

ICR SANITARY DISTRICT

BOARD BYLAWS, DISTRICT RULES AND DISTRICT POLICIES

INDEX OF REVISIONS		
DATE ADOPTED	REVISION	SECTIONS REVISED
October 29, 2012	Initial Adoption	
February 5, 2013	1	Index of Revisions added; Art II, Sec 4 chgs to par 2, deletions to par 3; ArtIII, Sec 9 added, Sec 11, par c added; Sec 3A par 6-9 added; Sec 3B, par 2b-2e added, par 9-11 added
May 15, 2013	2	Article II, Section 18, changed majority of the Board to majority of quorum to transact business Corrected page number errors
August 12, 2013`	3	Article III, Section 6, modified definitions of Fees and charges. New Attachment 1 added
June 16, 2014	4	Article III, Section 6, modified definitions of Fees and Charges, New Attachment 1 added
March 14, 2019	5	Added final par. Section 5, notice of election of Board member(s)
January 13, 2021	6	Article II, Section 25 final par. removed; Article II, Section 6, 1 st sentence modified; Article III, Section 5, paragraphs C & D added

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ARTICLE I: DEFINITIONS AND INTRODUCTION

SECTION 1: DEFINITIONS.

ADMINISTRATIVE AUTHORITY means the individual official, Board, department or agency established and authorized by a state, county, city, or other political subdivision created by law to administer and enforce policy and rules adopted by such entities.

APPROVED AGENCY is an established and recognized agency regularly engaged in conducting tests or furnishing recognized services such as inspections.

BOARD means the elected Board of Directors of the ICR Sanitary District.

B.O.D., Biochemical Oxygen Demand, means the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures in five days at twenty degrees centigrade expressed in parts per million (PPM) in weight.

CROSS CONNECTION is a connection between drinking (potable) water and an unsafe water supply.

CUSTOMER is a purchaser of services provided by the District, other than a user.

DISCHARGE means the release of any wastewater or storm water into a District sewer.

DISTRICT means the ICR Sanitary District.

DISTRICT ENGINEER is a contracted engineer working for the District.

DOMESTIC SEWAGE means the liquid and waterborne wastes derived from the ordinary living processes, free from industrial wastes, and of such character as to permit satisfactory disposal, without special treatment into the public sewer or by means of a private sewage disposal system.

DRAINAGE SYSTEM means all the piping within public or private premises, which conveys sewage or other liquid wastes to a legal point of disposal, but does not include mains of a public sewer system or a public sewage treatment or disposal plant.

EFFLUENT is the wastewater or other liquid, raw, partially or completely treated, flowing from a basin, treatment process or treatment plant.

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FEES are charges approved and published by the Board for hookup connections, monthly service, inspections and such other charges permitted by statute.

GIS means geographic information system.

INDUSTRIAL WASTE means any and all liquid or water-borne waste from industrial or commercial processes, except domestic sewage.

INFLOW is water discharged into the sewer system from sources other than regular connections. This includes flow from yard drains, foundation drains and around manhole covers.

INFLUENT is the wastewater or other discharge, raw, partially or completely treated, flowing to a basin, treatment process or treatment plant.

INSANITARY means the presence of conditions which are contrary to sanitary principles or are injurious to health.

INTERCEPTOR (CLARIFIER) is a device designed and installed so as to separate and retain deleterious, hazardous, or undesirable matter from normal wastes and permit normal sewage or liquid wastes to discharge into the disposal terminal by gravity.

LIEN is a charge, security or encumbrance upon real property.

LIQUID WASTE is the discharge from any fixture, appliance, or appurtenance in connection with a plumbing system, which does not receive fecal matter.

MANAGER means the administrator of the District.

O&M MANUAL is an operation and maintenance manual, which outlines procedures for operators to follow to operate and maintain a specific wastewater treatment plant and the equipment in the plant.

PERMIT is an official document or certificate issued by a governing authority authorizing performance of a specified activity, such as a building inspector approving specific construction.

PERSON means a natural person, his heirs, executor, administrators, or assigns and shall also include a firm, corporation, municipal or quasi-municipal corporation, or governmental agency. Singular includes plural, male includes female.

PRIVATE SEWAGE DISPOSAL SYSTEM is a septic tank with the effluent discharging into a subsurface disposal field, into one or more seepage pits or into

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a combination of subsurface disposal field and seepage pit or of such other facilities as may be permitted under the procedures set forth in the U.P.C.

PRIVATE SEWER is a building sewer, which receives the discharge from more than one (1) building drain and conveys it to a public sewer, private sewage disposal system, or other point of disposal.

PROPERTY OWNER is any person, agent, firm or corporation having a legal or equitable interest in the property; the owner of record of real property with all the interest, benefits and rights inherent in the ownership of real estate.

PUBLIC OR PUBLIC USE in the classification of plumbing fixtures shall mean all buildings or structures that are not defined as private or private use.

RECEPTOR is an approved plumbing fixture or device of such material, shape, and capacity as to adequately receive the discharge from indirect waste pipes, so constructed and located as to be readily cleaned.

SANITARY SEWER is a sewer intended to carry wastewater from homes, businesses, and industries.

SEPTAGE is the contents of a septic tank.

SEPTAGE TREATMENT means the purification of septage by bacterial activity or other process.

SEPTIC TANK is a watertight receptacle which receives the discharge of a drainage system or part thereof, designed and constructed so as to retain solids, digest organic matter through a period of detention and allow the liquids to discharge into the soil outside of the tank through a system of open joint piping or a seepage pit meeting the requirements of the U.P.C. and ADEQ.

SEWAGE DISPOSAL is the treatment and dispersal of sewage.

SEWAGE GAS is the mixture of gases, odors, and vapors found in a sewer.

SEWERAGE SYSTEM means the entire works required to collect, treat, and dispose of sewage, including the sewer system, pumping stations, and treatment plant.

SEWAGE TREATMENT means any process to which sewage is subjected to remove or alter its objectionable constituents by reduction in the organic and bacterial content, rendering it less offensive and dangerous.

SEWER means generally, an underground conduit in which waste matter is carried in a liquid medium; a pipeline in which sewage is conveyed.

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SEWER APPURTENANCES mean manholes, sewer inlets, and other devices, constructions, or accessories related to a sewer system but exclusive of the actual pipe or conduit.

SEWAGE TREATMENT PLANT means structures and appurtenances that receive raw sewage and bring about a reduction in organic and bacterial content of the waste so as to render it less dangerous and less odorous.

SHALL is a mandatory term.

SLUDGE means the semi liquid settled solids from treated sewage.

SLUDGE TREATMENT means the purification of settled solids from treated sewage by bacterial activity or other process to obtain a saleable commodity such as fertilizer.

SPECIAL WASTES are wastes, which require some special method of handling such as the use of indirect waste piping and receptors, corrosion resistant piping, sand, oil or grease interceptors, condensers, or other pretreatment facilities.

SPU (Sewage Producing Units) is a unit of measure that can be used to calculate charges for users.

STORM DRAIN OR STORM SEWER means a drain or a sewer conveying rainwater, subsurface water, condensate, or similar discharge, but not sewage or industrial waste, to a point of disposal.

SUMP is an approved tank or pit, which receives sewage, or liquid waste and which is located below the normal grade of the gravity system and which must be emptied by mechanical means.

U.P.C. means the Uniform Plumbing Code as adopted and implemented by a jurisdiction.

USER means the person connected, or required to connect, to the sanitary sewer.

WASTEWATER is the used water and solids from a community that flow to a treatment plant. Storm water, surface water, and groundwater infiltration also may be included in the wastewater that enters a plant. (The term "sewage" usually refers to household wastes, but this word is being replaced by the term "wastewater".)

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SECTION 2. INTRODUCTORY STATEMENT

The goal of the ICR Sanitary District's Board of Directors is to establish and implement Policies, Procedures, Rules and Regulations ("Policies") that will promote the economical and efficient operation of the ICR Sanitary District sanitary system and to institute and implement plans and direction for future growth.

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ARTICLE II: BOARD BYLAWS AND RULES OF PROCEDURE

SECTION 1. NAME

The name of the District shall be ICR SANITARY DISTRICT (hereinafter the "District").

SECTION 2. PURPOSE

The purpose of the District shall be to provide wastewater treatment services to persons and property within the defined boundaries of the District, and outside the defined boundaries of the District to the extent permitted under any service contracts of the District.

SECTION 3. POWERS

The public business, property and affairs of ICR Sanitary District shall be managed by the Governing Board of the District (the "Board") which shall have and may exercise all powers of the District as provided by Arizona Law.

SECTION 4. DISTRICT MANAGER

The Board shall appoint a District Manager who shall be the Chief Executive Officer and who shall be responsible for all administrative and operational activities. The District Manager shall hold that position at the pleasure of the Board and may be removed, with or without cause, unless a contract is entered into which qualifies said relationship. The position of District Manager shall be in accordance with the District Policies and Procedures, subject to the approval of the Board.

In addition to the duties and responsibilities of the District Manager described in the District's Policies and Procedures, the District Manager will be responsible for the day to day operations of the District, management of personnel, reporting and assisting the Board in the development of a District budget, obtaining quotes on purchases, construction projects, services and vehicles, and reporting to the Board on a regular basis as to the activities of the District. The District Manager shall manage the District in accordance with the budget adopted for the fiscal year and initiate expenditures to operate the District accordingly. The District Manager shall have the authority to approve invoices for expenditures for normal and customary costs of operation as included in the approved fiscal year budget. The District Manager shall obtain prior

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authorization from the Board of Directors before approving any expenditure not covered by contract that will cause the approved budget account to be exceeded by more than 10% or \$2,000, whichever is greater. The District Manager shall obtain authorization for a supplemental amount for such account. The District Manager may initiate expenditures and approve invoices for emergency or extraordinary repairs without prior Board authorization, but will inform the Board as soon as practical.

The Board shall authorize an elected member of the Board to approve and issue warrants for the normal and customary expenditures approved for payment by the District Manager. The authorized member of the Board and the District Manager shall also have the authority to approve and issue warrants for expenditures for wages and salaries covered by employment contracts and for expenditures for associated payroll and unemployment taxes.

The District Manager, or the District Manager's designee, shall attend all meetings of the Board, unless excused by the Chairperson. The District Manager may take part in the Board's discussion on all matters on the agenda, except when prevented from doing so by reason of a conflict of interest, ethical reasons, application of law or if excluded by the Board Chair. The District Manager shall also present to the Board a Manager's Report, intended to update the Board on the current and future activities of the District. Other reports may also be made. In the event that the District Manager is unable to attend a Board meeting, the District Manager shall appoint another qualified staff member to attend the meeting on behalf of the District.

SECTION 5. BOARD MEMBERS

Members of the Board (hereinafter "Board Member",) shall be those persons elected or appointed pursuant to Arizona law. Board Members of the District shall serve a staggered four (4) year term. If a vacancy occurs on the Board, other than upon the expiration of a Board Member's term, the remaining Board Members shall fill the vacancy by appointment pursuant to Arizona statutes.

In order to fill the vacancy with the most qualified person available until an election is held, the Board will distribute and publish a notice of the vacancy, the procedure, and any application form.

Whenever a Board Member's position becomes vacant by reason of expiration of that Board Member's term, the District Board shall cause notice to be posted announcing the vacancy and the upcoming election to be held for purposes of filling that vacancy. That notice shall be posted in conjunction with the Board's submittal of its Call for Election filed with the County Board of Supervisors.

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SECTION 6. COMMITTEES

The Chairperson of the Board, or the Board, by majority vote, may appoint members to serve on Advisory Committees. Advisory Committees may be created for a particular purpose. Committee members may be appointed by the Board, or by the Chairperson, with the advice and consent of the Board, where appropriate. The Chairperson shall appoint the chair of the committee. Advisory committees shall sunset at the end of their mission, but not later than the end of each calendar year, unless specifically continued by the Board for a specified time period. A Board Member may be appointed as a member and/or liaison of an Advisory Committee.

All Advisory Committees shall comply with the Open Meeting Laws of the State of Arizona.

SECTION 7. BOARD RELATIONS WITH ADVISORY COMMITTEES

All boards, committees and citizen advisory bodies are governed by the Open Meeting Rules, and shall provide the Board with copies of any Minutes taken of meetings and shall communicate to the Board the results of the deliberation of the Committee. Communications from such boards, commissions, and bodies to the Sanitary District shall be received by the District Board and be recorded in the Minutes.

