

# **North Texas Municipal Water District**

## **Personnel Policies Manual**

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# **NORTH TEXAS MUNICIPAL WATER DISTRICT**

## **PERSONNEL POLICIES MANUAL**

### **SECTION I. EMPLOYMENT PRACTICES**

#### **1.1 Administrative Authority**

The Personnel Policy Manual of the North Texas Municipal Water District ("NTMWD") has been created by the Board of Directors (the "Board") to provide guidelines for the personnel administration of the NTMWD. The Policies in this Manual can be amended only by the Board. The Executive Director / General Manager ("ED/GM") or designated representative shall be responsible for the implementation and operation of the Policy. The ED/GM or designated representative may issue personnel directives interpreting the Policy from time to time and shall issue an employment handbook to NTMWD employees summarizing the employment policies of the NTMWD. The Policies in this Manual apply to all employees, regardless of classification or full-time/part-time status.

#### **1.2 Employment at Will**

All employment at NTMWD shall be "at will" and no contractual rights or property rights in employment shall be created by this Policy, the ED/GM, or any person, without specific action of the Board in writing. The Board reserves the right to change its policies and benefits from time to time, and it shall be the final interpreter of its policies.

"Employment at will" means that employees of NTMWD are not employed under a contract, and are free to leave their employment at any time, for any reason or no reason, without contractual obligation. Likewise, the NTMWD is free to terminate employment at any time, for any reason or no reason, without contractual obligation.

#### **1.3 Equal Employment Opportunity and Disability Accommodation**

NTMWD is firmly committed to a policy of equal opportunity in all aspect of its relations with employees. Initial employment, promotions, raises, opportunities for training and enrichment, discipline, and other conditions of employment will be made without regard to color, race, religion, national origin, age, sex, gender, sexual orientation, gender identity, disability, genetic information, veteran status, political affiliation, or any other unlawful classification.

It is the responsibility of all NTMWD employees to ensure compliance with this policy. Violations of this policy will result in disciplinary action, up to and including discharge. An employee who feels he or she has been unlawfully discriminated against or harassed should notify his or her supervisor immediately, pursuant to the Complaint Resolution policy. If such complaint is about the employee's immediate supervisor, or if the employee otherwise is uncomfortable filing the complaint with the immediate supervisor, the complaint should be filed with the next higher

level of supervision or with the Human Resources (“HR”) Manager. An employee who complains under this policy will not be retaliated against for such a complaint.

To the extent reasonably possible, NTMWD will accommodate individuals with disabilities in the application, hiring, and employment process. Reasonable accommodation is available to all disabled employees and applicants, so long as the accommodation does not create an undue hardship for NTMWD, and can be provided without posing a substantial or imminent safety risk. Disabled individuals requiring accommodations should notify the HR Manager. NTMWD requests sufficient notice, when possible, to give time to arrange the accommodation.

#### **1.4 Employment of Relatives**

Applicants may not work in the same department or be in the same immediate chain of command of their family members, including a spouse/domestic partner, parent, child, sibling, grandparent, grandchild, aunt, uncle, niece or nephew, as well as the “step” or “in-law” version of each. The hiring of first cousins must be approved by the applicable Deputy Director. If related employees both work at NTMWD, the ED/GM has discretion to terminate one if the relationship creates workplace disruption or the appearance of impropriety, such as if one relative works in HR or executive management, or other capacity to affect the employment of their relative, or have access to such relative’s confidential information. Related employees must make every effort to keep their relationship out of the workplace.

Current employees who become related after employment will not both be allowed to work in the same chain of command. If one relative is promoted or transferred, both will not be allowed to work in the same department or immediate chain of command. If there is no available position to which to move one of the employees, then one must resign, be terminated, or will not be promoted or transferred, unless authorized by the ED/GM. The two employees may have input into the decision of who will be transferred, separated or denied promotion, but the final decision rests with the ED/GM. Employees are on notice that workplace relationships may affect upward mobility and opportunities for promotion within NTMWD.

The hiring of employees shall not violate Texas nepotism law, which would prohibit the hiring of covered relatives of the ED/GM, who has final hiring authority for NTMWD. Moreover, because the members of NTMWD’s Board of Directors have authority to appoint the ED/GM, the ED/GM may not be related to a Board member within the proscribed degree.

#### **1.5 No Employment of Certain Elected Officials**

Applicants serving on the City Council or other governing body of a city or other entity with a contractual relationship with NTMWD are not eligible for employment with NTMWD, unless they will no longer be in the elected position when they begin employment with NTMWD, or unless specifically authorized by the Board of Directors.

#### **1.6 Introductory Period**

The first six months of employment (or following a promotion) will be considered an Introductory Period. During such time, the newly hired or promoted employee should evaluate

the job, and the employee's supervisor will evaluate the employee's performance, to determine if the relationship is compatible. This is in no way a guarantee of employment for the entire Introductory Period. Upon successful completion of the Introductory Period, the employee will be considered for regular employment.

### **1.7 Promotions and Transfers**

All open positions will be filled with the individual most qualified for the job; however, existing employees will be given the first preference for any job positions if they are as equally qualified as non-employee applicants. Normally, employees will be informed of job openings through electronic postings a minimum of ten business days prior to final selection. In some cases, such as during a reorganization, current employees may be moved into a lateral or lower position without posting the opening. Outside candidates may also be recruited. The final decision will be made by the ED/GM or his/her designated representative.

An employee who is promoted will enter into an Introductory Period for six months following such promotion, as in the case of newly hired employees. Should the promotion prove to be unsuccessful, the employee may be returned to his original position, if still available, or terminated, either within or at the end of the six month period. Promotional opportunities may be limited pursuant to NTMWD's Employment of Relatives policy, if the promotion would put the employee into the chain of command of a relative or into a sensitive or confidential position.

Lateral transfers from one department to another, or transfers that would result in a demotion of an employee, must be approved by the current manager and receiving hiring official.

### **1.8 Resignation**

Any employee who wishes to leave the service of the NTMWD in good standing must file a written notice of resignation with the supervisor at least two weeks before such resignation is to become effective. Such notice should state the reasons therefore and the effective date thereof. Employees who do not give such notice will not be entitled to any accumulated vacation leave pay. An employee may not use vacation leave as a portion of the two weeks' notice. NTMWD may choose to waive the notice period and accept the resignation immediately, without pay in lieu of notice, or to have the employee work until the effective resignation date.

Unauthorized absence from work for a period of two consecutive days will be considered as a resignation from employment.

Employees who are not in good standing upon leaving the NTMWD will not be considered for rehire, unless authorized by the ED/GM.

### **1.9 Personnel Files**

NTMWD maintains personnel files on each employee. These files contain documentation regarding all aspects of the employee's tenure with NTMWD, including performance. To ensure that the personnel file is up-to-date at all times, employees shall immediately electronically update the HR Information System with any changes in name, telephone number, address, marital status, number of dependents, beneficiary designations, routing/banking information, tax withholding

information, emergency contacts, etc. All medical information is maintained in a separate file, as required by law.

Employees who wish to view their personnel file must present a request in writing to the HR Manager. Employees may view their file only in the presence of an HR representative, who will provide copies of any requested items.

Personnel files, with certain exceptions, are public records. Employees who wish to maintain the privacy of personal telephone numbers, home address, and family information in the event of a Public Information Act request must sign a request form, available through the HR Department.

### **1.10 Recruitment Incentive Program**

NTMWD employees in regular, full-time positions are eligible for an incentive payment if they refer an external candidate who is ultimately appointed by NTMWD to a Target Position. Target Positions and the amount of the incentive payment will be communicated to employees as identified, and are generally limited to difficult-to-fill positions. To be eligible for the incentive payment, both the referring employee and the referred employee must be successfully employed six months after placement of the referred employee. The incentive payment as determined by the ED/GM will be added to the referring employee's paycheck after completion of the six-month period.

Employees directly involved in the recruiting or evaluation process of candidates for Target Positions will not be eligible for the incentive payment, such as the HR Department employees or hiring managers.

## **SECTION II. EMPLOYEE CONDUCT AND SAFETY**

### **2.1 Work Rules and Discipline**

All employees are integral members of the NTMWD team and, as such, are expected to accept certain responsibilities and adhere to acceptable business principles in matters of personal conduct and exhibit a high degree of personal integrity at all times. An employee's conduct, whether on or off duty, reflects on NTMWD. Consequently, all employees must observe the highest standards of professionalism, honesty and ethical behavior at all times, and are expected to contribute to a favorable work environment by performing responsibilities in a competent, enthusiastic, mature, and committed manner, and to show courtesy to their coworkers and the public. Employees are expected to ask questions and take the initiative to improve those areas where they need help. Employees are required to use common sense in their conduct, behave at all times in an honorable, safety-conscious and business-like manner, and to treat coworkers, supervisors, and the public with respect.

No list of infractions can be all-inclusive; thus, in addition to the overall principles stated above, the following is only a partial listing of the types of behavior which could lead to disciplinary action, including demotion, suspension, or discharge:

- (1) Commission and/or conviction of a crime or performing acts of dishonesty.
- (2) Engaging in illegal, unethical, abusive, or unsafe acts, including acts of sexual or other workplace harassment, and the use of abusive, profane, or threatening language.
- (3) Spreading destructive rumors, misleading other employees, creating a hostile work environment, or other disruptive behavior.
- (4) Incompetence, inefficiency, or negligence in the performance of duty; performing excessive personal work (personal phone calls, emails, texting, computer use, meetings) on NTMWD time or equipment; sleeping on the job.
- (5) Unsatisfactory appearance, hygiene, dress, or work area/vehicle cleanliness.
- (6) Acts of insubordination, or refusal or failure to carry out lawful instructions.
- (7) Threatening, intimidating, or coercing a supervisor or any other employee at any time.
- (8) Possession of weapons on NTMWD property, or while on NTMWD business, except as authorized as part of the employee's job duties or pursuant to the Workplace Violence and Weapons Policy.
- (9) Falsification of official documents or records, including job applications or personnel records;
- (10) Unauthorized or improper use of official authority.
- (11) Absence without leave, habitual tardiness (even by one minute), or excessive absenteeism; failing to report to work without a satisfactory reason or to notify supervisor within a reasonable time.
- (12) Misappropriation, destruction, theft, or conversion of NTMWD property, whether on or off duty, including unauthorized use of salvage or surplus materials, scavenging, or unauthorized salvaging.
- (13) Possession of, using, or being under the influence of drugs or intoxicating beverages, while on duty or otherwise, on NTMWD property, or otherwise violating NTMWD's substance abuse policy.
- (14) Violation of NTMWD's non-discrimination and workplace harassment policies.
- (15) Making false statements or filing false charges or complaints against NTMWD, or any employee thereof; refusing to cooperate in an internal or NTMWD-related external investigation.
- (16) Abuse of sick leave, disability, or other benefits provided by NTMWD.

(17) Failure to comply with other NTMWD policies or procedures, whether or not set forth in this Personnel Policy.

Any disciplinary action taken will be documented, in writing, by HR and the employee's supervisor. The employee shall receive a copy of the disciplinary action, and a copy shall be placed in the employee's personnel file.

An employee on disciplinary suspension will neither receive pay nor be eligible for vacation or other accrued benefits during the term of such suspension. The suspension may be only for a reasonable period of time, not to exceed 15 working days. Administrative leaves with pay, pending investigation, are not considered disciplinary action. During such administrative leaves with pay, employees will not be required to use accrued leave, and will be required to be available during the employee's normal working hours.

Any employee discharged from employment (or who resigns in lieu of termination), because of disciplinary action shall not be eligible for rehire unless otherwise authorized by the ED/GM.

