BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue, Moreno Valley, CA 92553
(951) 653-6419

Tuesday, September 22nd, 2026 – 4:30pm

Board Meeting Agenda

I. **CALL TO ORDER**

II. **ROLL CALL**

President	(Mac) John McDermott
Vice President	Ron Gonzales
Secretary	Valentina Schafer
Treasurer	Misty Rose
Director	Charles Campbell

III. **PUBLIC COMMENTS**

IV. **REVIEW PREVIOUS BOARD MEETING MINUTES**

V. **GENERAL MANAGERS REPORT**

a. **Financial Review**
   i. P&L Report
   ii. Budget Status Report
   iii. Bank Accounts

b. **Action Item**
   i. Approval of BSMWC Employee Handbook

c. **Billing Update**
   i. Total Billed
   ii. Total Received
   iii. Past Due - Water Service
      - 30 to 60 days
      - >60 days
   iv. Past Due – Assessment Only

d. **New Development Projects**
   i. **LDC – Day Street**
   ii. **SAWPA Grants**
      - New Well
      - PFAS Treatment
   iii. **New Apartments on Cottonwood**

VI. **CLOSED SESSION**

VII. **ADJOURNMENT**

BOX SPRINGS MUTUAL WATER COMPANY

21740 Dracaea Avenue, Moreno Valley, CA 92553
(951) 653-6419

Tuesday, August 18th, 2026

Board Meeting Minutes

I. **CALL TO ORDER** – called to order at 4:29pm

II. **ROLL CALL**

President	(Mac) John McDermott – present
Vice President	Ron Gonzales – via phone
Secretary	Valentina Schafer - present
Treasurer	Misty Rose - present
Director	Charles Campbell – present

Others also in attendance: Mark Iverson – General Manager, Karen Collins – Office Manager and Nancy Law – Office Assistant.

III. **PUBLIC COMMENTS –** none

IV. **REVIEW PREVIOUS BOARD MEETING MINUTES –** The Board minutes from the July 21st, 2026, were distributed and reviewed. Charles Campbell motioned to accept, and Valentina Schager seconded. The minutes were approved 5-0.

V. **GENERAL MANAGERS REPORT**

a. **Financial Review**

i. P&L Report - distributed and reviewed

ii. Budget Status Report - distributed and reviewed
- Mark noted that for July, we had a positive balance of approximately $7,000, with $94,000 in income and $87,000 in expenses. For the year, income has increased by approximately $60,000 compared to last year, while expenses have also increased by approximately $60,000. However, the financial position is not as concerning as it may appear, as we continue to have money coming in. Overall, we are on track with the year-to-date budget.

iii. Bank Accounts – distributed and reviewed
- Mark noted again that the Company is in a better financial position than it may appear. We still have funds coming in from Cottonwood, LDC, as well as PFAS funding and reimbursements for work that has already been completed and paid for under the Well Grant. The reimbursement request has been submitted to SAWPA by Maria Kennedy.
- Charles Campbell asked when Cottonwood is expected to begin construction on the property. Mark stated that Cottonwood has requested that the hydrant be moved slightly. He indicated that they are estimating approximately four months, with the groundbreaking likely to take place around the middle of next year.

- Misty Rose asked what had occurred at Cottonwood regarding the water shut-off. Mark explained that staff went to tie in the 8" line to the 12" main line and discovered several areas requiring repairs. Portions of the existing line were crushed and required welding. Since these were older lines, the condition of the piping was not known until the work began. Mark stated that all necessary repairs have been completed and the lines are now back in working condition.
- John "Mac" McDermott asked, with the last phase of Cottonwood completed, how much additional work remains to complete the water line. Mark stated that approximately 700 feet of line remains to be completed.

b. **Billing Ordinance**

i. ADU Fees

- Staff is reviewing and working to correct accounts related to ADU fees and shares. Previous decision-makers, including Mr. Marks, made the decision to charge customers on a per-door basis. However, there is nothing in the bylaws stating that fees should be assessed per door, nor do the bylaws address properties beyond single-family residences. Staff have reviewed and determined the appropriate fees for properties such as apartment complexes and trailer parks or any ADU to property.
  a. As staff reviewed these corrections, they are recommending returning all shares to be based solely on the size of the lot and adding the number of additional units to the ADU fees. As a result, customers may initially see a reduction in their rates. However, the ADU fee would gradually increase from the current $7.63 per unit to $50.00 per unit over approximately 10 years.
  b. Any new units added in the future would be assessed the full $50.00 per-unit fee at the time the unit is established. Existing or "legacy" customers would see a gradual increase in the ADU fee over the 10-year period. The proposed increase for this year would be $2.00 per unit, bringing the current fee from $7.63 to $9.63 per unit.

ii. Shares

- As staff reviewed these corrections, they are recommending returning all shares to be based solely on the size of the lot.

iii. Rate increase (3%)

- Mark recommended that we keep this year's increase at CPI (consumer price index) of 3%.
- Karen commented that any new units added would be assessed the new ADU fee of $50.00 per unit. Existing "legacy" customers would transition to the new fee structure gradually.
- Charles Campbell asked how this change would affect Liberty Church. Karen stated that Liberty Church would see a decrease in its fees because the ADU and share calculations would be corrected, and the church does not have any ADUs.

Charles Campbell made a motion to increase the overall rates by 3%, with the following adjustments for legacy (current) customers: correct all shares to reflect the property size and add ADU fees, with the ADU fee gradually increasing over a 10-year period from the current rate to $50.00 per unit. The ADU fee for legacy customers would increase to $9.63 per unit this year. New ADU connections would be assessed at a fee of $50.00 per unit. Misty Rose 2nd the motion and passed unanimously 5-0.

c. **Billing Update**
   i. Total Billed June 2026 — $ 104,004.17
   ii. Total Received — $ 101,543.84
   iii. Past Due - Water Service
      - 30 to 60 days — $ 4,489.19
      - >60 days — $ 1,758.14
   iv. Past Due – Assessment Only — $ 76,923.89

d. **CalMutuals Annual Meeting**
   i. November 2-3, 2026, Indian Wells CA
      - Mark commented that, now that Box Springs is a member of CalMutual, the Company can attend its annual meeting at no cost, as registration for the event is free. John "Mac" McDermott asked if Mark planned to attend. Mark stated that he did and recommended that Board members attend as well, given that the event is being held nearby. Mark asked anyone interested in attending to let staff know so they could register them for the event.

e. **New Development Projects**

   i. **LDC – Day Street –**
      - LDC is progressing once the water connection is made, we will receive an additional payment they will probably be looking to connect sometime next year. They also have not paid their assessment fees for that property that staff discovered was being paid by previous own, but once they connect all the assessment fees will be paid.

   ii. **SAWPA Grants**
      - New Well –
         a. Mark noted that improvements have begun in preparation for the new well. He has received one quote for the pump and is working to obtain additional quotes. The bid package is expected to be finalized this month and will then be released for bid. The project remains on track. Maria Kennedy has submitted reimbursement requests to SAWPA for the work completed to date and is also working on a PFAS grant that could be coordinated with the new well project.

   iii. **New Apartments on Cottonwood –**
      - Mark noted that Phase II of the project has been completed. The connection for this project is not expected to take place until next year and will be completed in conjunction with the final payment for the project.