Any such communication shall be officially acknowledged by the Board and receipt noted in the Minutes. The procedure for acknowledging such receipt shall be that the District Manager or any Board Member may bring such communication to the Chairperson's attention under an appropriately agendaized item (such as reports, correspondence, or a Manager's reports, etc.). The Chairperson shall acknowledge the receipt of that communication on the record, and an appropriate notation shall be made in the Minutes. Should any Board Member determine any such communication needs to be responded to by the Board, the Chairperson shall add the matter to the agenda of a subsequent meeting.

SECTION 8. COMPENSATION OF BOARD MEMBERS

Except for any stipend that has been established by law, Board Members shall not receive any compensation or salary for services as Board Members. Members may be reimbursed for their actual expenses incurred in the performance of their official duties.

SECTION 9. DISTRICT PUBLIC RECORDS

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Public records of the District are available for public inspection upon written request. Arrangements to view public records of the District may be made by contacting the District. Copies will be made available at the current rate in the District's Schedule of Fees, plus any postage or other cost of delivery, provided that such payment is made in advance.

SECTION 10. DEPARTMENTAL REGULATIONS

The Board of the Sanitary District is responsible for the approval of District policies. The District Manager may implement such rules and regulations concerning operations and activities as he/she may deem necessary, consistent with the policies of the District, Arizona law, or as otherwise directed by the Board.

SECTION 11. FINANCIAL POLICY

A. Fiscal Year

The fiscal year of the District shall be the twelve (12) month period beginning on July 1 and ending June 30 of the following year.

B. Annual Budget

The District Manager, with the assistance of staff, system operator, accountant, and others as needed, shall prepare the Annual Budget for the next fiscal year and present said budget to the Board at a regular or special meeting for review and consideration. Publication of the proposed Annual Budget shall be made in a newspaper of general circulation within the District between twenty (20) and thirty (30) days prior to a public hearing at a meeting called by the Board to adopt the Annual Budget. Following the public hearing, the Board shall adopt the Annual Budget at a public meeting. When the Annual Budget is adopted by the Board, it shall be certified by the Board Chairperson and the District shall submit the certified Annual Budget to the County Board of Supervisors by July 10 of each year. The certified Annual Budget shall be final and shall serve as a guide to the District's financial activities and to limit the District's expenditures. The District may not operate at a deficit or incur indebtedness except as permitted by law. The District may not disperse any funds in excess of the amount allocated under the Annual Budget unless such expenditure is specifically approved by the Board.

C. Capitalization Policy

Expenditures for an item of furniture or equipment shall be considered a capital expenditure if the cost of the item is \$1,000.00 or more. Items costing less than \$1,000.00 shall be treated as expense.

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SECTION 12. CONFLICT OF INTEREST; APPEARANCE OF IMPROPRIETY

Generally speaking, a Board Member of the District shall not participate in or take action on any item in which the Board Member, a Board Member's business, or a Board Member's family has a financial interest or a "substantial interest," as defined by statute. (This usually means a pecuniary interest.)

A Board Member should also avoid participating in matters that would create an appearance of impropriety. These are matters of ethical concern, and important in maintaining the public's confidence and trust in the Board.

In the event it is determined that a Board Member has a conflict of interest, that conflict of interest will be disclosed in writing and placed in the permanent records of the District. The Board Member shall also declare on the record the existence of that conflict, and refrain from participation in Board consideration, discussion or action as it relates to that subject matter involving the conflict of interest.

Board Members of the District may not participate in the consideration of any item which involves the hiring of a person related to a Board Member.

Board Members of the District may not, except under circumstances narrowly defined under Arizona law, enter into a contract to provide services, materials or equipment to the District for compensation.

SECTION 13: RULES OF PROCEDURE

A. Board Meeting – Location

The Board shall meet in such locations and at such times as established by the Chairperson, from time to time.

B. Board Meeting – Time

The Chairperson of the Board shall designate the time for regular and special meetings, at the Board Chairperson's discretion. Regular meetings of the Board shall be held at least once per quarter, at such place and time as designated by the Chairperson. All reasonable efforts shall be made to establish a uniform date and time for the quarterly meeting, in order to permit the members of the public and Board to anticipate and prepare for those meetings. Special meetings and executive sessions will be held at the discretion of the Chairperson or upon the request of two (2) Board Members.

SECTION 14. ELECTION OF OFFICERS

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Board Members of the District shall select a Chairperson from amongst their numbers. The Board Members shall also select from amongst their numbers a Clerk of the Board. In addition to the powers conferred upon the Chairperson and Clerk, that person shall continue to have all the rights, privileges, and immunities of a Board. If a vacancy occurs in the office of Chairperson or Clerk, the Board Members, at their next regular meeting, shall select a Chairperson or Clerk from among their numbers.

The Chairperson and the Clerk shall serve for a period of one (1) year (or until their successor has been named), at which time the Board shall consider whether to appoint a new Chairperson and new Clerk.

SECTION 15. PRESIDING OFFICER

The Chairperson shall preside at all meetings of the Board of the District, and shall be recognized as the head of the Board for all ceremonial purposes. In the event of the Chairperson's absence, or if so directed by the Chairperson or remaining Board Members, the Clerk shall act as Chairperson. In the event both the Chairperson and Clerk are unavailable, a temporary Chairperson shall be selected by the Board Members to act during such absence.

SECTION 16. CLERK OF THE BOARD

Subject to the requirements in Article III, Section 8, the Clerk of the Board may be responsible for maintaining the records of the Board, and may delegate to the District Manager or staff the responsibility of keeping minutes or performing such other and further duties in the meeting as may required by the Board or Chairperson.

SECTION 17. CONDUCT OF MEETINGS

A. During Board meetings, Board Members shall not delay or interrupt the proceedings or refuse to obey the orders of the Chairperson or the Rules of the Board. Every Board Member desiring to speak shall address the Chairperson and, upon recognition by the Chairperson, shall confine himself or herself to the question under debate and shall avoid all offensive or indecorous language. A Board Member once recognized shall not be interrupted while speaking unless called to order by the Chairperson or unless a point of order or other privileged motion is raised by another Board Member. If a Board Member is called to order while speaking, he or she shall cease speaking immediately until the question of order is determined. If ruled to be in order, he or she shall be permitted to proceed. If ruled not to be in order, he or she shall remain silent or shall alter his or her remarks so as to comply with the rules of the Board. A Board Member, with permission

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of the Chairperson, may address questions to the District Manager or staff or members of the audience but he shall confine his questions to the particular issues before the Board. If a point of order is raised and the Chairperson fails to act, any Board Member may move to require him to enforce the rules and the affirmative vote of the majority of the Board shall require the Chairperson to act.

B. Any remarks shall be addressed to the Chairperson and to any or all Board Members. No Member of the staff or audience shall enter into any discussion, either directly or indirectly, without having first obtained the floor by permission of the Chairperson.

C. Citizens of the District and any other members of the public attending Board meetings shall also observe the same rules of propriety and decorum to Board Members. Any member of the public desiring to address the Board must first be recognized by the Chair, shall state his or her name in an audible tone for the record, and shall limit his or her remarks to the particular question under consideration. Any remarks shall be addressed to the Chair and to any or all Board Members.

SECTION 18. QUORUM

At all meetings of the Board of the District, a majority of the Board shall constitute a quorum for the purpose of transacting business. The act of a majority of the quorum of the Board shall be deemed an official act of the Board.

SECTION 19. OPEN MEETING RULES

A. Notice and Posting of Meetings.

1. Notice to Board Members. Notice of all meetings, including executive sessions, must be given to the Board Members at least twenty-four (24) hours prior to the meeting. This requirement is met by either mailing, emailing or hand-delivering a copy of the notice to each Member.

2. Notice to the Public. Notice of all meetings, including executive sessions, must be given to the public, as follows:

a. Disclosure Statement. The Board shall file with the Clerk of the Board of Supervisors a Disclosure Statement, stating where all public notices will be posted and shall give such additional notice as is reasonable and practicable as to all meetings. If the Board intends to meet for a specified calendar period on a regular day or date during the calendar period, and at a regular place and time,

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the Board may also post with the Clerk of the Board of Supervisors a public notice of such meetings at the beginning of such period and need not post with the Clerk of the Board of Supervisors additional notices for each meeting. However, separate agenda for each and every meeting must still be posted.

b. Posting Notice. The Board must also give notice of all meetings to the public by posting a copy of the notice (or agenda) in the public place identified in the Disclosure Statement and by giving “such additional public notice as is reasonable and practicable as to all meetings.” If a notice is used instead of an agenda, it must disclose how the public can obtain an agenda. Posting notice on the District’s website is also encouraged.

c. Time. Except as otherwise described below, meetings of the Board shall not be held without first posting notice to the general public at least twenty-four (24) hours prior to the meeting.

d. Agendas. The agendas (and Board packets) must be available to the public at least twenty-four (24) hours prior to the meeting, except in the case of an emergency meeting. The Board, at its discretion, may also provide copies of the Board packets to the public.

e. Emergency Meetings. If an emergency session is conducted without the requisite twenty-four (24) hours notice, the District must give as much notice as possible, and after the emergency meeting, post a public notice within twenty-four (24) hours declaring that an emergency session has been held and setting forth a general description of the matters discussed.

f. Executive Session. If an executive session will be held, the agenda shall state the specific provision of law authorizing the executive session. If the Board is uncertain whether a legal question may arise requiring an executive session, a statement may be included in the agenda stating that an item on the agenda may be discussed in executive session for the purpose of obtaining legal advice pursuant to A.R.S. §38-431.03(A)(3).

g. Ratification. When the Board intends to ratify a decision where this is a concern that the open meeting law has been violated the Board must give the public at least seventy-two (72) hours notice. Other forms of ratification may occur with the traditional twenty-four (24) hours notice.

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h. Employment Matters. If the Board intends to discuss appointee personnel matter during executive session, the officer, employee or appointee must be given a written separate notice at least twenty-four (24) hours prior to the meeting.

B. Agendas

An agenda shall be prepared for each Board meeting, together with supporting documentation.

1. Regular Meetings/Agenda. Either incorporated in the notice of meeting or as a separate document, each meeting must have a written agenda. If the agenda is separate and apart from the notice, then the agenda should contain the place, date and time of the meeting. The agenda shall also contain a listing of the specific matters to be discussed, considered or decided at the meeting. The Board may only discuss, consider or make decisions on matters listed on the agenda, and those related thereto. Items should not be generic or vague, such as "Personnel Matter", but shall contain such information as is reasonably necessary to inform the public of the matters to be discussed or decided. If a specific item is to be discussed in executive session, then the agenda should so disclose.

In the case of an actual emergency, a matter may be discussed and considered at a public meeting where the matter was not listed on the agenda, provided that a statement setting forth the reasons necessitating such discussion, consideration and decision is placed in the minutes of the meeting, it is publicly announced at the meeting and the appropriate notice is thereafter posted.

2. Executive Sessions/Agenda. A separate agenda item is required for executive sessions. The agenda must contain a general description of the matters to be considered in executive session, and must recite the specific statutory citation under which the executive session is being held. However, the agenda should not contain any information which would defeat the purpose of the executive session, compromise the legitimate privacy interests of a public officer, appointee or employee, or compromise the attorney-client privilege.

In the case of an emergency executive session, the reason for the emergency measures shall be announced publicly immediately prior to the executive session (and noted in the minutes) and a public notice of the emergency shall be posted within 24 hours after such meeting declaring that an emergency session has been held and setting forth a general description of the matters discussed.

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3. Distribution of Agendas. Agendas may be made available to the public by including it as part of the public notice or by stating in the public notice how the public may obtain a copy of the agenda, and then distributing the agenda in the manner prescribed. (It is preferable to simply incorporate the agenda into the public notice and post as set forth above).

4. Consent Agenda. The Board may use a “consent agenda”. Consent agendas are typically used as a time-saving device when there are certain items on the agenda which are unlikely to generate controversy and are ministerial in nature. The Board often takes one vote to approve or disapprove the consent agenda as a whole. When using a consent agenda format for some items on a meeting agenda, the Board should fully describe the matters on the agenda and inform the public where more information can be obtained. An item should be removed from the consent agenda at the request of any Board Member.

5. Signed Agenda. If the form of agenda is intended to be signed by the Clerk of the Board or District Manager, be sure the signature and date are procured.

C. Minutes

Minutes must be taken of all public meetings and executive sessions. (Minutes (or recordings) shall also be taken for meetings conducted by subcommittees and advisory committees). Minutes may be taken in writing or may be recorded by a tape recorder or video tape recorder.