## **2.2 Ethics, Gifts, and Conflicts of Interest**

### General Conduct and Reporting Requirements

It is the responsibility of each employee to maintain the highest standards of integrity and personal conduct, and to prevent and report others engaging in unethical behavior. All NTMWD employees must follow federal, state and local laws and regulations.

Bribes, kickbacks, and other unlawful payments are specifically prohibited. Any unlawful or unethical activities of employees, officers, vendors, contractors, suppliers or consultants must be reported immediately. Engaging in or failing to report unlawful or unethical activities will result in disciplinary action up to and including termination.

### Gifts and Favors

Employees are not to accept or solicit any gift or gratuity of any kind from any agency, prospective or current contractor, supplier or vendor, or individual person who has any official contact or dealings with NTMWD, regardless of value. Examples of prohibited gifts include, but are not limited to:

- Vacations, pleasure trips, or hunting trips;
- Discounts, favors, benefits, products or services not available to the general public under similar circumstances;
- Loans or advances;
- Tickets or other entertainment free or at a discount unavailable to the general public.

A "gift" does not include:

- food, lodging, transportation, or entertainment as a guest, when both the recipient and donor are present, or
- a promotional item of nominal value

#### Business/Property Interest Conflicts

Selection of outside vendors and consultants shall be based on the business's or individual's merits, and there should be no actual or appearance of improper bias or profit or personal motive in selection. If any employee has a family (as defined in the Employment of Relatives policy), financial, employment, management, officer/board membership or ownership interest in a business entity being considered for contract with the NTMWD, that employee must notify the ED/GM in writing, and must remove him or herself from the decision-making process. For purposes of this policy, employees need not report financial interests consisting only of less than five percent common stock or share ownership.

If NTMWD does contract with an outside business that an employee has an above-listed interest in, that employee must be kept completely separate from any transactions and communications between NTMWD and the business.

If a NTMWD employee knowingly owns property within proposed boundaries of an NTMWD project under consideration, the employee shall inform the ED/GM in writing prior to Board consideration. Such employee must then remove him or herself from consideration of or involvement in such transaction.

#### Use of NTMWD Property and Salvage/Surplus Property

Employees shall not use or allow to be used NTMWD property for non-NTMWD purposes. Sale of property for personal gain is prohibited.

In the event that the NTMWD Board of Directors declares property to be salvage or surplus, the property may be sold for scrap value, disposed of, traded to an NTMWD vendor for credit or like materials, or donated to a non-profit entity. Such designation of salvage/surplus must be documented and signed. No NTMWD employee may purchase materials from NTMWD at less than market value.

#### Salvaging/Scavenging by Employees Prohibited

Scavenging and unauthorized salvaging of materials discarded by NTMWD or its customers are considered theft of NTMWD property and will result in disciplinary action up to and including termination.

The TCEQ defines scavenging as "the uncontrolled and unauthorized removal of materials at any point in the solid waste management system." NTMWD extends this definition to include all NTMWD operations and systems. Scavenging is prohibited by employees, third party contractors, and customers. Any employee who observes a customer or third party scavenging has

an obligation to inform them to cease the activity immediately and return the material; employees must report non-compliance to management.

Salvaging, as defined by TCEQ, is the controlled removal of waste materials for utilization, recycling, or sale. All salvaging must be approved by management and used for the sole purposes of NTMWD operations. Unauthorized salvaging by employees or third parties is prohibited.

### Outside Employment

Employees should consider their first and primary responsibility to be to NTMWD. Therefore, other outside employment shall not be of such a nature to reflect adversely on NTMWD nor impair the employee's ability to do an effective job for NTMWD. Employees must notify their immediate supervisor timely and in writing of any outside employment in which they are involved. Should outside employment create any of the aforementioned problems, the employee may be required to give up the outside employment and/or be subject to disciplinary action, up to and including discharge.

### Political Activities

Employees are encouraged to exercise their legal right to vote and to be involved in activities of their community; however, employees shall not be required to contribute to any political fund or render any political service to any person or political party, and no employee shall be removed, reduced in classification or salary, or otherwise prejudiced for failure to do so.

Employees will not be allowed to perform or be involved in political campaigning or related activities during the normal working hours, while wearing NTMWD uniforms, badges, or insignia or while using NTMWD equipment. Employees may serve on boards or commissions but are prohibited from serving on the City Council or other governing body of a city or any other entity with a contractual relationship with NTMWD. Employees who run for such political offices must resign their employment with NTMWD upon announcement of candidacy, unless otherwise approved by the Board of Directors and/or the ED/GM.

## **2.3 Workplace Harassment, Including Sexual Harassment**

The law prohibits harassment of employees on the basis of race, color, religion, sex, gender, sexual orientation, gender identity, national origin, disability, age, or any other classification protected by law. Harassment must be severe and pervasive to be illegal under the law, however, NTMWD prohibits all forms of harassment even if the conduct would not qualify as unlawful. NTMWD will not tolerate harassment of its employees, whether committed by a fellow employee, a member of management, a vendor, or even an official. Harassment is prohibited both during work hours and at any work-sponsored social function or other event. Harassment includes not only written or verbal comments, but any action over email, text message, or social media posting. All employees, including supervisors and managers, will be subject to disciplinary action, up to and including termination, for any act of harassment they commit.

Sexual harassment, one form of harassment, is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexually offensive nature, especially where:

- submission to such conduct is made either explicitly or implicitly a term or condition of employment, such as conditioning a raise in salary on the submission to sexual advances;
- submission to or rejection of such conduct is used as the basis for decisions affecting any individual's employment, such as requiring potential new hire to go out with a supervisor prior to extending a job offer; or,
- such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment; such as continuous sexually-explicit comments directed at an employee.

Examples of sexual conduct that could violate this policy include, but are not limited to, unwelcome sexual flirtation, touching or advances, offensive comments, jokes, innuendoes, and other sexually oriented statements or literature, suggestive comments about an individual's dress or body; jokes and stories of a sexual nature; showing or forwarding sexually explicit images or writing, whether printed out or on a personal or NTMWD device, comments about one's sexual desirability or lack of desirability; gender stereotypes about women or men; or sexually degrading words describing an individual.

Examples of other types of workplace conduct that violate this policy include, but are not limited to, derogatory comments, jokes, stories, images, or writings about race, national origin, disability, gender, pregnancy, religion or age.

#### Responsibilities of Supervisors and Employees

Each member of management is responsible for creating an atmosphere free of such discrimination or harassment. Further, employees are responsible for complying with these policies and respecting the rights of their coworkers.

#### Reporting of Complaints of Discrimination or Harassment

Any employee who believes that the above policies of NTMWD are being violated should file a complaint under the Complaint Resolution procedure set out in Section III of this manual. If such complaint is about the employee's immediate supervisor, or if the employee otherwise is uncomfortable filing the complaint with the immediate supervisor, the complaint should be filed with the next higher level of supervision or with the HR Manager. Such complaints will be investigated as confidentially as possible, while still performing a thorough investigation. All employees are required to cooperate in an investigation under this policy.

#### No Retaliation

NTMWD prohibits any form of retaliation against any employee for filing a complaint under this policy, or for assisting or testifying in an investigation of such a complaint.

## **2.4 Whistleblower Protection**

The Texas Whistleblowers Act protects public sector employees from adverse personnel action because they reported a violation of law to an appropriate law enforcement official in good faith. NTMWD strictly prohibits retaliation against employees who make a complaint under the Act. In order to maintain such a legal action, the employee who believes he or she has been retaliated against for reporting a violation of law to an appropriate law enforcement authority must first initiate action under the Complaint Resolution Procedures contained in this Personnel Policy.

## **2.5 Drug and Alcohol-Free Workplace Policy**

NTMWD believes that all employees have a right to work in a drug-free and alcohol-free environment, and that Member Cities and Customers have the right to expect that NTMWD is a drug and alcohol free workplace. Persons under the influence of drugs and alcohol on the job may pose serious safety, health and security risks to the public and to our employees.

### Scope

This policy applies to all NTMWD employees regardless of rank or position and includes all full time, part time, and temporary employees. In addition, employees in positions requiring Commercial Driver's Licenses are also subject to heightened requirements.

### Definitions

NTMWD Premises - All NTMWD leased or owned property including vehicles and parking lots. NTMWD Premises also includes other work locations where employees perform services in the course and scope of their employment with NTMWD.

Controlled Substance - Any substance listed in the federal Controlled Substance Act, and/or as defined in the Texas Controlled Substances Act.

Prohibited Drug - (i) prescription drugs or over-the-counter drugs that are not being used as intended, or which were obtained under false pretenses; (ii) prescription drugs that were not prescribed to the affected employee by a licensed physician; (iii) controlled substances; (iv) alcohol; (v) illegal inhalants such as volatile chemicals, abusable glue or aerosol paint; and (vi) "designer" or "synthetic" substances that mimic the effect of illegal drugs.

Reasonable Suspicion - when (i) based on sufficient articulable observations, management suspects that an employee is under the influence of prohibited drugs. Such observations include, but are not limited to, misbehavior or aberrant behavior, drug or alcohol odor, a reduced ability to perform work in a safe and productive manner, or an impaired physical or mental ability, such as incoherence, slurred speech or difficulty in maintaining balance; (ii) NTMWD discovers drug paraphernalia or any detectable amount of a prohibited drug on premises; or (iii) NTMWD learns from a credible source that this policy may have been violated.

Under the Influence - A state of having a blood alcohol concentration of 0.04 percent or higher; or the state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of a Prohibited Drug. Being under the influence may include, but is not limited to, misbehavior, aberrant behavior, reduced ability to perform work in a safe and productive manner, or impairment of physical or mental ability, such as incoherence, slurred speech or difficulty in maintaining balance. A final determination of “Under the Influence” may be made by professional opinion or scientifically valid tests.

Accident - An occurrence involving a motor vehicle operating on a public road which results in: 1) a fatality; 2) bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or 3) one or more motor vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other vehicle. An accident also includes non-vehicular occurrences in the course of work where the employee or another person is injured or property damage (or a “near miss”) occurs in a manner that appears to be the negligence of the employee, or otherwise could indicate the employee being under the influence. The term accident does not include an occurrence involving only boarding or getting out or off of a stationary motor vehicle, unless combined with reasonable suspicion

### Prohibited Actions

Any of the following actions are prohibited and constitute a violation of the policy and may subject an employee to disciplinary action up to and including immediate termination:

- Being under the influence of, or manufacturing, distributing, dispensing, possessing, selling, purchasing or using a Controlled Substance while on or off NTMWD Premises at any time;
- Using, selling, purchasing, transferring, possessing, manufacturing, or storing a Prohibited Drug or drug paraphernalia, or attempting or assisting another to do so, while in the course of employment or engaged in a NTMWD sponsored activity whether on NTMWD Premises or on NTMWD business; or
- Working or reporting to work, conducting NTMWD business or being on NTMWD Premises or while under the influence of a Prohibited Drug or in an impaired condition, or having such Prohibited Drug in one’s system at unacceptable levels, as shown by NTMWD-required testing.
- Refusal or failure to submit to a drug and/or alcohol test.

It is the employee’s responsibility to know and understand any medication they are taking, prescribed or non-prescribed, as well as its contents and its residuals. When employees use substances that are not regulated by the Federal Drug Administration they have no meaningful guarantee of what is in those substances, and therefore utilize them at their own risk. Employees may be subject to discipline for violations of this Policy, whether intake of an illicit substance was intentional or otherwise. NTMWD will follow all state and federal laws in determining whether allowing the use of medically-prescribed substances allowed under Texas law, such as low-THC cannabis products, as a reasonable accommodation for the employee’s disability is appropriate.

