

**Emerald People’s Utility District**  
**BOARD POLICY MANUAL**  
Updated May 2008

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## **1100 Organization and Authority**

The Emerald People's Utility District was established by the vote of the public during the general election of November, 1978, and energized on November 19, 1983, and operates under authority granted by the People of the State of Oregon and the Oregon Legislature, according to the Constitution Article XI, Section 12.

## **1110 Membership on the Board**

The Board of Directors of Emerald P.U.D. shall consist of five members elected to a four-year term by the qualified voters of the entire district. A member shall have resided in the subdivision from which s/he was a candidate for two years, and shall not be employed by the District during her/his term of office. There shall be one member elected from each subdivision to represent one of the following areas:

Subdivision 1, including precincts of Camas, Latham, London, Mosby Creek, Saginaw, Cottage Grove, Lorane, Silk Creek

Subdivision 2, including precincts of Alvadore, Crow, Demming, Elmira, Fern Ridge, Noti, Veneta.

Subdivision 3, including precincts of Coast Fork, Fall Creek, Lost Creek, Lowell, Pleasant Hill

Subdivision 4, including precincts of Alvadore, Irving, Lancaster, Richardson, Santa Clara, Prairie, Wilkins.

Subdivision 5, including precincts of Coast Fork, Camas, Creswell, Goshen, Marcola, Mohawk.

Revised and adopted by Board action, 1994.

## **1111 Members Take Office**

The term of office of all Board members shall commence on the first meeting in January next following their election. Board members shall serve until their successors are elected or appointed and qualified.

Board members must qualify by taking the following oath of office:

I, \_\_\_\_\_, do solemnly swear that I will support the Constitution of the United States, and the Constitution of the State of Oregon, particularly the letter and intent of Article XI, Section 12, People's Utility Districts, and the laws of the State of Oregon, particularly the letter and intent of Chapter 261, People's Utility Districts, and that I will faithfully discharge the duties of the Emerald People's Utility District Board Member to the best of my ability to accomplish the goals and objectives for which the People's Utility District laws and Constitutional Amendment were adopted.

## **1120 Board Vacancies**

When the Board declares a vacancy, the remaining members of the Board shall meet and elect a person to fill the vacancy from the electors of the subdivision represented. The member so elected shall serve until the next biennial election and until a successor is elected and qualified. When a vacancy exists for 30 days, the Governor may fill the vacancy. (ORS 261.415)

### 1130 Officers of the Board (Revised 05/10/05)

The Board shall rotate officers at the first meeting in January of each year for the President, Vice President and Treasurer. The rotation will begin with the 2005 Officers. The Vice President will move to President and the Treasurer will move to Vice President, the current President will move to the bottom of the rotation. The Director to fill the position of Treasurer will be the most senior Director not currently holding an office; the least senior Director will be at the bottom of the rotation. In the case that the two directors not holding offices have the same amount of seniority, a coin will be flipped to decide who will go to Treasurer first. The Board shall choose a Secretary of the District, who may or may not be a member of the Board. Board members shall be referred to as Directors.

2005 Officers	Year 2	Year 3	Year 4	Year 5
President	Non -officer	Non -officer	Treasurer	Vice president
Vice president	President	Non -officer	Non -officer	Treasurer
Treasurer	Vice president	President	Non -officer	Non -officer
Non -officer	Treasurer	Vice president	President	Non -officer
Non -officer	Non -officer	Treasurer	Vice president	President

### 1140 Citizens Advisory Committees

District patrons will be invited to serve as members of advisory committees formed for the purpose of making recommendations to the Board in matters of Finance, Rates and Power Resources. District customers participating on Emerald's Citizen Advisory Committees shall be compensated for attending meetings at a rate established by Board resolution. No committee member shall make public statements representing Emerald Peoples' Utility District without authority of the Board of Directors.

### 1230 Authority of the Board of Directors

Any duty imposed upon the Board as a body shall be performed at a regular or special meeting and shall be made a matter of record. Any vote will require a quorum of the membership to pass. The consent to any particular measure obtained from individual Directors when the Board is not in session shall not be an act of the Board and shall not be binding upon the District.

The Board of Directors may choose to appoint standing and temporary committees. Standing committees will be defined by Board Resolution and adopted by the Board. No permanent committee comprised of less than the full Board membership shall be appointed to perform any Board function. Temporary committees may be appointed for special purposes, and upon completion of that purpose shall be discharged. All committee and subcommittee meetings are public.

