that supervisor is the individual who is harassing the employee or if an employee feels uncomfortable discussing the situation with the supervisor. An employee may always directly contact Human Resources to report this type of situation.

Reported instances of harassment will be investigated thoroughly. Confidentiality will be maintained throughout the investigation to the extent possible while still maintaining our legal obligation to conduct a full investigation.

The District will not tolerate retaliation against any employee for cooperating in an investigation or for making a complaint to Human Resources or to any manager. If it is established that unlawful harassment has occurred, appropriate action will be taken to correct the situation. Such action may include, but is not limited to, oral or written counseling, disciplinary suspension or probation, or discharge from the organization.

AR 4013.2 Responsibility

Supervisors are obligated to prevent violation of this policy and are responsible for taking prompt actions to end any discriminatory or sexually harassing behavior or conduct. Human Resources is responsible for promptly hearing and investigating employees' complaints of discrimination or sexual harassment and for communicating any recommendations for remedies to appropriate management for implementation when violations of policy are identified.

AR 4014 Medical Reimbursement Program

Approved: March 7, 2007
Revised: June 3, 2011
March 11, 2013
March 9, 2015

AR 4014.1 Medical Reimbursement Program

The purpose of the District's Medical Reimbursement Program is to allow eligible participants to be reimbursed for up to $5,000 per year of legitimate, documented medical, dental, and vision costs and expenses not covered by insurance, as well as healthcare insurance premium costs not otherwise paid by the District. Eligible expenses will be approved by the Human Resources Manager before reimbursement is processed through the payroll system. Reimbursements are reported as income on participants' W-2 forms.

AR 4014.2 Medical Reimbursement Program – eligible participants

Eligible participants in the Medical Reimbursement Program are all members of the Board of Directors, the General Manager, the General Counsel, and any other at-will, contract employees.

AR 4014.3 Medical Reimbursement Program – eligible expenses

To be eligible, all claimed expenses must be accompanied by invoices, receipts or equivalent documentation accepted by the Human Resources Manager as sufficient to demonstrate that the expense is one of the following:

- Services provided by a bona fide healthcare provider to an eligible participant, their spouse, domestic partner, or dependent; directly paid by an eligible participant, their spouse, or domestic partner; and not covered by insurance;

- Goods or services prescribed by a bona fide healthcare provider to an eligible participant, their spouse, domestic partner, or dependent; directly paid by an eligible participant, their spouse, or domestic partner; and not covered by insurance; or

- Healthcare insurance premium costs for a policy covering an eligible participant, their spouse, domestic partner, or dependent, and not otherwise paid by the District.

AR 4014.4 Medical Reimbursement Program – ineligible expenses

The following medical expenses are not eligible for reimbursement:

- Cosmetic medical procedures with no therapeutic purpose; and
- Medical marijuana purchased pursuant to California's Compassionate Use Act.

AR 4015 Injury and Illness Prevention Program

Approved: June 16, 2009

District management recognizes the need to ensure a safe and healthy work environment for its employees, volunteers, contractors, visitors, and the public. An important element in meeting this goal is the District's Injury and Illness Prevention Plan (IIPP). The plan has been developed in accordance with the California Code of Regulations, General Industry Safety Order 3203, which requires IIPPs for California-based operations.

The IIPP clearly states expectations for safety responsibilities at all levels within the organization and provides personnel a reference for consistent safety compliance. It is implemented as a continuous improvement program and is reviewed—and revised, if needed—on an annual basis. At a minimum, IIPP specifies and addresses the following:

1. Name(s) and title(s) of personnel responsible for the program.

2. EID's system for identifying and evaluating workplace hazards, including scheduled periodic inspections to identify unsafe conditions and work practices.

3. EID's methods and procedures for correcting any unsafe or unhealthy work practices and conditions in a timely manner.

4. An occupational health and safety training program designed to instruct employees in safe and healthy work practices and in hazards specific to each employee's job assignment.

5. A procedure to investigate occupational injuries and illnesses.

6. EID's system for communicating with employees on occupational health and safety matters, including provisions designed to encourage employees to identify and report hazards at the work site without fear of reprisal.

7. EID's system for ensuring that employees comply with safe and healthy work practices, which may include disciplinary action for failure to comply.

A copy of the plan is available at http://peoplescope/Pages/Default.aspx%20 or upon request from the Safety/Security Office.

AR 4016 District Vacancies, Recruitment and Retention Efforts

Approved: August 13, 2025

Introduction and Scope:

Effective January 1, 2025, the Meyers-Milias Brown Act (the "Act") requires the District to present information on the status of employment vacancies at the District and the District's recruitment and retention efforts at a public hearing before the District's Board of Directors at least once per fiscal year.

The Act also requires the District to identify during the public hearing any necessary changes to District policies, procedures, and recruitment activities that may contribute to obstacles in the District's hiring process.

At the public hearing, a recognized employee organization for a bargaining unit is entitled to make a presentation to the District's Board of Directors addressing the status of vacancies and recruitment and retention efforts for positions within that bargaining unit.

The purpose of these procedures is to establish a protocol for the District's public hearings on employment vacancies to ensure a fair, orderly, and efficient hearing process.

The District reserves the right to schedule separate public hearings for different bargaining units and is not limited to one public hearing to address all vacancies and recruitment and retention efforts within the entire District.

Policy Statement:

In accordance with the Act, the District is committed to annually holding a public hearing on employment vacancies at the District, the District's employee recruitment, and retention efforts, and any issues with the District's policies, procedures, and recruitment activities that may lead to obstacles in the hiring process.

Notice Requirements:

1. At least ten (10) working days in advance, the District will notify in writing each recognized employee organization of the date, time, and place of the hearing. Recognized employee organizations that wish to make presentations during the public hearing shall provide written presentation materials to the Board Clerk in accordance with the timelines observed for preparing and publishing staff reports for public board meetings.

2. In the event the vacancy rate for a bargaining unit is or exceeds 20% of the total number of authorized full-time positions within the unit, the District will provide all of the following additional information upon the request of a recognized employee organization: (1) the total number of job vacancies within the bargaining unit; (2) the total number of applicants for vacant positions within the bargaining unit; (3) the average number of days to complete the hiring process from when a position is posted; and (4) opportunities to improve compensation and other working conditions.

3. Notice of the hearing to the public will be provided in accordance with the Ralph M. Brown Act. (Gov. Code §§ 54950-54963.)

Public Hearing Requirements:

1. Public hearings shall occur prior to the adoption of the budget.

2. Separate public hearings may be scheduled to address individual bargaining units or bargaining unit groupings.

3. The Board of Directors shall ensure that each public hearing is adequately documented, with minutes and recordings made publicly available within 30 days of the hearing.

Order of the Hearing:

The public hearing will proceed in the following order:

1. District Presentation: The District may choose to present on all bargaining units at once, or to present data for each bargaining unit separately followed by each applicable employee organization presentation.

2. Employee Organization Presentation: Following the agency presentation, each employee organization will have the opportunity to make a presentation for each of the bargaining units that the employee organization represents.

AR 4060 Information Security and Awareness Program

Approved: May 15, 2018

Purpose

This administrative regulation establishes guidelines and procedures to ensure the security of District information assets and systems, whether administered directly by District employees or by third-party business partners.

Background

The District has a responsibility to ensure the security of its Information and systems in order to protect its customers, employees and the general public. The District recognizes that its employees are the first and last lines of defense in the protection of information assets and systems essential for service delivery, public health and safety. This administrative regulation establishes proactive and effective training for all District employees and officers, to ensure awareness and actions associated with information security best practices.

Definitions

Information security – information security (also referred to as cyber, computer, data, or system security) is the balanced protection of the confidentiality, integrity and availability of data through the practice of preventing unauthorized access, use, disclosure, disruption, modification, inspection, recording or destruction of information.

Network – a network is a collection of computers or devices that exchange data with each other.

Production environment – a production environment is a computer system in which a computer program or software component is deployed and executed for end-user or customer use, and separated from other environments such as development or test where changes are originally made or validated.

Administrator – an administrator (also known as a system administrator, sysadmin, database administrator, or DBA) is an individual who can grant computer or network access rights to other individuals, including the ability to add, delete, or modify software programs, information, and configuration parameters. Administrators hold the digital keys to the kingdom, and are a top target for hackers.

SCADA - Supervisory control and data acquisition (SCADA) is a control system architecture that uses computers, networked data communications and graphical user interfaces for high-level process supervisory management, but uses other peripheral

devices such as programmable logic controllers and discrete PID controllers to interface to the process plant automation or machinery.

Roles and Responsibilities

The Director of Information Technology is responsible to implement and maintain the information security training program and ensure information security skills are routinely practiced and tested for effectiveness.

The HR Department will administer program training courses to all District employees and officers as part of the new hire orientation process, and will provide management personnel with periodic assignment status reports as a means to ensure completion of training objectives.

Management is responsible to investigate and take action to mitigate potential information security risks.

Each employee is responsible to continuously perform information security best practices, and to bring suspicion or evidence of unsafe practices or incidents promptly to the attention of management.

Each employee granted a network logon or EID.org email account is responsible to perform ongoing safe information security practices, including:

- Must successfully pass assigned information security training
- Must successfully respond to information security simulation testing and actual threats
- Must successfully demonstrate best practices to minimize information security risks

The training and ongoing testing described in this regulation enables all District employees and officers to be proactive in their actions, and to effectively respond to suspicious and/or actual electronic threats. Failure to take reasonable action, and/or the inability of an employee to consistently perform safe information security practices will lead to progressive discipline.

Security Awareness Training and Testing Scope

Information security training is mandatory for anyone granted a District network logon or EID.org email account, including elected Board members, full or part-time employees, interns, volunteers, temporary workers, consultants, and contractors.

Consultants may be excluded from this training requirement only if both of the following conditions are met:

1. no eid.org email account is created for or used by the consultant, and

2. the consultant's District network logon is restricted to a non-production environment

The program consists of three role-based approaches of information security training. An employee is typically enrolled in only one approach at a time. Each approach is based on the employee's role as it relates to permissions granted for elevated system privileges and/or to access sensitive information.

a. Basic information security skills training for knowledge workers

   Knowledge workers are characterized as staff that do not handle sensitive information and are not authorized for elevated system privileges. Most District employees fall under this training approach, including most employees in the Operations and Engineering Departments, and elected Board Members.

b. Intermediate information security skills training for sensitive information workers

   Sensitive information workers are characterized as staff that handles sensitive personal or financial information, including but not limited to applicant, employee, retiree, customer, financial, legal, or service data. District employees that fall under this training approach, include most employees in the Human Resources and Finance Departments, Offices of the General Manager and the General Counsel, and in management roles.

c. Advanced information security skills training for elevated system privilege workers

   Elevated system privilege workers are characterized as staff granted administrator-level account access to personal computers, database software applications, servers, and/or network equipment. Few District employees fall under this training approach, but include most IT and SCADA support staff.

Information security training is time-sensitive. The assigned course must be successfully completed within 30 days of hire, or within 30 days of promotion or transfer into a role with higher information security training requirements. The Director of Information Technology will determine the appropriate information security courses for each approach, with the intent to mitigate risk of a security breach through employee deceit. In general, training will be delivered as follows:

- Basic information security skills via a 15 to 20-minute online course

- Intermediate information security skills via a 25 to 30-minute online course

- Advanced information security skills via a 45 to 60-minute online course
- Additional training may be assigned at any time based on new or evolving risks

Information security training must be routinely practiced and tested for effectiveness. Therefore, District employees and officers will be periodically tested using simulations. The Director of Information Technology will determine the appropriate information security tests for each approach, with the intent to align test frequency and parameters to the employee's role and successful application of training received. In general, testing will be conducted as follows:

- Employees presented with unannounced simulated threats requiring about 10 seconds per test
- Newly-trained employees tested monthly until 3 consecutive tests passed, then deemed competent
- Competent employees tested quarterly going forward unless failing a test, then deemed a "clicker"
- Clickers must pass additional training related to the failed simulation test within 30 days
- Clickers tested monthly until 3 consecutive tests passed, then deemed competent

The Director of Information Technology will share the results of such tests with the District's Executive team on a periodic basis as a means to gauge the effectiveness of District training programs and employee performance.

BOARD POLICY 4500

INFORMATION SYSTEMS

BP 4500 Information Systems

Adopted: July 23, 2018

The General Manager is responsible, either directly or through assignment, for developing regulations for the administration and use of information technology and processing systems. The regulations should ensure the readiness and highest quality of information to support all business decisions.

The information systems regulations shall:

- Protect against unauthorized access, tampering, or misuse of information or technology resources
- Ensure that standards, programs, and procedures meet or exceed acceptable industry standards
- Ensure a safe and productive digital work environment for all District employees
- Comply with all applicable state and federal laws and regulations

AR 4510 Generative Artificial Intelligence Acceptable Use

Approved: September 15, 2025

This administrative regulation establishes guidelines for the acceptable use of Generative Artificial Intelligence (AI) to conduct District business. The District recognizes Generative AI has the potential to benefit local governments by creating efficiencies for employees. For example, Generative AI can be used to draft memos or other routine correspondence, quickly summarize large bodies of information, streamline search functions, or suggest problem-solving approaches, among many other uses. However, this technology also contains inherent risks and presents substantial opportunities for misuse. Examples of the dangers of Generative AI include but are not limited to the output of inaccurate information, release of confidential data, copyright infringement, biased responses that could lead to inequitable outcomes, and overall reduction in consumer confidence. To mitigate these risks and adhere to the District's guiding principles of respect for the individual and excellent customer service, the following rules govern District employee use of Generative AI.

Definitions

Generative Artificial Intelligence, Gen AI, or AI refers to any technology that can autonomously produce content with minimal human input, such as text, images, or other creative work products. Examples of AI software include but are not limited to ChatGPT, Google Gemini, and Microsoft Copilot. Spreadsheets, budget models, or similar tools that automate formulas created by human beings, and for which all calculation inputs are known, are not considered Generative AI.

Program

A. Principles

All use of AI shall adhere to the following principles:

a. Confidential Information

Users should not input personal or confidential information into AI tools. Users may not have control over how the data is used. Some AI providers retain data for AI training purposes or share data with third parties. This could result in the unintended disclosure of private information. Users must never input information designated as Critical Infrastructure Information (CII) into AI. Only information acceptable for full public disclosure should be submitted to any AI tool. Items that should never be submitted to a Generative AI tool include, but are not limited to, personally identifiable data about residents or staff; passwords or logins; computer code containing security settings or other proprietary information; or anything that would not normally be subject to public disclosure.

b. Quality Control

Users must review and verify the accuracy and appropriateness of AI-generated content before use. This includes ensuring that the content does not contain any inaccuracies, biases, or inappropriate material that may cause reputational harm to the District.

c. Compliance

All use of AI shall comply with existing laws, regulations, and internal policies. Violations of this policy may result in revocation of access to AI tools and disciplinary action.

d. Use of Sanctioned (District Approved) Applications

Generative AI platforms and applications proliferate and change rapidly; not all are equally reputable. Only platforms and applications specifically approved by the General Manager or designee may be used for District work.

To protect District data and resources, and to ensure compliance with applicable policies and procedures, users must utilize only AI applications, software, and features that have been officially sanctioned.

e. Accountability

The person utilizing AI is fully accountable for the content it creates, just as if they have written it themselves. Therefore, users must review and verify the accuracy and appropriateness of AI-generated content before use. This includes ensuring that the content does not contain any inaccuracies, biases, or inappropriate material that may cause reputational harm to the District. Text content generated by AI should not be used verbatim. Users should tailor AI-generated content to their own writing style and voice, ensuring that the final output reflects their individual expression and aligns with the District's communication styles and standards. AI-generated documents should be marked as drafts until they have been appropriately reviewed, tailored, and finalized in accordance herewith.

f. District Benefit

Generative AI should only be used when it is judged likely to create a net benefit to the District, taking into account the specific situation and the risks.

g. Good Judgement

There are more potential irresponsible uses of Generative AI that can be reasonably described in this regulation. District employees are expected to use common sense and good judgement, as well as comply with all laws when using Generative AI. If unsure about the safety or appropriateness of using any AI tool, application, or platform, contact the Information Technology (IT) Department for review and guidance.

B. Prohibited Uses

In some cases, the dangers associated with using Generative AI are so persuasive that there is no appropriate use for the tool, or use should be significantly restricted. Generative AI should not be used in any of the following cases, except as set forth below.

h. Programming

AI-generated code, programming, or changes to system settings that have not been fully tested and vetted by authorized District IT staff shall not be incorporated or implemented in any capacity.

i. Evaluations and Decisions

Generative AI shall not be used to determine final decisions in any context including, but not limited to, personnel recruitments, evaluation, work-place investigations, discipline, procurement, or assessing eligibility for any program. Any decision or information originating or substantially originating from Generative AI must be fully fact-checked and vetted by District staff before use.

j. Depictions of Reality

In order to maintain trust in the District, customers and residents must know that what they see and/or hear from District-generated media is an accurate representation of reality. Generative AI shall not be used in any fashion that is represented as or is likely to be perceived as reality. This includes simulating the voices or images of District

employees, officers, or officials, creating images of the District, or creating inaccurate images, representations, or narratives. Generative AI may be used to create graphics or other content so long as it is clearly labeled in an obvious way to ensure that it is for illustrative purposes only.

k. Public Reports and Presentations

Generative AI produces output for which the exact origin is unknown; therefore, those work products should not be used in any context that provides recommendations or non-documented facts or figures on which decisions are made. For example, in a staff report to the District Board of Directors, it could be acceptable to use Generative AI to help write introductory text because it's not necessary to know why a particular phrasing is used. However, it would not be acceptable to use Generative AI as the basis for a recommended action because it is important to know the substantive origin of every staff recommendation.

l. Recordings and Note-Taking

AI tools may be used for note-taking, summarizing, or transcribing meetings, interviews, or conversations only when the following conditions are met:

a. **Consent and Disclosure:** All participants, including those external to the District, if any, are informed prior to the use of AI for note-taking, and their explicit or implied consent is obtained in accordance with applicable laws and internal policies. Unauthorized or undisclosed use of AI for recording or transcribing may violate privacy expectations, laws, or internal trust and may be subject to disciplinary action.
b. **Appropriate Context:** AI may only be used to assist in note-taking during meetings or interactions that do not involve sensitive, confidential, legally privileged, or protected information unless the AI system is specifically approved and secured for such use.
c. **Accuracy and Responsibility:** AI-generated notes must be marked as draft unless and until they are reviewed and approved by all personnel who participated in the meeting covered by the notes. Employees remain responsible for reviewing, correcting, and validating AI-generated notes or transcripts before distributing or relying on them.