Minutes (or a draft of the minutes) or recording of a public meeting must be available for public inspection within three (3) working days after the meeting. If the Board is concerned about distributing minutes before they have been officially approved at a subsequent meeting, the clerk should mark the minutes “draft” or “unapproved”.

MINUTES OF AN EXECUTIVE SESSION ARE CONFIDENTIAL and may not be disclosed to anyone except certain authorized persons. To ensure confidentiality, minutes of executive sessions should be stored separately from regular session minutes to avoid inadvertent disclosure. In addition, any materials distributed exclusively in an executive session are likewise confidential. These materials should be distributed and collected by the secretary or clerk of the Board at the end of the executive session, and attached to the minutes of the executive session as an exhibit. Usually Board Members should not remove the materials from the executive session.

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NOTE: All or any part of the public meeting of the Board may be recorded by any person in attendance by means of a tape recorder, camera or other means of reproduction, provided that there is no interference with the conduct of the meeting.

1. Contents of Minutes – Regular Meetings.

a. Public session minutes shall contain the date, time and place of the meeting. The Board Members shall be recorded as either present or absent.

b. A general description of the matters discussed or considered. Minutes must contain information regarding matters considered or discussed at the meeting even though no formal action or vote was taken with respect to the matter.

c. An accurate description of all legal actions proposed, discussed or taken, and the names of the persons who proposed each motion. The names of each person proposing a motion, seconding a motion, and the names of those voting in favor or against each matter should be recorded. (Or note that the vote was “unanimous”.)

d. The name of each person making statements or presenting material to the Board and a specific reference to the legal action to which the statement or presentation relates.

e. If the discussion in the public session did not adequately disclose the subject matter and specifics of the action taken, the minutes of the public meeting at which such action was taken should contain sufficient information to permit the public to investigate further the background or specific facts of the decision.

f. If matters not on the agenda were discussed or decided at a meeting because of an actual emergency, the minutes must contain a full description of the nature of the emergency.

g. If a prior act was ratified, the minutes shall include a written description of the ratification action taken.

h. Minutes should be properly approved, signed and dated.

2. Contents of Minutes – Executive Session.

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- a. Executive session minutes shall contain the date, time and place of the meeting. The Board Members shall be recorded as either present or absent.
- b. A general description of the matters considered.
- c. An accurate description of all instructions given to attorneys or designated representatives pursuant to A.R.S. §38-431.03(A)(4), (5) and (7), if any.
- d. If an emergency occurs regarding a matter not on the agenda, the minutes must include a statement/description for the emergency matter.
- e. Minutes of an executive session and all discussions that take place at an executive session are confidential and may not be disclosed to anyone except for the following: 1) Any Board Member; 2) Any officer, appointee or employee who was the subject of discussion at an executive session, may see those portions of the minutes directly pertaining to them; 3) Staff personnel, to the extent necessary for them to prepare and maintain the minutes of the executive session; 4) The attorney for the Board, if needed to assist in its representation of the Board; 5) The Auditor General in connection with the lawful performance of its duty to audit the finances or performance of the Board; 6) The Attorney General or County Attorney when investigating alleged violations of the Open Meeting Law; and 7) The Court, for purposes of a confidential inspection.
- f. Minutes should be properly approved, signed and dated.

D. Executive Session

The Governing Board may hold an executive session but only for the purpose of discussion or consideration of (1) employment matters including but not limited to assignment, appointment, promotion, demotion, dismissal, salaries, disciplining, or resignation of a public officer, appointee or employee; (2) records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law (3) for legal advice; (4) to consider the Governing Board's position and/or instruct legal counsel on matters regarding labor negotiations, contracts that are the subject of negotiations, pending litigation or settlement matters; (5) labor negotiations; (6) international and interstate negotiations; (7) negotiations for the sale, lease or purchase of real estate property; (8) matters relating to school safety operations or school safety

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plans or programs and; (9) to discuss security plans, procedures, assessments, measures or systems relating to, or having an impact on, the security or safety of buildings, facilities, operations, critical infrastructure information and information technology.

The Governing Board shall instruct all persons present in executive session of the confidentiality requirements. Any person receiving executive session information shall not disclose that information except to the attorney general or county attorney, or by agreement with the Governing Board.

Legal action involving a final vote or decision shall not be taken at an executive session, except that the Governing Board may instruct counsel or its agent in the course of a litigation or negotiation.

No matters shall be discussed in executive session that are not identified in the notice of executive session. The Agenda must list the statutory citation for the specific reason to meet in executive session.

E. Ratification

The Board may ratify an action taken within thirty (30) days after the discovery of a violation of the Open Meeting laws, or after such discovery of the violation should have been made through the exercise of reasonable diligence. Notice for the meeting shall include a description of the action to be ratified, a clear statement that the Board proposes to ratify a prior action and information on how the public may obtain a detailed written description of the action to be ratified. The Board shall make available to the public a detailed written description of the action to be ratified and all deliberations, consultations and decisions by Board Members that preceded and related to such action. The written description shall also be included as part of the minutes of the meeting at which ratification is taken.

The Board shall make available to the public the notice and detailed written description required by Arizona law at least seventy-two (72) hours in advance of the public meeting at which the ratification is taken.

Other items may be ratified without seventy-two (72) hours notice if the ratification is not done to remedy an open meeting law violation.

F. Emergency Meetings

In case of an emergency, a meeting, including an executive session, may be held upon such notice as is appropriate to the circumstances, and a notice of such emergency meeting (and the reason) shall be posted within twenty-four (24) hours after the meeting.

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SECTION 20. ORDER OF BUSINESS

The business of the Board shall be transacted as follows, provided, however, that the form of agenda may be modified by the Chairperson as needed to permit all business matters of the District to be dealt with and provided that the Chairperson may, during a Board meeting, cause an item to be taken out of order so that the business of the Board may be conducted most expeditiously:

- Call to Order
- Roll Call
- Recognition of Guests
- Call to Public
- Approval of Minutes; Consent Agenda
- Reports and Correspondence
- Old Business
- New Business
- Agenda Items for Future Meetings
- Adjournment

The Chairperson may solicit input from the public and the individual Board Members as each agenda item comes up for consideration. The Chairperson will determine how much time will be available for public comment on each.

The public may be asked to complete a comment form, identifying themselves and identifying the topic they wish to speak on. The Chairperson may also recognize a member of the public even though they have not completed a speaker comment form.

A. Matters to be placed on the Agenda

A Board Member, staff, or public may ask the Chairperson to place a matter on the agenda for consideration, discussion or possible action. Except as to requests by a Board Member, if the Board Chairperson determines that a topic is appropriate for discussion, the Board Chairperson shall cause the same to be placed on an agenda at the earliest reasonable opportunity. Any matter requested to be on the agenda but declined by the Board Chairperson shall be disclosed in writing by the Board Chairperson to the other Members. The Board Chairperson shall place on the agenda, at the Board's earliest reasonable opportunity, any topic requested by a Board Member.

B. Recesses

A meeting may be recessed and resumed with less than twenty-four (24) hours notice only if public notice of the initial session of the meeting was given as required by Arizona law. The Board Chair may declare a recess, stating on the

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record the date, time, and place for the Board hearing to be reconvened within twenty-four (24) hours. In the alternative, a new twenty-four (24) hours notice may be posted for the new meeting date.

C. Meeting Procedures

1. As to each agenda item requiring action, the Chairperson inquires if there is a motion by any Board Member. If a motion is made, it shall be in the form of an affirmative motion. Following the motions and its second, discussion occurs among Board Members. The Chairperson may call on individual Board Members in the discussion.
2. The Chairperson inquires if there is any further discussion by the Board Members.
3. The Chairperson inquires if there are any final comments or recommendations from administration.
4. The Chairperson inquires of the Board Members as to whether they are ready for the question.
5. The Chairperson directs administration to prepare findings consistent with the action.

The failure to follow these Bylaws or the procedures set forth herein shall not invalidate any action taken by the Board.

D. Voting

The votes during all meetings of the Board shall be transacted as follows:

1. Unless otherwise provided for by statute, ordinance, or resolution, all votes shall be taken by voice, except that at the request of any Board Member, a roll call vote shall be taken.
2. In case of a tied vote on any proposal, the proposal shall be considered defeated.
3. Every Board Member who was in attendance when the question was put forth shall give their vote unless the Board Member abstains, declares a conflict of interest or is otherwise prevented by law from participating. If any Board Member declines to vote "aye" or "nay," their vote will be treated as an abstention.
4. The passage of any motion or resolution shall require the affirmative vote of at least a majority of the Board. A motion is a general

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oral proposal that the Board take certain action. A resolution is a written representation of the action to be taken by the Board that can be adopted by the Board.

SECTION 21. RULES OF ORDER

The rules of order for conduct of a board meeting are not specified by statute. To the extent practical, the Board shall conduct themselves in accordance Robert's Rules of Order. The Board Chair, the District Counsel or the District Manager's (or Manager's designee) may serve as parliamentarian and advise the Chairperson as to the correct rules of procedure or questions of specific rule application. The Board's failure to follow or comply with Robert's Rules of Order or the Rules provided herein shall not invalidate any action otherwise lawfully taken by the Board.

SECTION 22. MOTIONS

All ordinances, resolutions, contracts, and items of business that require Board approval prior to the expenditure of funds shall be in the form of an affirmative motion or resolution.

A. Permission Required to Address the Board

Persons other than Board Members and management shall be permitted to address the Board upon recognition by the Chairperson or the chair of the appropriate Committee representative.

B. Reconsideration

Any previous action of the Board, (excluding a reconsideration of any action previously reconsidered, motions to adjourn, motions to suspend the rules, any affirmative vote to lay on the table or take from the table), shall be subject to a motion to reconsider. Such motion shall be made by a Member of the prevailing side of the original action.

C. Public Attendance and Participation

A meeting of the Governing Board of a Sanitary District is generally defined as a quorum of the Board Members where District business is discussed, considered or action taken. Deliberation and actions of the Board should be conducted openly, and all persons allowed to attend unless their conduct becomes disruptive to the meeting, or unless otherwise excluded by law (such as executive sessions). The public may record meetings of the Board. While the Board is not obliged to permit participation or take input from the public during the meeting of the Board,

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it is encouraged to do so, in recognition of the interest of the public in the decisions being made by the Board and the expenditure of funds being made and incurred by the Board.

D. Call to the Public

The Board may make an open call to the public to allow members of the public to address the public body on any issue within the jurisdiction of the District. The public will be allowed to speak only during a Call to the Public, when public input is requested or when otherwise called upon during the public meeting. A Call to the Public may be noticed on a meeting agenda as follows:

“Call to the Public: This is the time for the public to comment. Board Members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to law, action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.”

Questions or comments to the Board may be submitted in advance of a Board meeting on the District website at www.icrsd.net or on a form provided at the meeting. For the official record, individuals shall be asked to state their name. The audience should be courteous, and silent while others are speaking.

Board Members may not discuss or take action on matters raised during the Call to the Public that are not specifically identified on the agenda. Board Members may, however, at the conclusion of the call to the public, respond to criticism made by those who have addressed the public body, ask staff to review a matter raised, or ask that a matter be put on a future agenda. Questions or comments that have been previously asked, use offensive language or are deemed to threaten or intimidate will not be permitted.

E. Actions for a Public Hearing (vs. “Call to the Public”)

Public hearings are sometimes required by law (such as annexations, budget adoptions, etc.) All such hearings must be placed on the agenda, and the procedures for a public hearing are as follows:

1. The Chairperson introduces the agenda item, opens the public hearing, and may announce all or any portion of the following Rules of Order:

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- a. “Any individual making comments shall first give their name. This is required because an official record of the public hearing is being made.”
 - b. “It is not necessary to be a supporter or an opponent of an item in order to speak.”
 - c. “Anyone disrupting the proceedings may be subject to removal from the meeting.”
 - d. “These rules are intended to promote an orderly system of holding a public hearing, to give every person an opportunity to be heard.”
2. The Chairperson now calls on those who requested the opportunity to speak. Signing in is not required, but the Chair should ask the speaker to identify themselves.
 3. The Chairperson inquires as to whether any Board Members have any questions to ask the proponents, opponents, speakers, or administration. If any Board Member has questions, the appropriate individual will be recalled to the podium.
 4. The Chairperson closes the public hearing.