## **1241 Duties of the President of the Board**

The duties of the President of the Board shall be as follows:

1. To preside at meetings of the Board.
2. To appoint Directors to organizations with Board approval.
3. To call special meetings as required.
4. To perform such other duties as may be prescribed by law or by the action of the Board.
5. To sign all District instruments authorized by the Board to be executed, except those expressly delegated by the Board, or by statute, to some other agent of the District.
6. May discuss items under consideration without relinquishing the gavel.
7. To make or second motions.
8. Is permitted not to wait for a discussion of a motion, if none is readily forthcoming, but may proceed to call the vote.
9. To vote on matters before the Board, the same as other Directors.
10. To encourage the participation of all Directors in consensus building discussions.

## **1242 Duties of the Vice President**

It will be the duty of the Vice President to fulfill the duties of the President as needed.

## **1243 Duties of the Treasurer**

The Treasurer shall be custodian of all funds of the District, and shall report to the Board all payments made from District funds.

The Treasurer shall review vouchered expenses and credit card receipts. If a question arises, the custodian will not reject the claim but rather refer the question to the full Board.

The Treasurer shall have his/her signature on all District checks over \$5,000.

The Treasurer shall encourage all Directors to operate within the limits of the Board Budget for the current fiscal year with the assistance of the Chief Financial Officer.

A District staff member having questions regarding additional information about a Director's or the General Manager's reimbursement expenditures can contact the person who submitted the reimbursement statement, or the Board Treasurer, and then the full Board.

## **1244 Board Secretary**

The Board shall select the Board Secretary. The Board Secretary shall attend all public, noticed meetings of the Board unless excused by the President of the Board and shall record minutes of those meetings. The Board Secretary will supply a typed, finished copy of the minutes to be distributed to the Directors prior to the next regularly scheduled Board meeting unless circumstances dictate otherwise. The General Manager shall be responsible for insuring that all official records of the District are preserved and made available to the public.

## **1245 Legal Counsel**

Legal counsel shall be appointed by the Board on a continuing basis, with the rate of compensation to be agreed upon yearly. It shall be the duty of the legal counsel to advise the Board and General Manager on specific legal problems submitted for an opinion, and to make recommendations.

All requests by any individual Director for legal opinions from legal counsel shall be subject to prior Board approval.

## **1246 Duties of Directors Appointed to Outside Organizations (Adopted 3/12/02)**

As an appointee to an outside organization, it is the responsibility of the Director to represent policies and resolutions adopted by the Board of Directors. If an issue arises, in which the Board has not previously taken a position, it is the responsibility of the Director to represent what he/she believes the Board majority would be. Should the majority of the Board decide that any action taken by an appointee did not represent the view of the Board, the Board can send a written notice modifying the previous action.

## **1310 Voting by Directors**

All votes on motions, resolutions and ordinances shall be by “ayes” and “noes,” and shall be recorded in the minutes.

## **1315 Abstaining from Voting**

Although it is the duty of every Director who has an opinion on the question to express it by vote, any Director may abstain from voting by requesting to be recorded as abstaining and stating the reasons for the record. Silence will be considered an “aye.”

## **1320 Formulation of Policies**

The formulation and adoption of written policies shall constitute the basic method by which the Board shall express its leadership in the operation of the District. The study, evaluation and approval of reports concerning the execution of its written policies shall constitute the basic method by which the Board shall exercise its control over the operation of the District.

Recognizing its own functions as the lawful and final authority in policy matters, the Board accepts the principle that those who are affected by the policy shall be involved in the formulation of those policies.

Unless circumstances require immediate action, a policy shall not be voted on at the first meeting during which it is discussed. After discussion has revealed the sentiment of the Board regarding the proposed policy, or change of policy, the General Manager shall be instructed to prepare the policy statement and, if the General Manager or the Board deems it necessary, the General Manager shall have prepared a staff report on the implications of the policy if adopted.

## **1330 Adoption, Amendment, Repeal or Suspension of Policies**

The adoption, amendment, repeal and suspension of policies shall be accomplished by roll call vote, which shall be entered in the minutes of the meeting.

The policies of the Board shall be subject to adoption, amendment, repeal or suspension only upon a majority vote of the Directors at a meeting in the call for which the proposed adoption, amendment, or repeal has been described in writing at a previous regular Board meeting.

Only those statements as adopted and as recorded in the minutes of the Board shall be regarded as official Board policies.

### **1335 Administrative Procedures**

The General Manager shall develop and adopt necessary administrative procedures. Such procedures shall be submitted to the Board for review.

### **1340 Distribution of Copies of Policies and Administrative Procedures**

The General Manager shall make available copies of policies, procedures and amendments to any interested persons. Copies of policies and administrative procedures will be on file in the District offices and the Board workroom.

### **1345 Adoption of Administrative Regulations**

The Board itself shall formulate and adopt administrative regulations only when specific state laws require Board adoptions, or may do so when the General Manager recommends Board adoption.