### Heightened Requirements for CDL-Required/DOT Covered Positions and Safety Sensitive Positions

Every employee whose job requires a Commercial Driver's License (CDL), per the federal Department of Transportation ("DOT") regulations is covered by each requirement and prohibition in this policy. In addition, any such DOT-covered employees and applicants are also subject to testing under the DOT regulations, and other requirements. In addition, positions designated as "safety sensitive" may also be subject to random drug testing. For more information about these additional procedures and requirements, please contact the HR Department.

### Prescription and Over-the-Counter Drugs

If the medically approved and appropriate use of a prescription drug or over-the-counter drug adversely affects the employee's work performance or the safety of the employee or others, the NTMWD reserves the right to limit, suspend, or modify the employee's work activity, or otherwise reasonably accommodate such adverse effect or risk. The supervisor, in conjunction with management, will determine whether the employee may remain at work and whether any work restrictions are necessary. All medical information will be kept confidential. All prescription drugs must be kept in their original container.

### Drug and/or Alcohol Testing

NTMWD reserves the right to perform the following types of drug testing:

- Pre-employment testing for safety sensitive and DOT/CDL positions
- Random employee testing for safety sensitive and DOT/CDL positions
- Reasonable suspicion testing (after consultation with the HR Manager or designee)
- Post-accident testing

The HR Department maintains a current list of safety-sensitive and DOT/CDL positions.

### Requests for Addiction Assistance/Amnesty

NTMWD encourages any employee who has an alcohol or other drug problem to seek treatment before the problem manifests itself in a violation of this Policy. All inquiries about assistance and treatment providers will be kept strictly confidential and will be disclosed only to those persons who have a legitimate business need to know the information. To avoid disciplinary action or termination, an employee must voluntarily come to seek treatment BEFORE NTMWD notifies or schedules the employee for testing or otherwise discovers a violation of this Policy. The request for amnesty based on addiction and desire for treatment must be made in writing to the HR Manager, or designee. The employee must agree to and successfully complete an approved treatment program, execute an authorization for release of relevant treatment and return-to-work records, and agree to be subjected to random testing upon return to work as a condition of continued employment.

NTMWD considers alcoholism and other drug addictions to be illnesses that may be eligible for the benefits provided under NTMWD medical insurance program and other policies. NTMWD will work to assist those employees desiring treatment in finding appropriate resources. Participation in a rehabilitation program does not excuse employees from complying with NTMWD's policies or from meeting job requirements before, during, or after assistance is received, except as required by the Family and Medical Leave Act (FMLA).

These guidelines apply to only one requested leave of absence. Any request for an additional leave of absence for drug or alcohol treatment will be handled on a case-by-case basis and granted only at the sole discretion of NTMWD, and as required by law.

## **2.6 No Solicitation/Distribution**

Employees may not distribute literature or printed materials of any kind, sell merchandise, solicit financial contributions, or solicit for any other cause during the working time of the employee doing the soliciting or the employee being solicited unless prior approval is received from the ED/GM. This policy also applies to solicitations via NTMWD's e-mail, other electronic communication systems, and telephonic communication systems.

## **2.7 Bulletin Boards**

To maintain an effective avenue for communicating with employees, NTMWD maintains bulletin boards, both electronic and those physically located throughout its facilities, to ensure that employees have access to posted information as required by law. Bulletin boards are also used to communicate NTMWD's policies, business and announcements, including but not limited to, safety, health, benefits, special events, etc.

In keeping with the No Solicitation/Distribution Policy, employees may not use the bulletin boards to distribute literature, sell merchandise or property, post notices of events, either commercial or personal, or other material for solicitation purposes, unless prior approval is received from the ED/GM.

## **2.8 Notice of Absence/Scheduling of Absences**

When an employee is going to be tardy or absent from work for any reason, notification should be given to the immediate supervisor as soon as the need for the absence is known and in no case later than prior to the scheduled reporting time. If the employee is unable to contact the supervisor directly, a message containing the name and telephone number where the employee can be reached and the reason for the absence must be left at the work site. Failure to comply with this notification requirement will automatically result in the absence being deemed unauthorized. Unauthorized absence from work for a period of two consecutive days will be considered as a resignation from employment, and will result in automatic separation.

Except as otherwise required by the Family and Medical Leave Act, this notice procedure must be followed each day of the absence, unless specifically waived by the supervisor. Waiver of this requirement will be granted under such conditions as a time-specific hospital confinement or written restrictions prohibiting any and all work as prescribed by the health care provider.

Notice of any scheduled follow-up treatment of illness or injury must be provided to the supervisor as soon as it is scheduled, and must be approved by the supervisor, as allowed by law.

Employees are expected to report to work whenever physically possible, and as long as reporting poses no safety or health threat to the employee, coworkers or the public. Those employees not physically able to perform their normal duties may be assigned light duty by their supervisor, which is appropriate to their physical condition and is consistent with the needs of NTMWD. A statement from the employee's treating physician, indicating that light duty is recommended, is required prior to any assignment thereof. An employee who reports to work unfit for duty, whether because of physical condition, contagion, or otherwise, will be sent home at the discretion of the supervisor and may be required to submit a fitness for duty release before being allowed back to work.

## **2.9 Tobacco / Nicotine-Free Workplace**

All NTMWD buildings and vehicles are designated tobacco/nicotine-free. Employees are prohibited from using tobacco/nicotine products or allowing others to use tobacco/nicotine products in all NTMWD buildings, within 15 feet of a building entrance, and in NTMWD vehicles. This prohibition includes smoking, vaping and chewing products containing nicotine. Also prohibited is vaping or smoking products that are nicotine-free. Nicotine containing products prescribed for smoking/vaping cessation programs shall be allowed during the treatment period.

On a one-time basis, or as required to avoid an insurance surcharge, NTMWD will pay for or reimburse the employee the actual cost of successfully completing a non-smoking or other nicotine cessation course. Prior to enrolling in a tobacco/nicotine cessation program the employee shall notify his/her immediate supervisor and the HR Manager or his/her designee, in writing, to request confirmation that the program is suitable for funding/reimbursement. The notice shall include the name of the physician or group administering the program, phone number, and the cost of the program. Approval must also be in writing.

The employee must schedule attendance at the program during non-working hours. Employees must present proof of enrollment and attendance. This shall be a one-time option, except as otherwise required for the insurance surcharge program.

## **2.10 Safety and Health - Compliance with Laws**

To ensure that all employees are familiar with the basic rules of safety, NTMWD has published and made available to employees a list of safety rules relevant to specific work areas and positions, which employees should obtain from their supervisor. A violation of safety rules may lead to disciplinary action, up to and including discharge.

NTMWD desires to comply with all applicable laws and regulations in the operation of its business. Should any violation be observed, employees are encouraged to immediately report same in accordance with the complaint procedure. There will be no retaliation against any employee who finds it necessary to report any such violation.

## **2.11 Workplace Violence and Weapons**

NTMWD is concerned about the increased violence in society, which has also filtered into many workplaces. NTMWD expressly prohibits any non-NTMWD owned weapons on its premises or in its vehicles, and expressly prohibits any acts or threats of violence by any NTMWD employee toward NTMWD's employees, customers, or visitors. Even jokes about committing acts of violence are strictly prohibited.

NTMWD is committed:

- (1) To provide a safe work environment.
- (2) To take prompt remedial action against any employee, former employee, customer or visitor to NTMWD's facilities, who engages in any acts or threats of violence, or obscene, abusive, threatening language or gestures. Such action may include notifying the appropriate law enforcement agency and prosecuting violators to the maximum extent of the law.
- (3) To prohibit employees from bringing firearms, with or without a legal permit, or other weapons, onto NTMWD's premises, facilities, or other property (except firearms or ammunition that remain secured in the employee's locked personal vehicle and that the employee possesses legally).

Any employee who engages in, inappropriately jokes about, or displays a tendency toward violent, abusive or threatening behavior will be subject to disciplinary action, up to and including discharge.

All employees of NTMWD have an obligation to warn their supervisor or other representative of NTMWD, of any suspicious workplace activity, situations, or incidents that they may be aware of in violation of this policy. Employee reports of such activity will be held in the strictest confidence and NTMWD prohibits any form of retaliation against any employee making such a report.

For purposes of this policy, Weapons are defined as any device or object capable of causing serious bodily injury or death to another person, including, but not limited to, handguns, shotguns, rifles, explosive devices, and knives with blades more than three inches in length. "Weapons" do not include mace, pepper spray or other similar devices intended for self-defense to temporarily disable a person, or pocket knives with blades three inches in length or shorter.

## **2.12 Emergency Weather Conditions**

NTMWD has established emergency weather condition procedures. Revisions to such procedures may be made from time to time by the ED/GM. Employees are expected to review and familiarize themselves with these procedures.

## **2.13 Electronic Communications, Computer, Social Networking and Internet Policy**

To facilitate business communications and work-related research, NTMWD provides employees access to various types of telecommunications equipment, including but not limited to the following: Internet, phones and voice mail, wireless devices, computers and related equipment, and e-mail.

All materials, information and software created, transmitted, downloaded or stored on the NTMWD's computer system are the property of NTMWD, and employees have no reasonable expectation of privacy in such information.

Employees may access the Internet and use equipment for appropriate non-business purposes during breaks in accordance with the provisions of this policy. Any expense incurred as a result of personal use of NTMWD equipment must be reimbursed within 30 days. Inappropriate use includes but is not limited to the following: 1) transmitting, accessing, displaying, posting, recording, downloading or distributing obscene, harassing, sexually explicit, racially offensive, or any other material that would violate NTMWD's discrimination and harassment policies, 2) using the equipment and/or systems for personal financial gain, political, religious or charitable campaigning, or soliciting for outside, non-NTMWD-related organizations or commercial ventures; and, 3) transmitting any confidential or proprietary information. Transmissions covered by this policy include email, text messages, instant messages, and on-line applications and postings.

Employees who post material on social networking and other Internet sites, blogs, or other public forums must take extreme caution not to appear to be representing NTMWD in any manner, whether during or after their working hours.

This policy does not, however, prohibit employees from exercising their First Amendment rights. Employees have the right to speak out as private citizens on matters of public concern, so long as the speech does not unduly disrupt the operations or mission of NTMWD. Harassing, bullying or demeaning coworkers or customers, or creating a hostile, discriminatory or retaliatory workplace through on-line posting violates this policy.

Employees are reminded that other NTMWD policies and directives concerning communications, ethics, harassment, and other topics are to be followed when using social media. Particularly:

- Employees are prohibited from disclosing, posting, or discussing any information concerning information that is confidential, including pending litigation.
- Employees may not communicate on behalf of NTMWD, or give the impression of speaking on behalf of NTMWD, without prior authorization and as otherwise required by their job duties.

- Employees are prohibited from making any statements and/or comments that disparage any race, color, religion, gender, age, genetic information, veteran status, disability, national origin or other protected classification of anyone who works at NTMWD or who does business with the NTMWD.

Copies of e-mail messages should be sent only for valid business reasons. No employee shall send e-mail under another employee's name without authorization. NTMWD confidential information must be protected from improper dissemination to unauthorized employees or to third parties.

Employees shall not access, copy, alter, or destroy anyone else's computer files, or portions thereof, without explicit permission (unless authorized or required to do so by law or regulation). Simply being able to access a file does not imply permission to do so.