SECTION 23. SUSPENSION OF RULES

A motion to suspend the rules set forth herein shall be in order unless it pertains to rules mandated by the laws of the State of Arizona. A motion to suspend the rules, requires previous notice, must be seconded, it is not debatable (except that the reason for the motion may be briefly explained by the mover) and requires a majority vote of the Board Members present at the meeting. The suspended rule is automatically reinstated after the vote or conclusion of that particular item of business.

SECTION 24: BOARD COMMUNICATION POLICY

The District believes that communication and interaction with District Members is critical and beneficial. However, of primary concern is compliance with the Arizona Open Meeting Laws, which are very specific regarding the Board Members communication with each other and with members of the public. In addition, the efficient conduct of District business is of primary importance during public meetings. All meetings of any public body shall be public meetings

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and all persons so desiring shall be **PERMITTED TO ATTEND AND LISTEN** to the deliberations and proceedings. A.R.S. § 38-431.01(A). (emphasis added)

Although the Open Meeting Law permits the public to attend public meetings, **IT DOES NOT REQUIRE PUBLIC PARTICIPATION IN THE PUBLIC BODY'S DISCUSSIONS AND DELIBERATIONS** and **does not require a public body to include an open call to the public on the agenda**. See Ariz.Att'y Gen. Op. No. 178-001. (emphasis added)

It is the District Board's obligation to comply with the Arizona Open Meeting Laws AND to allow as much public input/participation as time and efficiency will permit.

Following is the District's Communication Policy:

1. The Board MAY place a Call to the Public on an agenda for a Public Meeting.
2. Board Members will not comment or respond to questions posed during public comment.
3. Questions or comments to the District may be input on the District website: www.icrsd.net.

The District Manager may respond to these inquiries and may consult with the Board Chairman, if background information is needed, or an appropriate Board Member, or ask the Chairman to put it the matter on the next board meeting agenda.

4. The District Manager may issue the response via the District email address.
5. Questions concerning issues of general interest along with an answer may be posted on the District website.
6. Any questions or issues raised from questions that are placed on the agenda will be dealt with by the Board in a Public Meeting. The proponent of the question may be contacted for additional information or clarification.

SECTION 25. EMAILS TO BOARD MEMBERS

In all emails to Board Members (or Members of an Advisor Committee), the following should be included:

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“To ensure compliance with the open meeting law, recipients of this message should not forward it to other Board Members. Board Members may reply to a staff member regarding this message but they should not send a copy of the reply to other District Board Members.”

Board Members (or Members of an Advisory Committee) who respond to a staff member should include the following in their email:

“To ensure compliance with the open meeting law, this email is sent to a staff member only, and recipients of this message should not forward it to other Board Members or Advisory Committee Members. In addition, Board Members or Committee Members should not reply to this message.”

In responding to emails, Board Members shall either obtain input or consent from the Board of Board Chair, or shall notify the recipient that the Board Member’s response is personal, and may not reflect the view of the Board as a whole.

SECTION 26. AMENDMENTS

Amendments to these By-Laws and the Rules of Procedure may be proposed in writing at any regular or special public meeting of the Board. Amendments shall be adopted by an affirmative vote of a majority of the Board.

SECTION 27. SEVERABILITY

These Bylaws and Rules of Procedure and the several parts thereof are hereby declared to be severable.

SECTION 28. USE OF LEGAL COUNSEL

The District Manager, or designee, and the Board Chair or any Board Member, may contact the legal counsel for the District, as deemed appropriate, from time to time. However, any contact with the legal counsel on behalf of the District shall be reported to the Board Chair or the Board collectively, on a regular basis, but no later than the next Board meeting.

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ARTICLE III: DISTRICT RULES AND REGULATIONS

SECTION 1. POWERS AND DUTIES OF THE ICR SANITARY DISTRICT

A. The public business, property and affairs of ICR Sanitary District shall be managed by the Governing Board of the District (the “Board”) which shall have and may exercise all powers of the District as provided by Arizona Law. The Board shall operate under ARS Title 48 Chapter 14, and other applicable statutes which allow the District to:

- 1.** Construct, maintain and operate within the District a sewerage system and necessary sewage disposal and treatment plants.
- 2.** Construct, maintain and operate within the District waste disposal and treatment plants for the treatment and disposal of garbage, trash, rubbish, sewage sludge and waste materials.
- 3.** Acquire in the name of the District any real or personal property or interest therein by gift, purchase, condemnation or otherwise, and own, control, manage or dispose of such property or interest when necessary or convenient of the purposes stated in paragraphs 1 and 2. Private funds or contributions received by a sanitary district for the purpose of defraying expenses of work done under its direction may be expended by the District in compliance with the terms and conditions under which such funds are received, provided the terms and conditions meet the approval of the Board and are within the scope of the statutory powers and duties of the District.
- 4.** Sell, lease or otherwise dispose of any property of the District or interest therein when such property is no longer required for the purposes of the District or when use of it may be permitted without interfering with the use to which it is put by the District.
- 5.** Sell, process, treat, deliver, provide, facilities for delivering or otherwise dispose of fertilizer or other by-product resulting from operation of a sewerage system or sewage disposal or treatment plant, sewage sludge disposal or treatment plant or garbage disposal or treatment plant.
- 6.** Construct, maintain and operate pipelines, treatment, manufacturing and delivery facilities and other facilities necessary for purposes as described in paragraph 5, or for the purpose of conserving and beneficially using sewage sludge and by-products recovered in sewerage operations by sale or disposition thereof for agricultural, residential, domestic or industrial purposes, or by discharge of water or

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effluent in a manner that it will discharge into existing watercourses or percolate into underground gravels and replenish water resources.

7. Pay expenses incidental to the exercise of its powers.
8. Employ sanitation experts, engineers, administrators, surveyors, counsel and other persons as are necessary in the exercise of its powers.
9. Formulate and adopt rules governing installation, use and maintenance of private sewer disposal systems within District boundaries, and connections to the sewer lines of the District and connections without the limits of an incorporated city or town to sewer lines which connect to sewer lines of the District.
10. Require permits for any and all connections to the sanitary system and for installation and maintenance of private sewage disposal systems.
11. Formulate and adopt rules governing: a) the operation and utilization of treatment plants of the District. b) disposing of and using sewage sludge and other by-products of the sewage treatment process.
12. Bring an action for injunction or any other civil action against any person who violates this chapter or adopted pursuant to this chapter. Generally, the District (failing to negotiate settlement of disputes with such person) will submit the dispute to arbitration prior to seeking civil resolution.
13. Develop, manage and enforce an on-site sewage disposal management plan.
14. Investigate and formulate rules governing effluent disposal by sanitary treatment and effluent disposal facilities in the District.
15. Sue and be sued.
16. Manage and conduct the business and affairs of the District, and do all other things incidental to exercising the powers granted by this article, including increasing or decreasing the number of Board Members, as long as there are not less than three Members.
17. Indemnify, holds harmless, and defend, the individual Board Members of the District from any and all claims, causes of action, or liabilities arising out of their actions, or non actions as Board Members and past Board Members of the District. (Members are not indemnified against claims resulting from illegal acts).

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18. The Board shall approve operating hours of the District, fee schedules, annual budget, positions, job descriptions, and policy and procedures of the District.
19. The Board shall consult with its attorney as necessary.

SECTION 2. COLLECTIONS POLICY

The purpose of this policy is to set forth the District's procedure for collections of past due fees. The District has established the following procedure for handling collections:

1. Payment of user fees shall be due fifteen (15) days from date of invoice.
2. If any fees are still unpaid thirty (30) days or more from the invoice date, the District will mail a **reminder notice** stating that any account that is thirty (30) days past due is subject to a \$5.00 late fee.
3. If any fees are still unpaid sixty (60) days or more from the invoice date, the District will mail a **delinquent notice** to the owner.
4. If any fees are still unpaid ninety (90) days or more from the invoice date, a new invoice shall be sent setting forth the amount due, which shall include any past due amount and late fee.
5. If any fees are still unpaid one hundred and five (105) days from the invoice date, the District will hand deliver or mail to the billing address of the owner via certified mail a **preliminary lien notice** stating that if said delinquency (together with late fees) is not paid to the District in full within 30 days of the date of the notice, a lien will be placed on the property and recorded with the Yavapai County Recorder. This notice shall also state that the owner shall have an opportunity for a hearing with a designated sanitary district official.
6. If any fees are still unpaid 30 days after the preliminary lien notice is sent to the owner, the District will hand deliver or mail to the billing address of the owner via certified mail a **Lien on Real Property** and

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record said lien with the Yavapai County Recorder. The District may also disconnect the private service line of the user and report all physical disconnections to the appropriate departments of Yavapai County.

7. Prior to recording the Lien on Real Property, the District must determine whether the property is leased. A lien shall not be recorded if the lessee of the property has agreed in writing to be responsible for the user fees for the property and the owner of the property has recorded a copy of the written agreement of lessee's responsibility for payment of the user fees.
8. Following recordation of the Lien on Real Property, at such time as the all past due amounts and fees are paid, the District will record a **Release of Lien** with the Yavapai County Recorder's Office.

SECTION 3. DISTRICT AND CONSUMER RESPONSIBILITIES

A. DISTRICT RESPONSIBILITIES

1. The District shall enforce mandatory connections when the sewer is available as required in these Policies except as previously, specifically exempted in writing by the District; such exemptions run with the property for which an exemption has been granted.
2. The District shall not be responsible for the installation, maintenance or inspection of the consumer's service line, piping, and apparatus or for any defects therein. Payment of appropriate hookup and inspection fees shall be required before the sewer connection is approved.
3. The District will deposit with the Yavapai Country Treasurer all monies collected from user charges. There will be separate warrant accounts kept for debt service and for expenditures for operation, maintenance and replacement of the sewerage system. Further the District will use revenues from the sale of treatment-related by-products to offset the cost of the sewerage system operation and maintenance, reducing user charges proportionately for all users when applicable. The District may use revenues from septage receiving less cost of treatment required for acquisition of assets and other capital expenses and may offset operation and maintenance with any excess revenues not previously designated.

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4. The District shall insure that any connections to the sewerage system do not adversely impact the discharge permit issued to the District.

5. The District may discontinue sewer access to prevent fraud or abuse, for failure to pay any applicable fees or because of a user's willful disregard of or refusal to comply with Policies. The District may institute legal remedies for nonpayment of amounts due.

6. **Federally Designated Management Authority:** The District has been granted status as a Federally Designated Management Authority as specified in the Northern Arizona Council of Governments 208 Plan, under Section 208 of the Federal Clean Water Act, and as such the District is delegated the authority to approve all septic and other sewer systems that may be installed within the District. The District may be required to submit revisions to its 208 Plan to NACOG when advised by ADEQ.

7. **Notice of Violation:** Any person found in violation of these Rules shall be served with a Notice of Violation which states the nature of the violation and provides a time limit of forty-eight (48) hours, or an alternate time limit for compliance as determined by the Board. Such Notice will be in writing and may be served in person or by certified mail, return receipt requested, at the last known address of the violator that is on file in the District Office. If satisfactory action is not taken in the time allotted by the Notice of Violation, Section 3(A)(8) of these Rules shall be implemented.

8. **Penalty for Non-Compliance:** Any person who continues to violate the provisions of these Rules beyond the time limit provided for in the Notice of Violation may be assessed a penalty, as determined by the Board in its sole discretion. The penalty may be up to One Thousand Dollars (\$1,000.00) for each day the violation continues after the Notice of Violation is received by the violator. The District may disconnect the owner's service connection from its wastewater system if the violator fails to respond within the time limits set forth in the Notice of Violation. If service is later resumed, the District shall assess re-connection fees of Five Hundred Dollars (\$500.00), plus the District costs upon re-establishment of service and the costs of serving or mailing the Notice of Violation and all expert witnesses, attorney's fees and enforcement costs incurred by the District. The owner shall be responsible for replacement and/or repair of landscaping disturbed during any line excavation associated with the Notice of Violation. The District may initiate a court action to recover all court costs, expert witness and attorney's fees to enforce the Notice of Violation. Re-connection to the wastewater system shall not be allowed until all violations have been rectified to the satisfaction of the Board.

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9. Inspections: District Representatives, bearing proper credentials and identification, shall be allowed access to sewer units on the properties of users served by the District, at any reasonable time for the purposes of inspection, observation, measurement, testing and sampling of the wastewater, to ensure that the discharge of wastewater to the District's wastewater system is in accordance with the provisions of this Ordinance.

Entry and any work performed by or on behalf of the District within an easement shall be done in accordance with the terms and conditions of the easement pertaining to the private property involved.