### **1350 Time and Place of Meetings**

Regular public meetings of the Board shall be held on the second and fourth Tuesday of each month in the officially designated Board facility. At the option of the Board, meetings may be held at other locations and/or at a different time.

### **1355 Meeting Notice**

Notice of Board meetings shall comply with the Notice Provisions of ORS Chapter 192. The General Manager shall adopt administrative procedures that assure compliance with the notice requirements of the Public Meeting Law.

### **1360 Adjournment**

Any meeting may be adjourned by Board action or by the President of the Board to the next regular meeting or to some specified time prior thereto.

Board meeting shall be adjourned after three continuous hours unless all Directors present vote to continue meeting.

Chair may unilaterally adjourn the meeting.

### **1365 Meetings and Executive Sessions**

The Board will liberally construe the section in ORS 192.610-690 that declares all meetings are to be held in public; the exceptions are those defined in the statute that may infringe on personal or public rights. Where authorized by statute, an employee may request consideration of those matters set forth in ORS 192.660(1)(b) in executive session.

### **1375 Special Meetings**

Special meetings of the Board may be called at any time as follows: Upon written or printed notices issued by the General Manager upon the order of the President of the Board; or issued by the General Manager upon the united request of at least three Directors at least 24 hours before such meeting is to be held per ORS 192.640(3).

### **1380 Determining Agenda for Regular Meetings**

In consultation with the President of the Board, the General Manager shall develop the regular Board meeting agenda and have developed all informational material about agenda items. Requests for placing items on the agenda shall be given to the General Manager and the President with two weeks time to develop informational materials. The President or Manager shall propose an estimated time allotment for each agenda item. Copies of the agenda shall be widely circulated and made available to all interested parties.

### **1385 Quorum**

A majority of Directors shall constitute a quorum for transaction of official business. The only business that can be transacted in the absence of a quorum is to take measures to obtain a quorum, to fix the time to which to adjourn, and to adjourn or to take a recess.

### **1390 Parliamentary Procedures**

Unless otherwise provided in Board policy, or as provided in ORS, the Board shall conduct all its business in accord with the most recent version of *Robert's Rules of Order*.

### **1395 Order of Agenda (Revised 05/10/05)**

Generally, the order of business at all meetings of the Board shall be:

1. CALL TO ORDER-ROLL CALL-INTRODUCTIONS
2. STATEMENTS FROM THE PUBLIC
3. AGENDA TIMELINE-Requests for Additions or Deletions
4. DEFERRED ITEMS
5. PRESENTATIONS AND REPORTS
6. ITEMS FOR ACTION
  - a. CONSENT
  - b. MOTIONS AND RESOLUTIONS
7. INFORMATION AND PLANNING ITEMS
8. REVIEW OF MOTIONS
9. STATEMENTS FROM PUBLIC
10. SUGGESTED ITEMS FOR FUTURE MEETINGS
11. DIRECTOR'S CONCLUDING COMMENTS (Limit 1 Minute/ Comment)
12. ADJOURN

At the discretion of the President of the Board, a recess may be called at any time in the course of the meeting.

### **1400 Public Input at Board Meetings**

Unless the Board decides otherwise, prior to Board deliberation and/or action, the President of the Board may allow for questions and statements from the public. The President, in order to meet the time available for consideration of Board action, may limit such questions and statements so that all who wish to be heard may speak or have comments placed in the record.

### **1401 Procedure to be Followed at Board Meetings**

The following procedures shall be followed at Board meetings:

1. The President of the Board shall call the meeting to order promptly at the appointed hour. If the President is not present at the appointed hour, the Vice President shall call the meeting to order. Upon the arrival of the President, the Vice President shall relinquish the gavel to the President.

2. Corrections to the minutes shall be submitted in writing, unless the corrections are minor in nature.
3. The President shall not wait for a discussion of a motion if none is readily forthcoming, but shall proceed to call the vote. The President may request a Director to put a motion in writing.
4. Verbal presentations requiring Board action shall become agenda items for later meetings, except where the timeliness of the item requires more urgent action.
5. Items on the agenda, which require extended deliberation, may be taken up at special meetings.

#### **1405 Minutes (Revised 05/14/02)**

Minutes shall be kept as provided by the State Public Meetings Law. The Secretary shall sign all official minutes of Board meetings. A copy of the minutes shall be furnished to interested parties upon written request and may be circulated widely. Official minutes and documents distributed at public meetings shall be retained and maintained in a permanent and safe condition. Unseconded motions, where a second to that motion was required under Robert's Rules of Order, will not be recorded in the minutes. Motions, seconds, and how the vote came out, will be recorded in the minutes with only a very brief description of the topic.

#### **1406 Recording Meetings (Adopted 12/28/06)**

Use of recorders will be allowed at regular meetings in addition to minutes. Executive sessions will not be recorded.