## **2.14 Driving and NTMWD Vehicles Policy**

It is the policy of NTMWD that drivers operating NTMWD vehicles or personal vehicles on NTMWD business obey all applicable laws and regulations pertaining to operation of motor vehicles, trucks, and any other type of equipment that may operate on roadways, streets, highways, and public or privately owned property. NTMWD employees are required to observe safe and courteous driving habits at all times in order to prevent accidents and maintain compliance with traffic laws.

### License and Insurance Requirements

Employees required to drive as part of their job duties are responsible for maintaining a current, valid and vehicle-appropriate driver's license of their resident state. Such employees must also maintain a safe driving record so that the individual is compliant with the applicable NTMWD job description and continue to be insurable by the NTMWD's insurance carrier. Employees with poor driving records may still be insurable but cause the NTMWD to incur extra cost due to assignment to a higher driver-risk category. In such instances, the NTMWD may revoke driving privileges, which may result in termination, or require the employee to be responsible for the added expense. Employees with driving responsibilities must report immediately to NTMWD any changes to their driver's license status, including license restrictions, suspension, revocation or expiration.

### Accident Reporting

All vehicle accidents are to be immediately reported to the supervisor or department manager. Within 24 hours or by the next business day, the NTMWD Administration Department must be notified so that the insurance carrier is contacted, and the NTMWD and Texas Water Conservation Association (TWCA) accident report forms must be completed and forwarded to the Administration Department. If other vehicles are involved, as a minimum, the driver's name, address, license number, and insurance provider information should be obtained. Any vehicle accident occurring on a public roadway, involving injuries, or involving property damage must also be reported to the appropriate law enforcement agency.

### Documents Kept in Vehicles

It is the responsibility of the NTMWD driver to make sure that all NTMWD required documents are present in the vehicle prior to departure, including: 1) NTMWD Accident Report Form, 2) TWCA Accident Form; and, 3) Texas Automobile Insurance Identification Card.

### Seat Belts

All employees and vehicle occupants must wear seat belts when operating or riding in a NTMWD vehicle or equipment provided with seat belts, even if operation is confined to NTMWD premises. All employees and vehicle occupants riding in a personal vehicle on NTMWD business must wear seatbelts.

### Vehicle Passengers

NTMWD vehicles are operated and maintained for official work purposes. Only designated employees may drive NTMWD vehicles. Vehicle passengers who are not NTMWD employees should be present only in the course of conducting legitimate work duties. Such passengers may include contractors, consultants, service providers, vendors, other public agency employees, etc. Family members or any other person not connected to NTMWD work programs will not be allowed to ride as passengers, except in emergency situations.

The NTMWD may make an exception to this policy and allow family members only to ride in NTMWD vehicles for certain NTMWD-related events. Before transporting a family member to an event, the employee must receive authorization, in writing, which must describe the event, be signed by the supervisor, and be placed on file with the NTMWD.

### Service and Care of NTMWD Vehicles

Employees assigned a NTMWD vehicle are responsible for ensuring it has proper fuel, oil, and repairs, and must maintain and turn in receipts with vehicle number and mileage recorded. Employees must immediately report any malfunctions or service needs. Employees must properly park and secure vehicles when leaving them unattended, and are never to leave keys in the vehicle.

### Overnight Use of Vehicles

Employees driving a NTMWD vehicle home overnight must be authorized by his/her supervisor based on the need for 24-hour emergency call availability. Otherwise, NTMWD vehicles may not be used for commuting. Vehicles may not be used for non-NTMWD purposes, must be parked off-street and in a safe location, and only the authorized employee may drive the vehicle.

### Traffic Citations and Penalties

Traffic citations for violations of the law while operating a NTMWD vehicle, and any resulting monetary penalties, are the responsibility of the employee, unless the mechanical

condition of a vehicle is at fault or other contributing conditions are present that are determined by NTMWD to be beyond the control of the employee.

### Substance Abuse

It is strictly prohibited to operate any vehicle while under the influence of alcohol and/or drugs. The use of legally obtained prescription medication or drugs does not relieve the vehicle driver of the obligation to be sober and capable of safe vehicle operation.

### CDL Drivers

NTMWD employees holding a Commercial Driver's License (CDL) must obey all federal and state regulations affecting CDL holders, including the following:

- A driver may not hold more than one CDL.
- A driver must notify NTMWD and Texas DPS within 30 days of conviction for any traffic violations with the exception of parking citations, regardless of the type of vehicle involved.
- A driver must immediately notify NTMWD if the CDL is suspended, revoked, or cancelled, or if disqualified from driving for any cause.
- A driver may not operate a commercial motor vehicle without a valid CDL.
- Drivers are responsible for monitoring and complying with Texas Intrastate on-duty time limitations:
  - After eight consecutive hours off duty, drivers may drive up to 12 hours and may be on duty up to 15 hours before requiring another eight-hour break.
  - Drivers may not be on duty more than 70 hours in seven consecutive days.

## **2.15 Cell Phone Use/Texting While Driving**

Use of a handheld cell phone or other handheld mobile device while driving a NTMWD vehicle, or while driving for NTMWD business purposes, or while operating NTMWD equipment is strictly prohibited. The driver may not dial, type, read or respond to emails and text messages, access the internet, request directions, or any other activity that could result in the driver being distracted or taking his or her eyes off the road. The driver must at all times wait to respond to the text or email until it is convenient and safe for the employee to pull off the road, stop, and park the vehicle. Any necessary voice calls while on the road must be facilitated by the use of hands-free technology. Similarly, employees are cautioned to exercise care in the use of two-way radios and any other device that could divert the driver's attention from the continued safe operation of the vehicle.

## **2.16 Uniforms**

NTMWD will provide uniforms to certain employees at no cost to the employee. Employees designated to wear uniforms must wear the complete uniform on the job, unless adjustment is required to reasonably accommodate religious or medical requirements. In addition, employees must wear proper footwear, which will be reimbursed annually or less frequently as

needed. The supervisor will provide the employee with the specific uniform requirements for his or her job. Upon separation from employment, all uniform items must be accounted for and returned, or the employee will be responsible for the cost through payroll deduction.

Employees are responsible for keeping their uniform clean and neat. Employees required to wear a uniform will be sent home on their own time to change if they report to work without properly wearing a complete uniform.

## **2.17 Record Retention and Public Information**

As a governmental agency, any information related to NTMWD business, including text messages and photographs, must be retained according to Record Retention laws, and may be subject to public release under public information laws, agency investigations/audits, and subpoenas, even if it is created, transmitted, downloaded, or stored using personal electronic devices (e.g., cell phones, notebooks). Employees are strongly encouraged to use email rather than text when communicating remotely, whenever possible.

If an employee does have a work-related text, photograph or other communication on a personal device that has not gone through NTMWD's server, it must be transferred to NTMWD's files as soon as possible, and, according to law, **no later than 10 days**. If metadata cannot be preserved in the transfer, the employee must also continue to save the metadata on the personal device. It is a violation of this policy, and a Class A Misdemeanor, to delete, destroy, or otherwise make unavailable NTMWD business records.

## **2.18 Reporting Requirements for Significant Issues**

It is crucial that NTMWD management is made aware of significant issues impacting NTMWD services, liabilities, customers and employees, and in a timely manner. All NTMWD employees must be familiar with all laws and regulations pertaining to their duties, and must report to their supervisors, within four hours:

- any instance of an act or omission that may expose the NTMWD to civil, criminal, or other financial liability;
- loss of service impacting NTMWD Retail Customers, Member Cities, Wholesale Customers, or such entities' retail customers;
- reports made to regulatory agencies concerning matters that may have a significant impact on the NTMWD's legal or financial rights or obligations (except that employees are not required to report their own external complaints of discrimination, harassment, retaliation, or other workplace concerns);
- the work-related death or injury of a NTMWD official, employee, or contractor; and
- any other matters of significant public interest, including but not limited to, those matters likely to generate major media coverage.

Such issues are to be reported up the chain of command to the ED/GM who shall, in turn, report the information to the Board of Directors in a timely manner.

## **2.19 Employee Performance Evaluations**

It is NTMWD's policy for supervisor's to evaluate employee's work performance in order to recognize good performance, identify areas needing improvement, create incentives for increased efficiency and good conduct, provide a record to support employment actions, and improve communications between supervisors and employees. Evaluations are to be conducted by the employee's supervisor during the introductory period of a new position (at three and six months), and annually thereafter. Evaluations, among other things, will also form the basis for compensation adjustments.

## **2.20 Telework Arrangements**

Telework is an arrangement where an employee works from an alternate workplace. Eligible employees assigned to telework are expected to maintain an acceptable level of productivity and performance. It is NTMWD's policy to provide management the discretion to authorize telework for specific situations to provide flexibility, work-life balance and the ability to respond to changing conditions and emergencies. All employees who are deemed eligible by Human Resources for telework must execute a Situational Telework Agreement, and certain employees who are eligible for regularly scheduled telework (up to two days per week/four days per pay period) must execute a Core Telework Agreement. Telework arrangements will be reevaluated annually and on an as-needed basis, and may be modified or terminated based on the needs of the employee and NTMWD.

Telework is a privilege and not a right. Abuse or misuse arising from telework employees can lead to suspension or elimination of any and all telework arrangements.

Additional information on the implementation and operation of this policy is found within Administrative Directive 46, dated November 2020.

### Eligibility

Telework eligibility is not a right, but is within the discretion of management. Employees may be eligible for telework, or continued telework if they:

- occupy a telework-eligible position – one that does not currently require performance of on-site activity that cannot be handled from an alternate location;
- have sufficient equipment and connectivity, designated appropriate space, childcare when appropriate, and minimal distractions at the alternate work space to avoid work disruption and maintain safety;
- have completed their first six months of employment successfully, and their introductory period has not been extended;
- have demonstrated work habits suited to telework, as determined by their supervisor and line management;
- are not under a Performance Improvement Plan;

### Expectations for Teleworkers

- be available and responsive to the same extent as if the employee were working on-site;
- perform work during the District’s normal office and core working hours, unless an alternate schedule is approved by the supervisor and manager;
- remain logged into the instant messaging system currently in use by District while teleworking;
- for employees with emergency response duties, be able to report to the emergency response location within two hours of notification;
- maintain performance standards applicable to all employees, and abide by all personnel policies and the Safety Checklist for Teleworkers” that is part of the telework agreement;
- use sick leave if not well enough to work;
- return to the regular worksite on scheduled telework days when instructed by supervisor per operational needs;
- accurately record working time.

## **SECTION III. COMPLAINT RESOLUTION**

### **3.1 Employee Grievances, Complaints, and Appeals of Disciplinary Actions**

NTMWD wants its employees to be heard when they have a concern about work-related matters, or feel that a formal disciplinary actions was not administered properly. No employee will be retaliated against for the use of the complaint resolution procedure. Employees who engage in retaliatory actions will be subject to disciplinary action, up to and including discharge.

Employees should use the following procedure to raise workplace grievances and complaints, and to appeal formal disciplinary actions (referred to collectively as “concerns”):

1. Employees should promptly direct concerns, in writing, first to the Human Resources Manager or designee, who will document the concern for tracking purposes, and will determine the appropriate level for intial resolution. Supervisors and managers who receive written employee concerns directly must promptly forward them to HR. HR may determine that the concern should first go to the employee’s immediate supervisor, to a higher level of management, or that it should be investigated by the HR Department or an outside investigator.