VI. CLOSED SESSION – regular session closed at 4:54 pm
closed session opened at 4:55 pm

VII. **ADJOURNMENT** Closed session adjourned at 5:11pm
Adjourned at 5:14 pm

Next Meeting Due to a planned surgery for the General Manager, the Board has agreed to move the Board Meeting to:
September 22nd, 2026 at 4:30pm

Box Springs Mutual Water Company
Statement of Activity
August 2026

	Total
Revenue	
700 Water Revenue	$300.00
703 Service Charge	21,396.01
704 Water Charge	56,698.19
715 Add Unit Revenue	4,373.34
725 Other Revenue	
720 Late Fees, Penalties	1,406.15
726 Misc. Fees	494.02
Total for 725 Other Revenue	**$1,900.17**
Total for 700 Water Revenue	**$84,667.71**
735 Shareholder Assessments	23,168.17
Total for Revenue	**$107,835.88**
Gross Profit	**$107,835.88**
Expenditures	
820 Parts, Supplies, Tools	224.04
830 Repairs & Maintenance	20,798.55
840 USAS	20.00
850 WMWD	19,516.63
860 Pumping-Electricity	5,838.49
870 Laboratory Fees	675.00
881 Outside Services -COGS	41,270.72
906 Auto, Truck Expenses	$61.80
907 Fuel	1,194.94
Total for 906 Auto, Truck Expenses	**$1,256.74**
908 Bank Service Charges	96.31
912 Dues, Subscriptions	10.00
915 Computer Fees & Services	3,669.81
932 Equipment Rental	267.71
934 Insurance	
935 Insurance Auto	
936 Workers Comp	9,947.57
937 Vision	21.03
939 Health	2,122.30
940 Dental	103.00
Total for 935 Insurance Auto	**$12,193.90**
Total for 934 Insurance	**$12,193.90**
943 Meals & Entertainment	87.51
944 Office Expense	2,593.61

Box Springs Mutual Water Company

Statement of Activity

August 2026

	Total
945 Payroll Expenses	
810 Operator Salaries	17,684.41
904 Administrative Salaries	12,669.24
946 Payroll Processing Fees	29.14
948 Payroll Taxes	2,634.23
Total for 945 Payroll Expenses	**$33,017.02**
950 Postage, Delivery	920.97
952 Telephone	294.76
956 Uniforms	1,020.52
958 Utilities	975.72
959 Professional Fees	$7,500.00
902 Accounting	325.00
961 Legal Services	199.00
Total for 959 Professional Fees	**$8,024.00**
Total for Expenditures	**$152,772.01**
Net Operating Revenue	**-$44,936.13**
Other Revenue	
991 Cashback Rewards	45.73
Total for Other Revenue	**$45.73**
Other Expenditures	
996 State Income Tax	53.00
Capital Improvements	
1000 Cottonwood Phase II	-101,922.05
1030 New Well Project	-169,772.19
Total for Capital Improvements	**-$271,694.24**
Total for Other Expenditures	**-$271,641.24**
Net Other Revenue	**$271,686.97**
Net Revenue	**$226,750.84**

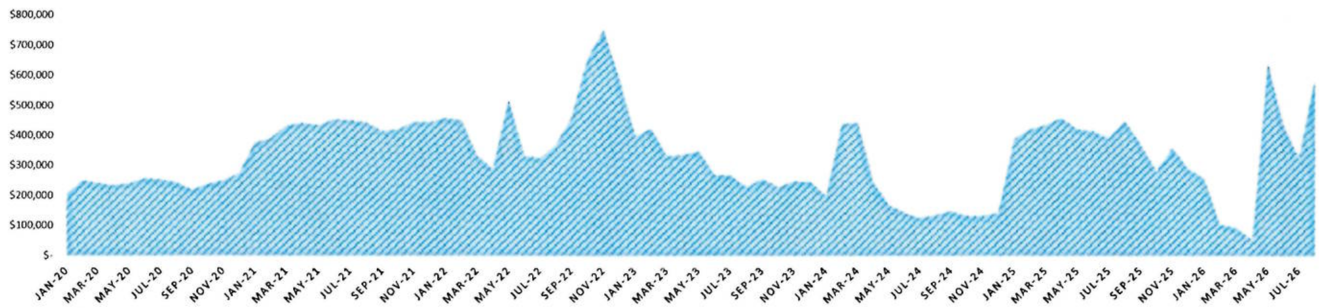
2026 Budget

INCOME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	2026 YTD	2025 YTD	2026 Budget
Operating Income											
700 Water Revenue									$ -	$ -	$ -
702 Non-Member Water		$ 300						$ 300	$ 600	$ -	$ -
703 Service Charge	$ 20,106	$ 21,419	$ 20,995	$ 20,364	$ 20,334	$ 21,445	$ 20,138	$ 21,396	$ 166,196	$ 137,859	$ 253,793
704 Water Charge	$ 39,279	$ 38,984	$ 33,776	$ 40,357	$ 45,079	$ 43,293	$ 44,047	$ 56,698	$ 341,513	$ 268,616	$ 528,736
710 Add Meter Revenue			$ 13,279						$ 13,279	$ -	$ -
715 Add Unit Revenue	$ 4,114	$ 4,178	$ 3,959	$ 4,269	$ 4,180	$ 3,982	$ 4,014	$ 4,373	$ 33,069	$ 25,695	$ 48,751
717 Connection Fees									$ -	$ -	$ 100,000
720 Late Fees, Penalties	$ 1,324	$ 1,386	$ 285	$ 1,402	$ 934	$ 1,275	$ 958	$ 1,406	$ 8,970	$ 8,600	$ 15,754
722 BS CC Payment Fee									$ -	$ -	$ -
725 Other Revenue - Other			$ 6,178						$ 6,178	$ -	$ -
726 Member Other Revenue	$ 304	$ 2,879	$ 1,900	$ 720	$ 16	$ 222	$ 2,058	$ 494	$ 8,593	$ 4,071	$ 5,386
727 Non-Member Other Revenue									$ -	$ -	$ -
735 Shareholder Assessment	$ 21,842	$ 22,513	$ 23,151	$ 22,181	$ 21,700	$ 23,205	$ 22,978	$ 23,168	$ 180,738	$ 144,363	$ 273,768
736 Assessment - Late Penalty						$ 42	$ 66		$ 108	$ 285	$ 446
990 Interest Revenue			$ 113	$ 105	$ 108	$ 103	$ 107		$ 536	$ -	$ -
991 Cash Back Rewards			$ 5		11.7	$ 11	$ 57		$ 85	$ -	$ -
Total INCOME	**$ 86,967**	**$ 91,658**	**$ 103,640**	**$ 89,399**	**$ 92,362**	**$ 93,578**	**$ 94,424**	**$ 107,836**	**$ 759,865**	**$ 589,489**	**$ 1,226,635**