#### **1410 Election**

The election for Directors will be conducted by the Lane County Elections Department at the time prescribed by ORS Chapter 261.

#### **1510 Board of Directors' Code of Conduct**

The Emerald P.U.D. Board adopts as its own the following code of conduct. A Director shall:

1. Understand that his or her basic function is "policy making."
2. Discourage subcommittees of the Board, which tend to nullify the Board's policy-making responsibility.
3. Recognize that authority rests with the Board in official meetings.
4. Recognize that a Director has no legal status to act for the Board or the District outside of official meetings, unless authorized to do so by the Board.
5. Not meet with other individual Directors for the purpose of deliberating towards a decision; this means to refrain from secret meetings in which Directors systematically exclude other Directors and the public in decisions affecting the District.
6. Refuse to make commitments on behalf of the Board or District on any matter, which should properly come before the Board as a whole.
7. Make decisions only after all reasonably available facts bearing on a question have been presented and discussed.
8. Respect the opinions of others and graciously adhere to the principle of "majority rule" in Board decisions. Minority opinions should be expressed and Directors may identify their individual views as minority views when they differ from the adopted views of the majority of the Board.

9. Recognize that the General Manager should have full administrative authority for properly discharging managerial professional duties within the limits of established Board policy.
10. Refer all complaints or problems to the General Manager or designee, and discuss them at a regular meeting only after failure of administrative solution.
11. Present personal criticisms of any District operation directly to the General Manager or designee rather than to District personnel.
12. Insist that all District business transactions be on an ethical basis and no Director shall have a separate pecuniary interest in any financial dealing of the District, unless authorized by Board.
13. Refuse to exploit the position on the Board for personal gain and monetary gain, or use of inside information for personal gain.
14. Refuse to bring personal problems into Board consideration.
15. Advocate honest and accurate evaluation of all persons directly employed by the Board when another employer requests such information.
16. Give the staff the respect and consideration due skilled professional personnel.
17. Refrain from directly contacting outside consultants for opinions or for studies or research without prior General Manager or Board approval. However, in cases of potential personal liability, individual Directors shall be entitled to seek a second legal opinion.
18. Directors shall perform their official responsibilities in a professional and courteous manner. To this end, it is desired that Directors will:
  - a) Treat each other with trust and respect during meetings,
  - b) Address differences, first between members directly and promptly; then seek assistance up to and including the full Board if necessary,
  - c) Refrain from personal attacks and abusive behavior against each other,
  - d) Respect and support final decisions of the group.
  - e) Call an Executive Session if necessary to consider charges or complaints about a Director, in accordance with ORS 192.660(1)(b).

## **1521 Delegation of Authority to the General Manager**

The General Manager shall be chief administrative officer of the People's Utility District, shall have control of administrative functions of the District and shall be responsible to the Board for efficient administration of all affairs of the District placed in her/his charge. (ORS Chapter 261.445[3])

The General Manager is responsible to the Board for the development of the operational program of the District, budget preparation, personnel administration, District-community relations, and the overall supervision of the District program. The Board delegates to the General Manager its authority to administer the laws and policies governing the District, with the understanding that major policy decisions will be referred to the Board.

In the absence of Board policy, the General Manager shall have final authority for decision-making with the understanding that major decisions shall be reported to the Board at the next regularly scheduled meeting.

The General Manager will regularly keep the Board informed of the current issues confronting the utility, including emerging regional power planning issues. S/he will suggest alternative strategies and measures by which the Board may want to shape policy to deal with these issues.

The General Manager will be responsible to assist the Board by keeping each Director informed of all pertinent data and reports germane to current and emerging issues. S/he, in coordination with the President of the Board, will enhance the education and orientation of Directors and provide for a flow of information to them.

The General Manager will meet frequently with the President of the Board and assist her/him to be in frequent communication with all other Directors so that there will be an orderly flow of information and preparation for the discussion and debate of issues.

## **1522 General Manager's Personnel File**

It shall be the policy of the Board that individual Directors may have access to the General Manager's own personnel file in accordance with the Personnel Policy Manual.

## **1530 Orienting New Directors**

The Board, assisted by the General Manager, shall assist each new Director to understand the Board's functions, policies, and procedures at the earliest possible time. The following methods shall be employed:

1. The electee or appointee shall be given all necessary material to insure the new member has adequate information in order to conduct the public's business.
2. The electee, prior to assuming office, shall be invited to attend Board meetings and executive sessions, and to participate in its discussions.
3. The General Manager and the President of the Board shall make time available to supply material pertinent to meetings and shall explain its use.
4. The incoming Director shall be invited to meet with the General Manager and other administrative personnel to discuss services they perform for the Board.
5. A copy of the Board's policies, the Personnel Policy Manual, and relevant financial documents shall be made available.
6. Prior to becoming a Director, the incoming member shall be invited to meet with other Directors to discuss Board operations and responsibilities.