C. Unforeseen Situations

The technology behind Generative AI evolves rapidly, and therefore not all potential impacts can be defined explicitly by administrative regulation. Should there be any question regarding the appropriateness of any particular use of AI, staff should err on the side of caution and consult their supervisor prior to such use. In the event of an emerging use case not contemplated under this administrative regulation, the General Manager or their designee may impose restrictions on the use of Generative AI as deemed necessary to protect the District pending an update to the regulation. Contact the IT department if you have questions about the use of AI.

D. Authorized Platforms, Applications, and Software

In coordination with the IT Director, the General Manager shall maintain a list of approved AI tools for District use, which may be updated occasionally. The current list of approved AI tools can be found at the following link:
https://www.eid.org/home/showdocument?id=18319&t=638936354519028302

BOARD POLICY 5000

WATER SUPPLY

BP 5010 Water Supply Management

Adopted: August 28, 2006
Supersedes: Regulation No. 1 – adopted March 24, 1982, amended April 21, 2003
Regulation No. 2 – adopted July 24, 1989, amended August 6, 2001
Regulation No. 3 – adopted October 25, 1993
Regulation No. 7 – adopted December 14, 1988, amended October 21, 2002
Regulation No. 10 – adopted September 30, 1981, amended February 7, 2000
Regulation No. 11 –adopted June 17, 1984

The Board is committed to provide a water supply based on the principles of reliability, high quality, and affordability in a cost-effective manner with accountability to the public. It is the General Manager's responsibility to ensure that the tenets of this policy are carried out in an open, transparent manner through sound planning, to assure preparedness under varying conditions, and effective management.

It is the policy of the Board that the District will not issue any new water meters if the Water Resources and Service Reliability Report indicates that there is insufficient water supply. When warranted by the findings of the report, the General Manager will bring the possibility of restrictions on meter issuance to the Board's attention. Any such restrictions will be established pursuant to Water Code Section 350 et. Seq. of the California Water Code.

AR 5010 Water Availability and Commitments

Approved: December 12, 2006
Revised: January 24, 2020
July 6, 2026

Reporting

The District will maintain adequate water supply and demand records to ensure accurate monitoring and reporting. Concurrently with preparation of the Urban Water Management Plan (UWMP), which is required to be prepared every five (5) years, the District will prepare a report summarizing meter availability in the form of equivalent dwellings units (EDUs). This five-year interval will be contingent upon greater than five (5) years' worth of EDUs being available in any given year. If less than five (5) years' worth of EDUs are available in any given year, an annual update will be prepared. Available EDUs for the District will be tracked continuously by staff.

Shortages

Water supply reporting will use a system firm yield method to determine that sufficient water supply exists to meet potential demands. Under this methodology, approximately 95% of the time sufficient water supply is available to meet normal water demands, but during the remaining 5% of the time water shortages may occur. Such shortages may result in the implementation of voluntary or mandatory conservation measures.

New meter restrictions

Should findings in EDU tracking and water supply reporting warrant restrictions on the issuance of new water meters, the General Manager will bring the situation to the attention of the Board of Directors. During emergency conditions when supplies are restricted or limited, the General Manager may also bring to the Board's attention possible restrictions on water meter availability.

AR 5011 Water Supply Management Conditions

Approved: December 12, 2006
Revised: July 25, 2008
April 7, 2015

The District recognizes that variations in weather patterns can cause watersheds to yield different quantities of water supply in any given year. In some years, dry weather or drought conditions may occur which result in varying degrees of water shortage. The District also recognizes that future climate change may impact the intensity and duration of future droughts.

The actions required to respond to both near- and long-term changing water supply conditions are outlined in the District's Drought Action Plan, regularly updated by the Board of Directors and available on the District's website. The following water supply management conditions, and corresponding drought stages, describe the incremental steps needed to manage increasing levels of water shortage.

AR 5011.1 Water supply normal and unrestricted Drought Stage Zero – Ongoing water conservation

Stage Zero is in effect at all times unless another subsequent stage is declared. Stage Zero reflects periods when normal water supplies and normal distribution capacity are available, and the District anticipates the ability to meet the unrestricted demands of its customers. A prohibition of water waste will be in effect during both normal and restricted water supply conditions.

AR 5011.2 Water supply slightly restricted Drought Stage 1 – Voluntary reductions in use

The objective of Stage 1 is to initiate public awareness of predicted water shortage conditions, and encourage voluntary water conservation to decrease normal demand up to the amounts stated in the Drought Action Plan.

AR 5011.3 Water supply moderately restricted Drought Stage 2 – Voluntary and mandatory reductions

The objective of Stage 2 is to increase public understanding of worsening water supply conditions, encourage voluntary water conservation measures, and then, if necessary, enforce mandatory conservation measures in order to decrease normal demand up to the amount stated in the Drought Action Plan.

AR 5011.4 Water supply severely restricted Drought Stage 3 – Mandatory restrictions

The objective of Stage 3 is to enforce extensive mandatory restrictions on water use, and implement water rationing to decrease normal demand up to the amount stated in the Drought Action Plan to ensure that water use is limited to health and safety purposes.

AR 5011.5 Declared water shortage emergencies

The General Manager may also declare a water shortage emergency due to an existing condition or when there is a high probability that a condition will be realized in the near future. Such conditions may include an unexpected disruption of supply, storage, or distribution system facilities.

AR 5012 District Infrastructure and Facilities

Approved: December 12, 2006
Revised: May 25, 2010
July 28, 2021
June 24, 2025

AR 5012.1 Connections to District infrastructure

Connections to the District's infrastructure shall be made only by District employees or under the direct supervision of District employees. No connection to District infrastructure shall be made without prior approval. Due to risks associated with accelerated deterioration and/or potential for failure of transmission mains, which jeopardize the health and safety of all customers, connections to water transmission mains greater than 12-inches in diameter are prohibited.

AR 5012.2 Responsibility for infrastructure maintenance

The District's ownership of and responsibility for the operation and maintenance of facilities will end at the discharge side of the meter, or discharge conduit. In circumstances where the customer owns a testable check valve assembly, the annual testing and maintenance of internal components are conducted by the District and the costs for such services are recovered using a fee-based system placed on the bi-monthly service bill. The District will be responsible to operate, maintain, and replace active District water mains, flumes, ditches, and other facilities of the District's total supply, transmission, and distribution system. The District's water supply system shall be under the exclusive control and management of duly appointed District personnel, and no one shall have any right to operate, maintain or replace any of the District's water facilities, or interfere with the District system in any manner.

For service through private waterlines or community group systems, measuring devices placed within these systems shall be at the sole discretion of the District. Any such placement, however, does not create an obligation on the part of the District for the operation, maintenance, or replacement of the private waterlines or group system.

AR 5013 Water Service Interruptions or Restrictions

Approved: December 12, 2006
Revised: July 25, 2008
December 20, 2012

Water service interruptions or restrictions may occur during water supply conditions, especially Drought Stages 2 and 3, and water shortage emergencies as declared by the General Manager. The District may, with prior notification, temporarily remove or lock off meters or otherwise interrupt water service to classifications not assigned for human consumption.

Irrigation and agricultural services provided by the District may be subject to an interruption or restriction under these conditions. Temporary Water Use program services provided by the District may also be subject to removal, lock-off, restriction, or discontinuance.

The District may also restrict water availability for Temporary Water Use in certain locations due to constraints in the distribution system.

AR 5013.1 Violations

The District reserves the right to interrupt or restrict, without prior notice, any irrigation or agricultural service, construction, or Temporary Water Use that is found to violate the restrictions imposed by a water shortage condition.

AR 5013.2 Service interruptions due to planned or unplanned maintenance

The District reserves the right at any and all times to shut off water delivery or reduce pressure for the purpose of maintenance or making repairs and alterations to the water system. Whenever possible, advance notice of interruption of service will be given to all affected water users.

AR 5014 Fire Suppression

Approved: December 12, 2006
Revised: December 18, 2012
Revised: August 20, 2013
Revised: February 19, 2015
Revised: January 24, 2020

A fire suppression system may consist of a private interior fire sprinkler system, private fire hydrants and/or public fire hydrants. The fire protection agency having jurisdiction over the property will set the fire flow requirements based on the size of the structures on the property. Fire hydrants and associated EID infrastructure are not designed to provide the fire flow required to fight wildfires or protect structures from the risk of wildfires. The District will provide water for fire hydrants and other fire suppression facilities, but does not warrant or guarantee any range of pressures or rates of flow. The District will not be liable for water pressure or damage in any manner that arises from the availability of water or water pressure at any hydrant or facility used for fire suppression.

The District will provide water at no cost to fire protection agencies for the purpose of fire suppression activities. These activities are limited to equipment maintenance and testing, training, and the filling of fire suppression equipment. All other domestic uses of water, including but not limited to washing of tools, driveways and vehicles, and irrigation uses as well as interior uses at fire stations and dedicated fire training facilities, will be supplied in accordance with District regulations and procedures and must be metered and paid for by the fire protection agency

AR 5014.1 Fire hydrants

Public fire hydrants for parcels located inside District boundaries will be installed and connected to District mains when requested by the fire protection agency having jurisdiction or when required as a condition of a building permit or subdivision of land. The cost of the fire hydrant assembly and all other appurtenances, including installation, will be paid for by the holder of the building permit or the developer of the project. The District will review, approve, and inspect all public fire hydrant installations.

All public fire hydrants will be owned, operated, tested for functionality, flow tested and maintained by the District from the water main up to and including the hydrant. All fire hydrants may be inspected, tested for functionality, and externally maintained by the fire protection agency. Maintenance of private fire hydrants shall be the responsibility of the property owner.

No person, other than authorized EID or fire protection agency personnel, shall open or draw water from any fire hydrant connected to the District's distribution system without

prior specific authorization from the District. Refer to AR 9073 for authorized temporary water use.

The removal or relocation of any public fire hydrant must be approved by the District and Fire Department in advance, and any removal or relocation will be made at the expense of the person or entity requesting the change.

AR 5014.2 Commercial fire suppression services

The property owner will be responsible for the expense of installing a commercial fire suppression system and appropriate backflow prevention device as required by the District. The District may require upgrades to existing backflow prevention devices associated with modifications to the private fire service or approval of a County or City building permit.

Water provided to a fire suppression sprinkler system will not be used for any purpose other than extinguishing a fire or testing of the fire protection system.

AR 5014.3 Residential fire suppression services

A residential fire sprinkler system shall be served by the residential water meter. Upgrades from ¾-inch to 1-inch water meters may be approved by the District if supporting documentation provided by the fire sprinkler designer demonstrates that a 1-inch meter is necessary to meet fire flow requirements. If approved, the 1-inch meter will hold the FCC value of a ¾-inch meter (1 EDU). The applicant shall pay the ¾-inch meter FCC, and all 1-inch meter hardware costs.

AR 5015 Ground Water Supply

Approved: December 12, 2006

Because of the unreliable nature of underground water sources in most of El Dorado County, ground water will not be relied on to augment firm yield supply or as a sole source of water for domestic, irrigation, or fire-fighting purposes. Any consideration of direct ground water augmentation to the existing water system will be evaluated on the basis of short- and long-term reliability, quality, and economics. More than one professional, expert opinion regarding adequacy will be required. The costs of necessary tests, expert opinions, and District staff time will be borne by the applicant.

BP 5020 Cross-Connection Control and Backflow Prevention

Adopted: August 28, 2006
Supersedes: Regulation No. 10 – Prevention of Contamination by Backflow and Cross Connections, Adopted September 30, 1981, Amended February 7, 2000

The District will establish and maintain a cross-connection control program according to the California Code of Regulations - Title 17, Section 7583-7605, or their successors.

AR 5021 Cross-Connection Control and Backflow Prevention

Approved: September 16, 2009

In accordance with BP 5020, the District protects its public water system at the service connection against any actual or potential cross-connection between the public water system and any source or system containing used water, industrial fluid, gas or other substance that is not, or cannot be, approved as safe, wholesome and potable for human consumption. Such protection is enforced through California Code of Regulations Title 17 Section 7584, which requires the District to comply with all applicable state and federal laws required by the Safe Drinking Water Act of 1974, as they are now constituted, or as they may hereafter be amended or recodified, and implemented through the District's "Cross-Connection Control and Prevention of Backflow Program."

A copy of the current "Cross-Connection Control and Prevention of Backflow Program" is available upon request from the Environmental Division.

BP 5030 Water Conservation

Adopted: August 28, 2006
Supersedes: Regulation No. 21 – Conservation, Adopted June 10, 1981

It is Board policy to take reasonable and prudent measures to conserve all water and to adopt and implement water-use efficiency programs that will benefit its customers.

BP 5040 Drought Preparedness and Climate Variability

Adopted: August 28, 2006
Supersedes: Regulation No. 2 – Water Supply Reliability, Adopted July 24, 1989, Amended August 6, 2001

The Board supports the adoption and implementation of a drought preparedness plan to ensure a proactive response to the impacts of drought conditions. Included in the planning effort is consideration of climate variability.

BP 5050 Watershed Management

Adopted: August 28, 2006

It is Board policy to adopt and support watershed management strategies that will maximize water supply reliability and water quality.

BOARD POLICY 6000

WASTEWATER COLLECTION

BP 6010 Wastewater System Management

Adopted: September 25, 2006
Supersedes: Regulation 13 – adopted October 28, 1987, revised January 24, 1994

The District will maintain a wastewater collection, treatment, and disposal system that comply with applicable state, and federal wastewater discharge requirements and regulations.

AR 6020 Wastewater Discharge and Disposal

Approved: December 12, 2006
Revised: April 1, 2013

Where sufficient capacity exists in mainline and collection sewers, the District will make service available subject to applicable connection procedures and fees. Connection to the District's sewer shall not cause objectionable odors or significant corrosive conditions such as those associated with effluent-only systems or pumped services.

AR 6020.1 Wastewater discharge and disposal

No wastewater or other substances shall be introduced into the District's wastewater system that would:

1. introduce pollutants into the District's treatment plants that will interfere with the plants' operations, including the use or disposal of wastewater sludge, or otherwise be incompatible with operations;

2. interfere with opportunities to recycle and reclaim treated effluent and wastewater sludge;

3. injure or damage any person or property or endanger the public health or safety;

4. cause the District to violate any federal or state law or permit;

5. endanger humans, animals, and fish or other aquatic life in any body of water receiving effluent from the District plants

AR 6020.2 Customer responsibility

Service Lateral Responsibilities

The wastewater service laterals are comprised of an upper and lower portion. The upper lateral is defined as that portion of the wastewater lateral that exists from building plumbing to the cleanout located at or near the utility easement line. In the absence of a cleanout at or near the utility easement line, the upper lateral extends to the utility easement line itself. The lower lateral is defined as that portion of the wastewater lateral from the mainline to the downstream end of the upper lateral, including the cleanout.

The property owner owns and has sole responsibility for clearing stoppages, inspecting, maintaining and repairing the upper lateral. The owner must perform all required maintenance and keep the upper lateral in good condition to avoid negative impacts to the operation and maintenance of the lower lateral. This includes the following:

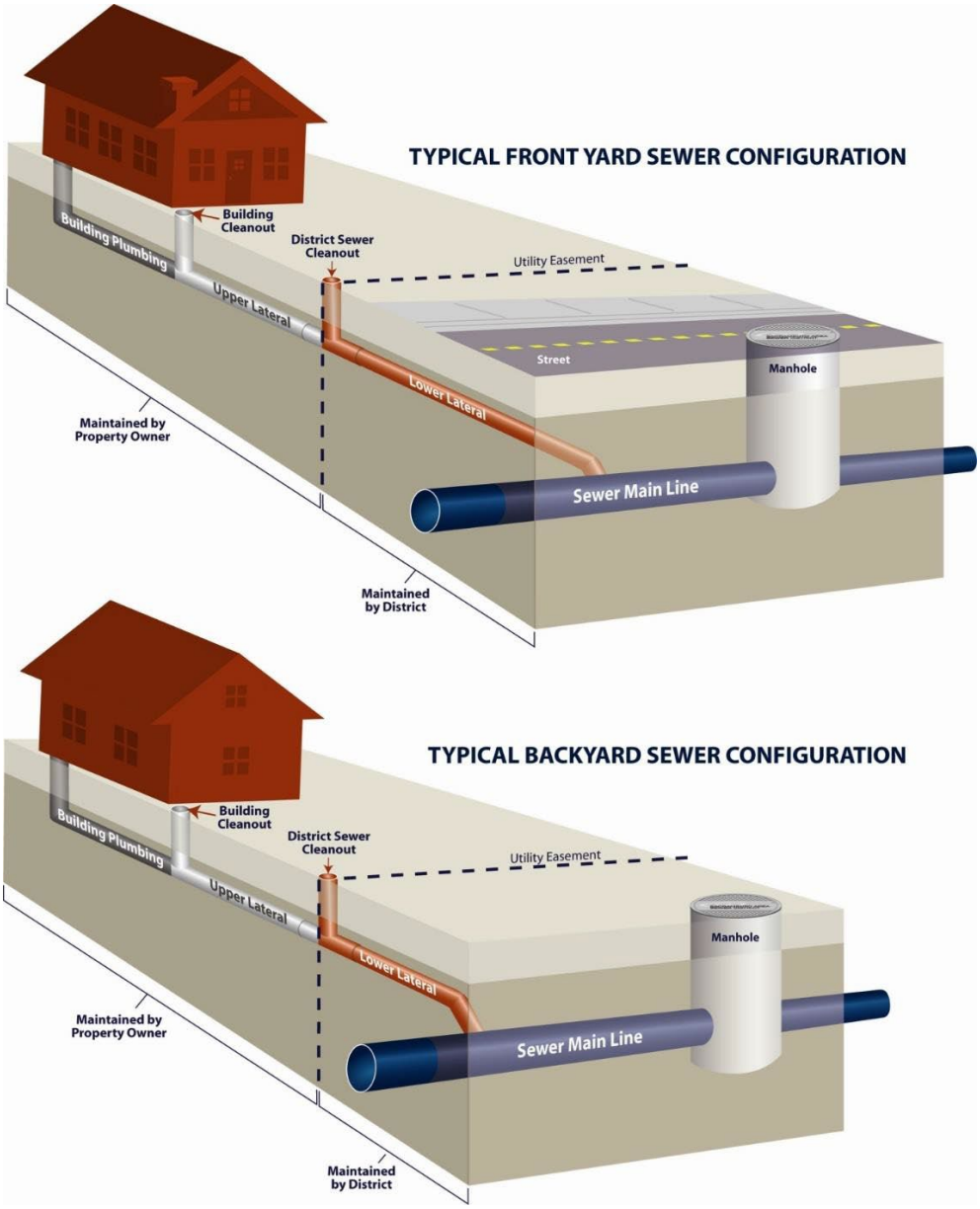
a. The upper lateral shall be kept free from roots, grease deposits, and other solids that may impede the flow or obstruct the transmission of waste

b. All joints shall be tight, and all pipes shall be sound and free from structural defects, including cracks, breaks, and missing portions, to prevent infiltration and ex-filtration of waste by groundwater or stormwater

c. No drains or other appurtenances that collect stormwater or surface water shall be connected to the upper lateral

The District owns and is responsible for clearing stoppages and for inspecting, maintaining, and repairing the lower lateral. District and owner responsibilities are illustrated in Figure 1 on the following page.