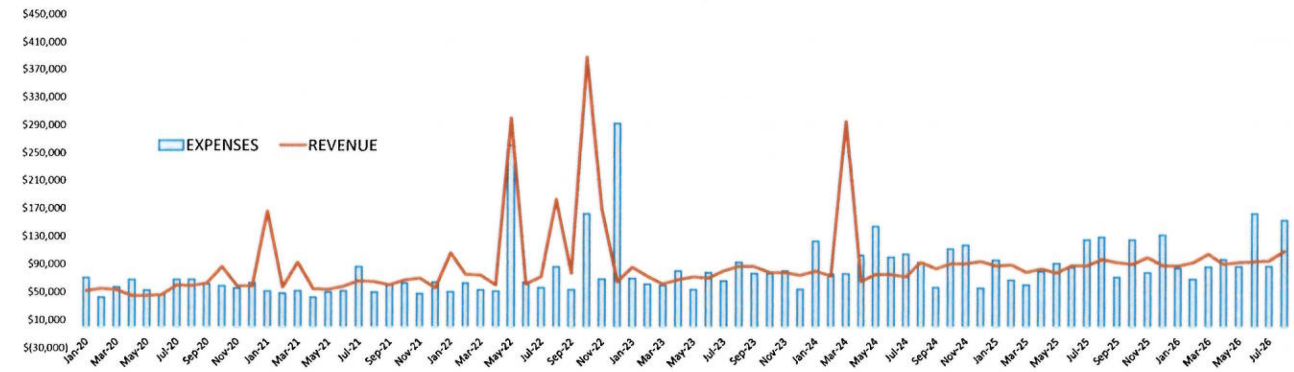
EXPENSES	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	2026 YTD		2026 Budget
810 Operator Salaries	$ 13,530	$ 10,200	$ 16,382	$ 25,215	$ 14,836	$ 15,558	$ 17,719	$ 17,684	$ 131,124	$ 87,037	$ 167,581
820 Parts, Supplies, Tools	$ 1,576	$ 208	$ 1,577	$ 1,415	$ 1,544	$ 1,772	$ (11)	$ 224	$ 8,304	$ 16,106	$ 15,287
830 Repairs & Maintenance		$ 2,375	$ 2,500	$ 2,523	$ 801	$ 515		$ 20,799	$ 29,512	$ 4,539	$ 7,763
840 USAS	$ 12	$ 13	$ 17	$ 24	$ 13	$ 19	$ 6	$ 20	$ 124	$ 83	$ 173
850 WMWD	$ 14,994	$ 14,560	$ 14,984	$ 18,119	$ 16,683	$ 16,458	$ 20,966	$ 19,517	$ 136,280	$ 104,748	$ 209,775
860 Pumping - Electricity	$ 5,976		$ 12,183	$ 6,403	$ 5,674	$ 5,450	$ 6,265	$ 5,838	$ 47,790	$ 52,440	$ 86,518
870 Laboratory Fees	$ 3,920	$ 722	$ 1,908	$ 1,202	$ 1,227	$ 991		$ 675	$ 10,645	$ 7,277	$ 17,158
880 Chlorine				$ 1,158					$ 1,158	$ 3,368	$ 5,297
881 Outside Services	$ 2,200	$ 4,575	$ 4,160	$ 2,553	$ 1,625	$ 31,440	$ 13,297	$ 41,271	$ 101,119	$ 89,317	$ 132,392
902 Accounting		$ 2,860	$ 325	$ 325	$ 325	$ 1,325	$ 325	$ 325	$ 5,810	$ 16,702	$ 18,602
904 Administrative Salaries	$ 10,113	$ 13,529	$ 12,300	$ 16,959	$ 12,849	$ 13,214	$ 12,503	$ 12,669	$ 104,137	$ 69,677	$ 152,474
906 Auto, Truck Expenses		$ 590	$ 82	$ 380	$ 308	$ 3,351	$ 458	$ 62	$ 5,231	$ 2,487	$ 1,947
907 Fuel	$ 931	$ 441	$ 399	$ 688	$ 1,161	$ 664	$ 1,590	$ 1,195	$ 7,069	$ 3,600	$ 6,873
908 Bank Service Charges	$ 459	$ 383			$ 167	$ 24	$ 14	$ 96	$ 1,143	$ 3,074	$ 5,261
909 Cashier Over/Short									$ -	$ -	$ -
910 Depreciation Expense									$ -	$ -	$ -
912 Dues and Subscriptions	$ 610	$ 385	$ 549	$ 10	$ 10	$ 10	$ 10	$ 10	$ 1,594	$ 3,939	$ 7,347
913 Vechicle Maint and Repairs		$ 125	$ 2,603	$ 54		$ 56	$ 419		$ 3,257	$ 361	$ 1,809
914 Square Merch Fee									$ -	$ -	$ -
915 Computer Fees and Services	$ 2,776	$ 3,453	$ 2,992	$ 3,280	$ 3,035	$ 3,169	$ 3,889	$ 3,670	$ 26,265	$ 25,636	$ 31,829
925 Engineering		$ 2,000							$ 2,000	$ -	$ -
930 Employee Benefits					$ (59)				$ (59)	$ -	$ -
932 Equipment Rental				$ 294	$ 268			$ 268	$ 830	$ 6,626	$ 7,041
935 Insurance Auto	$ 11,095	$ 1,286				$ 5,512	($3,669.12)		$ 14,223	$ 11,835	$ 14,477
936 Workers Comp	$ 1,508	$ 21	$ 1,710	$ 2,441	$ 960		$ 1,650	$ 9,948	$ 18,237	$ 7,927	$ 15,964
937 Vision			$ 21	$ 42		$ 42		$ 21	$ 126	$ 132	$ 256
938 Liability						$ 20,875			$ 20,875	$ -	$ -
939 Health	$ 1,990	$ 2,069	$ 2,196	$ 1,990	$ 2,122	$ 2,122	$ 2,122	$ 2,122	$ 16,736	$ 9,923	$ 21,891
940 Dental					$ 103	$ 206		$ 103	$ 412	$ 107	$ 116
941 D&O, EPI	$ 2,431	$ 2,468	$ 2,468	$ 2,468	$ 3,611		$ (23)		$ 13,422	$ 18,082	$ 43,496
942 Licenses, Permits, Fees						$ 6,239			$ 6,239	$ 1,170	$ 1,365
943 Meals & Entertainment			$ 104					$ 88	$ 192	$ 452	$ 1,013
944 Office Expense	$ 1,131	$ 1,147	$ 1,079	$ 866	$ 1,299	$ 28,512	$ 907	$ 2,594	$ 37,534	$ 8,740	$ 14,960
945 Payroll Expense					$ 242	$ 128				$ -	
946 Payroll Processing Fee	$ 1,749	$ 1,559	$ 1,577	$ 2,481	$ 114		$ (116)	$ 29	$ 7,393	$ 10,101	$ 18,551
947 Outside Services - General	$ 1,600								$ 1,600	$ 6,375	$ 10,000
948 Payroll Taxes	$ 3,921	$ 2,687	$ 2,554	$ 3,445	$ 2,175	$ 2,478	$ 1,910	$ 2,634	$ 21,804	$ 15,349	$ 26,678
950 Postage, Delivery	$ 1,195		$ 502	$ 1,016	$ 549	$ 596	$ 1,763	$ 921	$ 6,542	$ 3,664	$ 6,185
952 Telephone	$ 174	$ 239	$ 349	$ 562	$ 287	$ 287	$ 162	$ 295	$ 2,357	$ 2,156	$ 3,936
956 Uniforms					$ 175	$ 96	$ 157	$ 1,021	$ 1,448	$ 624	$ 814
958 Utilities	$ 262	$ 86	$ 388	$ 194	$ 332	$ 274	$ 815	$ 976	$ 3,327	$ 1,622	$ 3,660
959 Professional Fees						$ 750	$ 3,750	$ 7,500	$ 12,000	$ 298	$ -
961 Legal Services		$ 398			$ 13,556	$ 199		$ 199	$ 14,352	$ (3,084)	$ 41,265
962 Attorney Settlment									$ -	$ -	$ -
996 State Income Tax									$ -	$ 9,371	$ -
749 Property Tax									$ -	$ -	$ -
Total EXPENSES	**$ 84,152**	**$ 68,380**	**$ 85,910**	**$ 96,106**	**$ 85,992**	**$ 162,333**	**$ 86,877**	**$ 152,772**	**$ 822,153**	**$ 601,860**	**$ 1,099,752**
Net Income	$ 2,815	$ 23,279	$ 17,730	$ (6,708)	$ 6,370	$ (68,754)	$ 7,547	$ (44,936)	$ (62,288)	$ (12,371)	$ 126,882
Cash Reserves (In Bank)	**$ 258,028**	**$ 102,738**	**$ 93,074**	**$ 53,401**	**$ 642,604**	**$ 432,107**	**$ 319,860**	**$ 588,372**		**$ 448,615**	