While performing the necessary work on private property, District Representatives will observe all reasonable safety rules applicable to the premises and the work being performed.

Any requested information, which is claimed in writing to be confidential and proprietary information by the owner and provided to the District, will be so honored by the District Representatives.

10. Access to the District's wastewater system shall be restricted and maintained by policies and programs adopted by the Board such that the property of the District and its operation of the wastewater system are secured.

B. CONSUMER RESPONSIBILITIES

1. When public sewer is available all properties, except those properly exempted, shall connect to the public sewerage system.

2. No person shall maliciously, willfully or negligently break, damage or destroy, uncover, deface or tamper with any structure, appurtenance or equipment which is part of the District sewerage system. Any person who causes damage to the District's sewerage system shall be liable to the District for all costs incurred to correct the damage. The definition of damage may include but is not limited to (a) repairs, additions, and spillage of sewerage and illegal discharges; (b) any environmental claims, violations and/or cleanup costs, fines and penalties, (c) all consequential damages to the District, (d) all consequential damages to and costs incurred by third-parties, and (e) the District's administrative, engineering and legal costs resulting from such person's actions or inactions, including but not limited to the defense of any environmental claims and/or violations or claims or any third-party claims. Failure to notify the District or reimburse the District for the costs incurred shall be deemed a violation of these rules and regulations. Any person who causes damage as described in this Section shall be liable to the District for all costs incurred by the District to correct such occurrence(s), in addition to any penalty for

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violation of these rules and regulations. The District may place a lien on such person's property to collect any unpaid debt owed by such person who is an owner.

3. No person shall discharge or cause to be discharged any storm water, surface water, ground water, roof run-off, sub-surface drainage, cooling water, or industrial process waters to any sanitary sewer.

4. No person shall discharge or cause to be discharged any of the following described waters or wastes to any public sewer:

(a) Any liquid or vapor having a temperature higher than 160 degrees F which will accelerate the biodegradation of wastes and thereby the formation of hydrogen sulfide in the sewer system or inhibit biological activity in the wastewater treatment facilities.

(b) Any water or waste which may contain more than 25 milligrams per liter of non-biodegradable oils of mineral or petroleum origin or 100 parts per million by weight of fat, oil or grease.

(c) Any gasoline, benzene, naphtha, fuel oil or other flammable or explosive liquid, solid or gas.

(d) Any garbage that has not been properly shredded.

(e) Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, paunch manure, rocks, or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the system.

(f) Any water or wastes having a pH lower than 5.5 or higher than 9.0 or having any other corrosive property capable of causing damage or hazard to structures, equipment and/or personnel of the sewerage works.

(g) Any water or wastes containing a toxic or poisonous substance in sufficient quantity to constitute a hazard to humans or animals, or create any hazard to receiving waters of the sewerage system.

(h) Any water or wastes containing suspended solids of such character and quantity that requires unusual attention or expense to handle at the treatment plant.

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- (i) Any noxious or malodorous gas or substance which either singly or by interaction with other wastes, is capable of creating a hazard to life, or preventing human entry into manholes for their maintenance and repair or capable of creating a public nuisance.
 - (j) Any substance whose physical, chemical or electrical properties might be such as to interfere with any phase of the operation of the sewerage system.
- 5. The user shall install all grease, oil, sand, lint interceptors or traps as required. These apparatus shall be maintained by the owner, at his expense to be in a continuously maximal operational condition in accordance with the manufacturer's instructions. The District will report violations to the appropriate administrative authority.
- 6. The user, if required to provide preliminary treatment of any waters or waste, shall maintain such appurtenances continuously in satisfactory and effective operation at his expense.
- 7. If connection to the sewerage system requires a lift station or other special facility, these shall be installed in accordance with specifications of a licensed engineer, at the expense of the owner. The District must approve such facilities prior to installation. The appurtenances may become the responsibility of the District if an easement is approved by the Board and recorded to the District.
- 8. The user's lines shall be installed in such manner as to prevent cross connection between potable drinking water and the sewer lines.
- 9. **Applications and Fees:** It is the sole responsibility of the owner to: (a) submit an Application for Wastewater Service to the District: 1) upon purchase of a property with a connection to the sanitary system OR 2) when requesting a connection to the sanitary system, b) notify the District of the owner's current mailing address, telephone number(s), email address (if any), ownership in and occupation of the premises, use of the property, and any changes thereto, (c) obtain applications and approvals from the District as required by these Bylaws, Rules & Policies, (d) make payment of fees, fines, reimbursable expenses, and damages to the District as required by these Bylaws, Rules & Policies, and (e) assure proper use of the District's wastewater system
- 10. **Disturbance or Alteration:** No person shall uncover, make any connections with or opening into, use, alter or disturb any part of the District's wastewater system, including but not limited to sewer lines or appurtenances, without first receiving the appropriate required permits and the prior written approval from the District Manager. A person who,

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without obtaining a permit for connection as required under these rules and regulations, makes a connection to the District's wastewater system or who violates these rules and regulations is guilty of a Class 2 misdemeanor, under Section 48-2031, Arizona Revised Statutes.

11. Any person who deliberately tampers with or destroys any District property or structure, shall be subject to criminal prosecution. The District may also pursue civil or other remedies available under law.

SECTION 4. REGULATION OF PRIVATE SEWAGE DISPOSAL SYSTEMS

When a public sewer is available, the owner of the property obtaining permits for new construction shall connect to the sewer.

A. If a private sewage disposal system has been reported to the District as being in violation of rules or regulations of local, state or federal agency and a public sewer is available, the owner may be required to abandon the private sewage disposal system in accordance with standards established by ADEQ and connect to the public sewerage system within six months. Existing private residential septic systems within the District not in violation of local, county, state or federal regulations may be permitted to continue so long as such systems are not contrary to the requirements specified in these Policies, and the property does not transfer ownership.

B. It shall be mandatory that when a public sewer is available a direct connection shall be made immediately:

1. If a building permit is applied for.
2. If improvements made to the property require the private sewage system to be expanded in any way.

C. All connections to the District sewerage system shall be made pursuant to the Policies of the District, in compliance with the U.P.C., local, federal and ADEQ regulations and be subject to the payment of all appropriate fees before the sewer connection is approved.

SECTION 5. PUBLIC SEWER USE AND CONNECTION PROCEDURE

A. EXISTING DEVELOPED PROPERTIES

In addition to the Policies outlining consumer responsibilities and regulations for issuance of a permit to connect to public sewer, the following conditions apply to existing properties:

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1. Building or house sewer connections on the owner's premises shall be so arranged as to provide service to one lot. If additional service is required, it will be considered as a separate and individual account.
2. The owner's house or building service line, sewer connection and appurtenances shall be installed and maintained by the owner, at the owner's expense, in a safe and efficient manner and in accordance with the District's policies and procedures and in full compliance with the U.P.C. and regulations of ADEQ.
3. Any connection from the owner's property to the public sewerage manhole or interceptor line is the responsibility of the owner, subject to approval of the District.
4. No building sewer will be connected to the building connection until all appropriate fees have been paid and the connection has been inspected and approved by the District or other appropriate administrative authority.

B. NEW DEVELOPMENTS

In addition to the Policies outlining consumer responsibilities and the regulations contained in the issuance of permit to connect to the public sewer, the following conditions apply to all new developments, subdivisions, and non-residential facilities:

1. In the case of new subdivisions, the preliminary plans for the subdivision must be submitted to the District at the same time they are submitted to the County for approval. Upon construction and sale it is the seller's responsibility to inform the buyer that they must establish an account with the District prior to occupancy.
2. It shall be the responsibility of the property owner to provide, construct and maintain all sewer lines connecting the improvements located on the property to the existing public sewerage system.
3. Back flows preventers, other than U.P.C. requirements, may be required by the District, at the property owners expense, when dictated by conditions of the existing sewer line.
4. No sewer will be connected to the public sewer until all fees (including utility late fees that have accrued on the account associated with the property in question) have been paid and the connection has been inspected and approved by the District.

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C. MAINTENANCE AND REPAIR OF LATERAL LINES

1. Lateral lines consist of two sections; one from the shutoff valve, (generally located near the property boundary) to the home, referred to herein and Section A.; and one from the shutoff valve to the sewer main (generally located in the street), herein referred to as Section B.
2. The property owner is responsible for maintenance and repair of the line in Section A.
3. The District is responsible for maintenance and repair of the line in Section B.
4. Line blockages in the lateral line due to discharge from the property are the responsibility of the property owner, whether occurring in Section A or Section B.
5. The District will assist in clearing blockages in a lateral line, provided the property owner acknowledges and accepts responsibility for costs involved, if the blockage is due to waste from the property. See Attachment D.

D. CONNECTIONS TO THE SANITARY SEWER SYSTEM

Infrastructure of the sanitary sewer system is the property of the ICR Sanitary District. This includes all lines in the streets or other rights of way, up to and including the connection valve at or near a property owner's lot boundary.

Whenever a property owner or agent requests a connection to the sanitary sewer system, the connection is made at the valve, located at or near the owner's property boundary.

The property owner or agent must apply for service and pay the appropriate fees established by the District for connection to the system.

Once the application and fees have been received by the District, the following procedure shall be followed in completing the connection to the sanitary system:

- a. The owner or owner's representative or agent shall contact the District or the District's agent or representative to inspect the connection at the shut off valve **before the trench is backfilled**.
- b. If the sanitary system is a low pressure system, the owner, owner's representative or agent shall contact the District, District's representative or agent to observe and inspect the grinder pump installation prior to opening the service connection valve. Once the installation has been accepted by the District, **the service**

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connection valve shall be opened by the District and the property shall be deemed “connected” to the sanitary system.

SECTION 6. FEES AND CHARGES

Fees for permits for private sewage disposal systems or to connect to the sewerage system of the District are reviewed and published annually by the Board and are found in attachments to these Policies. Fees may include, but are not limited to the following:

A. CONNECTION FEES

All fees are payable at the time of application for the joint use and connection permit. These fees apply toward repair, replacement or the expansion of the sewerage system of the District, or other unusual costs as approved by the Board.

B. INSPECTION FEES

An inspection fee shall be charged by the District to cover actual District costs for inspecting the connections of any improvements to the sewerage system of the District. This inspection fee shall be payable in addition to the connection fee as described above.

C. USER FEES

1. A service charge for use of the sewerage system, including operation, maintenance, repair and replacement of the treatment plant, may be required for all properties connected to the public sewer. The sewer charge shall commence upon inspection and acceptance of the sewer connection for residential or other uses. If a User Fee is adopted by the Board the property owner shall be billed and is responsible for the payment of all charges for all units located upon his property.

2. If implemented, charges are for calendar months or quarters and will be billed on or before the 25th of each calendar month or quarter. Such charges will be delinquent if not paid by the 10th of the following month. Delinquent accounts are subject to late fees and interest as specified in the current Fee Schedule adopted by the District Board.

3. The District may file a lien on property for the nonpayment of user fees for services provided to the property if the fees are delinquent. Before filing the lien, the District shall provide written notice to the owner of the property and shall include a notice of an opportunity for a hearing before the Board or their designated agent. The notice of lien shall be personally served on the property owner or mailed by certified mail to the

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property owner's last known address or to the address to which the most recent property tax assessment was mailed. The unpaid user fees are a lien on the property from the date of recording in the office of the County Recorder in which the property is located until the fees and all costs are paid. A sale of the property to satisfy a lien assessed pursuant to this section shall be made on a judgment of foreclosure and order of sale. The District may bring an action to foreclose the lien in the Superior Court in the County in which the property is located any time after recording. Failure to foreclose the lien does not affect its validity. The recorded unpaid user fees are prima facie evidence of the truth of all matters recited in the recording and of the regularity of all proceedings before the recording. The District shall add all costs incurred by the District including interest, attorney fees and costs in filing and enforcing the lien, to the unpaid user fees, and the costs are a liability of the property owner payable from the proceeds of the sale. Prior assessment of unpaid user fees pursuant to this section does not bar a subsequent assessment pursuant to this section, and any number of liens on the same parcel of property may be enforced in the same action.

4. The District may disconnect from the sanitary system, properties upon which a lien for non-payment has been files. The District will report such action to the Yavapai County Health Department.

5. A fee will be charged for Not Sufficient Funds (NSF) returned checks in as specified in the current Fee Schedule adopted by the Board.

6. All fees are reviewed at least annually by the Board in public hearing and published as required by Statute. Users will be notified of any user fees adopted or changed by the Board.

D. DISCONNECT FEES

The District shall charge disconnection fees based on an estimate of such cost.