Figure 1:


TYPICAL FRONT YARD SEWER CONFIGURATION
Building Cleanout
Building Plumbing
District Sewer Cleanout
Utility Easement
Upper Lateral
Street
Manhole
Lower Lateral
Maintained by Property Owner
Sewer Main Line
Maintained by District
TYPICAL BACKYARD SEWER CONFIGURATION
Building Cleanout
Building Plumbing
District Sewer Cleanout
Utility Easement
Upper Lateral
Manhole
Lower Lateral
Maintained by Property Owner
Sewer Main Line
Maintained by District

In the absence of a clean-out in the lower lateral, the District reserves the right, subject to approval by the property owner, to install a cleanout at the upstream-end of the lower lateral, or in close proximity thereto. The District maintains sole responsibility for mainlines owned by the District.

Low Pressure Sewer Systems

Low pressure sewer systems are not allowed without approval of the District. If a low pressure sewer system is approved, a private sewer maintenance agreement shall be executed and recorded on all participating properties which will include a delineation of ownership and maintenance responsibilities.

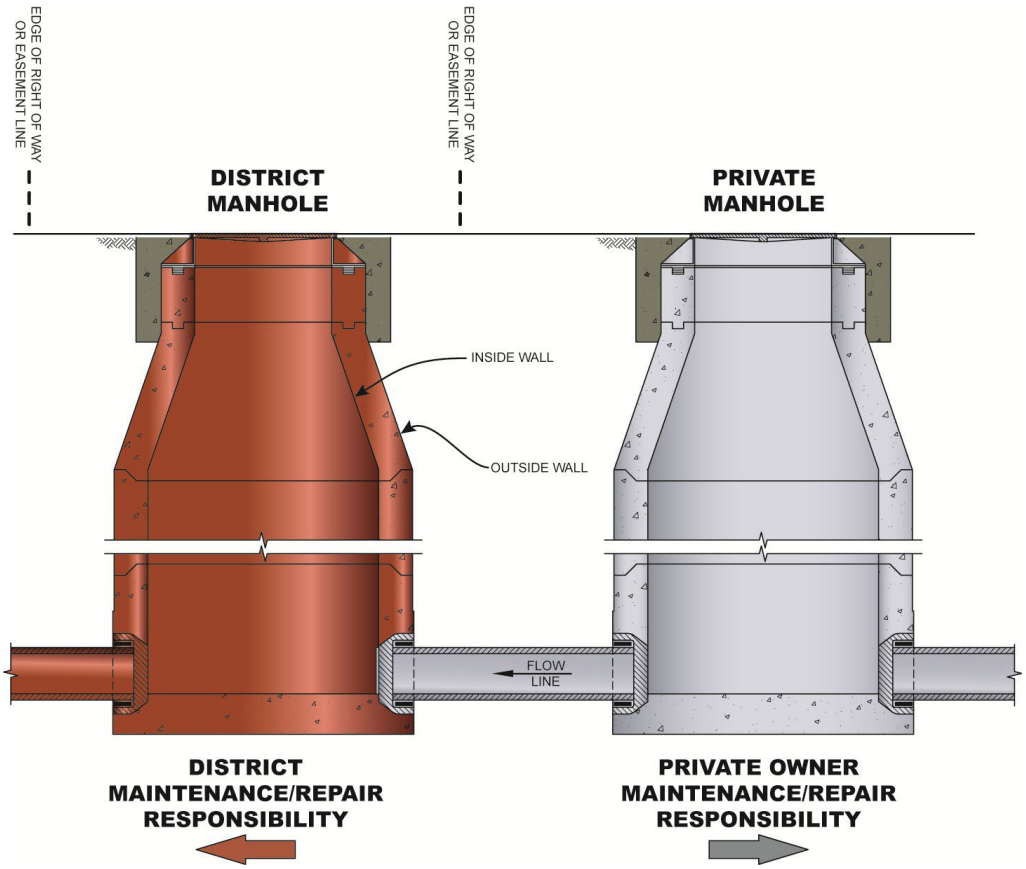
In cases where a parcel or structure is served by a low pressure sanitary sewer collection system, the owner or official/designated owner's group has the sole responsibility for ownership, operation, and maintenance of the low pressure sewer system outside of the utility easement, unless otherwise approved by the District.

The District is not responsible for backups into structures or overflows onto the owner's real property or adjacent real properties caused by grinder pumps, including, but not limited to, a loss of power to or plugging of the grinder pump.

Private System

In cases where a District manhole has been installed to separate a private system from the District sewer system, the end of the pipe at the inside of the upstream wall of the District manhole marks the limit of the District's maintenance and repair responsibility. This responsibility is illustrated in Figure 2 on the following page.

Figure 2



Any customer that violates these regulations will be liable to the District for all direct and indirect costs, expenses, and damages associated therewith, and may be subject to civil liability and/or criminal prosecution.

AR 6021 Industrial Pretreatment and Pollution Program

Approved: December 12, 2006
Revised: February 25, 2009
Revised: October 7, 2016
Revised: January 16, 2019
Revised: September 15, 2024

In accordance with BP 6010, the District has established and maintains an Industrial Pretreatment and Pollution Prevention Program (IPPP) that complies with applicable state and federal wastewater discharge regulations and requirements.

The Industrial Pretreatment and Pollution Prevention Program (IPPP) is available on our website at www.EID.org/IPP. A direct link is provided below.

https://www.eid.org/home/showpublisheddocument/4683/637455321887170000

AR 6022 Requirements for the Control of Fats, Oils, and Grease from Food Service Establishments

Approved: June 4, 2009
Revised: January 16, 2019
Revised: September 15, 2024

In accordance with BP 6010, the District controls the amount of fats, oils and grease entering the sewer system from food service establishments to comply with applicable state and federal wastewater discharge requirements and regulations.

The *Requirements for the Control of Fats, Oils, and Grease from Food Service Establishments* document is available on our website at www.EID.org/IPP. A direct link is provided below.

https://www.eid.org/home/showdocument?id=4862&t=638614806072270000

BOARD POLICY 7000

RECYCLED WATER

BP 7010 Authorized and Mandated Use of Recycled Water

Adopted: September 25, 2006
Supersedes: Regulation No. 31
Revised: November 12, 2013

The District mandates the future use of recycled water, wherever economically and physically feasible, as determined by the Board, for non-domestic purposes when such water is of adequate quality and quantity, available at a reasonable cost, not detrimental to public health, and not injurious to plant life, fish, and wildlife. The type of use is defined in Title 22 of the California Code of Regulations. In general, the lands subject to mandatory recycled water use are defined in the most current version of the District's Master Plans.

The District shall have authority to monitor and inspect the entire recycled water system, including on-site facilities, to ensure and enforce compliance with all applicable requirements and standards. The District shall have the right to access customers' premises as required for these purposes. The District may impose penalties and fines and require corrective action for misuse of recycled water.

AR 7010 Suitability of Recycled Water Supplies

Approved: December 12, 2006

Recycled water supplies will meet the applicable conditions in Title 22 of the California Code of Regulations for tertiary treated wastewater.

AR 7011 Determination of Required Use

Approved: December 12, 2006
Revised: November 12, 2013

Non-domestic use includes, but is not limited to, commercial landscape irrigation, residential or multi-family dual plumbed landscape irrigation, construction water, industrial process water, and recreational impoundments.

The criteria for determining whether recycled water is feasible for a particular property or non-domestic use include the following factors:

- The property is located within an area as defined in the most current version of the District's Master Plan.
- Recycled water may be furnished for the intended use at a reasonable cost to the customer and the District.
- Recycled water is of adequate quality for the intended use and does not require significant additional on-site treatment beyond that required for potable water.
- The use of recycled water is consistent with all applicable federal, state, and local laws and regulations.
- The use of recycled water will not be detrimental to the public health and will not adversely affect plant life, fish and wildlife.

AR 7011.1 Residential dual plumbed water EDU ratio

For residential dual plumbed connections, the District will allocate water EDUs on a 2.5 to 1 ratio (i.e., 2.5 dual plumbed connections = 1 water EDU) in recognition that, based on current demand data, the annual potable water requirement of dual plumbed residential connections is approximately 40% of a full potable connection, including potable supply supplementation of the recycled water system. The District may periodically review and update this allocation based on the then-current demand data.

AR 7012 Construction and Inspection of Facilities

Approved: December 12, 2006

To ensure the health and safety of the public, on-site facilities shall be constructed and inspected to conform to the District's On-Site Facilities Design and Construction Standards and in accordance with the District's Master Reclamation Permit issued by the Regional Water Quality Control Board - Central Valley Region.

The District shall have the ultimate responsibility and authority to monitor and inspect the entire system to ensure and enforce compliance with all applicable standards, regulations, User Reclamation Plans, and Engineer's reports. For these purposes, the District shall have the right to access the customer's premises as required.

AR 7013 Discontinuation / Interruption of Service

Approved: December 12, 2006
Revised: March 20, 2012

It is the goal of the District to provide continuous service and, in the event of a service disruption, to resume service in an expedited manner. When misuse has been established and penalties and fines are not paid or corrective action is not taken within the prescribed time frames, service may be temporarily terminated. Service will be restored when penalties and fines are paid and/or corrections are made.

AR 7013.1 Supply

The District reserves the right to limit the use of recycled water when supplies are limited.

AR 7013.2 Misuse of Recycled Water

Penalties and fines shall be imposed for misuse of recycled water, and the customer will be required to take corrective action as prescribed by the District. Misuse of recycled water includes, but is not limited to, the following:

- Modification or relocation of the meter, which results in nonconformance with District requirements.
- Intentional non-permitted discharges; for example, discharge to surface water or pond overflow.
- Intentional cross connection; for example, connection of the recycled water system to the potable water system.
- Non-approved system installations or modifications; for example, irrigation system modifications that have not been reviewed, approved, and/or inspected by the District, excluding drip systems and sprinkler heads.
- Theft of recycled water; for example, unmetered use of water or meter tampering.
- Non-compliant use of recycled water; for example, use that is not in compliance with the User Reclamation Plan, engineer's reports, and/or the provisions of Title 22 of the California Code of Regulations.
- Operational non-compliance; for example, system operation that is not in compliance with the site User Reclamation Plan or engineer's reports such as irrigating outside of the allowable time period.

- Noncompliance with applicant agreement, engineer's reports, or User Reclamation Plans. This applies to the developer or owner of a development who does not follow the specific requirements outlined in the applicant agreement, engineer's reports, and/or User Reclamation Plans.

AR 7013.3 Fines and Penalties

Misuse of recycled water may result in discontinuation of service, penalties, and fines. Penalties and fines paid to the District shall be designated to reimburse operating expenses and/or environmental restoration projects, payment of fines to regulatory agencies, or otherwise according to the District's fines and penalties schedule.

When determining the level of penalty and/or fine, the District will consider all relevant facts and circumstances and may consult with regulatory agencies such as the Department of Health Services (DOHS), Central Valley Regional Water Quality Control Board (CVRWQCB), and/or other resource agencies as appropriate. The District reserves the right to impose fines and penalties in excess of those described above, including possible termination of service, upon a finding of gross negligence or willful misconduct.

A customer may appeal the District's imposition of a penalty and/or fine. Appeals shall follow the procedures of AR 1041.6.

BOARD POLICY 8000

HYDROELECTRIC SYSTEM

BP 8010 Hydroelectric System Management

Adopted: October 11, 2006
Supersedes: N/A

The District maintains and operates its hydroelectric generating facilities in a safe, efficient, and environmentally responsible manner, and in compliance with all applicable federal and state permits and regulations, the terms of the Federal Energy Regulatory Commission license, and all related agreements. Hydroelectric power generation shall be compatible with the District's consumptive water supply operations.

AR 8010 Priority of Consumptive Water Diversion over Power Generation

Approved: December 12, 2006

The hydroelectric power generation shall be synchronized with consumptive water production with the intentions to maximize power generation. When the General Manager determines there is a conflict between hydroelectric generation and consumptive water production, priorities shall be given to consumptive water production.

AR 8011 Participation in Power Markets

Approved: December 12, 2006

The District shall market its electric generating capacity and energy to the fullest extent possible by using a combination of power marketing strategies, which offer the optimal blend of maximum revenue with acceptable risk levels. Such power markets may include, for example, non-firm energy generated as available, day-ahead firm energy, renewable energy, and ancillary services. The District shall remain up-to-date in regards to electric power marketing strategies, associated risks, and changes.

AR 8012 Emergency Preparedness

Approved: December 12, 2006

The District shall maintain a set of Standard Operating Procedures for the hydroelectric facilities. The SOPs will include emergency preparedness guidelines and recommendations designed to avert the need to invoke an emergency or mitigate the consequences of an emergency.

In addition to the SOPs, the District shall maintain Emergency Action Plans for each of the dams licensed by the Federal Energy Regulatory Commission (FERC). The dam EAPs will be updated periodically and exercised annually by way of either tabletop exercise or a functional exercise.

AR 8013 System Operation

Approved: December 12, 2006

The District shall operate and maintain its hydroelectric system of ditches and powerhouse in a safe and cost-effective manner, in compliance with regulatory requirements and industry standards.

AR 8014 Priority of the Dam Safety Program

Approved: July 10, 2012

The District shall maintain a dam safety program to safeguard the public, the environment, and its hydroelectric facilities. This will be facilitated through the Owner's Dam Safety Program (ODSP), as required by the Federal Energy Regulatory Commission; applicable to the District's high and significant hazard potential dams.

The ODSP shall assure that dam safety is of the highest priority within the District's organization through: acknowledging dam safety responsibilities; promoting internal communication throughout the organization; clearly designating responsibility for maintaining dam safety; allocating adequate resources to dam safety; and continual learning in dam safety.

BP 8020 Additional Generation Opportunities

Adopted: October 11, 2006
Revised: August 10, 2009

The District shall seek to augment its electric energy and capacity revenue stream, and/or reduce its operational energy expenses, by adding new generation facilities whenever they are economically viable.

It is the policy of the El Dorado Irrigation District that resources planning and infrastructure, including water and wastewater systems, emphasize renewable energy and energy efficiency toward a goal of energy independence for El Dorado County and its citizens.

BOARD POLICY 9000

CUSTOMER SERVICE

BP 9010 Customer Service

Adopted: November 11, 2006

The District strives to meet or exceed customers' reasonable expectations for service through innovative thinking, effective issue resolution, and execution of strategic plans.

AR 9010 Access to Programs, Services, and Facilities

Approved: November 6, 2008
Revised: January 24, 2020

The El Dorado Irrigation District (EID) provides access to its programs, services and facilities to persons with disabilities in accordance with Title II of the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. §§ 12131-12134), its implementing regulation (28 C.F.R., part 35), and other applicable federal and state laws. The District's Human Resources Director or designee is the initial point of contact for inquiries or complaints regarding accessibility.

AR 9011 Use of District Facilities

Approved: April 22, 2010

District facilities shall be used only for activities that are directly related to or advance the District's mission. The use of District facilities by non-District personnel directly relates to or advances the District's mission if all of the following conditions are satisfied:

- The use is by an organization of which the District or any of its employees is a member.
- The organization's mission or activities are directly related to a business function of the District.
- District personnel are eligible to attend and participate in the activity for which the District facility is being used.
- The activity will further the professional development or personal health of District personnel, or otherwise advance the District's interests.
- The organization has agreed to reimburse the District for any documented District costs incurred solely as a result of the facility use.
- An authorized representative of the organization furnishing the activity has executed a District-approved liability waiver and release form, and the organization has provided satisfactory evidence of insurance coverage in types and amounts reasonably deemed necessary by the District. If the Office of the General Counsel approves, the District may waive any or all of these liability and insurance requirements.

BP 9020 Establishing New Service

Adopted: November 11, 2006
Revised: January 8, 2018
Supersedes: Regulation Nos. 1, 5, 6, 8, 12, 14, 17, 18, 22

The District provides drinking water, recycled water, and wastewater services to residential, municipal, commercial, industrial, and agricultural customers within the District's service area, or outside the annexed service area but within the District's sphere of influence when allowed by law and approved by the Board in response to documented health and safety concerns. Staff shall present all proposed out-of-District service connections to the Board for approval as action items during a noticed regular meeting of the Board. These services are subject to the provisions of all Board Policies and applicable Administrative Regulations and to the payment of appropriate rates, fees, deposits, and charges.

AR 9021 Eligibility for Service

Approved: December 12, 2006
Revised: July 24, 2012
November 6, 2015
January 24, 2020
June 24, 2025

When applying for and receiving service from the District, each customer covenants and agrees to be bound by and to comply with all applicable laws, the District's Board Policies and Administrative Regulations, and all terms of signed service agreements.

Except as otherwise indicated in the District's Board Policies and Administrative Regulations, new service will be provided subject to the following conditions:

The land to be served is within the service area and becomes subject to the indebtedness of the District and annexed to the District.

The applicant or authorized agent shall make application for service and pay all applicable water, wastewater, and recycled water connection charges.

If the property to be served is intended or required to have water, recycled water, and/or wastewater service, then all services must be listed and paid for in the application process.

Water, recycled water, or wastewater pipelines that serve no accounts currently paying base charges and which remain inactive for more than two years, shall be deemed abandoned.

Raw Water - The District no longer accepts applications for raw water service.

Drinking Water - A District water main of adequate capacity and pressure must exist in a right-of-way abutting a principal boundary of the land to be served, or adequate mains, pumps, and storage facilities (as solely determined by the District) must be constructed in accordance with the District's Design and Construction Standards, Board Policies and Administrative Regulations.

Recycled Water - The District requires that customers use recycled water, wherever feasible, for future non-domestic purposes when it is of adequate quality and quantity, available at reasonable cost, not detrimental to public health, and not injurious to plant life, fish, and wildlife as determined by the District. In general, the lands subject to mandatory recycled water use are as defined in the most current version of the District's Recycled Water Master Plan.

Wastewater - A sewer main of adequate capacity must exist in a right-of-way abutting a principal boundary of the land to be served, or adequate wastewater facilities, including lift stations and collection facilities, must be constructed in accordance with the District's Design and Construction Standards, Board Policies and Administrative Regulations.