Exhibit 2

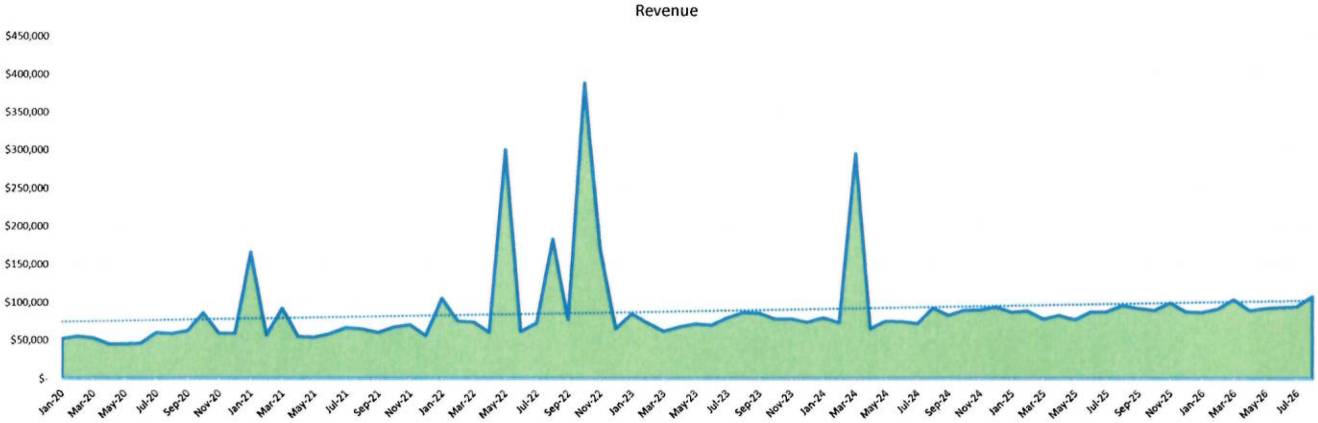
TOTAL BANK BALANCE



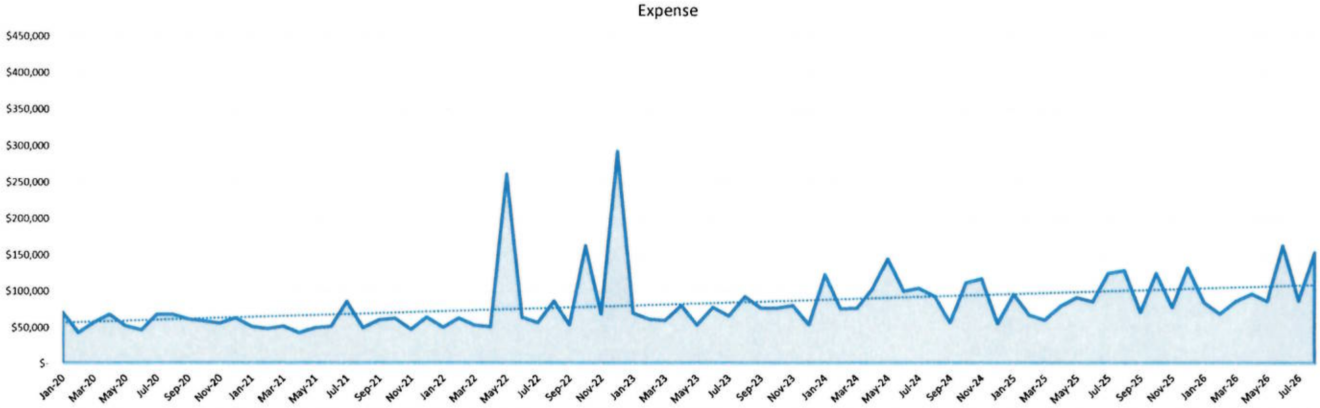
Revenue and Expense



Revenue



Expense



BoxSprings

MUTUAL WATER

"Providing Reliable Water Service Since 1920"

Employee Handbook

Revised and Adopted October 20, 2026

Table of Contents

The Box Springs Mutual Water Company Employee Handbook

October 2026

Introduction

The mission of Box Springs Mutual Water Company (BSMWC) is to provide high-quality drinking water to its customers within its designated service area in the City of Moreno Valley, California. BSMWC is privately owned by its shareholders and governed by its Board of Directors. BSMWC's General Manager is responsible for the day-to-day management of BSMWC and its employees.

All Company employees are employed at will as specified in Section 1.1 of this Handbook.

This Handbook contains the personnel policies adopted by the Box Springs Mutual Water Company that govern the employment of all Company employees. Employees are required to follow all Company policies. Violation of any Company policy will subject an employee to discipline, up to and including immediate termination of employment.

Company management reserves the right to modify, revise, add to, or rescind any of these policies, except for the concept of at will employment, in its sole discretion. BSMWC will inform employees of substantive changes to the Handbook.

Should you have any questions about this Handbook, the policies, or their application, please contact the Office Manager or General Manager.

Employment Section - 1.0

1.1 At Will Employer

All Company employees are employed at will. Simply stated, at will means that either the employee or the employer may end the employment relationship at any time, for any reason or no reason, with or without cause, and with or without advance notice.

The at will relationship is not modified by anything in the Handbook or by the policies or guidelines it contains. The employment relationship can only be modified by a written document signed by the employer.

1.2 Equal Opportunity Employer

Box Springs Mutual Water Company is an Equal Employment Opportunity employer.

BSMWC affords equal opportunity in all aspects of employment to all employees and applicants for employment without regard to race, religion (including religious dress or grooming), creed, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), reproductive health decision-making, gender, national origin, ethnicity, ancestry, citizenship, age, physical or mental disabilities, color, marital status, registered domestic partner status, sexual orientation, gender identity or expression, genetic information, medical condition, military or veteran status, or any other basis protected by applicable law. This policy applies to all employees and applicants for employment, and extends to all phases of employment, including but not limited to recruitment, hiring, training, promotion, discharge or layoff, rehiring, compensation, and any benefits.

1.3 Employment Types

Employment positions within BSMWC are classified as either:

Full-Time, Part-Time, or Temporary. All employees, regardless of classification, are employed at will. In addition, all employees are subject to an initial probationary period of six months and may be eligible for consideration of pay increases based on the current policy.

These classifications are described as follows:

Full-Time - A Full-Time Employee is one who has been hired to fill a full-time position and has successfully completed the probationary period. Full-time positions require the employee to work at least 40 hours per week. Employees in this category are generally eligible for all benefits.

Part-Time - A Part-Time position is one that is generally scheduled to work fewer than 30 hours a week. The number of hours a part-time employee works may vary from week to week. Part-time employees are generally not eligible for any benefits, except as required by law.

Temporary - Employees hired on a temporary basis generally perform assignments that are seasonal or project-oriented. A Temporary Employee may work up to 40 hours in any week, although a full 40-hour week is not guaranteed. Temporary Employees are generally not eligible for any benefits except as required by law.

Probation – each newly-hired employee serves a probationary period of six months, commencing on their date of hire. During this period, BSMWC and the new employee have an initial opportunity to determine whether continuing employment is appropriate. Probationary employees are generally not eligible for benefits, except as required by law or stated in company policy. The probationary period may be extended at the sole discretion of the General Manager. An employee who successfully completes probation will be notified by BSMWC in writing that they have now attained regular status with all benefits active. Note - their at-will employment status does not change.

1.4 Terminations (Non-Disciplinary)

Retirement, resignation, layoff, and discretionary termination without cause are considered non-disciplinary terminations, and do not constitute disciplinary action. Retirement and resignation are choices of the employee. Layoff and discretionary termination without cause are the choice of BSMWC management.

Retirement - Management would appreciate at least a 6-month advance notice of any employee considering retirement.

Resignation - Employees can submit a letter of resignation to BSMWC management to terminate employment. It is customary to give two weeks' advance notice prior to resignation.

Layoff - In the event a reduction in work force becomes necessary, BSMWC management will decide, at their discretion, which employees are to be laid off.

Discretionary Termination Without Cause - The employment relationship is at will. Either the employee or BSMWC may decide to terminate the relationship at any time, either with or without cause.

1.5 Terminations (Disciplinary)

BSMWC management also has the right to terminate any Company employee for disciplinary reasons.

Some examples of misconduct that may subject the employee to discipline, up to and including termination, include misconduct or negligence, theft or dishonesty, drug or alcohol abuse, harassment or workplace bullying or violence, unsatisfactory performance or attendance, violation of any policy, or insubordination. Disciplinary termination is a serious matter. Supervisory personnel may recommend termination, but only BSMWC's General Manager has the final authority to terminate an employee.