2. If HR refers the concern to the supervisor or a manager (including Deputy Director or Officer), the supervisor or manager should document any discussions, initial investigation, and response. If the concern cannot be resolved by the supervisor or manager to the employee’s satisfaction, the employee may use the following steps for a resolution of the concern, or may go directly to HR at any time during this process:

(a) Within 10 business days after the assigned supervisor's or manager’s decision, the employee may request submission of the written concern to the next level manager, with a copy to HR. If not resolved at this level;

(b) Within 10 business days after the manager's decision, the employee may request, with a copy to HR, submission of the concern to the Deputy Director or Officer over the employee's area, if not already at that level. If not resolved at this level;

(c) Within 10 business days after the decision, the employee may request, with a copy to HR, the concern be submitted to the ED/GM, if not already at that level.

(d) After a concern has been received at any of the above levels, it will be promptly reviewed, including any discussion or investigation by the reviewing manager necessary to respond, and an answer given to the employee, copied to HR, in writing. The ED/GM may establish whatever procedures deemed necessary to review and study any concern.

3. If HR determines that the concern should be investigated and addressed through HR, or referred to an outside, third-party investigator, the HR Manager or designee will inform all parties, and conduct, or cause to be conducted, an investigation.

(a) The findings of the investigation and any recommendations will be forwarded to the appropriate level manager or, when warranted, to the ED/GM, for a determination on action to be taken.

(b) If the employee is not satisfied with the determination of the manager, the employee may, within 10 days after the decision, request a review by the next level of management, up through the ED/GM, unless the ED/GM is the last decision-maker.

4. The decision of the ED/GM shall be final except in cases where the concern contends that the ED/GM is personally engaging in illegal, unethical, or discriminatory conduct, in which case, the employee may appeal to the Personnel Committee of the Board, in writing, copied to HR. Such appeal of the concern to the Personnel Committee must be made within 10 business days of the ED/GM's decision. The Personnel Committee of the Board may review the matter in any manner it feels appropriate and may either reject the appeal, act on the matter, or place it as a special item on the agenda of the next Board meeting for the Board's decision. The decision of the Personnel Committee of the Board, or the full Board, shall be final and binding on the employee.

5. In the case of appealing a termination of employment, terminated employees will not be paid or otherwise considered NTMWD employees during the appeal process. The ED/GM may decide to retroactively reinstate a terminated employee's pay and status should the termination decision be reversed.

### **3.2 Alternate Hotline Method to Report Workplace Wrongdoing**

For reports of workplace misconduct or other violations, employees may choose to forgo the procedures above, and use the District's independent third-party Hotline provider for concerns such as:

- Criminal Misconduct
- Discrimination
- Ethics and Compliance

- Financial Issues
- General Misconduct
- Harassment and Hostility
- Timekeeping and Overtime violations
- Privacy and Security
- Safety

Employees may choose to remain anonymous using this method. Employees should be aware that requesting full anonymity may impact the ability to fully investigate the concern.

## **SECTION IV. COMPENSATION AND REIMBURSEMENT**

### **4.1 Work Week and Office Hours**

The normal working time of full-time employees shall be 40 hours per week. Although some employees work alternating longer shifts, a “workday” for purposes of calculating holiday pay and FMLA usage shall be 8 hours. If the employee normally works a longer day on a paid holiday, the employee may use vacation or other paid time off accruals to make up the extra hours (for sick leave use for extra shift hours, medical documentation may be required). The hours during which employees work shall be determined by the ED/GM or designated representative. NTMWD’s seven-day work period for purposes of calculating overtime is 12:00 a.m. Sunday through 11:59 p.m. the following Saturday, unless specifically modified in writing to address an unusual work schedule.

Normal office hours are 8:00 a.m. through 5:00 p.m., and supervisors are authorized to allow for variations in daily work schedules. Core office hours are between 9:00 a.m. and 4:00 p.m., except during scheduled lunch breaks. Office hours may also consist of: (9 hours/day, 4 ½ days/week), (9 hours/day, 80 hours/pay period for exempt employees only), and (10 hours/day, 4 days/week), but again, no more than 8 hours per day will be used in calculating holiday pay and FMLA usage. Supervisors are responsible for ensuring necessary staffing levels exist to adequately carry out business functions. Generally, employees should not start work prior to 7:00 a.m. nor work later than 6:00 p.m.

### **4.2 Regular Salary**

Each employee of NTMWD shall be paid in accordance with a formal Salary Plan as approved by the Board, in conjunction with the approval of the Annual Operating Budget. The Salary Plan shall provide a salary range for each job classification. The ED/GM or designee shall determine the salary within the range merited by each employee on a periodic basis.

### **4.3 Overtime**

It is the policy of NTMWD to compensate its employees in compliance with all state and federal laws relating to wages and hours, including the Fair Labor Standards Act and its overtime and minimum wage requirements. Certain categories of salaried employees are exempt from these

requirements under the FLSA law and regulations, and positions designated as “exempt” are not entitled to overtime compensation described in this section.

It shall be the general policy of NTMWD to avoid non-exempt employees working frequent overtime. Overtime for such employees is defined as time worked in excess of 40 hours in any seven-day work week. Only actual time worked, excluding any fringe benefit hours such as vacation, sick leave, holidays, and emergency leave, are to be included as hours worked in the computation of overtime hours to be paid at time and a half rates, with the following exception: Any hours worked as a result of a call-out on a NTMWD designated Holiday in accordance with the Call-Out Bonus policy, as set forth in Section 4.5 of this manual, shall be paid at time and a half rates as long as the employee is eligible for 40 hours of other pay, which may include fringe benefit hours during the work week, excluding bonus hours for callout.

In the case of emergency or unusual situations, overtime work may be performed with prior approval of the ED/GM or his designated representative. Normally, NTMWD will pay for overtime at the rate of one and one half (1 ½) times the actual time worked, rather than providing compensatory time off. However, employees may request their supervisor's approval to receive compensatory time off at a rate of one and one half (1 ½) times the actual time worked. If compensatory time is to be taken for overtime worked, it shall be taken within the pay period the overtime occurs, or it will be cashed out. However, certain positions as designated by the ED/GM, such as Construction Inspectors, shall not be required to take or cash-out time during the pay period the overtime occurred.

All accrued, unused compensatory time will be cashed out upon separation from employment for any reason, or at the time of promotion from a non-exempt to an exempt position. If a non-exempt employee terminates employment with NTMWD, such employee will be paid for any overtime worked for which he or she has not taken compensatory time within the current pay period.

#### **4.4 Travel Time**

Ordinary commuting time between the employee’s home and work is generally not compensable except in an emergency call-back situation. Certain employees, however, may be approved for Temporary Duty Assignments at job locations that require additional travel distances to and from work. If designated by the ED/GM, such employees may designate the additional travel time on the time sheet for each date the employee is on Temporary Duty Assignment. Such travel time within the NTMWD service area will entitle the employee to additional straight time pay, but will not be counted as “time worked” for purposes of calculating overtime.

If the non-exempt employee is assigned to go on an out-of-town trip for training or other event outside of the NTMWD service area, the same-day travel from the employee’s home and back will be considered “time worked.” For overnight trips, all time spent traveling when the employee is the driver is compensable, but time spent as a passenger is compensable only during the employee’s regular working hours, even if occurring on non-working day. Once the employee arrives at the destination, non-working or training time at a hotel or other venue is not compensable when outside the employee’s normal workday.

#### **4.5 Callout Bonus**

Employees who are called to return to work from off-duty after the end of the regular work shift shall receive one (1) bonus hour per callout. A bonus hour will not be paid for overtime work continued beyond a regular work shift, as this is not considered a callout. Neither will a bonus hour be paid for scheduled overtime. In addition, time spent traveling between the employee's home and the worksite for emergency callout, if the employee has already worked and gone home that day, is counted toward the employees actual working hours for the week.

If the callout occurs on a NTMWD designated Holiday, time worked is paid at time and one-half, so long as the employee is eligible for 40 hours of other pay, which may include fringe benefit hours, during the workweek, excluding callout bonus hours, and the callout time worked is on the day of the holiday.

#### **4.6 Holiday Pay for Alternate Work Schedules**

Holiday pay is always eight hours per day, regardless of the length of the employee's normally scheduled work day. If an employee is normally scheduled for more than an eight-hour day on the day of the holiday, then vacation time must be used for any normal work time over eight hours.

For example, if an employee is normally scheduled to work a 12-hour day on the day the holiday falls, then the employee would receive eight hours of holiday pay, and would use four hours of vacation pay from the employee's vacation bank. If no vacation pay is available, or if the employee chooses not to use vacation pay, then the employee's pay will be docked four hours. Sick leave may not be used on a NTMWD designated holiday without medical documentation and express authorization from the employee's supervisor.

#### **4.7 Timekeeping**

All non-exempt employees must keep an accurate record of their actual time worked, their time off, and of their non-working time out of the office during their regular working hours. Time records are official government documents which must reflect actual time worked. If less than a full work day is spent at work, then the time sheet must reflect that fact.

For purposes of tracking paid and unpaid leave, all exempt employees must keep an accurate record of their time off when they have actually worked less than 40 hours in the workweek, or when they take an entire day off.

Non-exempt employees should track their time by rounding to the nearest 15-minute increment. Exempt employees should track their time off in one-hour increments.

#### **4.8 Wage Deductions for Exempt Employees**

This policy applies only when deductions are made from the wages of salaried, exempt employees. Deductions from accrued leave banks are allowed in partial or full day increments, and are not covered by this policy.

Exempt employees paid on a “salary basis” are those who regularly receive a predetermined amount constituting all or part of the employee’s compensation, which is not subject to deduction due to variations in the quality or quantity of work performed. Exempt employees need not be paid for any workweek in which they perform no work. In order to remain exempt from overtime, salaried employees will receive full salary for any week in which they perform any work without regard to the number of days or hours worked, unless the deduction falls under one of the following:

1) Pay deductions based on legal withholding (such as payroll taxes, authorized insurances payments, legal garnishments, etc.).

2) Pay deductions may be made for an absence of one or more full days when an employee chooses not to work and receives authorization from his/her supervisor (unrelated to sickness or disability) following the employee’s exhaustion of applicable accrued paid leave. (For example, if an exempt employee is absent for 1½ days, a deduction will be allowed for one day).

3) Pay deductions may be made for an absence of one or more full days for sickness or disability in accordance with NTMWD’s written benefit policies regarding paid time off, and following exhaustion of applicable accrued leave.

4) During a workweek where some work is performed, no deductions will be made for exempt employees’ absences due to jury duty, attendance or testimony as a subpoenaed witness, or for temporary military leave. However, the NTMWD may offset the employee’s pay by the amounts received by the employee as jury fees, witness fees, or military pay for the applicable week’s salary, beyond that intended to reimburse the employee for travel and parking.

5) Pay deductions may be made as penalties for good-faith enforcement of written workplace safety rule violations of major significance.

6) Pay deductions may be made for unpaid disciplinary suspensions of one or more full days imposed in good faith for violations of written workplace conduct rules, but not for performance or attendance problems.

7) Pay deductions may be made during the employee’s first and last week of employment, for the balance of the week before the start date and after the last day of work.

8) Pursuant to the FMLA, pay deductions may be made for any proportion of unpaid leave taken pursuant to the FMLA, including intermittent or partial day leave.

#### Improper Deductions

1) Pay deductions of less than one week will not be made for absences made necessary by operating requirements of the business.

2) Deductions are not permitted for partial day absences (except unpaid FMLA leave).

- 3) Deductions are not permitted for variations in the quality or quantity of work.