Commercial Private Fire Service - A private fire service is required for commercial customers who request water for fire suppression other than from public fire hydrants. The principal boundary of the property must abut a District water main of adequate size, capacity, and pressure, unless the applicant receives prior approval from the District. The District does not guarantee any range of pressure or rates of flow and is not liable for damage to the private fire service because of water pressure. The District reserves the right to require a metered service be installed and to disconnect a private fire service if water is taken through the detector check assembly for any use other than fire suppression. The District is not liable for any loss or damage due to such action. *See Administrative Regulation 5014 for more information on commercial and residential fire suppression services.*

Small Farm Irrigation and Agricultural Metered Irrigation Service - To qualify for small farm or agricultural metered irrigation service rates, users must meet all of the requirements set forth in AR 9024.

AR 9021.1 Failure to apply for service

Anyone using water, wastewater, and recycled water services without having applied to the District shall be held liable for these services from the date of any previous meter reading that most nearly coincides with the actual date the services were first used. Should any unmetered or unauthorized use of District services be verified by District staff, water, recycled water and/or wastewater services may be severed until services are purchased at current costs and any fines for unauthorized use are paid in full.

AR 9021.2 Acceptance of application(s) for service

The District will accept applications for water, recycled water, and wastewater services after determining that all conditions of eligibility have been met. For acceptance, applications must be accompanied by all supporting documentation requested by the District. The District's acceptance of an application for service is not a guarantee that a service connection will be made or service provided.

In compliance with Government Code section 65589.7 or its successors, District staff shall prioritize the processing of applications for service made by developments that include housing units affordable to lower income households.

No service connection will be made if it is found that actual conditions or operation of facilities would violate the District's Board Policies, Administrative Regulations, and Design & Construction Standards.

AR 9022 Payment of Service Connection Charges

Approved: December 12, 2006
Revised: August 19, 2019
January 24, 2020

Applicants who meet District requirements for service shall pay a facility capacity charge (FCC) for each service connection. This and all other appropriate fees, surcharges, and inspection and construction costs, if any, must be paid in full prior to receiving service. Payment shall be made by the owner of the property benefiting from the service or by others with the owner's written consent and permission.

AR 9022.1 Refunds and transfers

Once paid, fees, application costs, FCCs, and surcharges are not refundable except if the County/City nullifies or modifies a proposed project or subsequently deems the lot unbuildable. The applicant must provide appropriate documentation of the change or modification, and the District will deduct the appropriate administrative fee from the refund. Any FCC-related refunds will be issued to the current owner of record and will be equal to the amount paid at the time of purchase and not based on the current value/costs in place at the time of refund

Once paid, application costs, FCCs, and surcharges cannot be transferred to other parcels except if a boundary line adjustment reduces the water demand for a second service, the County/City modifies a project, the County/City certifies the lot as unbuildable, or as deemed appropriate by the District. All transfers between parcels must be under the exact same ownership and requests made in writing to the District. Verification from either the City or the County will be required if a project is modified or the lot is deemed unbuildable. All transfers are subject to the District's Board Policies and Administrative Regulations in effect at the time the transfer is approved. For service transfers, the FCC value shall be equal to the current FCCs in place at the time of transfer. Any additional FCCs, meter relocation fees, including materials and labor, must be paid in full prior to proceeding with the transfer.

AR 9022.2 Fee Deferral for Affordable Housing

Single-family or multi-family development projects that meet affordable housing criteria for persons and families of low or moderate income, as defined by California Health & Safety Code section 50093 and related enactments, or their successors, may be eligible to defer the payment of FCCs and associated fees otherwise owed to the District at the time of the issuance of a building permit by the local building official. The maximum fee deferral period will not exceed 12 months, and the District will not issue, install or certify water, sewer or recycled water meters or connections until the FCCs and associated fees are paid in full.

As a condition of the request for deferment of fees, the property owner will execute an Agreement to pay the fees. The Agreement will be in recordable form, and upon recordation by the county recorder shall constitute a real property lien for the payment of the fees which shall be enforceable against successors in interest to the property owner. Interest (equal to the prevailing prime lending rate on the date the Agreement is signed, plus 2%) will be charged on all amounts deferred and will accrue from the date the Agreement is signed.

AR 9022.3 Individual Residential Facility Capacity Charge Payment Plan

Applicants may utilize a payment plan to finance the FCCs, the meter charge, and the related surcharges subject to the following requirements:

a. The maximum payment plan amount is the prevailing single family residential connection FCC rate, plus the cost of the meter and associated surcharges.

b. The payment plans are made for periods of ten years or less, and interest is fixed at the prevailing prime rate plus 2%.

c. The applicant must agree to pay in full any and all amounts subject to the provisions herein upon financing, refinancing, or sale of the property associated with the FCC.

d. The District will record a lien against the applicant's property for the entire payment plan amount; and the applicant is responsible to pay all recording fees.

e. Applicant must demonstrate financial need through active participation in one or more State or County sponsored low-income programs. Provided, however, that this requirement may be waived by action of the Board of Directors upon finding that the applicant has submitted sufficient information to show that he or she will suffer undue economic hardship, absent a payment plan.

f. Payment plan billing will be included on the bi-monthly utility bill.

g. Collection procedures for non-payment will be consistent with current water utility bill collection.

AR 9023 Non-Standard Service

Approved: December 12, 2006
Revised: January 24, 2020

When, in the sole determination of the District, satisfactory service cannot be supplied from District mains because of elevation, location, or other factors, the District reserves the right to refuse service or to require the applicant to provide a written release from liability for any damages or inconvenience that may occur by reason of insufficient pressure, inadequate volume, or intermittent supply. Applicants must, at their own expense, provide private pipelines, storage facilities, and/or pumping plants sufficient to meet their needs.

AR 9024.1 Small Farm

Approved: December 12, 2006
Revised: July 13, 2012
August 20, 2013
July 14, 2014
November 4, 2014
August 10, 2015
February 11, 2019
May 13, 2019
January 24, 2020
June 24, 2025
February 12, 2026 | AR 9024 separated into 9024.1 and 9024.2

New or existing customers seeking to qualify for the Small Farm rate must meet the Eligibility Requirements listed below. Customers who plan to begin a small-farm operation but do not yet meet the Eligibility Requirements for the Small Farm rate, or who have not begun agricultural development, will be assigned as follows: new customers will be placed on the appropriate billing rate when the new account is opened, and existing customers will remain on their current rate until all Eligibility Requirements are met. Once the District verifies that all Eligibility Requirements are satisfied, the customer will be reassigned to the Small Farm rate within the next billing cycle.

The right to receive the Small Farm rate is not perpetual and does not transfer automatically with the property. If the property is sold or transferred, the District may require the new owner to apply to renew the rate or may reclassify the account to the appropriate billing rate (for example, Single Family Residential) until the new owner meets the Eligibility Requirements. During periods when the Board has declared drought conditions, the District will not process any new or recertification applications for the Small Farm Rate that involve new plantings.

Small Farm Irrigation Eligibility Requirements

- Minimum parcel size is 1.0 acre per County Assessor's Office records.
- Minimum 0.5 acre planted in eligible agricultural crops (per El Dorado County's Annual Crop Report) and/or qualifying livestock as a marketable product in accordance with county zoning.
- Maintenance of the crop and/or qualifying livestock to produce a marketable product.
- Submission of a valid Certificate of Compliance from the El Dorado County Department of Agriculture.
- The Small Farm rate will remain in effect for the customer and for the duration specified on the Certificate of Compliance.

Additional conditions apply in cases where parcels are modified or ownership changes. When multiple parcels under the same ownership and served by a single meter are

modified or sold, the meter will remain with the original parcel, or with the nearest new parcel in accordance with Administrative Regulation 9026, and one single water connection will be established for each parcel. A Memorandum of Agreement - Separation of Service shall be recorded against each commonly owned parcel. When a title change occurs, all parcels under separate ownership will be required to disconnect from the existing service, obtain a new water meter, comply with all Board Policies and Administrative Regulations, and pay the Facility Capacity Charges (FCCs) in effect at the time of purchase of the new service.

AR 9024.2 Agricultural Metered Irrigation (AMI)

Approved: December 12, 2006
Revised: July 13, 2012
August 20, 2013
July 14, 2014
November 4, 2014
August 10, 2015
February 11, 2019
May 13, 2019
January 24, 2020
June 24, 2025
February 12, 2026 | AR 9024 separated into 9024.1 and 9024.2

Customers applying for new agricultural meters must ensure that the property is suitable for agricultural use and capable of meeting the Agricultural Meter Irrigation (AMI) Eligibility Requirements listed below within 12 months following meter installation to qualify for the AMI Facility Capacity Charges (FCCs) and billing rate. If the Eligibility Requirements are not met within the 12-month period, the account will be reclassified to the appropriate billing rate, and the customer will be charged the applicable FCCs, with bills recalculated and billed retroactively at the rate applied effective from when the meter was set.

Existing AMI customers applying for the agricultural rate on a new parcel or meter must ensure that the appropriate meter size is installed and that the property is suitable for agricultural use and capable of meeting the AMI Eligibility Requirements within 12 months of notifying the District's Utility Billing Division in writing of their intent. If these requirements are not met within the 12-month period, the account will be reclassified, and the applicable rate will be applied with bills recalculated and billed retroactively effective from the date the District was notified of the customer's intent to pursue agricultural use. Customers who do not have the appropriate meter size and intend to purchase an agricultural meter will follow the same steps as new agricultural customers.

Under extenuating circumstances demonstrated to the District, the General Manager may grant an extension at the District's discretion. The length and terms of the extension will depend on the nature of the circumstances.

AMI Eligibility Requirements

- Minimum 10.0 acres of irrigated pasture, or a minimum of 5.0 acres planted orchards, groves, vineyards, or other horticultural pursuits reflected in the El Dorado County's Annual Crop Report, with acreage determined by the El Dorado Department of Agriculture's guidelines for measuring crops.

- The AMI rate will remain in effect until there is a change in ownership or the property no longer qualifies for the rate. Surveys will be conducted upon change of ownership, and at the District's discretion, to ensure the property continues to

meet the eligibility requirements.

The following provisions also apply to AMI customers with multiple parcels. One meter may be installed to serve multiple parcels under the same ownership per Administrative Regulation 9026. The owner must provide sufficient county-recorded documentation of ownership. FCCs will not be assessed on the additional parcel(s); however, applicable billing unit charges will apply.

When multiple parcels under the same ownership and served by a single meter are modified or sold, the meter will remain with the original parcel or with the nearest new parcel. A Memorandum of Agreement - Separation of Service shall be recorded against each commonly owned parcel. When a title change occurs, all other parcels under separate ownership will be required to disconnect from the existing service, obtain a new water meter, comply with all Board Policies and Administrative Regulations, and pay the FCCs in effect at the time of purchase of the new service.

Agricultural (AMI) Equivalent Dwelling Units (EDUs) cannot be converted into Domestic Water EDUs. However, the monetary amount paid toward AMI EDUs may be applied on a dollar-for-dollar basis when purchasing Domestic EDUs on a qualified meter, subject to District approval.

AR 9025 Authorized Use of Water

Approved: December 12, 2006
Revised: August 20, 2013
January 24, 2020

The sole use of water furnished by the District shall be on the parcel that is specified in the customer's application for service. Water furnished by the District to a parcel may not be resold except by the City of Placerville which receives wholesale water from the District, or as otherwise approved in writing by the District.

The District provides temporary water use for authorized projects in three ways. Refer to AR 9073 for Temporary Water Use meters.

AR 9026 Water Meters

Approved: December 12, 2006
Revised: August 24, 2012
January 24, 2020
July 28, 2021
August 24, 2022
June 24, 2025

All delivered water will be measured by appropriate metering devices as determined by the District. Meters will be installed in full compliance with the District's Board Policies and Administrative Regulations; Water, Sewer and Recycled Water Design & Construction Standards; and payment of all appropriate connection charges.

At the time of application, the customer is responsible for selecting the appropriate meter size for the service being requested and for applying for a change in meter size if needs change over time. The District may reevaluate the meter installation and require a different size or type meter based on historic use or flow restrictions. Payment of additional FCCs will be required if upsizing of a meter is requested or required.

A single water connection and meter will be established for each parcel of land under separate ownership or that is separately described in the County records. No more than one parcel shall be serviced through a single meter, with the exception of agricultural accounts, where one agricultural meter may be installed to service multiple parcels under the same ownership for the purpose of irrigation. (See AR 9024). Water meter connections to transmission mains greater than 12-inches in diameter are prohibited. (See AR 5012).

District meters will be situated in easily accessible locations immediately adjacent to or within the owner's parcel on the principal boundary of the property abutting a County right-of-way satisfactory to the District. Exceptions to this requirement are authorized when the District's main does not conform to the perimeter boundaries of a parcel or lie within a right-of-way or vehicular access easement.

For community property, one meter may be installed to serve a parcel of land owned by a homeowner's association, such as a condominium, planned unit development or mobile home park, subject to a responsible entity entering into a contract with the District regarding payment of fees and conditions of service. Master location meters and sub-meters may be installed and used to meter commercial landscape irrigation on community property. (See AR 9027).

Meters are maintained by the District. Customers are responsible for all repairs to their systems on their sides of the meters. There is a one-year warranty on the gate valve starting from the date of installation regardless of the status of occupancy of the property. Customers are liable for meter repair costs if the District determines that

repair work was required as a direct result of excessive wear beyond meter design flow standards or other physical damage to the meter.

Any uninstalled service, whether water, recycled water or wastewater, that has not been installed in the ground, regardless of means of acquisition, must be installed on an active line, as defined by the District, upon request from the customer. Additionally, any idle service must be activated on an active line, as defined by the District. The District shall be under no obligation to re-activate abandoned or unused lines in order to serve an uninstalled or idle service. (See AR 9021).

AR 9027 Sub-Meters

Approved: December 12, 2006
Revised: January 10, 2013
January 24, 2020
January 3, 2023

Sub-meters are a conditional solution to manage sewer/water costs for mixed use commercial properties, as different businesses may have different sewer rates and/or no sewer usage (landscaping). They are not intended to be used to separate or manage tenant bills or usage. Sub-meters must feed off of a master meter, sit downstream from the master meter and cannot be larger than the master meter. Sub-meters have no EDU (Equivalent Dwelling Units) value and therefore are not subject to FCCs (Facility Capacity Charges).

Sub-meters may be used as follows:

- To meter permanent or long-term commercial establishments that exist in separate buildings or permanent portions of a building on the same parcel;
- Sub-meters shall not be used between adjacent commercial parcels. If a parcel splits, owner is responsible for purchasing a new meter for new parcel(s). See AR 9026;
- To meter commercial landscape irrigation;
- To meter mixed-use commercial developments;
- If adding a submeter to an existing service, the master meter may require upgrading to ensure accuracy;
- To meter any other uses, as reasonably deemed feasible and appropriate by District staff;
- All sub-meters are subject to time and material charges. See AR 11010;
- All service lines and devices downstream of the master meter, including the sub-meter, are the sole responsibility of the land owner;
- In addition to meeting the qualifications described herein, all sub-meter applications are subject to District staff inspection and approval.

AR 9028 Extension or Improvement of Facilities

Approved: December 12, 2006
Revised: January 10, 2013
April 1, 2013
January 24, 2020
July 28, 2021
August 24, 2022
June 24, 2025

When water, recycled water, and wastewater services are requested for property that is within District boundaries but does not abut an active District water or sewer main with adequate capacity, the District may require an extension or improvement of the District's system. Additionally, this requirement applies to uninstalled meters and/or services, and idle meters not paying a base charge. (See AR 9021 and 9026). Any improvements or extensions will be paid for by the applicant and must be designed and constructed to meet the District's then-applicable Water, Sewer and Recycled Water Design & Construction Standards and when completed, must generate revenues equal to or greater than the costs of staff, equipment or material necessary to operate the facility, plus general and administrative costs. The applicant will have the facilities designed by a licensed professional engineer with experience in the design and construction of the same type of system(s), and installed by an experienced, competent, and licensed contractor. Upon completion and after inspection and acceptance by the District, the facilities shall then be owned and operated by the District.

Extensions or improvements include but are not limited to water, recycled water, and wastewater mains, storage facilities, pump stations, pressure reducing stations, treatment facilities, lift stations, fire hydrants, and all appurtenances. Water main extensions off transmission mains greater than 12-inches in diameter are prohibited. (See AR 5012)

Other than the prohibition listed above, design of the facilities shall be in accordance with accepted engineering practices, current AWWA standards, and in compliance with the District's Water, Sewer and Recycled Water Design & Construction Standards. Improvement plans will be approved by the District Engineer or his/her designee. All facilities shall be installed in accordance with plans and specifications that have been approved by the District and are in conformance with the District's design standards, noted above, as they exist at the time of approval and at the time of installation

AR 9028.1 Facility Capacity Charge (FCC)

The District will not pass on to the existing customer the incremental cost for expansion of utility facilities and service to provide for growth. Expansion of District facilities to provide capacity for new development will be financed by facility capacity charges assessed to the developers. The extension of utility lines to the development will be

engineered and financed by the developer and subject to District approval in its sole discretion.

AR 9028.2 Inspection and Acceptance

District staff will inspect the construction of all new District facilities. The District will not accept or provide regular permanent service through a facility that has not been inspected and accepted.

The District will accept the project upon completion of the construction and successful testing, final inspection by the District, submission of as-built drawings acceptable to the District and all other required documentation, and payment of any outstanding monies due. The facilities shall be owned, operated, and maintained by the District except as specified below:

- Water service line from meter to building or end use.
- Recycled water service line from meter to end use.
- Wastewater service lateral from the cleanout located at or near the public utility easement line, or in the absence of such a cleanout, the public utility easement line itself to building or end use.
- Commercial fire sprinkler and/or private fire hydrant line from check valve or (if equipped) front of the backflow assembly to building or hydrant.

AR 9028.3 Payment of Costs

Applicants for extension or improvement of facilities shall pay the District's actual costs including but not limited to engineering analysis, designs, plan checks, preparation of environmental impact documents, hearings, reviews or preparation of improvement plans, construction inspections, as-built drawings, project administration, and usual overhead expenses allocated to such work.

AR 9028.4 First-Year Warranty Responsibilities

For a period of one year from the date of acceptance by the District, the property owner shall warrant for the repair of all defects, leaks, or failure occurring in the facilities that are, as determined by the District, due to negligence in the manufacture and/or installation of the facilities, exclusive of operation of the system by the District, its agents, or natural disasters. Failure by the property owner to pay for any of these repairs after being billed by the District will result in the District placing a lien against the property.

When the facilities serve a residential subdivision, the applicant or the applicant's contractor shall submit a one-year repair surety, which may be a bond, certificate of deposit, or irrevocable letter of credit (in a form acceptable to the District) in an amount not less than ten percent of the construction costs of the facilities.