1.6 Employment of Relatives

BSMWC does not necessarily preclude the hiring or employment of qualified employees who are related by blood or marriage or who become related during employment. BSMWC does exercise its right to control the employment of relatives to avoid issues of safety, supervision, morale, or security. For example, BSMWC will not permit one relative to directly supervise another or allow one relative to have input into hiring or evaluating another relative.

An applicant for employment who is a relative of a BSMWC employee does not receive special consideration or prejudice that could give either unfair advantage or disadvantage over other candidates being considered. Qualifications, not relationships, are the basis for evaluating potential employees.

Employment of a relative must not result in an actual or potential conflict of interest, or negatively affect the safety, supervision, morale, or security of BSMWC or its employees.

Employee Conduct - 2.0

2.1 Code of Conduct

To ensure orderly and efficient operations, and for the safety and well-being of BSMWC, its employees, and the public, rules and standards of conduct must be followed. Employees who fail to comply with these rules, or any policy, will be subject to disciplinary action.

2.2 Discipline

Employees who fail to comply with BSMWC rules or policies will be subject to disciplinary action. Normally a progressive disciplinary procedure is followed, meaning that increasingly more serious discipline may be imposed for more serious or repeated offenses. However, BSMWC is not required to follow progressive discipline.

Moreover, in certain circumstances, and depending on the severity of the offense and other appropriate factors, immediate termination may result. Disciplinary policies do not modify the at will employment relationship.

Disciplinary actions include but are not limited to oral or written reprimands, suspensions, administrative leave, and termination. Management considers a variety of factors in determining the appropriate level of discipline, including: the impact of the offense on BSMWC, the extent of damage or harm caused, prior disciplinary actions, employment history, etc.

2.3 Drug and Alcohol Use

While at work or in a work-related situation, employees are not permitted to possess, use, sell, distribute, transfer, or purchase drugs or controlled substances, including alcohol. The sole exception to the above is that employees may use over the counter or prescription medications, as authorized and in accordance with medical instructions, provided such use does render the employee under the influence, or otherwise impair safe and efficient operations. An employee who is prescribed, or is taking, medication that may interfere with safe and efficient operations must inform the Office or General Manager of that fact prior to beginning work.

Employees are not permitted to report to work, or to work, if they are under the influence of, or impaired by, any substance, including drugs or alcohol.

2.4 Policy Prohibiting Harassment and Discrimination

Harassment and discrimination in employment on the basis of sex (including pregnancy, childbirth, breastfeeding, or related medical condition), reproductive health decision-making, gender, race, color, national origin, ancestry, citizenship, religion, creed, age, physical or mental disability, medical condition, sexual orientation, gender identity or gender expression, military or veteran status, marital status, registered domestic partner status, genetic information, or any other protected basis (collectively the Protected Characteristics) is unlawful under federal and state law. Every individual is entitled to work free of discrimination or harassment based on any Protected Characteristic. The law prohibits all employees (including coworkers, supervisors, and managers), as well as third parties with whom the employee comes into contact, from engaging in this impermissible conduct. Accordingly, BSMWC does not tolerate discrimination or harassment in the workplace or in a work-related situation. Unlawful discrimination and harassment violates BSMWC's rules of conduct.

Unlawful harassment in employment may take many different forms. Some examples are:

- Verbal conduct such as epithets, derogatory comments, slurs, or unwanted comments and jokes;

- Visual conduct such as derogatory posters, cartoons, drawings, or gestures;

- Physical conduct such as blocking normal movement, restraining, touching, or otherwise physically interfering with work of another individual;

- Threatening or demanding that an individual submit to certain conduct or to perform certain actions to keep or get a job, to avoid some other loss, or as a condition of job benefits, security, or promotion; and

- Retaliation by any of the above means for having reported harassment or discrimination or having assisted another employee to report harassment or discrimination.

- Sexual harassment under these laws includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

  - submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment;

  - submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or

  - such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

2.5 Internal Complaint Procedure

Discrimination and harassment in employment are not tolerated. In addition, BSMWC prohibits retaliation for having made a report, and/or otherwise participating in the reporting or investigative process under this policy. Violation of this policy will result in disciplinary action up to, and including, immediate discharge.

Any individual who believes they are the object of harassment or discrimination on any prohibited basis, or who has observed such harassment or discrimination, or who believes they have been subjected to retaliation, should notify the Office or General Manager. BSMWC will conduct a fair, timely, and thorough investigation, and will do so in a confidential manner, to the extent possible. The investigation will be carried out by impartial and qualified personnel and will be appropriately documented. Following the investigation, BSMWC will take such action as is warranted under the circumstances and will close the matter as timely as possible.

2.6 Agency Complaint Procedure

Both the State and Federal Governments have agencies whose purpose is to address unlawful discrimination in the workplace. If an individual who provides services to BSMWC believes they have been harmed by unlawful practice and are not satisfied with BSMWC's response to the problem, they may file a written complaint with these agencies. For the State of California, the appropriate agency is the Civil Rights Department (CRD). The local address for the CRD is 1325 Spruce Street, Suite 320, Riverside, CA 92507 or (800) 884-1684 or www.calcivilrights.ca.gov. For the federal government, the agency is the Equal Employment Opportunity Commission (EEOC). The local address for the EEOC is 255 E. Temple Street, 4th Floor, Los Angeles, CA 90012 or (800) 669-4000 or www.eeoc.gov.

If, after an investigation and hearing, either of these agencies finds that unlawful discrimination has occurred, the injured employee may, depending on the circumstances, be entitled to reinstatement or promotion, with or without back pay.

2.7 Retaliation

Retaliation against any individual for making a report, or for participating in an investigation, under this policy is strictly prohibited. Individuals are protected by law and by BSMWC policy from retaliation for opposing unlawful discriminatory practices, for filing an internal complaint under this policy or for filing a complaint with the CRD or EEOC, or for otherwise participating in any proceedings conducted by BSMWC under this policy and/or by either of these agencies.

2.8 Safety

The primary goal of BSMWC's Injury & Illness Prevention Program (IIPP) is to minimize employee illness or injury in the workplace.
NOTE: Where can employees access a copy of the IIPP? Does BSMWC now have in place a Workplace Violence Prevention Plan (a relatively new requirement).
Work related injuries and illnesses create problems for the employee, clients, and BSMWC and can be avoided or minimized through the establishment of, and adherence to, good work safety practices. It is essential that all employees perform their day-to-day work functions in a safe manner. This is true regardless of the work area but is especially important when performing a service on the property of a customer (shareholder). It is the responsibility of all employees to help maintain a safe workplace. On-going safety training will take place annually as required.

Work-related injuries must be reported immediately to BSMWC management.

2.9 Preserving Confidential Information

As employees of a mutual water company providing an essential service, Company employees are precluded from engaging in activities that might compromise BSMWC, its assets or its customers. To this end, BSMWC prohibits its employees from disseminating or disclosing confidential, non-public information about BSMWC, its customers, proposals, bids, or any other data considered confidential by BSMWC without the express consent of the General Manager.

All work-related documents, information, programs, proposals, bids, etc., generated by BSMWC employees are the sole property of BSMWC and may not be disseminated without the approval of BSMWC management.

2.10 Employee References

When outside entities, including prospective employees, make an inquiry about a current or former employee, those requests should be forwarded to the Office Manager. In response to such inquiries, BSMWC provides only the employee's job title and dates of employment.

2.11 Searches and Monitoring

BSMWC has the right to access and search all BSMWC owned equipment (including desks, file cabinets, computers, and computer storage devices, e-mail, and voicemail systems) and all items brought onto BSMWC property (including parking lots).

Company-maintained systems, such as its e-mail and voicemail systems, are provided to facilitate BSMWC's business. BSMWC reserves the right to monitor and access any documents or information created, maintained, sent, or received on its systems. Accordingly, employees should not have any expectation of privacy in any documents or information on BSMWC systems, regardless of any password protection.

Although BSMWC systems may be available for occasional and minimal personal use by employees (on break, lunch, or times as otherwise agreed upon by management), messages sent or received on these systems are considered the property of BSMWC.