## **1540 Reimbursement for Expenses (Updated 06/05)**

- A. Each Director and the Board Secretary will be reimbursed for actual vouchered monthly expenses, i.e. travel, lodging, and meals, etc.
- B. Each Director and the Board Secretary may receive a meeting allowance for each regular or special Board meeting, as well as other meetings for which the Director has received prior approval.
  1. Regular meetings are those publicly noticed Board meetings, normally scheduled on the second and fourth Tuesday of each month, which the Board is expected to attend.
  2. Special meetings are publicly noticed Board meetings, which the Board is expected to attend.
  3. Board approval must be received, for payment of per diem and expenses, if they would like to attend and event in which they are not the appointee or the alternate. Exceptions to this are: NWPPA annual meeting, APPA annual meeting and legislative forum, PPC annual meeting and Executive Committee Meetings, NWECA annual meetings, LCOG meetings, monthly and annual, and OPUDA meetings. Retroactive approval may be obtained in rare

cases, but must be obtained before submitting one's voucher for reimbursement. Approval or denial can be granted at any Board meeting. If any Director objects, there shall be a vote by the Board. If no objections are raised, approval shall be granted.

- C. Per Diem amounts will be allowed to Directors for only one travel day for meetings beyond a 150-mile radius of Eugene. Under special circumstances, when a savings can be demonstrated to Emerald, and prior (before the trip) Board approval has been obtained, this may be extended to a two-day travel per diem.
- D. There will be no travel day per diem for travel for meetings within a 150-mile radius of Eugene.
- E. Board and General Manager vouchered expenses and credit card receipts must be submitted within three months of their occurrence and will be reviewed on a monthly basis by the Treasurer.
- F. In addition, the Board will follow the travel policy set forth in the EPUD Personnel Policy Manual.
- G. The Board shall set the per diem and meeting allowance by resolution.
- H. Each Director shall be eligible for the District's medical insurance coverage program.
- I. Mileage reimbursement for Directors using their own vehicle for District business will be indexed to the IRS rate set annually.
- J. Per diem shall not be paid for local community service and civic meetings such as, but not limited to, Chambers of Commerce, Rotary, or local parades. Actual vouchered expenses shall be reimbursed for these meetings.
- K. Per diem will be paid for conference calls, lasting longer than 60 minutes, to Board Meetings or to authorized outside organizations.

#### **1614 Discussion at Board Meetings**

The President of the Board may limit discussion to the matter before the Board and may limit the time of citizens appearing so that all who wish to be heard may speak. The Board may vote to limit discussion.

#### **1720 Annexation**

Emerald People's Utility District has welcomed additional customers through annexation or joint utility agreements since formation of the District. The Directors support customer choice and feel that public power will continue to offer the best service at the lowest possible cost. Annexations that are in keeping with the goals and mission statement of Emerald will be welcomed. Directors will consider petitions and will work with the communities and customers wishing to be served by Emerald. Also, the District views it as possible to pursue an annexation at its own judgment, when that annexation serves the best interests of the District and the customers to be annexed. The District will follow annexation procedures in accordance with Board policy and ORS 261 People's Utility Districts.

#### **1730 Board Duties, Authority and Responsibilities: Capital Outlay**

The Board shall approve all expenditures for capital outlay, through the budget process.

**1740 Board Duties, Authority and Responsibilities: Appraisal and Evaluation of Operation Quality**

The Board shall be responsible for appraisal, thorough examination and study, to determine the effectiveness of the operation of the District and the quality of the utility program in terms of the stated objectives.

**1750 Board Duties, Authority and Responsibilities: Personnel**

1. Appointment and dismissal of the General Manager.
2. Annual evaluation of the General Manager, to occur in July of each year.
3. Determination of the rate of compensation for employees, and the annual review of salary guides.
4. Assuring that at least once a year an evaluation is performed for all personnel.
5. Approve the Personnel Policy Manual.

**1760 Board Duties, Authority and Responsibilities: Budget Making**

The Board has the responsibility to:

1. Approve the annual budget.
2. Assist in presenting the needs of the District to the public and in the adoption, through the formulated budget process, of a budget that will meet these needs.
3. Appoint at least five members with whom they shall serve jointly as the Finance Committee.
4. Develop budgetary guidelines for complete Finance Committee review.

**1770 Board Authority and Responsibilities: Finances**

The Board has the responsibility to:

1. Review and approve the expenditure of all funds and order the payment of claims by the Treasurer.
2. Review and approve the annual budget.
3. Act on recommendations of the General Manager.
4. Review financial reports.
5. Establish policies to assure proper accounting of District funds, and any other funds under District supervision.
6. Provide for an annual audit of all District funds and any other funds under District supervision.
7. Authorize the Treasurer to pay claims prior to Board approval when an emergency exists or state or federal law requires immediate payment.