AR 9028.5 Reimbursement for Extension and/or Improvement

Property owners who extend or improve District water, wastewater, and/or recycled water facilities may qualify for reimbursement of costs, in whole or part, from the District, later users of the facilities, or a combination of the two pursuant to a written agreement with the District if such extension or improvements results in additional benefits to the District and its future customers beyond those for whom the facilities are being extended or improved. The applicant for reimbursement shall prepare estimates of construction costs and potentially benefitted parcels at its sole expense, for the District's review and determination of reimbursement eligibility. The agreement shall be executed prior to design approval and shall be part of the Extension of Facilities Agreement. Reimbursement agreements will not be considered after the start of construction. All reimbursements shall be made in arrears as sufficient funds become available to the District. All reimbursements shall be limited to actual, documented and District-approved costs incurred by the application prior to reimbursement. Reimbursement agreements shall have a maximum effective period of ten-years from the date of execution of the agreement.

AR 9028.6 Letters Issued by the District

Facility Improvement Letter - The District will issue a Facility Improvement Letter (FIL) for water, wastewater, and/or recycled water services to applicants requesting service to existing parcels, lands being subdivided, and lands being rezoned or involving petition for amendment to the County or City general plans. The FIL will be valid for three years from the date of issuance. An extension of up to one year may be granted upon request and submittal of the appropriate application documents and fees. The FIL will state the current availability of service and the ability of the District's existing system to provide the requested service. The District may require the submittal of a Facility Plan Report (FPR) for approval if deemed necessary because of project size or complexity. The FPR will be valid for two years from the date of approval, unless otherwise approved by the District.

Meter Award Letter - The District will issue a Meter Award Letter to eligible applicants once all District requirements have been met, the applicant has complied with all construction and maintenance bonding requirements and all of the following has been received by the District:

- Facility Improvement Letter
- Approved Facility Plan Report, if required
- Extension of Facilities application and fee, if required
- Environmental documents
- Payment of all applicable water, wastewater, recycled water and other connection fees
- Approval of Annexation, if required
- Agreements approved and signed by the EID Board of Directors, if required

- Land rights being or guaranteed to be conveyed to the District
- All Engineered Improvement Plans approved by the District Engineer and payment of associated fees
- Project complete and accepted by the District, or the construction costs fully bonded.

Status Letter - Upon request, the District will issue a letter to eligible applicants meeting the following conditions:

- Water, wastewater, and/or recycled water improvements have been completed and accepted by the District (Notice of Completion issuance)
- Applicant has supplied the District with parcel numbers, lot numbers, and addresses for each parcel.

AR 9028.7 Exceptions to Extension or Improvement of Facilities Requirements

Water, wastewater, and recycled water services that meet all of the criteria listed below may request variance from the requirement for extension or improvement of facilities.

Criteria for a temporary off-site metered connection for domestic water:

- The property does not front a District water main extension.
- An upgrade to District facilities is not required to provide a minimum level of service as defined in the District's Design and Construction Standards. The parcel to be served shall be located within 1500 linear feet (measured along the path of the service line) from a water line that has capacity and meets the District's minimum line size criteria, as determined by the District Engineer or their designee.
- The property applying for off-site service has been or will be developed as a single-family residence. Off-site meters shall not be authorized for the purpose of subdividing residential properties.
- For new single family residential projects, the applicant provides written verification from the appropriate fire district indicating that the fire protection district will not require the installation of a new public fire hydrant.
- The property owner enters into an "Off-site Service Agreement" which will be recorded with the County Recorder's Office and reflected on a title search of the property.
- District staff reasonably determines that an extension of facilities to the property would not be in the best interest of the District or surrounding properties.
- For properties applying for off-site service on the basis of hardship, documentation of well failure issued by a certified well company must be provided. District staff shall make hardship determinations on a case-by-case basis.

- Offsite meters for “agriculture only” will be considered on a case-by-case basis. Agriculture meters greater than 2” are generally not approved.
- The applicant provides a copy of a properly recorded minimum 10-foot-wide easement allowing the property owner to install, operate, maintain, repair, and replace the private service line, extending from the public water main up to the property to be served. All proposed and recorded easements are subject to the review and approval of District staff prior to the issuance of a water meter.
- All approved offsite water services will be required to install backflow protection. The protection shall be a minimum of a Reduced Pressure Principle Backflow Prevention Assembly (RP).

Approval for a temporary off-site connection will expire twenty-four months from approval if the applicant has not signed an agreement or submitted payment of all applicable fees for the meter. The water meter shall be installed within one year of the date of Offsite Service Agreement, or the agreement will be void.

Criteria for private wastewater service:

- District staff reasonably determines that an extension of facilities to the property would not be in the best interest of the District or surrounding properties.
- A system improvement is not required to provide a minimum level of service.
- The property owner enters into an “Off-site Service Agreement” which will be recorded with the County Recorder’s Office and reflected on a title search of the property.
- The private wastewater line shall be constructed by the property owner in accordance with District standards and shall be inspected by the District. Subsequent maintenance and repair is the responsibility of the property owner.
- The applicant provides a copy of a properly recorded minimum 10-foot-wide easement allowing the property owner to install, operate, maintain, repair, and replace the private service line, extending from the public sewer main up to the property to be served. All proposed and recorded easements are subject to the review and approval of District staff prior to the issuance of a water meter.

AR 9028.8 Land Rights Schedule

The applicant shall provide all land easements and right-of-way to the District as follows:

- Non-subdivision and minor land division: prior to signing improvement plans
- Subdivision, off-site: prior to signing improvement plans
- Subdivision, on-site: prior to recording final map, or dedicated by the map. Any on-site dedicated easements will be provided prior to signing improvement plans.

AR 9029 District Access to Facilities

Approved: December 12, 2006
Revised: January 24, 2020

When applying for and receiving service from the District, customers authorize appropriate District employees and agents to enter their properties at reasonable times for the purpose of reading, inspecting, testing, checking, repairing, maintaining, or replacing the District's meters, customer owned backflow prevention devices, and other equipment and facilities. Any fences or other structures that restrict access to new or existing District facilities shall have proper gates or other means to permit reasonable access to the facilities.

BP 9030 Annexation of Land to the District

Adopted: November 11, 2006
Supersedes: Regulation No. 23

The District has the authority to annex property to benefit the operations, management, and implementation of District functions. The General Manager and/or the General Counsel and their designees may represent the Board of Directors in negotiations. It takes a majority vote of the Board to approve all annexations.

AR 9031 Application for Annexation

Approved: December 12, 2006

The District will accept an application for annexation upon determining that all conditions of eligibility have been met and appropriate fees have been paid. A Facility Improvement Letter is a prerequisite to acceptance of an annexation application and will determine if extension to District facilities will be needed.

Annexation of land to the District provides the potential for drinking water, recycled water, and/or wastewater services, but does not guarantee that these services will be available when requested.

If the annexation is not authorized to proceed, the proposal terminates and the applicant must wait one year to apply again.

AR 9032 Recording of Annexation

Approved: December 12, 2006
Revised: January 24, 2020

Before an annexation is completed with the Local Agency Formation Commission (LAFCO), any current impact fee must be paid. If the annexation is terminated, any applicable paid impact fee is refunded, and no accrued interest is paid to the applicant.

BP 9040 Improvement and Assessment Districts

Adopted: November 11, 2006
Supersedes: Regulation No. 19

The District may establish Improvement Districts to benefit District operations, capital facility planning and funding or other implementation of District functions. The General Manager and/or the General Counsel and their designees may represent the Board in negotiations. It takes a majority vote of the Board to approve all improvement and assessment districts.

BP 9050 Payment for On-going Service

Adopted: November 11, 2006
Supersedes: Regulation Nos. 5, 15

The District's Board of Directors establishes charges and rates for water, recycled water, and wastewater services.

AR 9051 Billing

Approved: December 12, 2006
Revised: January 1, 2017
May 1, 2017
November 21, 2019
January 7, 2021
November 3, 2022
July 8, 2025

Billings will be sent periodically as established by the Board. Billings will be delivered by the United States Postal Service or via email notifications based on preferences established by the customer. The property owners are responsible for keeping the District advised of the correct mailing and/or email addresses where billings are to be delivered. Non receipt of a bill does not relieve an owner of any payment obligation to the District.

Accounts must remain in the legal owner's name at all times based on county records. In order to transfer services, the owner or authorized agent must provide proof of change of ownership through recorded title transfer documents or other legal documents that may be utilized to transfer title of a property. Property owners are responsible for all services provided through the date of the title transfer. Property owners that fail to notify the District in a change of ownership are responsible for all services billed until the notification of change.

Property owners may request that a tenant or renter be added to their account in order to receive bills and have access to the account information, providing the District receives a completed Owner/Tenant Agreement. This agreement does not release the property owner from responsibility for any unpaid charges. Tenants or renters who are not listed on the account and contact the District regarding matters concerning billing and/or service will be referred to the property owner. However, if a tenant or renter wants to pay a bill to avoid late fees and/or liens being recorded, the District will accept payment towards the account.

AR 9051.1 Minimum bills

The District requires all accounts to be billed on a regular basis for water, recycled water, and wastewater services and any applicable surcharges from the date the meter is installed or final inspections occur. This includes accounts with no usage.

If a meter fails to register correctly or cannot be read during the billing cycle for any reason, the District may estimate, and bill usage based on historical or average usage for the specific address.

When ownership changes occur base charges for services will be pro-rated based on the number of days of service during the billing period.

Residential wastewater commodity calculations are performed annually, based on water consumption that occurs during the specific two-month winter billing cycle beginning in November and ending in February. Accounts that register zero usage during the calculation period will either be set at the prior year's calculation or the District average. New accounts will be set to the District average until the account can be reviewed at which time the lesser of the District average rate or first full billing cycle will be used until a winter billing cycle is established.

AR 9051.2 Disputed bills and fees

Any request for investigation of a disputed bill and/or fee must be made in writing. The fact that a bill may be in dispute does not justify non-payment. The bill shall be paid in full when due, while investigation and settlement of the dispute proceeds, or a payment plan established to avoid additional fees. If the District determines there has been a calculation error, the District will recalculate the charges back one year and apply an adjustment to the customer's account.

AR 9051.3 Bill adjustments

Leak Adjustments

The District may credit accounts if excessive delivery is the result of water leakage that occurs from underground or unexposed pipes beyond the discharge flange of the water meter. Credits may not be given when there is visible leakage, such as leaks from faucets, toilets, sprinklers and hose bibs or for wasteful use or the customer's acts, omissions or negligence.

The District must receive the request for credit in writing by completing an Adjustment Request Form within 60 days from the bill date of the bill that reflects the leakage. An adjustment will only be made after leaks have been repaired and it is reasonable to predict that the leak or loss will not occur again. The customer may be requested to submit repair receipts for verification that the leak has been repaired. Adjustments are for a single billing period and no more than one adjustment will be made to the same customer for the same premises in any five-year period.

When the District determines an adjustment is warranted, one-half (1/2) of the billed water costs in excess of the amount billed the previous year during the same billing period will be credited. If billing history has not been established for the same billing cycle for the previous year, the average of the water costs billed the previous six (6) billing cycles will be used. If the customer requesting the leak adjustment at the property where the leak occurred has not established usage history for six (6) billing cycles, the customer account is ineligible for an adjustment.

Residential Sewer Commodity Adjustments

The District may adjust accounts if excessive delivery is the result of water leakage that occurs from underground or unexposed pipes beyond the discharge flange of the water meter. The District will also take into consideration the filling of pools, and irrigation issues. Credits will not be given when the leakage enters into the sewer system to be treated, such as leaks from faucets and toilets.

The District must receive the request for credit in writing by completing an Adjustment Request Form within 60 days from the bill date of the bill that reflects the leakage. An adjustment will only be made after leaks have been repaired and it is reasonable to predict that the leak or loss will not occur again. The customer must submit repair receipts for verification that the leak has been repaired. Adjustments will be made for the initial billing period and be effective through the next winter billing period. No more than one adjustment will be made to the same customer for the same premises in any three-year period.

In most instances where a leak has occurred, staff will use the previous year's winter average usage to calculate the adjustment. If a customer moves to another location, the lesser of the District average rate or first full billing cycle will be used until a winter billing cycle is established.

Commercial Sewer Commodity Adjustments

The District may adjust accounts if excessive delivery is the result of water leakage that occurs from underground or unexposed pipes beyond the discharge flange of the water meter. The District will also take into consideration any water usage that did not transfer into the District's wastewater system such as the filling of pools and irrigation issues. Credits will not be given when there is visible leakage, such as leaks from faucets and toilets or for wasteful use or the customer's acts, omissions or negligence.

The District must receive the request for credit in writing by completing an Adjustment Request Form within 60 days from the bill date of the bill that reflects the leakage. An adjustment will only be made after leaks have been repaired and it is reasonable to predict that the leak or loss will not occur again. The customer must submit repair receipts for verification that the leak has been repaired. Adjustments are for a single billing period and will be calculated using last year's usage during the same billing period at the District's current rate. No more than one adjustment will be made to the same customer for the same premises in any one-year period.

The District may credit commercial sewer accounts if the commercial business manufactures or produces a liquid product for which potable water is a requisite input (e.g., brewery, winery, distillery, etc.). The District will take into consideration any billed water usage that did not enter into the District's wastewater system through the manufacturing process based on the type of business.

To acquire the credit, a commercial wastewater customer must complete and submit to the District a Commercial Sewer Adjustment for Manufacturing Request Form annually between January 1st and March 1st along with documentation filed with the State of California reflecting gallons of manufactured liquid product produced. Calculations will be prepared based on the reported amount of liquid product manufactured during the prior year. Adjustments will be made towards the prior year's billings.

AR 9051.4 Billing errors

If during an audit of customer accounts an error in a billing calculation or failure to bill for service is discovered, the District will calculate the amount of credit or additional charges to the customer's account, but will only calculate corrections back one year. All back billing issues will be monitored on a case-by-case basis. Customers will be notified in writing of changes to their accounts.

AR 9052 Payment

Approved: December 12, 2006
Revised: November 21, 2019

Bills are due and payable on mailing or presentation. Payment shall be made to the District's business office or to a collector authorized by the District.

AR 9052.1 Late payment charges

The District may impose a late payment charge on a balance of $10.00 or greater if not paid within five business days past the due date. Balances that remain unpaid after the first delinquent notice are subject to additional late fees until the past due balances are paid in full.

AR 9052.2 Returned checks

A returned check fee shall be paid for each check tendered as a payment to the District that is returned unpaid after negotiation by the District and a returned check charge fee will be assessed towards the account.

AR 9052.3 Charges against deposits

The District may charge any unpaid bills against any deposit made by the party liable for the bill.

AR 9052.4 Payment arrangements

For active accounts, payment arrangements may be extended to eligible customers in order to avoid additional penalties and/or a lien from being recorded against the property for delinquent balances. For accounts that are closed, payment arrangements may be extended in order to avoid collections.
If a customer defaults on a payment arrangement, the account must be brought current prior to extending the payment arrangement. If a customer defaults twice within six months, payment arrangements may not be extended until the account is in good standing for six months. If a customer defaults three times within a 12-month period, payment arrangements may not be extended until the account is in good standing for 12 months.

Customers who establish payment arrangements after receiving delinquency notices will be suspended from receiving additional notices or fees as long as the payment arrangement is honored as agreed. If customers default on this arrangement the

account will continue to receive subsequent delinquency notices and fees until paid in full.

AR 9053 Active Delinquency

Approved: December 12, 2006
Revised: July 25, 2008
August 20, 2013
November 21, 2019

When a customer's account becomes delinquent, the District will send a Past Due Notice by mail and assess a late fee, giving the customer an additional 10 days to make payment in full or if authorized, establish a payment plan. If the District does not receive payment or the customer does not establish a payment arrangement within the 10 days, the District will send a Second Past Due Notice to the customer by mail and assess an additional late fee. Accounts that remain delinquent may receive additional notifications via phone in an attempt to collect payment or establish a payment plan.

Account balances that remain unpaid for 120 days are subject to a lien being recorded against the property and may be collected through the property taxes on an annual basis.

AR 9054 Liens

Approved: December 12, 2006
Revised: November 21, 2019

The District may file liens in accordance with Section 25806 of the Water Code of the State of California against the properties of customers who fail to pay the District for service provided.

Account balances that remain unpaid for 120 days or more may receive a lien notification letter, sent to all parties on the account, via mail. The notification states that if payment is not received within 30 days or if authorized, a payment plan established, a lien may be placed against the property with additional fees being assessed to the account. Once a lien is recorded, the customer will receive notification of the lien via mail and will be informed that if payment is not made to satisfy the lien by July 1 of the current or following year, the lien may be assessed to the property owner's property taxes. Any balances transferred to the property taxes cannot be collected by the District and must be paid to the El Dorado County Treasurer-Tax Collector.

Liens recorded prior to being assessed to the property taxes will be released by the District once the balances are paid in full, including all applicable fees, or once the property changes hands through a bona fide sale. Additionally, it is the customers responsibly to pay the county recorder fees in order to release the lien. The fee can either be paid up front and assessed towards the account, or the customer can provide the District with a check made out to the El Dorado County Recorder's Office. Liens transferred to the property taxes will include the release fee and once paid will not require any additional payment for the release. Customers may be required to provide proof of property taxes being paid in full in order to release any liens.

AR 9055 Collections

Approved: December 12, 2006
Revised: June 15, 2014

Accounts that are closed and remain unpaid after a final bill has been issued are subject to collection notifications. Once a final account is 30 days delinquent, a notification letter is sent informing the customer of the District's collection process. If the account remains unpaid, 60- and 90-day delinquent notification letters will be sent. After the 90-day period, the District sends the account to a collection agency or transfers the delinquent balance to another account owned by the customer. Once the account is submitted to a collection agency, the District cannot collect payments for the account. The customer must contact the collection agency to make payment. Once a payment is received by the District from the collection agency, the account will be removed from collections.

AR 9056 Low-Income Assistance Programs

Approved: February 15, 2018
Revised: November 21, 2019

The District's low-income assistance programs will be administered on a first-come first-served basis, subject to available authorized funding. In order to qualify for an assistance program, the customer must: (1) be receiving a discount through the PG&E California Alternate Rates for Energy (CARE) Program for the same service address and name reflected on their EID account; and (2) satisfy any other criteria, terms, or conditions that the District establishes for the program.

To apply for the District's low-income assistance program, customers must complete and sign an application with the District and agree to and abide by all the program's terms and conditions. If District staff determines that the customer is eligible for the program and there is sufficient available authorized funding for the program, the customer will be approved for the program. Once approved, customers will receive low-income assistance, subject to available funding and the program terms, for a period of two years. To remain eligible for the program, the customer must keep their EID account in good standing by keeping the account current or entering into a payment arrangement authorized by District staff.

Should the customer's account balance become delinquent 120 days or more and a lien be recorded against the property, the customer's account will be removed from the assistance program and the customer will be ineligible to reapply for low-income assistance on any property served by the District for 12 months from the date of recorded lien. Customers may reapply only if the account remains in good standings during that 12-month period.