2.12 Employee/Customer (Shareholder) Conduct

BSMWC requires all employees to conduct themselves in a professional manner. Towards this end, employees are required to treat all customers in a courteous and respectful manner.

If an employee believes they are being treated in an inappropriate manner by any customer (shareholder), the employee must report the issue to the Office and/or General Manager in a timely manner.

2.13 Work Schedules

Field Employees: The normal work schedule is 6:00 am to 4:30 pm, Monday - Thursday. This is known as a 4/10 work schedule.

Additionally, Field Employees are subject to rotating on-call coverage for purposes of maintaining a safely operating water system. On-call coverage is subject to change depending on the number of employees currently employed, however, one employee must be available to work each day of the week and be available for after-hours callouts for emergencies. Further detail can be found in Section 2.15 of this Handbook.

Part-Time Employees: There is no normal schedule for part-time employees as each position's needs will determine the number of hours required to complete the work.

2.14 Work Breaks

Employees are entitled to a ten (10) minute paid break in about the middle of each 4-hour period they work. One break is generally scheduled in the mid-morning and the second break in the midafternoon. Additionally, each employee must take a half-hour, non-paid lunch period. Lunch periods must be commenced during the fifth hour of work.

2.15 On-Call Coverage

Field Employees will participate in a rotation of duty to cover the needs of BSMWC each week. On-Call employees are responsible for answering all after-hours calls to determine if said call is truly an emergency that requires the employee to physically respond to the situation. Employees will be on duty for a full week, i.e., 7 days for each occurrence. If an emergency requires an actual response, the on-call employee will receive a minimum of 2 hours pay. If the response takes longer than 2 hours, the employee will be paid for the number of hours worked.

Employees will receive 2 hours of pay per day while being on-call in addition to actual hours worked.

2.16 Lactation Accommodation

Employees desiring to express breast milk for the employee's infant child while at work have the right to request lactation accommodation. Employees may request this accommodation by communicating with the Office Manager. BSMWC will meet with the employee about the accommodation, will document the accommodation plan in writing, and will provide a written response to the employee's request. If possible, the lactation break time will run concurrently with any paid break time already provided to the employee. Any lactation break times that run beyond, or are in addition to, the normal authorized paid rest breaks are unpaid.

For any perceived violation of this policy, the employee has the right to file a complaint with the California Labor Commissioner.

Benefits - 3.0

3.1 Eligibility for Benefits

BSMWC offers employment benefits to eligible employees including medical, dental and vision insurance, paid holidays, a voluntary deferred compensation plan, paid sick time and paid vacations.

3.2 Vacations

Eligible employees accrue paid vacation time beginning on their date of hire. Full-time employees may accrue up to two weeks (or 80 hours) of vacation annually. After completing ten (10) years of employment, a full-time employee may accrue up to three weeks (or 120 hours) of vacation annually.

Part-time employees may be eligible to accrue paid vacation on a pro rata basis.

Temporary employees are not eligible to accrue paid vacation.

All eligible employees may accrue unused vacation time up to a maximum of 150 percent of their yearly accrual. For example, an employee in their third year of employment may accrue up to a maximum of 120 hours of vacation time. Once an employee reaches this vacation cap, the employee will cease accruing paid vacation until they use sufficient vacation time to bring their total accrual below the cap.

Upon separation from BSMWC for any reason, any accrued but unused vacation is cashed out at the employee's pay rate at the time of separation.

The scheduling of vacation time is subject to the approval of the Office and General Manager. Employees requesting to use their accrued vacation time should provide as much advance notice as possible, generally with a minimum of two weeks' notice. Short notice time off requests should be kept to a minimum. Employees must request vacation via text or email to the Office and General Manager. Once approved, the time off must be entered in the payroll system. Employees will not be granted vacation time in excess of the amount they have accrued. Should a BSMWC paid holiday fall during an employee's approved vacation period, the employee will receive the holiday pay and will not have that paid holiday deducted from their vacation balance.

3.3 Holidays

The following are holidays recognized by BSMWC and will be provided in the annual Payroll Calendar:

- New Year's Day (January 1st)
- Martin Luther King Jr. Day (3rd Monday in January)
- President's Day (3rd Monday in February)
- Memorial Day (4th Monday in May)
- Independence Day (July 4th or the proceeding or following workday)
- Labor Day (1st Monday in September)
- Veterans Day (November 11th or proceeding or following workday)
- Thanksgiving Day and the day after Thanksgiving (4th Thursday and Friday of November)
- Christmas Day (December 25th or the proceeding or following workday)
- Two Floating Holidays (to be used on the day of the employee's choice)

Part Time employees may be eligible for paid holidays on a pro rata basis. Temporary employees are not eligible for paid holidays but will receive the unpaid time off for the holiday.

3.4 Paid Sick Time

All Company employees accrue paid sick time. Full-time employees accrue paid sick time a rate of four hours per calendar month starting from the date of hire.

Paid sick time may be accrued up to a maximum of 240 hours. Once that cap is reached, the employee will not accrue additional sick time unless they use sufficient sick time to bring their total accrual below the cap.

Paid sick time may be requested for an absence caused by illness or injury of an employee or an absence caused by illness or injury of a member of the employee's immediate family (i.e., a child, parent, spouse, domestic partner, grandparent, grandchild, or sibling, or a designated person), or for doctor's appointments for the employee or immediate family, or for any other reason permitted by law. For purposes of this policy, a designated person is one designated by the employee at the time they request to use paid sick time. Employees may designate one person per 12-month period for sick days.

The employee may be required to furnish a health care provider's certificate to support the need for sick time if the absence exceeds three (3) working days. Sick leave is not to be used for vacation or personal time off.

Accrued paid sick time is not paid out to the employee upon termination from BSMWC.

3.5 Voluntary Deferred Compensation (Retirement) Plan

Employees may elect to participate in a voluntary deferred compensation plan (401K). Under this plan, an employee may contribute a portion of their wages to the deferred compensation plan. Likewise, BSMWC may also contribute a percentage of the employee's annual salary into the employee's account. A third-party administrator, under the Internal Revenue Service guidelines, administers this program in accordance with the plan.

3.6 Educational Assistance Program

BSMWC offers an educational assistance program to employees whose jobs require on-going education and certifications as a part of their employment. Under this program, an employee may request reimbursements for tuition and books for successfully completing a course of instruction that is approved in advance by BSMWC.

Requests should be made to the Office and General Manager via email in advance of the course.

3.7 Uniforms and Boot Allowance

BSMWC provides employees with shirts, hats, safety vests, and all PPE (personal protective equipment) necessary for the safety of its employees.

Each employee will be provided with up to $150.00 for work pants and $250.00 for steel-toed work boots annually. The employee is responsible for the purchase of these items, and all receipts must be submitted to the Office Manager for reimbursement or proof of purchase if the company credit card is used.

Leaves of Absence - 4.0

4.1 Unpaid Leave of Absence

Company management will consider granting an employee's request for an unpaid leave of absence in accordance with the circumstances underlying the request and with applicable law. Insurance continuation, if any, will be addressed with the requesting employee at the time of the request.

4.2 Bereavement Leave

Employees may request to take up to five paid days of bereavement leave in the event of the death of a member of the employee's immediate family. For purposes of this policy, immediate family means: spouse, domestic partner, child, parent or parent-in-law, grandchild, grandparent, or sibling.

If necessary, an employee may request to take additional time for bereavement either as unpaid time off, or by using their accrued vacation time. This leave must be completed, if at all, within three months of the family member's death. The time does not need to be taken as consecutive days off.

4.3 Reproductive Loss Leave

Employees may take up to five days of unpaid leave for a reproductive loss. Reproductive loss is defined as: a failed adoption, a failed surrogacy; a miscarriage; a stillbirth, or an unsuccessful assisted reproduction.

Employees may request to use accrued vacation or accrued sick time during this otherwise unpaid leave.