E. RECONNECTION CHARGES

Whenever the District shall have disconnected any sewer service on unoccupied property for failure to pay, the property shall not be reconnected to the sewerage system until all delinquent sewer charges are paid in full, including any reconnection charge. The District may additionally require a deposit to cover future sewer services in an amount not to exceed one years-estimated sewer charges before the property is reconnected to the public sewer. All labor, material and equipment costs incurred to disconnect and reconnect shall be billed to the owner in addition to the delinquent sewer charges and reconnection charge, and deposit.

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F. ACCOUNT TRANSFER FEE

Whenever there is a material change in responsibility for paying a sewer service fee, the newly responsible party shall notify the District of the change and pay an account transfer fee, if applicable.

G. GREASE REGULATION

In accordance with Article III Section 3. B. 5 & 6 for appropriate commercial users:

1. District personnel will conduct a monthly inspection of all pretreatment facilities within the collection system.
2. Any facility found to be out of compliance with the Rules and Regulations of the District will be issued a Notice of Violation. This notice will give the facility owner three (3) consecutive days from the inspection date to resolve the violation and call the District for a re-inspection.
3. The owner will be responsible for all costs associated with the clean-up and removal of any debris. If debris must be cleaned from the lateral line it must be collected and removed at the nearest downstream manhole with District personnel present.
4. Any inspection costs will be the responsibility of the owner.

SECTION 7: CONTRACT SPECIALISTS

The Board may (but is not required to in each circumstance) issue a request for proposal (RFP) or a request for qualifications (RFQ) for the services of professionals or contract specialists, as may from time to time be required to conduct the business of the District.

Specialists may include, but are not limited to: an attorney for the District, an engineer, consultants, a CPA to review the accounts, records and books of the District or to conduct audits as required, specialty engineering such as GIS or review of plans, or financial advisors. No such specialist shall be considered an employee of the District. Specialists shall report to the Board when requested at a regular or special meeting called for such purpose coordinating activities with the Chairman of the Board or designated Board Member.

SECTION 8. RECORD RETENTION

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A. DEFINITION OF RECORDS

Unless the context otherwise requires, "records" means all books, papers, maps, photographs or other documentary materials, regardless of physical form or characteristics, including prints or copies of such items produced or reproduced on film or electronic media pursuant to A.R.S. § 41-151.16, made or received by any governmental agency in pursuance of law or in connection with the transaction of public business and preserved or appropriate for preservation by the agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations or other activities of the government, or because of the informational and historical value of data contained in the record, and includes records that are made confidential by statute. Library or museum material made or acquired solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference and stocks of publications or documents intended for sale or distribution to interested persons are not included within the definition of records as used in this article.

Examples of public records and other matters include calendars, reports, legal memoranda, policies and procedures, accident reports, training videos and materials, tape recordings of meetings (where there are no written minutes), personnel records, case files, and data bases.

Generally, electronic media is subject to the same retention periods as paper or other record media. For specific retention requirements, consult the Arizona State Library, Archives and Public Records website at: http://www.lib.az.us/records/special_districts.aspx

The District Manager will be responsible for managing District records in accordance with the Arizona State Library, Archives and Public Records website. Board Members will ordinarily not maintain Public Records except those identified in **Attachment "B"**, "Managing Public Records Sent and Received Via Electronic Mail", as transitory materials, reference materials, or working documents. Board Members will transfer all other public records to the District Manager for appropriate action.

It is the Board's policy that every Board Member will attend appropriate record retention and management training sessions, which may include those offered by the State Library and Archives Department or other reliable source.

B. STORAGE OF RECORDS

All records shall be kept consistent with the statutes and requirements articulated by the Arizona State Library, Archives and Public Records Division.

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District records shall be stored in a location as designated by the Board. Such location shall be secured or have restricted access with a suitable environment for storage of paper records. Confidential records shall be kept in locked filing cabinets with a designated Board Member responsible for keys and access. Other records may be kept in metal file cabinets. Election records may be submitted to the State for safekeeping the applicable regulations then in place.

C. DESTROYING OF RECORDS

The District Manager and each Board Member has an obligation to become familiar with and comply with the record retention policies from the Arizona State Library Archives and Public Records Department. Following the retention schedules is required by statute, and should not be viewed as a suggestion or recommendation. Those record retention policies and schedules can be obtained at <http://www.azlibrary.gov>.

Of particular interest to Board Members may be the requirements for retaining (or destroying) transitory documents and working records. Transitory documents are those that do not contain any substantive information, have limited reference value, letters of transmittal, and informational bulletins. Working records include notes, drafts, feeder reports, and other related records used in the development of final or summary records. These categories also include emails with little substance and duplicates. In general, transitory documents do not need to be retained once the material has served its administrative purpose. Working documents, also, do not need to be retained once the final drafts have been completed.

Audio tape recordings are not considered transitory or working records. These audio tapes must be retained for three months after the date of the meeting *and* after the minutes have been transcribed or summarized and approved.

Non-transitory documents need to be retained pursuant to the applicable retention schedules. Once documents have passed their retention life, they must be destroyed. The District Manager will be the “gatekeeper” for the District documents and shall provide for the destruction of District documents. Once a document is past its retention life, each Board Member should transmit those documents to the District Manager, noting that the document no longer needs to be retained per the retention schedules.

Prior to the final disposal of any documents the District Manager will complete a form listing the documents to be destroyed. This form will be presented and approved by the Board before any documents are disposed of.

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ARTICLE IV: DISTRICT PERSONNEL POLICIES

SECTION 1: INTRODUCTION

To our Employees: These Policies (“Policies”) are intended to help you get acquainted with the ICR Sanitary District. These District policies explain some of our philosophies and beliefs, and describes, in general terms, some of our employment policies. We hope it will serve as a useful reference document throughout your employment at the District. Please understand that the Policies are not a contract (express or implied), nor are they intended to otherwise create any legally enforceable obligations on the part of the District. The Policies supersede and replace all previous personnel policies, practices, and policies and the District may revise, amend, revoke or replace any policies herein at any time, in the District’s sole discretion.

To obtain information regarding specific employment policies or procedures, whether or not they are referred to in the Policies, contact the District Manager. Because the District is a growing and changing organization, it reserves full discretion to add to, modify, or delete any provisions of the Policies, or the policies and procedures on which they may be based, at any time without advance notice. For this reason, we urge you to check with the District Manager to obtain current information regarding the status of any particular policy, procedure, or practice.

The Policies are the property of the District, and are intended for your personal use and reference as an employee of the District. Circulation of the Policies outside of the District requires the prior written approval of the District Manager.

Please sign the acknowledgment form at the back of the Policies, tear it out, and return it to the District Manager. This will provide the District with a record that you received and understood the Policies.

SECTION 2: EMPLOYMENT AT WILL

Unless a written contract has been executed with the District, all employment with the District is on an at-will basis. This means that either the employee or the employer may terminate the relationship at any time, with or without cause or advance notice. Nothing in the Policies is intended to alter the at-will nature of your employment, or to otherwise create any contractual obligations. Only the District Board has the authority to alter at-will employment status, or to enter into any agreement for employment for any specified period of

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time, and even then any such agreement must be in writing, approved by the Board and must be signed by the Board Chairman and the employee.

SECTION 3: ANTI-HARASSMENT POLICY

The District strives to maintain a workplace that fosters mutual respect and promotes a positive and productive working relationship. The District believes that discrimination, harassment and/or retaliation in any form constitutes misconduct that undermines the integrity of the employment relationship. Therefore, discrimination and harassment on any protected basis is strictly prohibited, including but not necessarily limited to a person's race, color, national origin, religion, age, sex, gender, disability, veteran's status, genetic test results and protected activity, etc. Retaliation for filing a complaint of discrimination or harassment and/or participating in any investigation is also strictly prohibited. Unlawful discrimination/harassment or retaliation violates state and federal civil rights laws and will not be tolerated.

Harassment is a form of discrimination. In keeping with this commitment, the District will not tolerate harassment by anyone in the workplace, including any Board Member, employee, supervisor, manager, co-worker or third party. Harassment generally consists of unwelcome conduct, whether verbal, physical or visual, that is based on a person's race, color, national origin, religion, age, sex, gender, disability, veteran's status, genetic test results, protected activity and/or on the basis of any other characteristic protected by federal, state or local law. Harassment may include epithets, offensive jokes, the display or circulation of offensive printed or visual material, offensive physical actions or comments that disparage, demean or show disrespect to another individual in the workplace. Harassing conduct which affects job benefits, interferes with an individual's work performance, or creates an intimidating, hostile or offensive work environment is strictly prohibited and will not be tolerated.

Sexual harassment is a specific type of harassment that deserves special mention. Unwelcome sexual advances, requests for sexual favors, or other physical, verbal or visual conduct based on sex may constitute harassment when:

1. Submission to the conduct is required as a term or condition of employment;
2. Submission to or rejection of the conduct is the basis for decisions affecting an individual's employment; or
3. Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive work environment that unreasonably interferes with an individual's work performance.

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Sexual harassment may include sexual propositions, sexually suggestive touching, sexual innuendos, suggestive comments, sexually oriented jokes or teasing, or unwelcome physical contact such as patting, pinching, grabbing, groping, kissing or fondling.

Please note that District's standards are stricter than the law requires. Therefore, all of the conduct referenced above is considered inappropriate workplace conduct, even if such conduct does not rise to the level of harassment, discrimination or retaliation as defined under the law and is prohibited by this policy.

All employees are responsible for helping to enforce this policy. Any violation of this policy is considered serious misconduct and will subject the offending individual to strong disciplinary action, up to and including termination (or expulsion from the District in the event of a third party).

Anyone who believes they may have been the victim of discrimination, harassment, retaliation or other inappropriate workplace conduct, or who believes they may have witnessed any such conduct or that this policy has been violated, should immediately notify the Manager so the situation can be promptly investigated and remedied. The complaint does not have to be in writing. If the Manager is the person who is responsible for the alleged inappropriate workplace conduct or reporting the situation to the Manager fails to remedy the situation, complaints must be immediately reported to a Board Member.

The District will investigate all complaints in a prompt, thorough and impartial manner and appropriate corrective action will be taken if a violation of this policy is found to have occurred. The investigation will be kept confidential to the extent practically possible or legally permissible. However, given the nature of an investigation, confidentiality cannot be guaranteed. If an investigation confirms that a violation of this policy has occurred, the District will take prompt corrective action, which may include discipline up to and including immediate termination of employment (or expulsion from the District if a third party is involved).

The District also forbids any retaliation against anyone who has made a complaint, reported a possible violation of this policy or who has cooperated in the investigation. In addition, the District also strictly prohibits retaliation against any employee or applicant engaging in protected activity under the Arizona Civil Rights Act and/or any federal employment discrimination laws, including the opposing of any practice which is unlawful under these laws or for making a charge, testifying, assisting or participating in the administrative process of the Office of the Arizona Attorney General, Civil Rights Division, and/or the Equal Employment Opportunity Commission.

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If you have any questions regarding this policy, you should discuss them with the Manager. You may also contact the Arizona Civil Rights Division (“ACRD”) which is located at 1275 W. Washington Street, Phoenix, Arizona 85007-2926. The phone number for the ARCD is 1-602-542-5025 or 1-800-352-8431. The website is www.azag.gov/civil_rights/.

SECTION 4: LEAVE TIME

A. TIME OFF TO VOTE

Employees will be given time off to vote if there are less than three consecutive hours between when the polls open and the beginning of the employee’s shift, or less than three hours of open polls after the end of the employee’s workday. In such event, the employee may take “such length of time at the beginning or end of his work shift that, when added to the time difference between work shift hours and opening or closing of the polls, will provide a total of three consecutive hours.” The time off also will be paid if it would otherwise have been work time.

B. JURY DUTY LEAVE

The District will grant employees unpaid time off for jury service, in compliance with state law requirements. Employees on jury duty will not lose seniority or other benefits due to service, and it will not affect the employee’s ability otherwise to take vacation. The District does not require or request that employees use accrued vacation time related to jury service. However, employees are free to use accrued vacation time if they choose to do so, during jury service.

C. CRIME VICTIMS LEAVE

The District will provide leave for an employee who has been the victim of a crime (including an offense committed by a juvenile), or an employee who is the immediate family member of a crime victim who is killed or incapacitated, to take time off to attend proceedings related to the prosecution of the criminal. The time will be unpaid unless the employee chooses to use his or her paid vacation or sick time for the absence. To request the leave, the employee should provide a copy of a form they received from the applicable law enforcement agency pursuant to A.R.S. § 8-386. The employee also should provide a copy of the notice for each scheduled proceeding that he or she attends.