It is the responsibility of the customer to reapply every two years. If at any time the customer is removed from the PG&E CARE program or has any change to the household income that could affect their eligibility, the customer must notify the District immediately. Failure to notify the District may result in the back-billing to the EID account in the discount amount received with the low-income assistance program during the non-qualifying period and the customer will be ineligible to reapply for assistance at any property served by the District for a period of 12 months.

The District's low-income assistance programs are established at the discretion of the District's Board of Directors. Participation in an assistance program does not create or confer an entitlement to continued assistance. The low-income assistance program is subject to the availability of authorized funds for the program. If the District determines that there are insufficient funds for the program, or determines that changes to the program are desired, the District may modify or terminate the assistance program.

BP 9060 Discontinuance of Service

Adopted: November 11, 2006
Supersedes: Regulation No. 4

The District strives to maintain service to customers to the maximum extent possible. However, under specified circumstances where District policies and/or procedures and regulations are violated, notification of potential disconnection will be provided and discontinuation of service may follow, pursuant to District administrative regulations.

AR 9061 Disconnection or Discontinuation of Service

Approved: December 12, 2006
Revised: July 25, 2008
November 21, 2019

Failure to comply with applicable laws and the District's Board Policies and Administrative Regulations is sufficient cause to discontinue service until full compliance has been made.

- The District reserves the right to disconnect any connection to its water, recycled water, and wastewater systems for any of the following reasons:
- The District determines a condition exists that is hazardous to the health and safety of the public.
- The customer fails to comply with any of the District's policies, administrative regulations, standards, or procedures.
- The service is being furnished without a proper application or under a false or fraudulent application.
- There is evidence of unlawful tampering or interference with District facilities by the customer.
- The customer fails, after notice from the District, to remove an obstruction that prevents EID employees from reading a meter.
- The District finds flagrant wasting of water, and the customer does not correct the problem within the specified period of time.

The timing and form of notification of potential disconnection will be deemed appropriate by the District depending upon such factors as, for example, the immediacy of the hazard to public health and safety.

AR 9061.1 Customer Notifications of Interruption of Service

Whenever possible, advance notice of interruption of service will be given to all customers who will be affected. This notice maybe in the form of a door hanger, automated telephone message, email, web site message, notification through the media, or other means deemed appropriate by the District.

In the event of a natural disaster or other emergency, the District follows the procedures for public notification outlined in its Emergency Response Plan.

AR 9062 Cancellation of Service by the Customer

Approved: December 12, 2006
Revised: November 21, 2019

Services and billings may not be suspended or cancelled due to occupancy. Once a meter is installed services are billed to the legal owner. Service may be terminated on any business day upon receipt of the customer's signed application to relinquish service(s) and confirmation that the property qualifies for an abandonment of services. The customer will be responsible for bills related to all service furnished by the District prior to notification of the termination of service.

Should a parcel with wastewater service experience catastrophic damages to the residence, such as a fire, that deem the home uninhabitable, the property owner may request suspension of wastewater billings until the home becomes habitable by providing proof from the County.

The District will not disconnect service for eviction purposes. Customers requesting a temporary termination of service will be informed that they may shut off water at their valve.

AR 9063 Reinstatement of Service

Approved: December 12, 2006
Revised: November 5, 2014
November 21, 2019

Customers that have had their service disconnected due to failing to comply with applicable laws and the District's Board Policies and Administrative Regulations must meet the requirements outlined in their violation notification in order to have the service reinstated.

Customers who have relinquished service(s) at will and subsequently wish to reinstall service(s) shall be subject to purchasing the service(s) at the then-current connection fees (FCCs).

BP 9070 Additional Services

Adopted: November 11, 2006
Supersedes: Regulation No. 6

The District may provide additional services when beneficial to the District's business.

AR 9071 Additional Services

Approved: December 12, 2006

The District provides additional services to existing and potential customers, developers, and the general public when the District determines that the service is necessary, reasonable, and in alignment with the District's mission. The provision of supplemental services is subject to the District's Administrative Regulations and the payment of appropriate deposits, rates, fees, and charges.

AR 9072 Underground Service Alert (USA)

Approved: December 12, 2006

EID will respond to Underground Service Alert (USA) requests that are within the District's service area. In compliance with northern and central California's "Call Before You Dig" program, anyone other than the District who will be digging must notify USA two working days prior to the start of this work. USA will assign a ticket number to the requester and then contact the District to provide one of the following services:

- mark or stake the horizontal path of the District's underground facilities,
- provide information to the requester about the District's underground facilities, or
- advise the requester that the District does not have underground facilities in conflict with the specified digging.

The ticket issued by USA will be active for a 28-day period. The District will not perform a utility locate service if the ticket has expired. The requester is also required to notify USA, not the District, at any time that the field markings are no longer reasonably visible.

AR 9073 Temporary Water Use Program

Approved: December 12, 2006
Revised: December 20, 2012
August 20, 2013
February 6, 2023

All withdrawals of water from temporary connections must use District-provided hardware. The District provides temporary water use for authorized projects in two ways. Connections are authorized and established upon receipt of a signed agreement (permit) and payment of all appropriate deposits, fees, and charges.

- Card lock bulk water stations. The card lock water stations provide water to customers with prepaid cards that are available at the District office. A straight commodity charge is applied to water from these stations. There is a minimum initial purchase for the cash card and no recurring fees or charges. The cards are reusable and should be treated as cash.

- Fixed meter. These meters are located at the closest approved fire hydrant or blow-off to a customer project. The customer must have an approved permit for the District to set the hardware at the requested location. The customer must provide a hardware deposit to the District and will pay a fee to set up the account, a daily rental fee, and commodity water charges.

Failure to adhere to these requirements may result in the assessment of fines as listed in AR 11010 Attachment A, Chart 2 against the applicant and/or a prohibition on current or future use of Temporary Water Use Program.

BOARD POLICY 10000

RECREATION

BP 10010 Authority and Enforcement of Park Regulations

Adopted: November 13, 2006

BP 10010.1 Authority

The District is committed to the health and safety of visitors and District employees at all EID recreation facilities and to the protection of District recreation properties.

BP 10010.2 Enforcement

Board policies, rules, and regulations shall govern and apply to all visitors and District employees at EID recreation facilities.

EID recreation staff are authorized and empowered to enforce District rules and regulations for all District-owned, -operated, and -leased recreation facilities as well as state and local codes related to safe use of those facilities. Staff may issue citations for violations and eject or exclude any violator as specified in the Park Operations Manual.

AR 10011 Recreation

Approved: December 12, 2006
Revised: January 3, 2013
January 26, 2016
March 9, 2021
April 25, 2024

AR 10011.1 Recreation Access

Use of the District's recreational lands is a privilege. Recreational use privileges may be revoked at any time for violations of Federal, State, County, or District laws, or rules and/or regulations; non-payment of fees; behavior that endangers people, animals, or facilities; has the potential to jeopardize water quality; or behavior that diminishes the recreational experience of others.

Trespassing - Visitors shall not trespass on recreation property or use recreation facilities during hours not posted for public use and/or when an entrance gate is closed and locked. Anyone entering during off-use hours may be charged with defrauding an innkeeper. All visitors must display proof of payment or a valid pass.

Selling or Soliciting - Visitors shall not engage in soliciting, selling, or peddling any good or services or distribute any circulars in the areas without prior approval of the District.

AR 10011.2 Fees

Fees are subject to change, based on staff evaluation of similar facilities and services.

AR 10011.3 Annual Passes

Annual passes for day use and boating are subject to availability and valid only during posted day use hours. Annual passes are for day use only. Valid for one year from the month purchased. Pass must be clearly visible in vehicle when utilizing EID Recreation Facilities.

AR 10011.4 Vehicle Use

Vehicle Speed Limit - Visitors shall not operate any vehicle in excess of the posted speed limit, which is a maximum of 15 mph on recreation roads and 5 mph in campgrounds. No visitor shall drive a vehicle within any EID recreation area other than in a reasonable and prudent manner and with due regard for traffic and road conditions. In no event shall a vehicle be driven at a speed that endangers the safety of persons, property, or wildlife.

Drivers' Licenses - Visitors shall not operate any type of motorized vehicle on park

properties without possession of a valid driver's license for the vehicle.

Roadway Rules - Vehicles shall be operated only on designated roadways and parking areas. Motor vehicles, bicyclists, and other recreational users shall share the roadways within any EID recreation area.

Passengers - No person shall operate a passenger vehicle or truck unless all passengers are secured by a seat belt. No person shall transport any person in or on the back of a truck.

Vehicle Washing and Repair - Persons are prohibited from washing, repairing, and cleaning any vehicles within recreation boundaries.

Vehicle Parking - Visitors shall not park a vehicle outside of designated areas, block any gates, or park in such a way that prevents egress for other vehicles. The District reserves the right to tow—at the expense of the vehicle's owner—any vehicle presenting such hazards.

Motorized wheelchairs and mobility devices – Persons with mobility disabilities may use motorized wheelchairs and mobility devices in defined pedestrian areas and developed camping and recreational facilities, and on any trails designated and signed as disabled accessible. Persons utilizing these devices are encouraged to consult with staff in advance regarding safety and accessibility issues.

Electric and Gas Operated Cart and Scooter Use – Only such vehicles that are licensed to operate on public roadways are authorized within EID Recreation areas. Such vehicles shall operate only on designated roadways and obey all of the rules listed in these administrative regulations.

AR 10011.5 Boat Use

Boats use is allowed during daylight hours. Boat operators shall comply with California boating laws, the *ABCs of California Boating Laws,* and all posted rules. Use of boat docks is restricted to loading or unloading only. Loitering, fishing, diving, and swimming on or around boats docks is prohibited.

Specific Jenkinson Lake Boat Restrictions - Personal motorized watercraft are not permitted on Jenkinson Lake. The maximum number of boats, excluding the mooring facility, allowed on Jenkinson Lake is 101 at full lake level; the District will reduce the maximum number commensurate with lake level. Maximum speed limit is 35 mph. A counter-clockwise boating traffic pattern is required.

Islands are off limits at all times.

Specific Caples Lake Boat Restrictions – Per Alpine County code, the maximum speed is 10 mph and water skiing is prohibited.

Specific Forebay Reservoir Restrictions – Boats or on-water activity of any kind are not permitted on Forebay Reservoir.

Unsafe Boating Activities - Any malicious or unsafe boating activities, or failure to observe posted safety rules and/or California boating laws may result in a loss of boating privileges, forfeiture of all paid fees and deposits, and/or ejection from EID Recreation facilities.

Noise Limits on Boats - Boat motors shall meet the noise requirements stipulated in the *ABCs of California Boating Law*. General noise from boats, including amplified sound, shall not diminish the recreational experience of others.

AR 10011.6 Mooring Facilities

The district operates a seasonal mooring facility at Jenkinson Lake. Use of the mooring facility is limited to those persons holding a valid seasonal mooring agreement. Subleasing of slips is prohibited.

AR 10011.7 Pets

Pets must be on a leash and under an owner's control at all times. Pet owners are required to immediately clean up after their pets. Failure to clean up after pets, and/or unleashed, vicious, or noisy pets subject the owners to ejection and/or revocation of recreational privileges.

Specific Jenkinson Lake and Forebay Reservoir Restrictions – By order of the State of California, pets are not permitted in the waters of Jenkinson Lake or Forebay Reservoir. Violations will result in revocation of the owners' recreational privileges.

AR 10011.8 Day Use

Day-Use Vehicle Fees – All vehicles entering the recreation areas are subject to day use fees. Proof of payment must be displayed in vehicle windshield during entire visit.

Equipment Rentals - The District may rent extra tables and chairs for the Event Center, with advance notice.

Use of Sound Amplifying Equipment - Sound amplifying equipment is not allowed in day-use areas.

Campsites – No day use or day use parking is allowed in campsites**.**

AR 10011.9 Campgrounds

Campsites - Campsites include a barbecue or firepit grill, fire ring, and table and are available to the public. Available campsites include Americans With Disabilities Act accessible campsites. Campsites not reserved in advance and not necessary for park

administration are available on a first-come, first-served basis. Camping registration tags must be displayed in the window of the vehicle. Campsite fees include campsite and allotted number of vehicles and people per campsite classification. Extra vehicles, boats, people, and pets are subject to additional fees.

Campsite Appearance and Cleanliness - Campsite cleanliness is required for aesthetic, sanitary, and safety purposes. Campsites must be free of debris.

Campsite Occupancy - Maximum occupancy is 6 people per standard campsite. Family campsites have a maximum occupancy of 12 people.

Minors at Campsites Overnight - Minors under 18 years of age shall not be allowed to reserve or register for a campsite. Minors under 18 years of age must be accompanied by an adult while camping overnight.

Maximum Stay at a Campsite - Camping is limited to a maximum of 14 nights in any 30-day period.

Campsite Quiet Hours - Quiet hours are observed in campsites from the hours of 10:00 p.m. to 7:00 a.m. During quiet hours, generators, radios, music, loud conversation, and other disturbing activities are not allowed.

Generator Hours: 7:00-9:00AM, Noon-2:00PM, 5:00-8:00PM. Generators are not allowed at any other time.

Facility Entry and Exit Gates - -Entry gates will be locked at various times depending on the season. All outside emergency personnel will have access to gate locks. Campers at Jenkinson Lake may exit, but reentry will be limited to posted gate hours.

Campsite Day Guests - All guests of campers must vacate the campgrounds no later than posted day use hours. Guests may park at campsites, where space is available, but must not block any roadway or create overcrowding conditions that, in the opinion of park staff, cause a disturbance or other problems. Registered campers are responsible for the actions and behavior of their guests while in the park. Number of guests cannot exceed campsite occupancy limits.

Fires at Campsites - Fires are permitted only in the provided fire rings and cannot reach a height that is dangerous. No garbage is to be burned in the fire rings and the wood must be no longer than the diameter of the fire ring. The ability to have a fire can be limited or disallowed at any time without notice due to fire hazard conditions (Red Flag Warnings).

AR 10011.10 Commercial Activities

Commercial activities compatible with recreational uses, including filming and photography, may be permitted subject to an application and permit procedure, insurance requirements, and payment of applicable fees.

AR 10011.11 Weapons

No weapons of any kind are allowed, including but not limited to: firearms (including pellet, BB, and/or black powder), other projectile weapons, archery equipment, or bladed weapons.

AR 10016 Protection of District Property and Wildlife

Approved: December 12, 2006
Revised: April 25, 2024

District Property - Visitors shall not damage or deface any recreation property owned or leased by the District.

Vegetation - Visitors to District recreation facilities shall not dig up, remove, or damage any live tree, plant, shrub, or other vegetation.

Trash Disposal - Visitors shall not place or leave any glass, ashes, wastepaper, bottles, cans, or other trash or rubbish at District recreation facilities except in receptacles provided for that purpose. Trash or rubbish shall not be brought onto District recreation facilities for disposal.

Fire Hazards - Visitors shall not create any fire hazards at District recreation facilities; for example, logs that are larger than the diameter of provided fire rings shall not be burned. Open flames other than campfires, such as candles and tiki torches, are not allowed. Fireworks of all kinds are prohibited.

Wildlife- Visitors shall not feed, harass, abuse, injure, or kill any wildlife at District recreation facilities or interfere with their habitat. No hunting is allowed on any District property, including any recreation property.

AR 10017 District Recreation and Forest Lands Adjoining Caples and Silver Lakes

Approved: December 12, 2006
Revised: April 25, 2024

AR 10017.1 Camping

Camping (defined as the temporary use of District lands for the purpose of overnight occupancy without a permanently fixed structure) outside of designated campgrounds is prohibited.

AR 10017.2 Vehicle use

- Possessing and/or using a vehicle off of developed forest roads is prohibited.
- Vehicle use on trails is prohibited.

AR 10018 District Recreation Staff

Approved: December 12, 2006
Revised: April 25, 2024

All Recreation staff will follow EID's *Park Manual* in the performance of their duties.

AR 10019 Water Quality

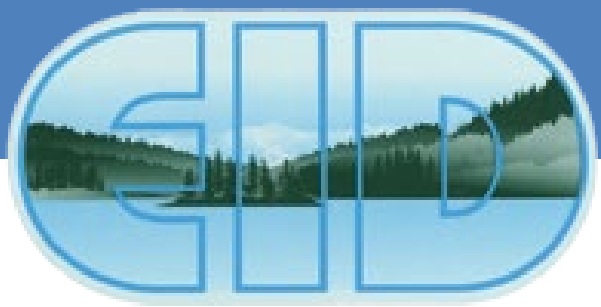
Approved: December 12, 2006
Revised: April 25, 2024

Directive – All District staff will treat water quality in EID owned lakes seriously and will immediately report any activity—including but not limited to gasoline or oil spills in the lake and trash at campsites and along shorelines—that could impact the quality of the water.

Dogs - Dogs and other domestic animals are not permitted in Jenkinson Lake or Forebay Reservoir.

Diapers – No diapers are permitted in Jenkinson Lake.

Forebay Reservoir – All body contact with Forebay Reservoir is prohibited due to its primary purpose as a drinking water source.



BOARD POLICY 11000

FEES AND CHARGES

BP 11010 Fees and Charges

Adopted: November 27, 2006
Supersedes: Resolution No. 04-120
Portions of Regulation Nos. - 4, 5, 6, 7, 8, 10, 13, 14, 18, 19, 22, 23

The District shall strive to recoup all costs of providing services through rates, fees, charges, fines, and deposits. The Board will adopt changes in rates pursuant to Article XIII D Section 6 of the California Constitution (Proposition 218) and changes to Facility Capacity Charges (FCCs).

In relation to FCCs, the District is committed to provide capacity for a reasonable rate of growth within its service area. FCCs will be charged to applicants for new service to cover the costs of services that include but are not limited to water filtration, sewage treatment, recycled water, system storage, and transmission and distributions systems. Existing customers will not share in these costs.

The General Manager is authorized to approve changes in fees, charges, fines, and deposits as warranted by the costs of providing services.

AR 11010 Adoption of Rates, Fees, and Charges

Approved: October 26, 2011
Revised: October 4, 2013
January 22, 2016
April 23, 2025

The District will establish all user charges and fees at the full cost of providing the service, including direct, indirect, overhead, and capital recovery costs.

The Board of Directors will review and adopt rates and Facility Capacity Charges (FCCs). The District will complete a cost-of-service study for rates at least every ten years, as follows. Five years after completion of a cost-of-service study, the General Manager or her/his designee will review rates to determine if there have been material changes to the study's assumptions, report findings to the Board, and initiate a new study if there have been material changes. If there have been no material changes, a new cost-of-service study will be completed at the end of ten years.