#### Grievance Procedures

Improper deductions are not permitted. Any employee who suspects or believes that improper deductions have been made from the employee's salary should report the possible violation in writing to the HR Manager. NTMWD will promptly investigate the complaint/report of any improper deduction. NTMWD will not tolerate retaliation against the employee for making a complaint regarding improper pay deductions regardless of whether the complaint/report is determined to have merit. If it is determined that improper deductions have been made from one or more employee's pay, NTMWD will promptly reimburse the employee(s) for such deductions. Additionally, NTMWD will endeavor to assure that no similar improper deductions are made in the future. Questions regarding payroll and deductions should be directed to the Accounting Department.

### **4.9 Business Travel and Expense Reimbursement**

The NTMWD will reimburse employees for authorized reasonable and necessary expenses incurred by employees in the course of NTMWD business in compliance with IRS regulations. For budgeted travel, employees must be traveling at the direction of or with the approval of their supervisor. Unbudgeted travel will require the approval of the Executive Director/General Manager or his designated representative. The NTMWD will not reimburse expenses that have not been pre-approved.

Travel should be planned in advance to achieve maximum economy and efficiency. For ground transportation, employees should share rides whenever possible, and use care to choose the most economical means of transportation. For air travel, the NTMWD will reimburse only for economy air fares, fees to change seats on flight when deemed necessary, and one checked bag. Any accrued air miles will belong to the employee.

The NTMWD will not reimburse employees for personal expenses incurred while traveling, such as laundry, snacks, entertainment, in-room movies, hotel phone charges, spa services, or other expenses that are non-essential to the purpose of the trip. The NTMWD will not reimburse employees for alcohol purchases, separately ticketed social or recreational conference events, or family expenses. Internet connection fees will be reimbursed only if preapproved.

Meals will be reimbursed for out of town, overnight travel while the employee is traveling on District business. Unless special circumstance apply, in all cases the travel must be outside the metropolitan area. Employees are encouraged to request the use of Per Diems for business related meals when traveling out of the metropolitan area. Itemized receipts are required for reimbursement of expenses that are not reimbursed on a Per Diem basis, except when receipts are not available, such as parking meters. The NTMWD credit card may not be used for expenses that are reimbursed on a Per Diem basis. Reasonable tips (15-20 percent) are included in the Per Diem rate; for non-Per Diem business meals, tips over 20 percent will not be reimbursed. Per Diem rates

shall be established based on the U.S. General Services Administration Per Diem rates. When submitting the Per Diem request, meals included in the conference fee must be deducted.

Employees using personal vehicles for travel will be reimbursed for miles at the current IRS rate. For trips of longer than 300 miles each way, an employee who chooses to drive will be reimbursed the lesser of the cost of economy airfare or the actual mileage, and will not be reimbursed for meals and lodging incurred as a result of the lengthened trip. Department Managers have discretion to require use of NTMWD vehicles or personal vehicles for travel.

#### **4.10 Cell Phone Issuance or Stipend**

Management will determine which positions require use of a cell phone for work-related communications during and after working hours. Generally, employees performing field services and critical job duties subject to after-hours calls will be required to carry a cell phone. Such employees will either be eligible for a monthly cell phone stipend in an amount to be approved and publicized regularly. Employees receiving a stipend are responsible for insuring that the phone is in working order and that work-related emails and texts are retained pursuant to the NTMWD's Records Management Program. Employees who decline the stipend are still responsible for retaining and transferring work-related emails, texts, photographs, and other NTMWD-related content, pursuant to the NTMWD's Policy on record retention and records requests, and its Records Management Program.

#### **4.11 De Minimus Benefits**

At the sole discretion of the GM/ED, the District may provide de minimus benefits for employees from time to time, including for the purposes of promoting team building and employee morale, recognizing employees' extraordinary work performance or other contributions to the District, or celebrating major life events.

Examples of de minimus benefits may include, but are not limited to: providing meals and other snacks, hosting celebrations for employees' major life events such as retirement and work anniversaries, sending flowers or making small in memoriam donations, and other gestures of a similar monetary amount.

This policy does not create an entitlement to any de minimis benefit outlined above. The District policy and directives will follow guidance from the Internal Revenue Service rules regarding de minimus benefits.

## **SECTION V. TIME-OFF BENEFITS**

### **5.1 Use of Accrued Paid Leave Required before Unpaid Leave**

Employees must use any available and appropriate paid time off before going into unpaid leave status.

### **5.2 Sick Leave**

All regular full-time employees shall earn 12 8-hour working days of sick leave with pay each year, subject to the following:

- (1) Sick leave shall be accumulated at the rate of one (1) day for each full month of completed service, beginning with the first month of employment. An employee who is hired prior to the 16th day of any month shall earn one (1) day of sick leave for that month. Those hired after the 16th shall not earn a day for that month.
- (2) Sick leave may, with the supervisor's approval, be used in hourly increments as required.
- (3) Sick leave shall be accrued by employees from year to year, without any maximum limitations; however, employees who resign or who are terminated for any reason, other than retirement, shall not be paid for unused sick leave.
- (4) Upon retirement, employees shall be paid for unused sick leave up to a maximum of 1,000 hours using the following criteria. Employees shall be paid for all hours of unused sick leave up to 720 hours, plus 50% of all remaining unused sick leave hours up to 280 hours, for a maximum of 1,000 hours.
- (5) The use of accrued sick leave is a privilege afforded each employee and not a right. Sick leave shall be used only for the purpose of permitting employees to be relieved of duties during actual personal illness or for the care of an immediate family member's illness, disability, or healthcare appointment. For this purpose, a family member is defined as a spouse, child or parent (as those terms are defined in this Manual's FMLA policy). Sick leave may be used for medical, dental, or optical examinations or treatment which cannot be scheduled during non-working hours; however, such non-emergency treatment must be scheduled with the supervisor's approval. An employee may be required to furnish a physician's statement attesting to the illness or office visit for the period of time when sick leave has been utilized.
- (6) Temporary, part-time, and seasonal employees shall not accrue sick leave benefits.
- (7) No employee shall be given or is entitled to take sick leave in excess of the actual amount accumulated (except in circumstances where leave under the FMLA applies or in the case of Occupational Injury, as described below).
- (8) An employee who is going to be absent from work due to an illness or injury must notify the immediate supervisor as soon as the employee knows of the need for the absence. If the employee is unable to contact the supervisor prior to the employee's scheduled report time, he or

she should continue to call in until a departmental supervisor is reached. For scheduled appointments and treatments, employees must receive prior supervisor approval, or, in the case of FMLA, provide supervisor notification as soon as the appointment is scheduled. Employees must call in daily unless the supervisor waives the requirement based on verified extended medical leave, or as otherwise allowed by the FMLA. Whenever physically possible, employees are expected to report to work, and may be assigned light duty when appropriate and allowed by law.

9) The ED/GM has authority and discretion to grant new hires, as a recruiting incentive in compelling circumstances, additional sick leave time available for use in the first year of employment. The ED/GM also has authority and discretion to make “equity adjustments” for certain current employees in similar positions as such new hires, to allow for equal benefits.

### 5.3 Sick Leave Pool

1) NTMWD allows employees to donate accrued Sick Leave to a pool for use by regular, full-time employees who have completed 12 continuous months of service with NTMWD, who require a continuous (non-intermittent) period of time off for their own or immediate family member’s “Catastrophic Illness or Injury,” and who have exhausted all paid leave accruals.

2) A “Catastrophic Injury or Illness” shall mean a severe condition or combination of conditions affecting the mental or physical health of the employee or the employee's immediate family that requires the services of a licensed healthcare provider for a period of more than 30 days away from work. The 30 days may be cumulative including ongoing treatment for a qualifying catastrophic illness or injury.

3) An employee wishing to receive Sick Leave from the Sick Leave Pool must submit a written request to the Assistant Deputy – HR and Administration, who shall act as the Sick Leave Pool Administrator, and select and chair the Sick Leave Pool Committee.

4) The Sick Leave Pool Administrator or designee must keep documentation of:

HOURS DONATED TO THE POOL:	Date of donation
	Name of donor
	Department of donor
	Number of hours donated

HOURS GRANTED FROM THE POOL:	Name of employee
	Date of request
	Number of hours requested
	Number of hours granted
	Illness requiring leave

5) An employee of NTMWD who is entitled to accrue Sick Leave, has completed 12 months of continuous service with NTMWD, and is eligible to use and to be compensated for personally

accrued Sick Leave may apply to use leave from the pool. An employee who is separated from employment with NTMWD and then returns to NTMWD employment must complete another 12 months of continuous service to be eligible to use the pool.

Employees seeking to utilize time from the pool must exhaust all accrued paid time off before they are eligible to withdraw leave from the pool.

- 6) Contributions to the pool are strictly voluntary.
- 7) Employees may contribute up to 48 hours, but no more than 50% of their sick leave balance, per year. Leave must be earned and recorded on the books at the time of the contribution. All donations to the pool must be in whole hours only. Contributions shall be made through the Sick Leave Pool Administrator. Employees who contribute to the pool cannot recover that leave unless they are eligible to use the pool due to a Catastrophic Illness or Injury.
- 8) Employees retiring from NTMWD may donate up to 200 hours of their sick leave balance, prior to their departure from NTMWD service. Retiring employees who wish donate additional accrued sick leave beyond 200 hours may do so, but such hours will be deducted from the employee's maximum sick leave cash-out available at retirement. Employees leaving for reasons other than retirement may not contribute to the Sick Leave Pool at time of separation from employment or after notice of separation.
- 9) Employees who make contributions to the pool may not restrict their contributions for use by a specific person.
- 10) The Sick Leave Pool Committee will determine the amount of Sick Leave Pool leave granted for each Catastrophic Illness or Injury. The amount of the pool leave granted for each Catastrophic Illness or Injury may not exceed one-third of the balance available in the pool or 90 days, whichever is less. The maximum leave granted for each Catastrophic Illness or Injury in any fiscal year is 90 days.
- 11) Any unused balance of pool leave granted to an employee will return to the pool. The estate of a deceased employee is not entitled to payment for unused pool leave.
- 12) Leave from the pool is not intended to be used by an employee who wishes to take additional leave to care for a newborn or adopted child beyond the medical issues surrounding pregnancy and childbirth, unless other circumstances exist, such as a serious medical condition affecting the mother or child that amounts to a Catastrophic Injury or Illness.
- 13) The employee requesting time from the sick leave pool must submit a medical certification to the Sick Leave Pool Administrator or designee, from the employee's physician, utilizing the criteria set forth in the Family and Medical Leave Act for a serious health condition. The Sick Leave Pool Administrator or designee will provide a medical certification form to the requesting employee.

#### **5.4 Occupational Injury Leave**

Employees sustaining injuries arising out of the course of employment with NTMWD shall be granted injury leave subject to the following:

- (1) Employees must immediately report any injury sustained in the course of employment to their immediate supervisor, regardless of how minor such injury may seem to the employee. Employees who fail to do so will not be eligible for injury leave with pay.
- (2) An employee whose injury necessitates an absence from work will be granted an injury leave, with supplemental pay, for a period not to exceed seven calendar days, only when the ED/GM or his/her designated representative is satisfied that the employee was actually injured on the job (on NTMWD premises or in furtherance of NTMWD business) and is in the care of a physician. An employee whose injury necessitates an absence of more than seven (7) days may be granted supplemental pay, which is the difference between the full salary and any weekly benefits provided through the Texas Employers Liability Law (workers' compensation), up to a maximum of 13 weeks total. Such supplemental pay is not an earned benefit and may be granted at the discretion of the ED/GM or his/her designated representative if, in his/her judgment, the employee was actually injured on the job, is unable to work, and is in the care of a physician. Such payments are not required by law and may be terminated at any time if it is determined that an employee is abusing this policy.
- (3) Eligible employees under the Family and Medical Leave Act (FMLA) will be placed on FMLA leave concurrent with the first 12 weeks of occupational injury leave.
- (4) Any on-the-job injury that necessitates an absence from work in excess of 13 weeks will be without supplemental pay when all accrued sick leave is expended. The employee's sick leave account will be charged based on time absent from work, not on the dollar amount paid; for each day of absence, employee will use one full day of sick leave, but will receive only the amount of pay necessary to supplement workers' compensation.
- (5) During the period of occupational leave under this policy, NTMWD will continue to pay the employer portion of the health and dental insurance premiums as long as the employee continues to pay the employee portion of the premiums. Any employee-paid premiums will be deducted from the employee's supplemental or sick leave payments, if sufficient, or must be paid to NTMWD directly.