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D. OTHER LEAVES OF ABSENCE

The District may also grant a leave of absence to any employee if the District determines the absence is warranted under the circumstances and/or appropriate under any applicable federal, state or local law.

SECTION 5: TERMINATION, DISCIPLINE, AND RULES OF CONDUCT

A. TERMINATION

1. **Voluntary Termination**

The District will consider an employee to have voluntarily terminated his or her employment if an employee does any of the following:

- a. Elects to resign from the District;
- b. Fails to return from an approved leave of absence on the date specified by the District without authorization or a request for continued leave; or
- c. Fails to report for work without notice to the District for three consecutive workdays.

2. **Involuntary Termination**

All employment with the District is at will (unless a party to a written contract of employment), which means that the District retains the right to discharge without cause and without prior notice. In addition, an employee may be terminated involuntarily for cause, which may include poor performance, misconduct, or other violations of the District's rules of conduct as set forth below.

B. DISCIPLINE AND RULES OF CONDUCT

1. **Policy**

Employees are expected to observe certain standards of job performance and good conduct. When performance or conduct does not meet District standards, the District may provide the employee a reasonable opportunity to correct the deficiency, in the District's sole discretion. If the employee fails to make the correction, he or she may be subject to discipline including termination. **However, the District does**

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not follow a progressive discipline policy and may terminate an employee's employment at any time, with or without cause.

The rules set forth below are intended to provide employees with notice of what is expected of them. Necessarily, however, such rules cannot identify every type of unacceptable conduct and performance. Therefore, employees should be aware that conduct not specifically listed below but which adversely affects or is otherwise detrimental to the interests of the District, other employees, or customers, may also result in disciplinary action, including termination. As stated earlier in this policy, all employment with the District is at will, which means that the District retains the right to discharge without cause and without prior notice. Nothing in this policy is intended to alter the at-will nature of your employment.

2. Job Performance

Employees may be disciplined for unacceptable job performance, including but not limited to the following:

- a. Below-average work quality or quantity;
- b. Poor attitude (for example, rudeness or lack of cooperation);
- c. Excessive unauthorized absenteeism, tardiness, or abuse of break and lunch privileges;
- d. Failure to follow instructions or District procedures; or
- e. Failure to follow established safety regulations.

3. Misconduct

Employees may be disciplined for misconduct, including but not limited to the following:

- a. Insubordination;
- b. Dishonesty;
- c. Theft;
- d. Discourtesy;
- e. Misusing or destroying District property or the property of another on District premises;

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- f. Violating conflict of interest rules;
- g. Disclosing or using confidential or proprietary information without authorization;
- h. Destroying, falsifying or altering District records, including the application for employment;
- i. Interfering with the work performance of others;
- j. Altercations;
- k. Harassing, including sexually harassing, other employees or customers;
- l. Being under the influence of, manufacturing, dispensing, distributing, using, or possessing alcohol or illegal substances on District property or while conducting District business;
- m. Gambling on District premises or while conducting District business;
- n. Sleeping on the job or leaving the job without authorization;
- o. Being convicted of a crime that indicates unfitness for the job or raises a threat to the safety or well-being of the District, its employees, customers, or property;
- p. Failing to report to the District, within five days, any conviction under any criminal drug statute for a violation occurring in the workplace.
- q. Refusing to submit to testing for drugs and/or alcohol.

4. **Attendance**

In addition to the general rules stated above, employees may be disciplined for failing to observe the following specific requirements relating to attendance without authorization: (1) Reporting to work on time, observing the time limits for rest and lunch periods, and obtaining approval to leave work early; and (2) Notifying the supervisor in advance of anticipated tardiness or absence.

5. **Discipline Procedure**

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Discharge for poor performance may, at the District's discretion, be preceded by an oral warning and a written warning. The District reserves the right to proceed directly to a written warning or to termination, without resort to prior disciplinary steps, whenever the District deems such action appropriate.

6. Exit Interview

Employees who leave the District for any reason may be asked to participate in an exit interview. This interview is intended to permit terminating employees the opportunity to communicate their views regarding their work with the District, including job duties, training, supervision, and benefits. At the time of the interview, employees are expected to return all District-furnished property, such as uniforms, tools, equipment, I.D. cards, keys, credit cards, documents, and handbooks.

7. Employment At Will

Nothing in this policy is intended to alter the at-will status of employment with the District. Either you or the District may terminate the employment relationship at any time with or without cause and with or without prior notice. The District reserves its right to terminate any employment relationship without resort to the above disciplinary procedures.

SECTION 6: COMMUNICATIONS SYSTEMS

All electronic communication systems and all communications and information transmitted by, received from, or stored in these systems are the property of the District. As such, they are to be used solely for job-related purposes. The District treats all messages sent, received, or stored in the e-mail system or voice message systems as business messages.

To ensure that the use of electronic communication systems and business equipment is consistent with the District's legitimate business interests, authorized representatives of the District may monitor the use of such equipment from time to time. This may include listening to stored voice-mail messages, accessing e-mail messages, or monitoring Internet use. The District has the capability, and reserves the right, to access, review, copy, and delete all messages in the e-mail or voice message systems. The District also reserves the right to disclose messages to any party (inside or outside the District) as it deems appropriate.

Further, employees are not to use a code, access a file, or retrieve any stored communication unless authorized to do so. All pass codes are the

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property of the District. No employee may use a pass code or access code that is unknown to the District.

Employees using the District's equipment for personal purposes do so at their own risk. Employees should maintain no expectation of privacy related to their use of the District's electronic communication systems. Employees should treat the e-mail system like a shared file system, with the expectation that messages on the system (or on individual hard disks) are available for review by any authorized representative of the District for any purpose.

Moreover, improper use of the District's e-mail system (e.g., spreading offensive jokes or remarks) will not be tolerated. Employees may not use the e-mail system to send messages that are in violation of District policy or that are defamatory, obscene, offensive, or harassing.

Please bear in mind the following suggestions when using the e-mail system:

- Messages may be read by someone other than the intended addressee and may even be disclosed to outside parties.
- Take care that your messages are courteous, professional, and business oriented. For example, what seems humorous as it is being written may not be humorous when read to a customer, or others inside or outside the District.
- When composing e-mails, consider how your messages would look if (a) read to a jury, (b) delivered to the customer, or (c) posted on a District bulletin board for all to see.

SECTION 7: SMOKING

The purpose of this policy is to inform all employees of the requirements of the Smoke Free Arizona Act ("Act"), ARS 36-601.01. That Act went into effect on May 1, 2007. The purpose of the Act is to protect Arizonans from the harmful effects of second-hand smoke in enclosed public places and places of employment, except those areas that meet one of the exceptions to the Act.

As stated, the Act applies to both public places and places of employment. Pursuant to the Act, smoking is prohibited (1) in all public places, which is defined as an enclosed area where the public is invited, (2) within 20 feet of any entrance (which includes doors, windows, ventilation systems, etc.), and (3) in all places of employment. There are also requirements regarding signs and ashtrays.

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There is an outdoor patio exception in the Act. The following rules apply to that exception: (1) the area must be adjacent to the place of employment, (2) there must be at least one open side, and (3) the outdoor patio may be less than 20 feet from an entrance to the workplace, so long as the patio is set up in such a way that people can avoid breathing smoke when using the entrance and no smoke is allowed to drift into non smoking areas or inside the workplace. The District may designate an outdoor patio or area for smoking.

The Act provides penalties for the violation of its provisions. The penalties start at \$100 and can increase to \$5,000. Complaints about violations of the Act can be made by calling 1-877-429-6676 or online at www.smokefreearizona.org. It is a violation of the Act to discriminate or retaliate against any employee for engaging in a protected activity under the Act, including complaining about a violation of the Act.

SECTION 8: PERSONNEL RECORDS

It is important that District personnel files contain current information regarding each employee. You should inform the Manager immediately whenever there are changes in your personal data such as address, telephone number, marital status, number of dependents, and person(s) to notify in case of emergency. You are also responsible for maintaining a current group life insurance beneficiary designation.

An employee's personnel file belongs to the employer, not the employee. As a result, an employee's access to the personnel file is subject to the discretion and control of the District.

SECTION 9: WORKING CONDITIONS – NOTICE TO EMPLOYEES (Pursuant to A.R.S. 23-1502)

You are encouraged to communicate to the District whenever you believe your working conditions may become intolerable and may cause you to resign. Under §23-1502, Arizona Revised Statutes, an employee may be required to notify an appropriate representative of the District in writing that a working condition exists that the employee believes is intolerable, that will compel the employee to resign or that constitutes a constructive discharge, if the employee wants to preserve the right to bring a claim against the District alleging that the working condition forced the employee to resign.

Under the law, an employee may be required to wait for fifteen calendar days after providing written notice before the employee may resign if the employee desires to preserve the right to bring a constructive discharge claim against the District. An employee may be entitled to paid or unpaid leave of

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absence of up to fifteen calendar days while waiting for the District to respond to the employee's written communication about the employee's working condition.

Please make your communication in this regard to any of the following:

1. the District's then current Manager;
2. the District's Board Chairman;

SECTION 10: INSPECTIONS AND SEARCHES FOR PROHIBITED MATERIALS AND FOR DISTRICT PROPERTY ON DISTRICT PREMISES

A. PURPOSE OF THE POLICY

The District believes that maintenance of a workplace that is free of drugs, alcohol, and other harmful materials is vital to the health and safety of its employees and to the success of the District's business. The District also intends to protect against the unauthorized removal of District property and to ensure its access at all times to District property, records, documents, and files. Accordingly, the District has established this policy concerning inspections and searches for prohibited materials and for District property on District premises. This policy applies to all employees of the District. This policy is not intended to alter the at-will nature of the employment relationship, as the District maintains the right to terminate employment without notice or cause.

B. DEFINITIONS

For purposes of this policy:

1. "Prohibited materials" means illegal drugs or other controlled substances [as defined in the District's Drug-Free Workplace Policy]; drug-related paraphernalia; and alcoholic beverages or District property that you are not authorized to have in your possession.
2. "District premises" includes all premises and locations owned or leased by the District or under the control of the District, including parking lots, lockers, storage areas, vehicles, and recreational or rest areas.
3. "Reasonable suspicion" includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech, or breath odor; information provided to management by an employee, by law enforcement officials, by a security service, or by other persons believed

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to be reliable; or a suspicion that is based on other surrounding circumstances.

4. "Possession" means having the substance or property on one's person or otherwise under one's control.

C. INSPECTIONS AND SEARCHES

1. Access to District Property

a. In order to assure access at all times to District property, and because you may not always be available to produce various documents, records, files, or other items of District property that are properly in your possession when they are needed in the ordinary conduct of the District's business, the District reserves the right to conduct a routine inspection or search at any time for District property. Employees should have no expectation of privacy regarding their work areas or regarding anything that they bring onto District property.

b. Routine searches or inspections for District property may include your office, desk, file cabinet, closet, or similar places where you may place District property, (whether or not such places are locked).

c. Because even a routine search for District property might result in the discovery of your personal possessions, you are encouraged not to bring into the workplace any item of personal property that you do not want to reveal to the District.

2. Prohibited Materials

a. Inspections or searches for prohibited materials on District premises will be conducted whenever the District has reasonable suspicion to believe that you may be in possession of such materials in violation of this policy.

b. Inspections or searches for prohibited materials may be conducted by an independent security service or by the District with its own personnel.

c. Inspections or searches for prohibited materials may be conducted on a regular basis at locations where you enter or exit

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District premises, without regard to whether there is reasonable suspicion that you may be in possession of prohibited materials.

d. Inspections or searches for prohibited materials may include your office, desk, file cabinet, closet, or similar places where you may place personal possessions, whether or not such places are locked. Inspections or searches for prohibited materials may also include your locker; your vehicle, when on District premises; or your pockets, purse, briefcase, lunch box, or other item of personal property that you are wearing or carrying while on District premises.

e. The District reserves the right to take appropriate action to prevent any employee from removing District property without authorization.

3. Disciplinary Action

a. If you are found to be in possession of prohibited materials in violation of this policy and/or in violation of any applicable law, you may be subject to discipline, up to and including discharge, regardless of the District's reason for conducting the search or inspection.

b. If you refuse to cooperate with a search or inspection that is based on reasonable suspicion that you are in possession of prohibited materials, the District may take that refusal into consideration in determining appropriate disciplinary action. Discipline will be based on all available information, including the information giving rise to the reasonable suspicion. It is therefore to your advantage to cooperate with the search or inspection whenever prohibited materials are present.