The District will complete a study at least every six years, as follows, to ensure that its FCCs comply with Government Code section 66013 and this Regulation. Three years after Board action to impose or change FCCs, the General Manager or her/his designee will review the FCCs to determine if there have been material changes to the bases for the FCCs, report findings to the Board, and initiate new FCC calculations if there have been material changes. If there have been no material changes, new FCC calculations will be completed at the end of six years. Additionally, all FCCs shall be adjusted annually, between new calculations, in an amount equal to the percentage change during the prior 12 months in the 20-city national average Construction Cost Index published by the Engineering News-Record.

The General Manager will also review and approve all other District fees, charges, penalties, and deposits.

A copy of *Attachment A* to this Regulation, which sets forth miscellaneous fees, deposits, and penalties, is available at the District's website and upon request from the Customer Services Division.

AR 11010.1 Administrative Remedies Procedure for Challenges to Fees, Charges, and Assessments

The following procedure is intended to provide a meaningful opportunity for a ratepayer to present an objection to a proposed new or amended property-related water or sewer fee or charge, or any special assessment.

1. Authority: This procedure is authorized by the District's statutory authority to adopt fees and charges for its services, to impose assessments on real property, and to establish rules and regulations governing such fees, charges, and assessments,

Government Code section 53759.1, and other applicable law.

2. Exhaustion of Administrative Remedies for Challenges to Fees, Charges, and Assessments on Real Property.

A. Scope. The duty to exhaust administrative remedies imposed by this section extends to:

a. any fee or charge subject to articles XIII C or XIII D of the California Constitution,

b. any assessment on real property levied by the District, and

c. the methodology used to develop and levy such a fee, charge, or assessment.

B. “Hearing” as used in this section means the hearing referenced in paragraph 4 of subsection D of this Procedure.

C. Duty to Exhaust Issues. No person may bring a judicial action or proceeding alleging noncompliance with the California Constitution or other applicable law for any new, increased, or extended fee, charge, or assessment levied by the District, unless that person submitted to the Clerk of the Board a timely, written objection to that fee, charge, or assessment specifying the grounds for alleging noncompliance. The issues raised in any such action or proceeding shall be limited to those raised in such an objection unless a court finds the issue could not have been raised in such an objection by those exercising reasonable diligence.

D. Procedures. The District shall:

(1) Make available to the public any proposed fee, charge, or assessment to which this section is to apply no less than 45 days before the deadline for a ratepayer or assessed property owner to submit an objection pursuant to paragraph 4 of this subsection D.

(2) Post on its internet website a written basis for the fee, charge, or assessment, such as a cost-of-service analysis or an engineer’s report, and include a link to the internet website in the written notice of the Hearing, including, but not limited to, a notice pursuant to subdivision (c) of Section 4 or paragraph (1) of subdivision (a) of Section 6 of Article XIII D of the California Constitution.

(3) Mail the written basis described in paragraph 2 of this subsection D to a ratepayer or property owner on request.

(4) Provide at least 45 days for a ratepayer or assessed property owner to review the proposed fee or assessment and to timely submit to the Clerk of the Board a written objection to that fee, charge, or assessment that specifies the grounds for alleging noncompliance. Any objection shall be submitted before the end of the public comment portion of a Hearing on the rate, charge or assessment.

(5) Include in a written notice of the Hearing, a statement in bold-faced type of 12 points or larger that:

(A) All written objections must be submitted to the Clerk of the Board by the end of public comment period at the Hearing and that a failure to timely object in writing bars any right to challenge that fee, charge, or assessment in court and that any such action will be limited to issues identified in such objections.

(B) All substantive and procedural requirements for submitting an objection to the proposed fee, charge, or assessment such as those specified for a property-related fee under California Constitution, article XIII D, section 6(a) or for an assessment on real property under California Constitution, article XIII D, section 4(e).

(C) Board Consideration; District Responses. Before or during the Hearing, the Board of Directors shall consider and the District shall respond in writing to, any timely written objections. The Board may adjourn the Hearing to another date if necessary to respond to comments received after the agenda is posted for the meeting at which the Hearing occurs. The District's responses shall explain the substantive basis for retaining or altering the proposed fee, charge, or assessment in response to written objections, including any reasons to reject requested amendments.

(D) Board Determinations. The Board of Directors, in exercising its legislative discretion, shall determine whether:

(1) The written objections and the District's response warrant clarifications to the proposed fee, charge, or assessment.

(2) To reduce the proposed fee, charge or assessment.

(3) To further review the proposed fee, charge, or assessment before determining whether clarification or reduction is needed.

(4) To proceed with the Hearing, to continue it, or to abandon the proposal.

3. Severability. If any section, subsection, sentence, clause, phrase or portion of this Procedure or its application to any person or circumstance is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Procedure or its application to other persons and circumstances. The Board of Directors has declared that it would have adopted this Procedure and each section, subsection, sentence, clause, phrase or portion thereof despite the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are deemed to be severable.

4. Effective Date. This Procedure became effective upon the adoption of Resolution No. 2024-031 of the Board of Directors pursuant to Water Code section 22283.

AR 11020 Deposits - General

Approved: December 12, 2006

In general, District-required deposits are estimates only. Project-related deposits include averages of overhead, materials, and labor. Deposits for equipment loans are based on the average time and materials spent to inspect, repair, recalibrate, and clean the loaned equipment.

If a deposit falls short of actual costs, the District will bill the customer for the difference. If the deposit exceeds actual costs, the District will refund the difference to the customer.

AR 11030 Bond Segregation / Re-apportionment Deposit

Approved: December 12, 2006

The District requires a deposit from the property owner to cover costs associated with reapportionment of a bond assessment. District engineering, legal, and administration costs will be charged against the deposit.

AR 11050 Land-based Financing Fee

Approved: December 12, 2006

The District will consider developer requests or petitions to initiate the formation of a special assessment or community facilities district, which would be considered only after receiving the required form(s) and a non-refundable deposit. The deposit will be 1% of the proposed principal amount of the bonds to be issued. It will be used to cover District labor and other costs such as independent financial advisory, appraisal, and market absorption analysis services that are associated with proceedings and are not contingent on bond issuance.

The deposit is reimbursable from the proceeds of bonds upon issuance. In the event that actual costs exceed deposited fees, the applicant will deposit additional funds to advance the process. If the District does not receive additional funds within the requested time period, the proceedings will be suspended.

AR 11060 Customer Maintenance Call Fee

Approved: December 12, 2006

If a District employee or work crew is dispatched in response to a customer call to fix an operational problem or leak, and the problem is determined to be related to customer-owned equipment, the District will charge a fee for the maintenance call based on time and materials, including overhead. To avoid unnecessary charges, District personnel will ask customers to identify the problem and alert them to their responsibility for customer-owned equipment.

AR 11070 Facility Improvement Letter Fee

Approved: December 12, 2006

The District will charge a fee for completing a Facility Improvement Letter. This fee will reimburse District costs to review requests for future service and analyze the capacity of the District's systems and available supply.

AR 11080 Delinquent Account Field Call Fee

Approved: December 12, 2006

The District will charge for a field call to deliver a delinquent account notification or turn off service on a delinquent account. The fee will cover the cost of dispatching personnel to complete the action. EID will make a reasonable effort to contact customers prior to discontinuance of service for non-payment.

AR 11090 Temporary Water Use Charges

Approved: December 12, 2006
Revised: December 18, 2012

Charges for use of temporary water use hardware – Customers requesting temporary water use will be charged to cover the District's costs of providing service. These charges are defined on page three of the Temporary Water Use permit.

Deposit for temporary water use hardware – The District will require a deposit to cover labor and materials for any repairs required on District hardware.

Fine for tampering with temporary water use hardware – Anyone who uses temporary water use hardware to take unauthorized water or alters the District hardware, including breaking the safety wire on the adjusting vane and changing the configuration of the meter assembly, will be fined.

AR 11100 Private Fire Service Charges

Approved: December 12, 2006

A bi-monthly fee for private fire service will be charged based on the size of the service. In addition, water consumption resulting from leakage and testing will be charged at double the rate for general use. Water used for any purpose other than testing is a violation and will be charged at five times the rate for general use. There will be no charge for water used to extinguish accidental fires.

AR 11110 Commercial and Industrial Waste Discharge Permit Fee

Approved: December 12, 2006

The District will charge a fee for a Commercial and Industrial Wastewater Discharge Permit to recover the cost of implementing the Industrial Pretreatment Program.

AR 11120 Inspection Fees

Approved: December 12, 2006

Recycled water on-site facility inspection fee – This fee covers the cost of labor and materials for project set-up and inspections.

Residential wastewater inspection fee – This fee covers labor and materials for the inspection of each unit of service. This fee is payable at the time of application.

AR 11130 Meter Fees

Approved: December 12, 2006

Meter installation deposit/fee – The District will charge a flat fee for installation of ¾-inch and 1-inch meters if an existing outlet is provided. Payment for all other meter installations will be based on a written job estimate. A deposit must be paid prior to commencement of work on these installations. The deposit will be used for labor, materials, equipment, and overhead and may also include the District's costs in obtaining a Department of Transportation permit, a complete road crossing, and/or a bore for the meter installation.

Meter tampering fee – When meter tampering is suspected, the District will take steps to assure that the tampering ceases and that the equipment is restored to proper working condition. Tampering is interference with a pin-lock or pad-lock or reconnection of a pulled meter. If meter registers are broken, if meters are removed, or if curb-stops are altered, the District will make the necessary repairs to restore service. The property owner may be billed for time and materials.

Meter testing and repair fee – Typically, the District receives requests to test meters when high consumption is registered. If the meter is determined to be defective, the meter is repaired or replaced at no charge to the customer. If the meter meets acceptable flow standards, the customer may be billed for the cost associated with the meter test.

AR 11140 Ditch Service Fees

Approved: December 12, 2006

Ditch service call fee - The District will charge a fee to ditch customers who request an increase or decrease in their flow during the irrigation season. This fee will cover the cost of labor to make the necessary weir adjustments.

Tampering with ditch flow fee - Customers or other individuals who receive unauthorized water from ditches will be charged a tampering fee.

AR 11150 Account Set-Up Fee

Approved: December 12, 2006

The District will charge an account set-up fee when a new customer is set up on an established meter. This fee will cover administrative costs and the labor to perform a field meter read (trip charge).

AR 11160 Bad Check Fee

Approved: December 12, 2006

The District will charge a fee to cover costs associated with processing returned checks and will assess a graduated penalty per occurrence within a 12-month period.

AR 11170 Late Payment Fee

Approved: December 12, 2006

The District will assess a late payment charge on past due accounts. This fee will be applied to a past due account for any unpaid balance greater than $10.00.

AR 11180 Lien Release Fee

Approved: December 12, 2006
Revised: August 20, 2013

The District will charge customers a fee to release a lien on a parcel. The fee will be equal to the administrative cost to process and deliver the lien release. It will include a fee set by the El Dorado County Recorder's Office, which will be paid to the El Dorado County Recorder's Office.

AR 11190 Overhead Charges

Approved: December 12, 2006

- **Overhead for development project labor** – Project-related work performed by the District's development engineering and construction inspection staff will be fully cost allocated. An overhead amount will be charged in addition to full direct labor costs and benefits. This charge will be recalculated annually by the District.

- **Overhead for District materials** – The most current District overhead rate will be applied to all materials charges. This charge is to be recalculated annually by the District.

AR 11200 Quitclaim Easement Charges

Approved: December 12, 2006

EID costs associated with quitclaim easements will be fully recovered by the District through time and materials charges, plus overhead.

AR 11210 Miscellaneous Fees

Approved: December 12, 2006

These fees include but are not limited to general administrative costs; labor to retrieve and duplicate District records; reproduction of reports, manuals, maps, and other documents; and reproduction of tapes, CDs, and other electronic or digital media. Miscellaneous Fees will be recalculated on an annual basis.

AR 11220 Special Rate Categories

Approved: December 12, 2006
Withdrawn: August 20, 2013

AR 11230 Penalties and Fines

Approved: December 12, 2006

Penalties and fines paid to the District will be designated for business purposes.

Determination of penalties and fines – When determining the level of penalties and fines, the District will consider all relevant facts and circumstances and may consult with regulatory agencies such as the Department of Health Services and Central Valley Regional Water Quality Control Board, as appropriate. The District reserves the right to impose fines and penalties in excess of those above, including possible termination of service, upon a finding of gross negligence or willful misconduct.

Non-payment of penalties and fines – When penalties and fines are not paid within 30 days or corrective action is not taken within the prescribed time-frames, the District may temporarily terminate service. Service will be restored when penalties and fines are paid and/or corrections are made.

AR 11240 Attachment A

Approved: December 12, 2006
Revised: April 23, 2025

EID Schedule of Miscellaneous Fees, Deposits, Penalties, and Fines

This document will consist of one or more charts containing the fees, deposits and other charges. It will be developed each year as part of the budget process and then included as an attachment to BP 11000.

BOARD POLICY 12000

BY-LAWS OF THE BOARD

BP 12010 Purpose

Adopted: July 19, 2004
Updated: December 11, 2006

The purpose of these By-laws is to provide Board directed rules for the conduct of the Board members and meetings of the Board of Directors of the District.

BP 12020 Duties and Powers

Adopted: July 19, 2004
Updated: December 11, 2006

The Board's role is to provide oversight and direct the implementation of the District's mission. The Board will do so by deciding and monitoring policy and fiscal matters. Board members will use the following methods to address their concerns – advise the General Manager, work through Board committees, present specific recommendations to the whole Board for action. Board members shall be guided by a desire to achieve and support the District's mission in a constructive manner.

BP 12030 Public Statements and Individual Board Member Actions

Adopted: December 11, 2006

All public statements in the name of the Board shall be issued by the Board President or, if appropriate, by another Board member, the General Manager, or the General Counsel, but only at the direction of the Board President unless otherwise authorized by the Board without the Board President's direction. No individual Board member shall make public statements or express an opinion or position, orally or in writing, in such a way that it allows an audience to conclude that such opinion or position is held by the Board, unless the Board has acted as a unit to adopt the position or opinion.

The Board is the unit of authority. Apart from the normal function as part of the unit, a Board member has no individual authority. Individually, a Board member may not commit the District or the Board to any policy, act, or expenditure. No individual member of the Board has any administrative responsibility or authority with respect to the District or any of its programs, nor as an individual to command the services of any employee of the District.

Non-compliance with this policy shall be grounds for censure by the Board.

BP 12040 Code of Ethics

Adopted: December 11, 2006

In all actions as a Board member, the first commitment is to the betterment of the District and the community. In the performance of these duties, Board members shall be aware of, and comply with the Constitutions of the State and Nation, the California Water Code, other laws pertaining to the services provided by the District, and the established policies of the District. As elected representatives Board members can neither relinquish nor delegate their responsibilities to any other individual or group.

In addition to giving consideration to the wants and needs of their individual constituency, each Board member shall consider the District as a whole.

Board members shall present concerns and concepts through the process of Board debate and, if in the minority, the Board member shall respect the divergent opinions presented.

Board members shall devote sufficient time, thought, and study to proposed actions to make informed decisions.

BP 12050 Accountability, Review, and Evaluation

Adopted: December 11, 2006

In exercising their oversight, and in order to maintain accountability for the performance of their duties and responsibilities, the Board shall provide for ongoing review and evaluation of current programs, services, and activities of the District. The Board recognizes that this includes regular reports to the public on qualitative and quantitative assessments.

The General Manager shall establish and conduct regular assessments of the services and activities of the District. This may include oral or written reports presented at meetings of the Board.

BP 12060 Compensation

Adopted: December 11, 2006

The Board's compensation is defined by Section 21166 of the California Water Code and it is fixed by the adoption of an ordinance in accordance with Section 21166.

BP 12065 Board Expense and Reimbursement

Adopted: August 15, 2007
Supersedes: Policy Statement No. 11

The reimbursement of Board expenses shall comply with Sections 53232.2 and 53232.3 of the California Government Code or their successors. Eligibility and procedures shall be defined by the terms of a resolution adopted in accordance with those statutes.

AR 12065 Board Expense and Reimbursement

Approved: August 15, 2007
Revised: July 14, 2014
April 23, 2025

Purpose

This document sets forth the policy of the El Dorado Irrigation District concerning Directors' expense payments and reimbursements.

Intent

The District encourages Directors to take advantage of opportunities to be informed concerning matters of interest to the District, and to inform others of the activities and interests of the District. The District encourages Directors to attend conferences, seminars and other meetings that require their participation or provide the foregoing opportunities. Directors are entitled to reimbursement for the amount of reasonable and prudent expenditures incurred by Directors in the performance of their duties as Directors. Directors may not profit by or experience a financial loss in the course of conducting District business. The District does not pay or reimburse for any expenses incurred by spouses and other family members of Directors. No expense is payable or reimbursable unless it is consistent with the Intent of this policy.

Procedures

A. The District's annual budget will set an appropriate level of funding for payment and reimbursement of Directors' expenses. The General Manager or his or her designee will be responsible for ensuring that the budgeted amount is not exceeded without approval of the Board.

B. Direct expenses for registration fees, travel, hotels and meals will be paid by the District in accordance with the guidelines and per diem rates for an accountable expense reimbursement plan as defined in the United States Internal Revenue Service's Publication 463 and Publication 1542 ("Accountable Plan"). A copy of the Accountable Plan documents can be obtained from the District Director of Finance and Management Services.

C. The following expenses are permissible business-related expenditures:

1. **Personal Vehicle Expenses**. A director will be reimbursed for travel miles at the rate authorized under the Accountable Plan for all necessary travel. A Director will be considered to have accounted for personal vehicle expenses by indicating the miles traveled, the business purpose of the travel, and the dates of travel.

2. **Hotel Expenses**. The District will pay or reimburse a Director's hotel expenses necessarily incurred. A Director may either (a) receive reimbursement for the per diem hotel rate provided in IRS Publication 1542 for the locality in which the hotel is located; or (b) use the Director's personal funds to pay for hotel charges, in which case the District will reimburse the Director for actual charges up to three times the applicable per diem hotel rate provided in the Accountable Plan; or (c) request that the District pay for hotel charges, in which case the District will pay for actual charges up to three times the per diem hotel rate provided in the Accountable Plan, and the Director will be responsible for any excess hotel charges.

3. **Meal/Incidental Allowance**. A Director attending a conference, seminar, or meeting outside of El Dorado County will be given a meal/incidental allowance for costs necessarily incurred. A Director may either (a) receive reimbursement at the per diem meal/incidental rate provided for in Publication 1542 for the locality in which the conference, seminar, or meeting is held; or (b) use the Director's personal funds to pay for meals and incidentals, in which case the district will reimburse the Director for actual charges up to three times the per diem meal/incidental rate provided for in the Accountable Plan. If a Director is not traveling for a full day, defined as from 12:01 a.m. to 12:00 midnight, the per diem meal/incidental allowance will be prorated according to the actual hours of travel. If a Director who is not traveling for a full day uses his or her personal funds to pay for meals and incidentals, the District will reimburse the Director for actual charges incurred for meals and incidentals while traveling, up to three times the prorated per diem meal/incidental rate provided for in the Accountable Plan. Tips for meals should not be reported separately because they are included in the allocated amount of the meal per diem. Actual expenses for alcoholic beverages shall not be reimbursed. Incidentals include but are not limited to tips for taxi drivers, baggage porters, bellhops and hotel maids.