## 5.5 Vacations

All regular full-time employees shall earn vacation, with pay, in accordance with the following:

- (1) Vacation shall be earned at a rate based on continuous years of service with NTMWD, in accordance with the schedule below.

<u>Years of Service</u>	<u>Days Earned per</u> <u>Year</u>	<u>Hours Earned per</u> <u>Month</u>
Year 1	10	6.67
Year 2	11	7.33

Year 3	12	8.00
Year 4	13	8.67
Year 5	14	9.33
Year 6	15	10.00
Year 7	15	10.00
Year 8	16	10.67
Year 9	16	10.67
Year 10	17	11.33
Year 11	17	11.33
Year 12	18	12.00
Year 13	18	12.00
Year 14	19	12.67
Year 15	19	12.67
Year 16 and Over	20	13.33

(2) Vacation shall begin to accrue upon hire and will be available for use the first day of the month following 30 days of hire.

(3) Any employee who terminates their employment with NTMWD in good standing following one year of continuous service shall be paid for accumulated vacation leave earned but unused, not to exceed two times their annual allowance, provided proper two weeks' notice is given in the case of a resignation.

(4) An employee retiring from NTMWD in accordance with NTMWD's Retirement Plan shall be paid for accumulated but unused vacation leave, in accordance with carry-over limits and not to exceed three (3) times their annual allowance.

(5) Employees shall be expected to take their full vacation in the year in which it becomes available. Under no circumstances shall an employee be allowed to carry forward available vacation leave in excess of two and one-half (2-1/2) times their annual allowance to a succeeding year. For purposes of this paragraph, "year" is defined to begin at the date of first date of employment and end on the date of the last date of the month in which the employee was hired. Any time in excess of the maximum will be forfeited.

(6) Part-time, temporary and seasonal employees shall not earn vacation leave.

(7) All employees are encouraged to take vacations. All vacations must be scheduled and approved by the employee's supervisor, given due consideration to the needs of NTMWD and the ability of the remaining staff to perform the work.

(8) The ED/GM has authority and discretion to grant new hires, as a recruiting incentive in compelling circumstances, additional vacation time available for use in the first year of employment, and/or different vacation accrual rates. The ED/GM also has the authority and discretion to make "equity adjustments" for certain current employees in similar positions as such new hires, to allow for equal benefits.

## 5.6 Holidays

(1) The following designated holidays shall be observed as official holidays:

New Year's Day	January 1 <sup>st</sup>
Good Friday	Friday before Easter Sunday
Memorial Day	Last Monday in May
Independence Day	July 4 <sup>th</sup>
Labor Day	First Monday in September
Thanksgiving Days	Fourth Thursday/Following Friday in November
Christmas Days	December 25 <sup>th</sup> / Day before or Day after Christmas as determined by the ED/GM

(2) When one of the above-named holidays falls on a Saturday, the holiday shall be observed on the preceding Friday, or if it falls on a Sunday, it shall be observed on the following Monday.

(3) As many employees as possible shall be given each holiday off; however, employees, who, because of the nature of their work, cannot be off on a regular holiday, will be provided equivalent compensatory time off for holidays on another day. Employees who cannot be given compensatory time off will receive, in addition to their regular pay for the holiday, pay for the actual time worked at their regular rate of pay.

(4) Any employee who is absent for unplanned or unauthorized time off on the work day immediately preceding or following a holiday shall not be paid for the holiday. Unplanned sick leave may require a doctor's note prior to authorization.

(5) Temporary and seasonal employees shall not be eligible for holiday pay.

## 5.7 Personal Days

With advance notice and approval from the employee's supervisor, employees are granted two (2) personal days (16 hours total) in one-day increments, for the employee to use for any purpose. Accrued but unused personal days have no cash value at termination, and may not be carried over to the next calendar year. Employees hired on or after July 1<sup>st</sup> of each year will be granted (1) personal day (8 hours) for use during the calendar year of hire.

## 5.8 Bereavement/Emergency Leave

All regular full-time employees may be granted bereavement/emergency leave with pay, when approved by the ED/GM, or his/her designated representative, up to a maximum of three (3) working days (up to a maximum of 24 hours pay) in the case of death or life-threatening illness in the employee's immediate family, which shall be defined for purposes of this policy as: spouse, parent, child, sibling, grandparent, grandchildren or other members of kinship who may be residing with an employee at the time of death, or the “step” or “in-law” versions of each. Death of relatives other than those mentioned above shall be considered individually and time allowed off, or not, as warranted.

- (1) Bereavement/emergency leave shall be available upon employment, and may be used per occurrence as described above.
- (2) Employees may be required to furnish satisfactory proof of their reason for bereavement/emergency leave.

## 5.9 Military Leave

NTMWD complies with all state and national laws relating to employees in reserve or active military service and does not discriminate against employees who serve in the military. NTMWD supports its employees and their service in state and national military units and provides them with a number of military leave benefits. However, temporary employees who have brief or non-recurrent positions with NTMWD and who have no reasonable expectation that their employment with the NTMWD will continue indefinitely or for a significant period of time are generally ineligible for reemployment rights under this policy.

This policy covers employees who serve in the uniformed services in a voluntary or involuntary basis. All requests, documentation, and determinations about military leave must be directed to the HR Department.

Notice to NTMWD of Need for Leave - Employees must provide as much advance written or verbal notice to NTMWD as possible for all military duty (unless giving notice is impossible, unreasonable, or precluded by military necessity). Absent unusual circumstances, such notice must be given to NTMWD no later than 24 hours after the employee receives the military orders.

### Paid Leave for Military Training and Duty

- Paid Leave for up to 15 days - Employees are entitled to up to 15 working days per fiscal year of paid military leave, for use when an employee is engaged in reserves training or duty ordered or approved by proper military authority.
- Other Paid Leave - Employees who have exhausted all available paid military leave may, at their option, use vacation leave to cover their absence from work.

Unpaid Leave - After an employee has exhausted all available paid military leave (and vacation leave time that the employee chooses to use to cover a military absence), the employee will be placed on military leave without pay for up to five years, or longer as required by law.

Group Health - While an employee is on military leave, NTMWD will continue to pay its portion of the monthly premium for group health benefits for no less than 30 days, provided the employee continues to make regular employee contributions. An employee may elect to continue group health coverage under COBRA for up to 24 months following separation of employment or until his/her reemployment rights expire, whichever event occurs first, for him/herself and eligible dependents. Upon an employee's return to employment following military service, NTMWD will provide health insurance coverage immediately, without a waiting period or pre-existing condition exclusions (except those incurred as a result of military service).

Other Benefits - While on paid military leave, employees continue to accrue vacation, sick leave and other benefits provided to other employees on paid leave. Benefits such as vacation and sick leave do not accrue while an employee is on unpaid military leave, but will be suspended until the employee's return to active employment. Once an employee returns to work following an unpaid leave, he/she will be treated as though he/she was continuously employed for purposes of determining benefits based on length of service.

Reemployment Rights - In most cases, employees who complete their military service within five years of the date of being placed on military leave, or as otherwise required by law, will be reemployed in their previous or equivalent position with NTMWD.

Deadline to Notify NTMWD of Intent to Return to Work - The deadline for an employee to return to work and/or notify NTMWD that he/she intends to return to work following military leave depends upon how long the employee's military service lasted:

- For service of less than 31 days, employees have eight hours following their release from service to notify their supervisor of their availability to return to work.
- For service between 31 days and 180 days, employees have 14 days following their release from service to apply for reemployment.
- For service of more than 180 days, employees have 90 days following their release from service to apply for reemployment.

These deadlines may be extended for two years or more when an employee suffers service-related injuries which prevent him/her from applying for reemployment or when circumstances beyond the employee's control make reporting within the time limits impossible or unreasonable.

Required Documentation - To qualify to return to work, an employee returning from leave must provide documentation of the length and character of his/her military service. Also, evidence of discharge or release under honorable conditions must be submitted to NTMWD if the military leave lasted more than 31 calendar days.

Rights to Continued Employment - Employees who serve in the military for more than six months will not be discharged by NTMWD without cause for one year following the date of

reemployment. Employees who serve for between one and six months will not be discharged without cause for six months following the date of their reemployment. Employees who serve for 30 days or less are given no protection under federal law from discharge without cause.

Changed Circumstances - If NTMWD's circumstances have changed to such an extent that it would be impossible or unreasonable to reemploy an employee, NTMWD has no legal obligation to reemploy an employee following his/her return from military leave.

### **5.10 Jury Duty**

Employees who are required by law to render jury service shall receive their regular pay during such service. Employees called for such services may be required to submit proof of same to their supervisor. Employees will not be required to submit to the NTMWD fees they receive for jury duty that are intended to reimburse the employee for travel, parking, and similar expenses.

### **5.11 Training Leave**

The ED/GM, or his designated representative, may grant approval for an employee to attend job-related professional conferences, short courses, and other training activities, with pay.

### **5.12 Family and Medical Leave (FMLA)**

#### Definitions

(1) 12-Month Period means a rolling 12-month period measured backward from the date leave is taken.

(2) 12-Month Servicemember Period means a single 12-month period measured forward from the first day Servicemember Family Leave is taken.

(3) Covered Active Duty means 1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and 2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty in support of a war or national emergency.

(4) Covered Family Member includes: a) legal spouse under the law of the jurisdiction where the marriage was entered into; b) biological parent or individual who stood in place of a parent when the employee was a child; or c) biological, step, adopted, or foster son or daughter for whom the employee has day-to-day responsibility for care, and who is under 18 years of age (or 18 or older if incapable of self-care because of a mental or physical disability). For purposes of a son or daughter on active duty or call to active duty, or for Servicemember Family Leave, the child may be of any age.

(5) Covered Servicemember means a member of the Armed Forces (including a member of the National Guard or Reserves) or a veteran who was a member of the Armed Forces in the previous five years, who is undergoing medical treatment for a serious injury or illness.

(6) Qualifying Exigency means a family member's need for leave arising from a covered military member's active duty status or call to active duty. Qualifying Exigency includes: 1) notification of a call to covered active duty seven or fewer days from date of deployment; 2) military events and related activities, including post-deployment activities (e.g. official ceremonies, support programs, counseling, etc. related to covered active duty); 3) attending to childcare and school activities; 4) attending to financial and legal matters; 5) to spend up to 15 days with a military member who is on short-term, temporary rest and recuperation leave; 6) caring for a military member's parent who is incapable of self-care, when such care is necessitated by the military members' covered active duty and, 7) any additional activities related to the call to covered active duty otherwise agreed to by the employer and employee.

(7) Serious Health Condition means a medical condition that involves a) inpatient care; b) incapacity requiring absence from work for more than three days along with continuing treatment by a health care provider; c) continuing treatment for a chronic or long-term health condition; or d) prenatal care.