SECTION 11: DRUG-FREE WORKPLACE

The District recognizes the problem of substance abuse, which we perceive as a serious threat to the welfare of our employees, customers, and the public. To address this problem, we are introducing the following policy with respect to the use, possession, or sale of illegal drugs or alcohol. The ultimate goal of this policy is to maintain a safe, productive, and drug- and alcohol-free environment.

Typically, employees with drug and alcohol abuse problems make up only a small part of the work force, so we regret any inconvenience to the majority of you that are not substance abusers. We believe, however, that the benefits of our drug and alcohol testing program will more than make up for any inconvenience. Thus, we ask for your understanding and cooperation.

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This general substance abuse policy applies to all employees of the District and requires them to refrain from being involved in any way with illegal drugs, on or off the job, or abusing alcohol.

A. **PROHIBITED DRUG USE**

The following are prohibited by this policy and grounds for discipline up to and including discharge, even for a first offense.

1. **Illegal Drug Use**

Illegal drug use includes possessing, using, purchasing, distributing, or selling illegal drugs, on or off the job, or reporting to work impaired by illegal drugs. Under this policy, "illegal drugs" include any drug or drug-like substance considered unlawful under the Controlled Substances Act which (1) is not legally obtainable; (2) may be legally obtainable but has not been legally obtained; or (3) is being used in a manner or for a purpose other than as prescribed.

2. **Alcohol Abuse**

Alcohol abuse includes possessing, using, purchasing, distributing, or selling alcoholic beverages at any time during the hours between the beginning and ending of the employee's workday or on District property (with the exception of District sponsored events where alcohol is expressly permitted), or reporting to work or working while impaired by alcohol in any way.

3. **Failure to Participate**

The following will be considered a failure to participate in the District's drug and alcohol testing policy: failure to submit to drug or alcohol testing when directed to do so; refusal to complete all appropriate testing forms; and any other failure to cooperate to the District's satisfaction.

4. **Level of Discipline**

The appropriate level of discipline will be determined on a case by case basis at the District's sole discretion, and may include a requirement that the employee participate in a treatment or rehabilitation program under terms acceptable to the District.

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B. USE OF LEGAL DRUGS

While this policy does not prohibit the use of legal drugs, you are required to notify your supervisor if the use of any legal drug may endanger your safety or the safety of others. For example, you should tell your supervisor if you are using any legal drug that cautions against operating heavy machinery after use if your job involves operating heavy machinery. "Legal drugs" as used in this policy include prescribed and over-the-counter drugs or medications which have been legally obtained and are being used only for the purpose for which they were prescribed or manufactured.

C. PRE-EMPLOYMENT DRUG ABUSE SCREENING

The District may test an applicant who receives an offer of employment for a safety sensitive position prior to commencing employment. The District will revoke a job offer to any applicant who tests positive.

D. CURRENT EMPLOYEE DRUG AND ALCOHOL ABUSE SCREENING

The District will maintain screening practices to identify employees who use illegal drugs or abuse alcohol. As a condition of continued employment, each employee of the District is required to submit to drug and/or alcohol screening when directed to do so by the District. The District is responsible for the cost of testing administered pursuant to this paragraph.

We may test under the following circumstances:

1. Illegal drug and/or alcohol abuse screening may occur for any job-related purpose consistent with business necessity. This includes circumstances when, in the District's judgment, an employee appears impaired, acts abnormally or erratically, has an avoidable accident or injury, is frequently absent or late to work, is observed sleeping or having difficulty staying awake on the job, or exhibits a decline in work quality.
2. The District also may test for on-the-job accidents to which an employee may have contributed.

E. TESTING PROCEDURES

The District will determine the type and manner of drug or alcohol testing, including what constitutes a positive test result, in its sole discretion. The District is entitled to rely on the results of its drug or alcohol testing to determine if an employee has violated this policy and is subject to discipline.

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Drug and alcohol testing will be performed by a certified laboratory which will be expected to comply with scientifically accepted analytical procedures, including the following:

1. Test samples will be collected in a reasonable and sanitary area, and will be labeled and handled in a way reasonably designed to preclude sample contamination, adulteration, or misidentification.
2. The District will test for the following substances, and in the following manner: The District will test for the following substances or their metabolites, by the use of urine, blood, breath, hair samples: alcohol, amphetamines, barbiturates, benzodiazepines, cannabinoids, cocaine, methadone, opiates, propoxyphene, phencyclidine, and methaqualone or any other substances that are considered a controlled substance under the Controlled Substances Act.
3. All positive drug tests will be confirmed through a second, follow-up test, using a testing method which is different from the initial testing method.
4. At the time of testing, a person will be given the chance to provide any information that may be relevant to the test, including whether the person is taking prescription medication or undergoing any medical treatment that may affect the result of the test. Additionally, individuals will be given the chance to explain a positive drug test result in a confidential setting.
5. Testing, when possible, will occur during, or immediately before or after, the employee's regular work period, and testing time for employees will be treated as time worked for compensation purposes.
6. Employees may request a written copy of their drug and/or alcohol test results. These results are confidential, and will be released only to the tested employee, persons designated by the tested employee in writing, persons designated by the District to receive and evaluate test results or hear any explanation regarding a positive test result, and other persons authorized by law.

F. REHABILITATION

Rehabilitation is the responsibility of the individual employee. An employee with a drug or alcohol abuse problem is encouraged to use whatever treatment or rehabilitative services are available under the District's group health plan in effect at that time. The District will not commit to keep an employee in any particular job classification or position after the employee, either voluntarily or as

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the result of a positive drug or alcohol test, seeks treatment or rehabilitation, unless otherwise required by law.

G. OTHER LAWS

This policy shall be construed in accordance with all applicable federal and state laws, including the Americans with Disabilities Act and the Family and Medical Leave Act.

H. MEDICAL MARIJUANA CARDHOLDERS

This District complies fully with the requirements of A.R.S. §36-2801, et. seq. regarding medical marijuana. Pursuant to those provisions, Arizona employees who are valid cardholders will not be discriminated against in hiring or with respect to any term or condition of employment solely because they are a cardholder or because they receive a drug test that is positive for marijuana metabolites or its components. Any applicant or employee who tests positive for marijuana will be provided with an opportunity to prove they are a valid cardholder under the applicable Arizona statutes.

An exception to the foregoing may apply if the District would lose any monetary or licensing benefit under any federal laws. In addition, this exception does not apply to applicants or employees who are not valid cardholders under the statutes and those employees will continue to be subject to discipline for a positive test result for any illegal drugs.

Notwithstanding the foregoing, no employee (regardless of whether that person is a cardholder or not) may use or possess medical marijuana at work or during working hours and employees are strictly prohibited from working while impaired by any marijuana usage. Any employee who is determined to be impaired by marijuana at work will be subject to discipline, up to and including immediate termination of employment.

SECTION 12: HIRING PRACTICES

A.

1. The District will provide job descriptions and pay ranges for each and every position within the District. When a position becomes available the District may select from in-house applicants or advertise to fill the position. The Board may establish interview criteria.
2. Advertising for contract specialists, who are not considered employees of the District, maybe done through a request for proposal (RFP) or a request for qualification (RFQ). The District Manager will

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perform a background and reference check on all qualified applicants, and will submit all proposals received to the Board with a recommendation based upon qualifications, references and background check. Applicants for employment must meet Federal, State, and local residency/work permits regulations.

B. PROBATIONARY PERIOD, CLASSIFICATION OF EMPLOYEES, AND WORKING HOURS

1. Different job situations and conditions require that flexible work hours may be needed to complete projects and/or provide services. Each workweek stands on its own and is a consecutive 168-hour (7-day workweek), controlling the number of hours an employee is permitted to work within the workweek. The workweek starts on Monday and ends on Sunday. Operations of the facilities are 24 hours per day. Conditions may require employees to be available for work at night, weekends and holidays on a rotating basis. Management will be responsible for scheduling employees to avoid overtime as much as possible.

2. An hourly full-time employee is expected to work forty (40) hours per week, and is considered a Nonexempt Employee covered by the Fair Labor Standards Act. All work performed over forty (40) hours will be compensated at the rate of time and one half of the hourly wage and must have prior approval from management. Overtime is not permitted without prior approval. Time cards or time logs must be turned in bi-weekly to the District office, including any sick leave, holiday or vacation time taken.

C. Salaries and wages

1. Individual salaries and wages for each employee are established within pay ranges defined for each job description. Adjustments, increases and other factors that have an effect on the employee's compensation are matter for discussion between the employee and management on a private and individual basis, not with other employees.

2. Wages are based on experience, promptness and productivity. Increases will be granted based on improvement, value added to the District, and the District's ability to budget the added cost.

3. The rate of pay within a particular job description is based on merit rating. The supervisor continually evaluates performance and periodically employees may be considered for a change in pay rate. The merit rating is affected by such items as quantity and quality of work, self-improvement, and increased value on the job, general attitude, attendance

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and loyalty. Licenses, credentials or certifications may be essential for promotions as specified in job descriptions. It is the intent of the District to conduct annual reviews for all employees prior to the hearing and approval of the annual budget for the District. Any changes of pay rates must be approved by the Board and will become effective July 1, upon adoption of the annual budget.

D. FICA. The District is required by law to participate in the Federal Insurance Contribution Act (Social Security).

E. Subscriptions and Memberships. Any publications paid for by the District shall remain the property of the District and be incorporated in a reference library for the use of all employees.

F. Training. The District encourages and expects employees to constantly seek training that will generally increase their knowledge and ability to perform their work and take advantage of area training programs, certification courses, correspondence courses, manufacturers' schools and seminars, when possible. The District will reimburse the employee a portion to the full cost of a course, provided that management approved the course in advance and the employee satisfactorily completes it.

G. Travel. Reimbursable items are vehicle expenses, airfare, lodging, meals, etc. and require prior authorization by management.

H. Worker's Compensation. As required by law, the District provides its employees Workers' Compensation at its expense. Any employee injured in the performance of duties for the District shall report the injury to the District Clerk at once.

I. Remedies. Training and Travel - Employees may apply to the Board for consideration of modification of travel and training policy on an individual basis.

SECTION 13: RIGHT TO KNOW HAZARD AWARENESS POLICY (OSHA)

The District will provide a reasonably safe place in which to work. Hazard awareness is the basic part of a Safety and Health Program. Employees or contractors are responsible to exercise safe and proper handling practices, primarily through reliance on Manufacturer's Safety Data information (M.S.D.). Both District and employees must work together to achieve the intent of this OSHA standard.

"The Right to Know" was established to give necessary information to employees to work safely with chemicals and their physical hazards. Most chemicals you will use or come in contact with are potentially hazardous. The

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majority of these pose physical hazards, such as:

- a. Flammable materials, which can cause burns;
- b. Reactive materials, which can cause injury under the wrong conditions;
- c. Corrosive materials which when splashed on your skin or eyes can cause injury; (Some corrosive materials come in such form as dust, mist, or fumes, which you can inhale or ingest.)
- d. Toxic chemicals which can cause injury or illness by entering the body by way of the lungs as well as through the skin or being swallowed with food; (Industrial toxins can enter the body in this manner.)
- e. Physical Agents: Are usually produced by machines or when two or more chemical agents are mixed.
- f. Infectious Agents: Are living microbial materials, which can cause disease or create toxic waste or by-products. Infectious agents or hazards can be borne by the skin through cuts; also can be ingested on food.

The District expects posting of M.S.D.'s in the work area to show:

1. Necessary administrative controls
2. Necessary protective devices PPD
3. Necessary ventilation required in work areas
4. Necessary emergency care, if needed

“The Right to Know” law is the knowledge of hazardous materials, and the care necessary to protect health and ensure safety, and is both the employee’s responsibility as well as the employers.

All supervisors are responsible for the Health and Safety in their work area, and will require fellow employees and people who enter their work area to observe established procedures.

SECTION 14: WEAPONS POLICY

It is the policy of the District that all firearms or dangerous weapons of any type, concealed or unconcealed, are prohibited on the District’s premises, **unless an employee stores his or her firearm out of the public’s view in either his or her locked vehicle or a locked compartment of his or her motorcycle.**

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Failure to abide by the terms of this policy may result in discipline up to and including termination. Further, violation of this policy may be considered an act of criminal trespass and may result in prosecution.