4. **Common Carrier Travel**. When personal vehicle use for District business is impractical due to time and/or distance, a Director may use regularly-scheduled commercial carriers for travel. A Director traveling by plane, train, rental car, bus, or taxi will travel by the least-expensive fare actually available for the date and time of the travel. Notwithstanding the foregoing, a Director may utilize charter transportation if such transportation is included as part of an integrated package price for travel, including but not limited to Water Education tours and the Sacramento Chamber of Commerce "Cap to Cap" program. Airport or train parking are reimbursable expenses; however, long-term parking shall be used at airports and train stations for travel exceeding 24 hours and reimbursement shall be limited to the long-term parking rate in such instances. A Director may use personal funds to purchase a common-carrier fare, in which case the District will reimburse the Director for the actual amount of the fare.

5. **Telephone/Computer/Fax/Cellular/Internet Services**. A Director will be reimbursed for actual telephone (including one cellular phone), computer (including one personal computer and software applications required to effectively and securely perform District business), fax and internet service provider expenses incurred on District business. Each Director will be offered a District-issued and paid cellular phone, but is not obliged to accept it.

6. **Meeting/Conference/Seminar Registration and Similar Expenses**. The District will pay or reimburse a Director's actual registration charges or similar expenses incurred to gain admission to a meeting, conference, seminar or similar activity. Such payment or reimbursement, as well as hotel and meal/incidental per diem payments or reimbursements, shall be limited to a maximum of three days per event with the following exception: ancillary programs that are not part of the main conference, such as workshops held immediately before or after the main conference.

7. **Meals within El Dorado County**. The District will pay or reimburse a Director for meals within El Dorado County. If a Director seeks reimbursement for a meal under this provision, the Director may either (a) receive reimbursement at one-third of the per diem meal/incidental rate provided in Publication 1542 for El Dorado County; or (b) use the Director's personal funds to pay for the meal, in which case the District will reimburse the Director for actual charges up to the per diem meal/incidental rate provided for in the Accountable Plan. Tips for meals should not be reported separately because they are included in the allocated amount of the meal per diem. Actual expenses for alcoholic beverages shall not be reimbursed.

8. **Meals of Other Persons**. This Policy recognizes that at times it is appropriate for a Director to be reimbursed for the meal expenses of others who are meeting with a Director during the meal. If a Director seeks reimbursement for the meals of other persons under this provision, the Director may either (a) receive reimbursement for each other person at one-third of the per diem meal/incidental rate provided for in Publication 1542 for the locality in which the meeting is held; or (b) use the Director's personal funds to pay for meals and incidentals, in which case the District will reimburse the Director for actual charges for each other person up to the per diem meal/incidental rate provided for in the Accountable Plan. Tips for meals should not be reported separately because they are included in the allocated amount of the meal per diem. Actual expenses for alcoholic beverages shall not be reimbursed.

9. **Membership Fees or Dues.** The District will pay or reimburse a Director's actual fees or dues for membership in organizations if the Board President or Board of Directors finds that the membership will serve a District business purpose.

D. In order to be reimbursed for any expense authorized under this Policy, a Director must fill out a District-provided expense report. The report form is designed to ensure that Directors' expense reimbursements comply with the requirements of the Accountable Plan. Accordingly, the General Manager will review each report form, and sign indicating compliance with the requirements of this Policy. In all cases where a Director seeks reimbursement for expenses incurred while attending a conference, seminar or other meeting, the Director must attach a copy of the conference registration form to his or her expense reimbursement report as a condition of receiving reimbursement for an appropriately-incurred business expense. Originals or copies of additional documentation shall be required as follows as a condition of receiving reimbursement under this Policy:

1. **Personal Vehicle Expenses**. The Director will not be required to attach any additional documentation to the expense report.

2. **Hotel Expenses.** If a Director is entitled to be reimbursed for hotel charges, the Director may claim the per diem hotel rate allowed in Publication 1542 for the locality in which the hotel is located. The Director will report on the District expense report as directed without attaching any additional documentation except as specified in this Policy. If a Director wishes to use personal funds to pay hotel charges and be reimbursed for the actual charges to the extent allowed by this Policy, the Director must attach to the expense report an itemized bill issued by the hotel and the credit card receipt or other proof of the Director's payment.

3. **Meal/Incidental Allowance**. If a Director is entitled to be reimbursed for a meal/incidental allowance, the Director may claim the per diem amount allowed in the Publication 1542 for the locality in which the expense was incurred. The Director will report on the District expense report as directed without attaching any additional documentation. If a Director wishes to use personal funds to pay for meals and claim reimbursement for the actual meal charges to the extent allowed by this Policy, the Director must attach to the expense report an itemized bill or receipt issued by the restaurant and the credit card receipt or other proof of the Director's payment. If a Director wishes to use personal funds to pay for incidental expenses and claim reimbursement for actual incidental expenses to the extent allowed by this Policy, the Director must attach to the expense report a bill or receipt issued by the source of each incidental expense, subject to paragraph 11, below.

4. **Common Carrier Travel**. A Director must attach to his or her expense report the fare, coupon, or itemized bill from a travel agency, airline or railroad showing the actual amount expended for such travel. A Director must attach to his or her expense report receipts for any airport or train parking authorized by this Policy, showing the actual amount expended for such parking.

5. **Telephone/Computer/Fax/Cellular/Internet Service**. A Director must attach to his or her expense report an itemized bill or receipt from each service provider.

6. **Meeting/Conference/Seminar Registration and Similar Expenses**. A Director must attach to his or her expense report a completed conference registration form and the credit card receipt or other proof of the Director's payment.

7. **Meals within El Dorado County**. If a Director is entitled to be reimbursed for a meal within El Dorado County, the Director may claim one-third of the per diem amount allowed in Publication 1542 for El Dorado County. The Director will report on the District expense report as directed without attaching any additional documentation. If a Director wishes to use personal funds to pay for meals and claim reimbursement for the actual meal charges to the extent allowed by this Policy, the director must attach to the expense report an itemized bill or receipt issued by the restaurant and the credit card receipt or other proof of the Director's payment.

8. **Meals of Other Persons**. If a Director is entitled to be reimbursed for a meal of one or more other persons, the Director may claim, per person, one-third of the per diem amount allowed in Publication 1542 for the locality in which the expense is incurred. The Director will report on the District expense report as directed without attaching any additional documentation, except that the Director shall identify the other person(s) and the business purpose of the meeting. If a Director wishes to use personal funds to pay for meals and claim reimbursement for the actual meal charges to the extent allowed by this Policy, the Director must attach to the expense report an itemized bill or receipt issued by the restaurant and the credit card receipt or other proof of the Director's payment. In addition, the Director shall identify the other person(s) and the business purpose of the meeting.

9. **Membership Fees or Dues**. A Director must attach to his or her expense report a bill or receipt from the organization and the credit card receipt or other proof of the Director's payment.

10. In all cases where the District pre-pays a Director's expense for hotel expense, conference registration, common carrier travel, or membership fees or dues as authorized by this Policy, the Director will remain responsible for filing an expense report and attaching any appropriate documentation obtained by the Director in conformance with paragraphs 1 through 9 above.

11. For incidental expenses where no receipt is available, e.g., tips, toll charges, parking meter costs, etc., a reimbursement request for such expenses may be claimed on the District approved expense report. Certification that such expenses were actually incurred by the Director will be made when signing the District approved expense report form.

E. In accordance with the Accountable Plan, a Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. Any mis- or late-reported expenses incurred by a Director will not meet the requirements of the Accountable Plan, and will be considered income to the affected Director. To comply with the applicable tax laws, the District will be required to issue to a Director a Form W-2 reporting all mis-or late-reported expenses as income. Expenses turned in late, after 60 days, will be subject to Board approval.

F. District will prepare a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included in the agenda materials for each regular monthly Board of Director's meeting each month.

BP 12070 Members

Adopted: July 19, 2004
Updated: December 11, 2006
Supersedes:

The Board shall consist of five members, each for a four-year term. The five members are elected by the voters in their Division according to California state law.

Vacancies shall be filled according to California state law.

BP 12080 Meeting Procedures

Adopted: July 19, 2004
Updated: December 11, 2006
Revised: July 14, 2014
January 12, 2015

A. Except in unusual circumstances, the Board shall, in accordance with Robert's Rules of Order Newly Revised, limit itself to the following motions in ascending order of precedence:

1A. Main motions (same order of precedence as 1B.)

a. Original main motions
b. Incidental main motions

1B. Motions that bring a question again before the assembly (other than motion to reconsider) (not in order of precedence)

a. Take from the table
b. Rescind
c. Discharge

2. Subsidiary motions (in ascending order of precedence)

a. Postpone indefinitely
b. Amend
c. Refer to committee
d. Postpone to a certain time
e. Limit or extend limits of debate
f. Previous question
g. Lay on the table

3. Privileged motions (in ascending order of precedence)

a. Call for the orders of the day
b. Raise a question of privilege
c. Recess
d. Adjourn
e. Fix the time to which adjourn

4. Incidental motions (not in order of precedence)

a. Point of order

b. Appeal
c. Suspend the rules
d. Objection to the consideration of the question
e. Division of a question
f. Consideration by paragraph or Seriatim
g. Request to be excused from a duty
h. Requests and inquiry
    i. Parliamentary inquiry
    ii. Point of information
    iii. Request for permission to withdraw or modify a motion
    iv. Request to read papers

5. Motion to reconsider (subject to Section H. below)

B. Except as prohibited by the Brown Act, the Board, by motion passing with minimum of four affirmative votes, may suspend or vary the application of these meeting procedures with regard to any proceedings, or to any particular problem before the Board.

C. Meetings shall be conducted within the guidelines of any regularly adopted agenda.

D. Three voting members of the Board shall constitute a quorum for the transaction of business. The only action which may be taken at a meeting attended by less than a quorum is to adjourn the meeting.

E. At each regular meeting of the Board, the minutes of the prior meeting shall be presented for approval.

F. During "Board of Directors Communications," Directors may provide brief reports on meetings, conferences, and seminars attended by the Directors of interest to the District and the public. Directors may also report on community activities of interest.

G. Members of the Board who are unable to attend a meeting shall, if possible, so inform the Clerk to the Board before said meeting, in order to determine a quorum in advance.

H. Except as otherwise provided by law or District procedures, to constitute “action taken” on any item, the motion must receive at least three affirmative or negative votes.

I. A motion for previous question may be passed by three affirmative votes.

J. No matter upon which “action is taken” may be reagendized or reconsidered for a period of six (6) months except by the following process: The Board of Directors

may, upon any member's agendizing the matter, vote to reconsider any action previously taken, and if a majority of the Board votes to reconsider, the matter shall be placed on the agenda for reconsideration at a subsequent meeting.

K. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the District in all cases to which they are applicable and in which they are not inconsistent with applicable law, these By-Laws, or any District policy statement.

AR 12080.1 Voting

Voting on resolutions and motions shall be recorded by Division and declared passed or failed by the Clerk to the board.

AR 12081 Meetings

Approved: December 12, 2006
Revised: July 19, 2012

A. Regular meetings shall generally be held on the second and fourth Monday of each month at 2890 Mosquito Road, Placerville, California starting at 9:00 a.m. in open session. When the date falls on a legal holiday, the meeting shall be specified in advance by the Board.

B. Meetings may be adjourned to another time and place by the President. They shall give public notice of the time and place during the meeting so adjourned. The meeting place shall be within the District boundary except as provided in Government Code Section 54954.

C. Special meetings of the Board may be called at any time by the President of the Board or a majority of the Directors by giving at least 24-hour written notice to each Director as well as each local newspaper of general circulation and radio or television station requesting notice in writing. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at the meeting. The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.

D. Emergency meetings of the Board may be held when required and shall be ordered by the President, or by a majority of the Directors. The emergency meeting shall meet the definitions and follow the procedures provided in Government Code Section 54956.5. Each local newspaper of general circulation and radio or television station which has requested notice of special meetings pursuant to Government Code Section 54956 shall be notified by the Clerk to the Board, or other person designated by the President, one hour prior to the emergency meeting or, in the case of a dire emergency, at or near the time that the President or designee notifies the Directors of the meeting. Notification shall be by telephone or email addresses provided in the most recent request of such newspaper or station notification of special meetings shall be exhausted. To the extent that telephone or email services are not functioning, notification shall be deemed waived and the District shall notify such newspaper or station of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible. The minutes of an emergency meeting, a list of persons who the President of the Board, or designee of the Board, notified or attempted to notify, and a report of all roll-call votes, and any actions taken at the meeting shall be posted for at least 10 days in a public place as soon as after the meeting as possible.

E. Closed sessions may be agenized for a regular, special, or emergency meeting, or called by the Board or its President during the course of a regular or emergency meeting, under any applicable provision of the Brown Act. All procedures relating to closed sessions shall comply fully with the Brown Act.

F. Workshops and standing committee meetings will normally be held at 2890 Mosquito Road.

AR 12082 Order of Business

Approved: December 12, 2006
Revised: November 4, 2010
May 15, 2014
February 14, 2017
April 16, 2018

The normal order of business for Board meetings shall be as follows.

1. Roll Call
2. Pledge of Allegiance
3. Moment of Silence
4. Adopt Agenda
5. Public Comment
6. General Manager's Report
7. Clerk to Board Communications
8. Board of Directors' Communications
9. Approve Consent Calendar
10. Action on Items Pulled from Consent Calendar
11. Public Hearings
12. Workshops
13. Information Items
14. Director Items
15. Action Items
16. Closed Session
17. Review of Assignments
18. Adjournment

At the commencement of the meeting, the President of the Board may, at his or her discretion, offer a quote or otherwise make a brief oral statement intended to help facilitate a collaborative tone. The President of the Board may also, at his or her discretion, decide whether or not to ask for a moment of silence under Item 3. If the President requests a moment of silence, he or she may offer a brief dedication of the moment of silence, the purpose of which shall be to honor and offer solidarity to victims of national, state, or regional tragedy; honor the service of past or present members of the armed services; or recognize the passing of individuals who have contributed to the District's mission.

When the General Manager's Report includes employee recognition, that portion of the Report shall occur immediately after adoption of the agenda. The President of the Board has the prerogative to alter the order of items 5 through 16 to enhance public participation or meeting efficiency, except that time-specific items shall not be called prior to their noticed time.

AR 12083 Order for Each Specific Agenda Item

Approved: December 12, 2006

A. President announces matter next by name and item number to be discussed.

B. President or General Manager calls staff to review items and present recommendations.

C. President or General Manager calls on principal party, applicant or person requesting Board actions.

D. President asks for input from public. Public input will normally be limited to five (5) minutes per person. The President may establish other guidelines as he/she sees fit based upon the number of those wishing to speak, the time available, or other factors.

E. President calls for discussion from Board members and controls further public comment. The President will normally limit discussion to the Board until action is taken, unless directed otherwise by a majority of the Board.

F. Board acts to:

1. close or continue hearing until later date,

2. request further information from staff or others, which information shall be limited to specific response to Board questions,

3. approve, conditionally approve, deny or take under advisement, and

4. continue to a later date any timed appearances or public hearing items that take more time than allocated.

AR 12084 Agenda Items

Approved: December 12, 2006

Agenda items and requests for appearances shall be in writing and shall specifically set forth both the matter to be discussed and the action requested of the Board, along with copies of said request and documentary information or supporting material.

BP 12090 Board Officers

Adopted: July 19, 2004
Updated: December 11, 2006

A. The officers of the Board shall consist of a President and Vice President.

B. The President and Vice President shall be elected to one-year terms by members of the Board at the first regular meeting in December of each year during Board non-election years, or either a designated meeting in December or first meeting the following month in election years. The President and Vice President shall take office immediately following the election. Vacancies shall be filled in the same manner, at a regular meeting following the time the vacancy occurs. No officer shall serve more than two consecutive years in the same position, unless elected by a four-fifths vote of the Board.

C. The President shall act as the presiding officer at all meetings of the Board.

D. The Vice President shall preside and exercise all duties of the President in his/her absence, or by direction of the President. In the absence of both the President and Vice President, and temporary President shall be elected by the Board to act as President until the return of the President or Vice President.

BP 12100 Representative Appointments

Adopted: December 11, 2006

The President, with concurrence by the Board, may appoint Board representatives to various organizations and associations. These entities shall be identified in AR 12101 and updated annually in consultation with the General Manager and General Counsel.

AR 12101 Board Representative Appointments

Approved: December 12, 2006
Revised: November 24, 2014
January 13, 2016
January 14, 2020

Board members may be appointed to represent the District in the following organizations:

1. Association of California Water Agencies Region 3 Board
2. Association of California Water Agencies Board of Directors
3. Association of California Water Agencies/Joint Powers Insurance Authority
4. Cosumnes American Bear and Yuba Integrated Regional Water Management Plan Finance Committee (CABY)
5. El Dorado County Water Agency
6. El Dorado County Local Agency Formation Commission
7. Mountain Counties Water Resources Association
8. Regional Water Authority

BP 12110 Standing Committees

Adopted: December 11, 2006

The President, with concurrence by the Board may appoint Board members to serve as Chairs of Board Standing Committees. The Standing Committees shall be identified in AR 12111 and updated annually in consultation with the General Manager and General Counsel.

AR 12111 Standing Committee Appointments

Approved: December 12, 2006
Revised: November 24, 2014

A. The following standing committees, composed of the entire membership of the Board, are hereby established:

1. Engineering and Operations;
2. Insurance and Personnel;
3. Finance, Rates, and Charges;
4. Legal and Legislation; and
5. Recreation and Property Management.

B. Committees may meet on the following duties, and as necessary:

1. Engineering and Operations – Monthly at the first Board meeting of the month;
2. Insurance and Personnel – Quarterly, at the second Board meeting of the month;
3. Finance, Rates, and Charges – Quarterly, at the first Board meeting of the month;
4. Legal and Legislation – Second Board meeting of October and June; and
5. Recreation and Property Management – First Board meeting of October and June.

C. The President, with the approval of the Board, may appoint two chairs to each Board Standing Committee.

BP 12120 Ad-hoc Committees

Adopted: December 11, 2006

The President, with concurrence by the Board, may appoint ad-hoc committees.

BP 12130 Conflict of Interest

Adopted: December 11, 2006

Except as expressly permitted under the terms of the Political Reform Act (Government Code Section 81000 et seq.), a Board member shall not take any action on, or participate in any discussion or otherwise influence the Board on any matter of Board business in which said member of the Board has a “financial interest” as defined under the Political Reform Act.