**1780 Board Positions on Legislative Matters**

The Board may take positions on local, state or national legislative or administrative matters of special interest and concern to the Emerald People's Utility District (e.g., Bonneville Power Administration, Northwest Power Planning Council, etc.).

### **1790 Board Members doing Business with the District**

1. A member of the Board of Directors of the Emerald People's Utility District shall not be pecuniary interested or directly interested in any contract the expenses of which are to be paid, or the proceeds thereof, received by Emerald P.U.D. As used in this policies a "direct interest" includes a partnership interest, ownership interest in a closed corporation, ownership of five percent of the stock in a publicly held corporation, or an interest that yields an immediate return on the contract to the Board member. As used herein a "pecuniary interest" means one that yields a tangible monetary return to the director.
2. If such an interest exists, the Director shall declare the conflict of interest.

### **1793 Use of District Stationery and Logo**

1. A Director or employee of the District shall not use District stationery, except when authorized to do so by the Board or the General Manager, or when making submissions to the Board.
2. District memo pads may be used for communications between directors, or between directors and staff, but shall not be used in communications with others.
3. The logo shall not be used by any person, including directors and staff, except in connection with District business or as allowed by the Board.

## **2122 Administrative Job Descriptions**

A job description shall be prepared for each position and may be subject to periodic review by the Board.

## **2151 Administrative Regulations**

Administrative regulations, which implement and are in every way consistent with Board policy, shall be formulated at the direction of the General Manager for operation of the District.

The administration shall keep the Board informed of the content of administrative regulations, with the understanding that the Board may request review of specific administrative regulations at any time.

## **2153 Formulation of Administrative Regulations**

In the development of administrative regulations and procedures, the General Manager shall solicit and weigh the advice and recommendations of those members of the District community who will be affected by such provisions, and keep the Board informed of these activities.

The General Manager shall evolve channels for groups and committees to present reports and recommendations to the Board in the instance of major differences of opinion. It is emphasized, however, that the Board considers such a cooperative endeavor as entirely advisory.

### **3100 Budget Preparation and Adoption**

At the direction of the Board, the administration shall make continuous studies of budget needs and prepare recommendations on programs and services needed for Finance Committee consideration. The recommendations of advisory committees and interested citizens and entities within the District shall be considered in developing the budget document. The Board shall solicit such input annually during the consideration of the budget.

### **3105 District Finance Committee**

The District shall have a Finance Committee made up of the five Board members and at least five citizens. The committee shall be responsible for the review of the budget as submitted by the General Manager and the making of recommendations to the Board relating to the budget. Finance Committee members shall be appointed by the Board, serve at the pleasure of the Board and be compensated in the same manner as all standing Board advisory committees. (Complete information regarding the Finance Committee can be found in the "Citizen Advisory Committee Materials" section of this manual.)

### **3120 Budget Officer**

The General Manager shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document.

### **3160 Budget Operation and Control**

In accordance with ORS Chapter 261, expenditure authority is provided each organizational area by the budget appropriations made by the Board. Departmental expenditure authority within each organizational area is provided by subsequent administrative budget allocation. Supervisors with budget responsibility shall ensure that commitments and expenditures are not made in excess of budget expenditure authority. Use of the contingency fund appropriation shall be by Board approval only. In the event of an uncontrollable or emergency situation, the General Manager is authorized to take necessary action. Summaries of all budget changes will be taken as soon as possible to the Board for appropriate action. All obligations must be incurred either by an approved contract, purchase order, or personnel action.

### **3166 Financial Parameters**

- **Cash Management and Working Capital** – Maintain a working cash balance of approximately 14% of annual expenditures, not including capital expenditures for which we have either borrowed for, or will borrow for funding. In 2007, the cash balance would be \$5 million dollars.
- **Debt to Total Assets** – The goal for debt to total assets is 50%.
- **Debt Service Coverage Ratio** – The Bond Covenant DSC is 125%. The annual budget will target a Debt Service Coverage ratio of 130%.
- **Minimum Level of Rate Stabilization Fund and Other Appropriate Reserves** – The Rate Stabilization Fund target is \$2.5 million, is intended to include unbudgeted emergencies such as storm damage, PUC inspection corrections or other Board approved uses for reserved funds. As per Bond Covenants, any additions or withdrawals from the Rate Stabilization requires a resolution approved by the Board of Directors.
- **Public Purposes** – The District will maintain Public Purpose spending at 3% of the annual energy sales revenue.
- **Borrowing** – The District will limit new long-term borrowings to 75% of annual capital expenditures, exclusive of new power projects. All borrowings require Board of Director approval.
- **Expansion** – The District will support cost-effective growth of the service territory.
- **Rate Goal** – All rates and rate classes to be lower than our predecessors over time.