This leave must generally be completed within three months of the reproductive loss, but the time off does not have to be on consecutive days.

4.4 Jury Duty

BSMWC encourages employees to fulfill their civic responsibility by serving jury duty when called. Employees are expected to provide as much advance notice as possible to the Office Manager when they are called to serve on a jury. BSMWC will provide unpaid leave for this purpose.

Employees who are released from jury duty during their normal work hours are expected to return to the office or normal jobsite.

4.5 Family and Medical Care Leave

The California Family Rights Act (CFRA) provides eligible employees with the opportunity to take unpaid, job-protected leave for certain specified reasons. The maximum amount of leave employees may use under this policy is twelve weeks within a twelve-month period, except as otherwise required by law.

To be eligible for CFRA leave under this policy, employees must:

1. Have worked at least twelve months for BSMWC in the preceding year; and

2. Have worked at least 1,250 hours for BSMWC over the twelve months preceding the date the leave would commence.

CFRA leave may be taken for any of the following reasons:

1. To care for or bond with a newborn child, with a newly-adopted child, or with a newly-placed foster child.

2. To care for an immediate family member (i.e., employee's spouse, registered domestic partner, child, parent, grandparent, grandchild, sibling, or registered domestic partner's child or parent, or designated person) with a serious health condition. For purposes of this policy, a designated person is any individual related by blood or whose association

with the employee is the equivalent of a family relationship. Employees are limited to one designated person per 12-month period.

3. Because of the employee's serious health condition that makes the employee unable to perform their job functions.

4. A qualifying exigency arising out of the fact that the employee's immediate family member is on, or has been notified of an impending call to, covered active duty.

Once BSMWC determines an absence is for a CFRA-qualifying reason, it will designate the absence as CFRA.

Generally, a serious health condition is an illness, injury, impairment or physical or mental condition, that involves either in-patient care in a medical care facility or continuing treatment by a health care provider, and either prevents the employee from performing the functions of their job or prevents the qualified family member from participating in school or other daily activities.

BSMWC measures the period of twelve months in which leave is taken by a rolling calendar period. This means that when an employee requests leave for a qualifying reason, BSMWC will look back in the past twelve months to determine whether the employee has any remaining CFRA time.

CFRA leave for the birth of a child, or placement of a child for adoption or foster care, must be concluded within twelve months of the child's birth or placement.

Eligible employees may take CFRA leave in a single block of time, intermittently (in separate blocks of time), or by reducing the normal work schedule when medically necessary for the serious health condition of the employee or immediate family member. Intermittent leave for the birth of a child, to care for a newborn child or for the placement of a child for adoption or foster care generally must be taken in at least two-week increments, with shorter increments allowed on two occasions. Employees who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt BSMWC's operations.

Employees are required to use applicable accrued paid time off (such as paid sick time or vacation) concurrently with the CFRA leave, to the extent permitted by law.

The only exception to the above is during any period in which the employee is receiving temporary disability benefits (e.g., for workers' compensation or short-term disability), the employer cannot require the employee to use their accrued paid leave to coordinate pay with those disability benefits. However, the employer and employee may agree to do so.

Once the employee's accrued paid leave time is exhausted, the remainder of the CFRA leave is unpaid time off.

BSMWC maintains health care coverage for an employee on CFRA leave on the same terms as if the employee had continued to work. Employees must make arrangements to pay their normal share of health plan premiums while on unpaid leave. Use of CFRA leave does not result in the loss of any employment benefit that accrued prior to the start of leave under this policy.

When seeking leave under this policy, employees must provide the Office or General Manager with the following:

1. Thirty (30) days' advance notice of the need to take CFRA leave if the need for leave is foreseeable or notice as soon as practicable in the case of unforeseeable leave and in compliance with normal call-in procedures, absent unusual circumstances.

2. Medical certification supporting the need for leave due to a serious health condition affecting the requesting employee or an immediate family member.

3. Periodic reports as deemed appropriate during the leave regarding the employee's status and intent to return to work, to the extent permitted by law.

If the employee requesting leave is eligible for CFRA leave, BSMWC will provide them with a notice that designates the leave as CFRA, and that specifies any additional information required, as well as their rights and responsibilities (including a guarantee of reinstatement to the same position or a comparable position). If the employee is not eligible for CFRA leave, BSMWC will provide a reason.

Upon returning from CFRA leave, employees will be restored to their original position or to an equivalent position with equivalent pay, benefits and other employment terms and conditions, to the extent required by law.

The employee returning from CFRA leave for their own serious health condition must present a medical certification of release to return to work. The certification must state any restrictions on the returning employee's ability to work, and the duration of any such restrictions. Should the health care provider's note state any restrictions, BSMWC will engage in the interactive process with the employee to devise a reasonable accommodation, if possible.

For more information regarding leave under this policy, employees should contact the General Manager or Office Manager.

4.6 Pregnancy Disability Leave

All employees, regardless of the length of service, are entitled to take an unpaid Pregnancy Disability Leave (PDL) of up to four months during the period of time that their health care provider determines they are actually disabled by pregnancy or a related medical condition.

Employees requesting foreseeable PDL should ordinarily provide thirty days' notice in advance of the date the leave is to begin, as well as the estimated date the employee will be released to return to work. When requesting PDL, the employee must provide BSMWC with certification from their health care provider verifying the employee's need for PDL, stating the beginning and expected ending dates of the requested leave.

Employees taking PDL are required to use any accrued sick time during the otherwise unpaid PDL, but may elect whether or not they wish to use any accrued vacation time during this leave.

BSMWC will continue to provide health insurance coverage to an employee on PDL under the same terms and conditions as if the employee continued actively working during the period.

Upon completion of PDL, the employee must provide BSMWC with a written notice from the health care provider releasing the employee to return to work. The doctor's note must include any restrictions on the employee's ability to work, and the anticipated duration of any such restrictions. Should the health care provider's note state any restrictions, BSMWC will engage in an interactive process with the employee to devise reasonable accommodation, if possible.

Employees returning from PDL will be reinstated to the same, or to a comparable, position in accordance with law.

General Medical Leave

Employees who need time off work for illness or injury, and who have already exhausted, or are not eligible for CFRA leave, may request unpaid medical leave from the General Manager. BSMWC will consider, and may provide, such leaves as appropriate. Requests for foreseeable leave should be made in writing at least 30 days in advance, if possible. The employee must provide a note from their health care provider supporting the need for medical leave and state the anticipated beginning and ending dates of the leave.

Employees granted medical leave must exhaust any accrued sick and vacation time during the leave.

Upon returning from leave, the employee must provide BSMWC with a certification from their health care provider releasing them to return to work including any restrictions. BSMWC normally attempts to reinstate returning employees to the same, or a comparable, position, but there is no guarantee of reinstatement following general medical leave, except as required by law. If the medical leave is reasonable under the ADA, BSMWC will reinstate.

4.8 Return to Work

Employees returning to work after an absence because of injury or illness that is more than three days in length must provide a signed authorization to return to work, with or without restrictions, from their healthcare provider. BSMWC may also require a doctor's note for absences of shorter duration.

Should the employee be released with work restrictions, BSMWC will engage in the interactive process to determine whether the restrictions can be accommodated.

Expenses - 5.0

5.1 Business Expense Reimbursement

Any reimbursable training and anticipated expenses must be pre-approved by the General Manager. All requests must be submitted prior to the training via email.

BSMWC reimburses employees for bona fide business expenses incurred. This includes the authorized purchase of supplies or materials utilized by BSMWC. Reasonable expenses for meals, lodging, and travel expenses for approved business trips may also be reimbursable.

BSMWC may provide a per-diem to cover meals, gratuities, and incidental expenses for approved business trips of one day or longer. For shorter business trips, meals and gratuities may be reimbursed at actual costs. Alcoholic beverages and personal costs are generally not reimbursable. Receipts are required for all reimbursement requests, except for costs covered by per-diem.