#### General Protected Leave Provision

NTMWD will grant up to 12 weeks of job-protected unpaid leave per 12-Month Period to eligible employees for the following reason(s):

- (1) Care of a child after birth, adoption, or placement within the 12-month period following the birth or placement
- (2) Care of a Covered Family Member with a Serious Health Condition
- (3) In the event of an employee's own Serious Health Condition
- (4) To attend to a Qualifying Exigency.

#### Servicemember Family Leave

In addition, NTMWD will grant an additional 14 weeks (up to a total of 26 weeks) of unpaid leave to eligible employees who are the spouse, child, parent, or next of kin of a Covered Servicemember to care for that Covered Servicemember with a serious injury or illness sustained while on active duty in the military. No more than 26 weeks of leave may be taken in a single 12-Month Servicemember Period, and no additional extended leaves may be taken in other years for the same injury or illness.

### Eligibility

To be eligible for FMLA, an employee must have completed at least a total of one year of service and have worked a minimum of 1,250 hours with NTMWD during the previous 12-month period.

### Intermittent or Reduced Leave

An employee may take leave intermittently (a few days or hours at a time) or on a reduced leave schedule.

### Notification and Certification Requirements

An eligible employee who requests a leave for the reasons provided under this policy will be granted unpaid leave under the following conditions. All medical and military certifications requested by NTMWD must be submitted within 15 calendar days of such request or rights under the FMLA may be denied.

(1) If planned in advance, at least 30 days' notice prior to the anticipated leave date must be given. If the leave is unexpected, notice as soon as the need for leave is known must be given. The notice must provide a reason for the leave that qualifies it under FMLA.

(2) Employees requesting a leave under FMLA for the employee's own serious health condition or to provide care for a family member will be required to provide medical certification from the treating physician providing the complete information requested on the Department of Labor's appropriate form. Periodic statements from the treating physician may also be required.

(3) Prior to returning from a personal medical leave, employees will be required to present certification from their attending physician(s) indicating they are capable of returning to work and performing all of the essential functions of their job.

(4) An employee requesting leave related to a Covered Servicemember's active duty or call to active duty shall provide supporting documentation issued by the applicable Armed Forces.

(5) An employee requesting Servicemember Family Leave must provide official Armed Forces documentation of the injury, recovery or need for care, showing the injury or illness was incurred on active military duty and renders the member unfit to perform military duties.

### Conditions and Benefits

(1) Employees will be required to use all accrued and appropriate paid leave (including sick leave, compensatory time, maternity leave and occupational injury leave) concurrently with FMLA leave. The employee may opt to use vacation while on FMLA. .

(2) All NTMWD benefits which are accrued, such as vacation and sick leave, will cease to accrue during unpaid FMLA leave.

(3) NTMWD will continue to make its health insurance premium payments during FMLA leave, provided the employee continues to make regular employee contributions. If the employee's contribution is more than 30 days late, NTMWD may terminate the employee's insurance coverage. Other benefits, such as pension and life insurance, will be governed by the terms of each plan and NTMWD policies.

### Job Protection Rights

Qualified employees who return to work before the expiration of the FMLA leave will normally be reinstated to their former position, or an equivalent position. However, the employee's restoration rights are the same as they would have been had the employee not been on leave. If the employee's position would have been eliminated, or the employee would have been terminated but for the leave, the employee would not have the right to reinstatement.

It is unlawful for an employer to interfere with, restrain, or deny the exercise of FMLA rights, or to discharge or discriminate against anyone for opposing such unlawful practices or for participating in a proceeding relating to FMLA. An employee may file a complaint with the U.S. Department of Labor's Wage and Hour Division or may bring a private lawsuit against an employer for violating his/her rights under the FMLA.

All questions regarding FMLA should be directed to the HR Department.

### **5.13 Limitations on Leaves of Absence**

With the exception of leaves of absence for military duty, no leave of absence or other period of inability or failure to perform full-duty work, by itself or in combination with other periods of leave, may last longer than 26 weeks or the remainder of the employee's accrued sick leave, whichever is more. Any employee who, for any reason or combination of reasons, exceeds this limit in a 12-month period, will be separated from employment due to unavailability for work. An employee will be considered unavailable for work if the employee cannot perform the essential functions of the job, with or without reasonable accommodation.

NTMWD will comply with the Americans with Disabilities Act (ADA) under the following conditions: (1) when additional limited time off is necessary to accommodate an employee's disability for a specified time period, (2) the leave can be granted without undue hardship to the NTMWD, and (3) the employee is otherwise qualified for the position.

### **5.14 Meals and Breaks**

Employees will be afforded sufficient time for breaks and meals, which will be scheduled by the supervisor to best accommodate the work requirements of the Department.

### Non-Meal Breaks

Normally, breaks should not exceed 15 minutes in each four-hour work period. For breaks of less than 20 minutes, non-exempt employees shall not be required to clock out. For breaks of 20 or more minutes that don't include a meal, employees must clock out. Employees returning late from a break may be counted as tardy for disciplinary purposes, and will be required to adjust their time if the break is 20 minutes or more.

### Meal Breaks

Non-exempt employees must clock out for lunch or dinner breaks, and such breaks must be at least 30 minutes and normally no longer than 60 minutes. If an employee is required by work requirements to return from a meal break in less than 30 minutes, or if the employee's meal is interrupted so that there is not at least a 30-minute period free, then the employee will be paid for the entire break.

### Break Time for Nursing Women

NTMWD supports the practice of expressing breast milk, and reasonably accommodates its employees who have a need to do so during working hours. Employees who are nursing women are allowed reasonable break time, comfort and privacy to express (pump) milk. If regularly scheduled breaks and meal times are not sufficient, nursing women may take additional time to express milk. These additional breaks are not considered compensable working time and should be deducted from the total time worked for non-exempt employees. Employees may choose to use accrued paid leave for this purpose. Nursing women should notify their immediate supervisor of their need for this accommodation so that arrangements can be made to provide a private, comfortable location to express milk.

## **SECTION VI. HEALTH AND RELATED BENEFITS**

### **6.1 Insurance**

- (1) NTMWD provides insurance for employees as set out in the insurance policies, summaries of which shall be given to employees.
- (2) All full-time regular employees of NTMWD are eligible for post-employment extension of group hospitalization for a period of one month for each two years of active service, if they suffer a permanent disability not covered by workers' compensation which terminates employment with NTMWD. NTMWD will pay the total premium for a period not to exceed ten months, after which time NTMWD will comply with COBRA laws. Employment for a period of two years and participation in the insurance program are required. No additional coverage may be added and all other health insurance covering the individual or family must be maintained by the employee. Should the former employee return to work with NTMWD, NTMWD will be reimbursed for the employee's portion of the cost. An employee of NTMWD who sustains an injury that is covered by Worker's Compensation Insurance will be eligible only for such benefits and supplemental pay

benefits under NTMWD's Occupational Injury Policy, and is not eligible for the payment of premiums under this Section. Likewise, a person injured while employed by another individual or company is not eligible for premium payments under this section. If any person resumes employment with NTMWD or accepts any other employment during the benefit period, the premium payment shall be terminated.

(3) Upon full utilization of the extended benefits set out above, NTMWD will continue to pay the premiums for a terminally ill employee for a period not to exceed 30 months, or until the maximum benefits have been received by the employee as paid by the insurance coverage, whichever occurs first.

## **6.2 Retirement and Recognition**

Retirement benefits are provided through a special Plan for employees of NTMWD. The rules and regulations applicable to the retirement benefit program are set forth in the Plan. Summaries of this Plan shall be given to employees as required by law.

### Retirement Recognition Program:

- Employees who retire with less than ten years of service shall be presented with a certificate of achievement and will be noted in the NTMWD Employee newsletter.
- Employees who retire with ten or more years of service, but less than 20 will receive a plaque of appreciation, normally presented during a departmental recognition ceremony, and will be noted in the NTMWD Employee newsletter.
- Employees who retire with 20 or more years of service shall receive the plaque and newsletter notation, as well as an engraved NTMWD logo watch. Executive level employees will also be presented with an official resolution during a regularly scheduled Board meeting.

## **6.3 Employee of the Year Recognition Program – Carl W. Riehn Award**

To recognize outstanding job performance and to commemorate and memorialize Carl W. Riehn's dedicated service to the NTMWD for 28 years prior to his retirement and untimely death in 1998, NTMWD offers the Carl. W. Riehn Award for Employee of the Year. All regular full-time NTMWD employees below Grade 40 are eligible for this award.

### Selection Criteria:

Employees nominated for this award should include those who:

- Consistently meet and often exceed their job requirements;
- Make outstanding contributions to building teamwork, communication and enhanced employee morale;
- Offer realistic innovative ideas or suggestions that improve productivity or service

- performance;
- Strive to better themselves through education and personal advancement of work-related skills;
- Show diligent attention to safety standards and procedures;
- Achieve exemplary attendance record; and,
- Continually exhibit qualities that enhance the image and tradition of the NTMWD.

Procedure for Recognition:

- Employees may nominate other employees and submit sealed written nominations through their supervisor to the Nominating Committee.
- Nominations received will be initially reviewed by a Nomination Committee consisting of three members: Deputy Director – Administrative Services, Deputy Director – Engineering & CIP and the Human Resources Manager. The Nomination Committee will be responsible to select the nominee best meeting the selection criteria. A nominee should be selected from each of the designated systems if such a candidate exists.
- From nominations received, up to one nominee each will be selected by the Nominating Committee from each of the following designated systems:

<b>SYSTEM</b>	<b>DEPARTMENT</b>
Water	Plant Operations, Facilities Services, Technical Services
Wastewater	Wastewater Treatment Plants, Interceptors
Solid Waste	Transfer Stations, Landfill, Fleet Maintenance Shop
Support Services	All Other Departments

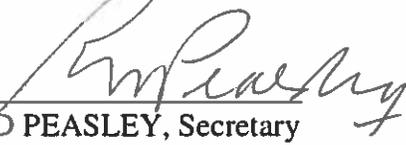
- The Nominating Committee will then submit up to four nominees each year to the Employee Recognition Committee composed of five employees appointed by the HR Manager.
- Nominations will be accepted from October 1 to October 31 each year for the preceding 12 months.
- The Employee Recognition Committee will review nominations and submit a recommendation of the employee to receive the Employee of the Year Award to the ED/GM for final approval.
- The Employee of the Year will receive a \$1,000 cash award, a certificate of achievement on an engraved plaque, recognition of award on a perpetual engraved plaque to be located in the NTMWD Administration Building, and recognition of achievement in the NTMWD newsletter.
- The remaining nominees will receive a \$300 cash award, a certificate of achievement on an engraved plaque, and recognition of nomination on a perpetual

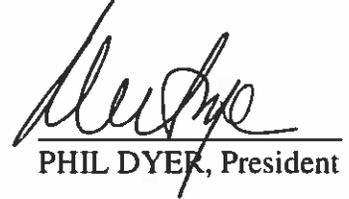
engraved plaque to be located in the NTMWD Administration Building. Recognition of the nominee achievement will also be included in the NTMWD newsletter.

- The ED/GM will make award and recognition at a selected time prior to December 31 each year.
- Funding for this program is to be made available from the operating budget.

## ADOPTION BY BOARD OF DIRECTORS

The Personnel Policies in this Manual have been passed and approved, as amended, by the Board of Directors of the North Texas Municipal Water District, in a Regular Meeting of the Board, on this 23<sup>rd</sup> day of September 2021, and attested to by the signature of the President and Secretary, as indicated below.

  
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RICHARD PEASLEY, Secretary

  
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PHIL DYER, President