### **3210 Accounting Systems**

The Finance & Administration Manager shall develop and be responsible for systems of financial accounting and control which establish clear audit trails for all District assets, liabilities, resources and expenditures. These systems shall comply with State and Federal laws and with generally accepted municipal accounting principles and be in compliance with Federal Energy Regulatory Commission rules.

### **3270 Sales and Rental of Property**

District property no longer required for District purposes shall be sold under authority of the Purchasing Agent. Surplus property of more than \$2,500 value will be sold to the highest bidder after legal advertisement. District surplus assets with current market values in excess of \$2,500 per group of items shall be sold only with Board approval unless for the replacement of the same specific item. Administrative procedures shall govern the sale of items and the rental of District property.

### **3290 Borrowing**

The Board of Directors must authorize any borrowing.

### **3293 Collection for Breakage or Damage**

All parties responsible for loss, breakage or damage to District property shall be charged restitution in a fair and equitable manner. All funds collected shall be made available to the administrative unit sustaining such damage or loss.

### **3310 Control of Expenditures**

Only the General Manager, or her/his designee, may commit the District to financial obligations or contractual agreements. No obligation may be incurred unless it has been first authorized in the budget or by the budget change process. Any person otherwise obligating the District financially or contractually may be held personally liable for such obligation.

### **3311 Purchasing Authority**

The General Manager or her/his designee shall be the District purchasing authority and shall be responsible for obtaining the maximum quality of needed goods and services at the lowest possible quotations. This authority may be delegated to other administrative officers to meet special needs.

### **3313 Local Purchasing**

If price and quality are the same, preference shall be given to vendors within the County.

### **3321 Public Contract Regulations (03/05)**

#### **1. Public Contracts – District Policy.**

- A. **Short Title.** The provisions of this subsection and all rules adopted under this subsection may be cited as Emerald People’s Utility District’s Public Contracting Regulations.
- B. **Purpose of Public Contracting Regulations.** It is the policy of the District in adopting the Public Contracting Regulations to utilize public contracting practices and methods that maximizes the efficient use of public resources and the purchasing power of public funds by:

- (1) Promoting impartial and open competition;

- (2) Using solicitation materials that are complete and contain a clear statement of contract specifications and requirements; and
- (3) Taking full advantage of evolving procurement methods that suit the contracting needs of the District as they emerge within various industries.

C. **Interpretation of Public Contracting Rules.** In furtherance of the purpose of the objectives set forth in subsection B, it is the District's intent that Emerald People' Utility District's Public Contracting Regulations be interpreted to authorize the full use of all contracting powers and authorities described in ORS Chapters 279A, 279B and 279C.

## 2. **Application of Public Contracting Regulations.**

In accordance with ORS 279A.025, the District's public contracting regulations and the Oregon Public Contracting Code do not apply to the following classes of contracts.

- A. **Between Governments.** Contracts between the District and a public body or agency of the State of Oregon or its political subdivisions, or between the District and an agency of the federal government.
- B. **Grants.** A grant contract is an agreement under which the District is either a grantee or a grantor of moneys, property or other assistance, including loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets, for the purpose of supporting or stimulating a program or activity of the grantee and in which no substantial involvement by the grantor is anticipated in the program or activity other than involvement associated with monitoring compliance with the grant conditions. *The making or receiving of a grant is not a public contract subject to the Oregon Public Contracting Code; however, any grant made by District for the purpose of constructing a public improvement or public works project shall impose conditions on the grantee that ensure that expenditures of the grant to design or construct the public improvement or public works project are made in accordance with the Oregon Public Contracting Code and these regulations.*
- C. **Legal Witnesses and Consultants.** Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which the District is or may become interested.
- D. **Real Property.** Acquisitions or disposals of real property or interests in real property.
- E. **Oregon Corrections Enterprises.** Procurements from an Oregon corrections enterprises program.
- F. **Finance.** Contracts, agreements or other documents entered into, issued or established in connection with:
  - (1) The incurring of debt by the District, including any associated contracts, agreements or other documents, regardless of whether the obligations that the contracts, agreements or other documents establish are general, special or limited;

- (2) The making of program loans and similar extensions or advances of funds, aid or assistance by the District to a public or private Person for the purpose of carrying out, promoting or sustaining activities or programs authorized by law other than for the construction of public works or public improvements;
  - (3) The investment of funds by the District as authorized by law, or
  - (4) Banking, money management or other predominantly financial transactions of the District that, by their character, cannot practically be established under the competitive contractor selection procedures, based upon the findings of the Purchasing Manager.
- G. **Employee Benefits.** Contracts for employee benefit plans as provided in ORS 243.105(1)., 243.125 (4)., 243.221, 243.275, 243.291, 243.303 and 243.565.
  - H. **Exempt Under State Laws.** Any other public contracting specifically exempted from the Oregon Public Contracting Code by another provision of law.
  - I. **Federal Law.** Except as otherwise expressly provided in ORS 279C.800 to 279C.870, applicable federal statutes and regulations govern when federal funds are involved and the federal statutes or regulations conflict with any provision of the Oregon Public Contracting Code or these regulations, or require additional conditions in public contracts not authorized by the Oregon Public Contracting Code or these regulations.