BSMWC may reimburse lodging expenses for moderately priced local lodging when the employee is required by BSMWC to stay overnight on business.

When business requires, air or rail fare will ordinarily be provided or reimbursed at economy class rates. Rental cars, if approved in advance by BSMWC, will usually be allowed at compact car rates. Higher rates require the prior approval of BSMWC management.

Should a spouse/companion travel with the employee, all expenses incurred by the spouse/companion are the responsibility of the employee.

Employees wishing reimbursement for work-related expenses must make the request in writing and submit all receipts to the Office Manager within 10 business days of incurring the expense.

5.2 Company/Personal Vehicle

BSMWC maintains a Company vehicle for business transportation needs. Company employees may request to use this vehicle for business-related travel. Should a BSMWC vehicle be unavailable, BSMWC will reimburse the employee for use of their personal vehicle for all approved business-related mileage. The amount of reimbursement is at the amount per mile allowed by the Internal Revenue Service (IRS). Employees wishing mileage reimbursement for work-related travel in their personal vehicle must submit a written request to the Office or Manager that includes the date, total mileage, and purpose for the trip.

5.3 Professional Organization Memberships

BSMWC may provide, at no cost to the employee, authorized memberships in certain professional organizations related to their position. These memberships will be approved in advance by the General Manager. Employee requests for professional organization membership must be made in writing to BSMWC management.

Insurance - 6.0

6.1 Medical, Dental, and Vision Insurance

BSMWC makes available full medical, dental, and vision insurance to its eligible employees. Eligibility and participation in these programs are subject to the terms of the applicable insurance policy at the time of hire, whenever there is a change such as birth of adoption of a child, or during open enrollment.

6.2 Medical Pay In-Lieu of Coverage

Should an eligible employee choose not to carry BSMWC provided insurance, payment in-lieu of coverage may be provided. The rate of pay is subject to change and will be discussed with the General Manager prior to approval.

Pay Practices - 7.O

7.1 Time Sheets

Each non-exempt Company employee is required to complete, sign, and submit an approved, Company provided time sheet to the Office Manager at the end of each pay period. The employee is responsible for ensuring that their time sheet accurately accounts for all hours worked, and all paid/unpaid time off taken (except for 10-minute rest periods) during that pay period.

Exempt employees are expected to submit an account of any paid time off (e.g., if applicable paid vacation, holidays, or paid sick time) that they used during each pay period to the General Manager.

7.2 Tardiness

If an employee is running 15 minutes late, a group text must be sent notifying the team of the expected arrival time. The expectation would be no more than one tardiness in a 4-week period; anything additional may result in counselling.

Time can be made up during the current pay period or actual hours can be entered in the payroll system in 30-minute increments.

7.3 Exempt/Non-Exempt Employee Status

All Company employees are classified as either Exempt or Non-Exempt. Non-exempt employees are paid by the hour and are provided with overtime compensation for any overtime worked. By contrast, exempt employees are paid a salary for an agreed upon schedule.

7.4 Overtime Pay

Non-exempt employees may occasionally be required to work overtime, i.e., more than 10 hours per workday or forty hours per work week. Any incidence of overtime worked must be approved by the Office Manager or General Manager. Employees do not have the authority to work overtime without Company approval.

Non-exempt employees who work more than 10 hours in a workday, or more than forty hours in a workweek, receive overtime compensation at a rate of one and one half (1-1/2) times their regular rate of pay.
[NOTE: Even if employees work overtime without authorization, they must be paid overtime. They can be disciplined for violating the authorization requirement, but they cannot legally be denied overtime compensation.]

7.5 Withholding (Payroll Deductions)

Withholding is the practice of deducting certain amounts from the employee's paycheck to cover required obligations. These obligations may be mandatory (e.g., state and federal income tax, social security, court ordered attachments, etc.) or they may be voluntary (e.g., health insurance premiums, retirement contributions, etc.). All deductions are accounted for on the employees' paycheck stub.

It is the responsibility of each employee to notify the Office Manager of any changes in their withholding status.

7.6 Payday

BSMWC pays its employees every two weeks, or 26 times per year. Payday is currently every other Friday.

7.7 On-Call Pay

Field Staff are required to respond to after-hour phone calls and/or reported emergency situations (i.e., SCADA notifications) on a rotating on-call duty. The on-call technician is required to determine if the situation requires immediate response or can and should be addressed during the next normal business day.

The on-call employee will be compensated two-hours pay per day while on-call and will cover Monday – Sunday (unless otherwise agreed upon days with Office Manager notification and approval). On call employees receive this pay regardless of any call outs or not. Should an after-hours response become necessary the employee will be compensated per response as noted in Section 7.6 below.

7.8 Callout Pay

Any employee who is required by BSMWC to respond to an emergency call out outside of regular work hours (whether said employee is on-call or not) is compensated for the time worked from "portal to portal" (i.e., from the time the employee leaves home until such time as the employee returns), with a minimum callout compensation of two hours. Employees are eligible for "portal to portal" callout pay only if they are not currently at work, even if after hours, to respond to the emergency. Should an employee receive an additional call while on the job site, the employee will be paid for actual time worked.

7.9 Holiday On-Call or Emergency Call Pay

Any employee who is on-call or called out for an emergency during a holiday will be paid for the holiday and one and one half (1-1/2) times their regular rate of pay.

Employee Performance - 8.0

8.1 Employee Evaluations

The General Manager, or designee, provides a formal, written evaluation of the job performance of each Company employee annually. Evaluations are expected to occur on the anniversary of the employee's date of hire.
NOTE: Accurate? Assuming so, I recommend the GM or supervisor meets with the employee to provide and discuss the eval. Of course, informal and formal evaluations can and should be on-going, as needed.

Positive performance evaluations are not a guarantee of raises or bonuses. Increases in compensation, if any, are at the discretion of the General Manager.
[NOTE: This goes without saying.]

2026

Meter Reads and Payment Data

Prior Read	End Read	# Days in Cycle	Water Accts	Total Accts	Started Reads	Closing Totals	$ Received	Difference	QB Rcv'd	Postage	Pieces Sent	Bills Sent	E-Bills Sent	Total Penalties Applied	Accts Past Due 30-60 Days	Accts Past Due >60 Days	Asmnt Past Due
12/31	1/29	29	642		1/28	$ 89,156.30	$ 100,352.93	$ (4,698.59)	$ 95,654.34	$ 498.15	641	1/30	40	$ 1,323.69	$ 4,153.85	$ 344.83	$ 80,652.23
1/30	2/28	30	645	833	2/24	$ 87,317.18	$ 90,262.30	$ 5,118.01	$ 95,380.31	$ 454.43	602	2/27	31	$ 1,410.00	$ 6,689.71	$ -	$ 81,508.25
3/1	3/26	26	646	752	3/25	$ 98,260.32	$ 112,656.91	$ (3,990.57)	$ 108,666.34	$ 453.59	611	3/27	31	$ 1,395.00	$ 7,576.73	$ 317.70	$ 82,563.06
3/27	4/28	33	646	752	4/27	$ 107,532.72	$ 108,264.85	$ (2,898.11)	$ 105,366.74	$ 453.59	611	4/30	38	$ 990.00	$ 4,764.41	$ 357.95	$ 84,403.27
4/29	5/28	30	642	834	5/26	$ 119,159.73	$ 105,653.37	$ (5,702.49)	$ 99,950.88	$ 451.52	602	5/29	357	$ 1,260.00	$ 5,918.78	$ 2,615.70	$ 76,836.67
5/29	6/27	30	643	830	6/24	$ 104,004.17	$ 101,543.84	$ 465.48	$ 102,009.32	$ 447.08	596	6/26	357	$ 975.00	$ 4,489.19	$ 1,758.14	$ 76,923.89
6/28	7/29	32	641	831	7/27	$ 115,340.14	$ 102,799.81	$ (790.49)	$ 102,009.32	$ 474.91	601	7/29	375	$ 1,376.32	$ 7,925.50	$ 2,872.24	$ 90,683.05