### 3. **Public Contracts – Regulation by Local Contract Review Board.**

Except as expressly delegated under these regulations, the District reserves to itself the exercise of all of the duties and authority of a contract review board and a contracting agency under state law, including, but not limited to, the power and authority to:

- A. **Solicitation Methods Applicable to Contracts.** Approve the use of contracting methods and exemptions from contracting methods for a specific contract or certain classes of contracts;
- B. **Brand Name Specifications.** Exempt the use of brand name specifications for public improvement contracts;
- C. **Waiver of Performance and Payment Bonds.** Approve the partial or complete waiver of the requirement for the delivery of a performance or payment bond for construction of a public improvement, other than in cases of emergencies;
- D. **Electronic Advertisement of Public Improvement Contracts.** Authorize the use of electronic advertisements for public improvement contracts in lieu of publication in a newspaper of general circulation;
- E. **Appeals of Debarment and Prequalification Decisions.** Hear properly filed appeals of the purchasing agent's determination of debarment, or concerning prequalification;
- F. **Rulemaking.** Adopt rules under ORS 279A.065 and ORS 279.070 including, without limitation, rules for procurement, management, disposal and control of goods, services and public improvements;

G. **Award.** Award all contracts that exceed the authority of the Purchasing Agent.

**4. Public Contracts – Model Rules.**

The Model Rules adopted by the Attorney General under ORS 279A.065 (Model Rules) are hereby adopted as the public contracting rules for the District, to the extent that the Model Rules do not conflict with the provisions of this subsection including any amendments to this subsection, and further provide that, despite the provisions of the Model Rules concerning the selection of architects, engineers, land surveyors and related consultants, the District's evaluation of architects, engineers, land surveyors and related consultants may include price as a dominant criterion for selection.

**5. Public Contracts – Authority of General Manager.**

A. **General Authority.** The General Manager shall have purchasing authority for the District and is hereby authorized to award all District contracts for which there is an appropriation. Subject to the provisions of this subsection, the General Manager may adopt and amend all rules, regulations, procedures and forms required or permitted to be adopted by contracting agencies under the Oregon Public Contracting Code or otherwise convenient for the District's contracting needs. Without limiting the generality of the foregoing, the General Manager shall adopt public contracting rules for the award of personal services contracts and shall hear all solicitation and award protests.

B. **Standards for Contracting Rules.** When adopting public contracting rules, the General Manager shall establish practices and procedures that:

(1) Do not encourage favoritism or substantially diminish competition;

(2) Allow the District to take advantage of the cost-saving benefits of alternative contracting methods and practices;

(3) Give preference to goods and services that have been manufactured or produced in Lane County and the State of Oregon if price, fitness, availability and quality are otherwise equal; and

(4) Give preference to goods that are certified to be made from recycled products when such goods are available, can be substituted for non-recycled products without a loss in quality, and the cost of goods made from recycled products is not significantly more than the cost of goods made from non-recycled products.

C. **Delegation of General Manager's Authority.** Any of the responsibilities or authorities of the General manager under this subsection may be delegated to the Purchasing Agent and or sub-delegated by administrative order.

D. **Mandatory Review of Rules.** Whenever the Oregon State Legislative Assembly enacts laws that cause the attorney general to modify its Model Rules, the General manager shall review the District's Public Contracting Regulations and recommend to the Local Contract Review Board or adopt any modifications required to ensure compliance with statutory changes.

**6. Public Contracts – Definitions.** The following terms used in these regulations shall have the meanings set forth below.

**Award** means the selection of a person to provide goods, services or public improvements under a public contract. The award of a contract is not binding on the District until the contract is executed and delivered by District.

**Bid** means a binding, sealed, written offer to provide goods, services or public improvements for a specified price or prices.

**Contract price** means the total amount paid or to be paid under a contract, including any approved alternates, and any fully executed change orders or amendments.

**Contract review board or local contract review board** means the District's Local Contract Review Board.

**Cooperative procurement** means procurement conducted by or on behalf of one or more contracting agencies.

**Debarment** means a declaration by the General manager or District under ORS 279B.130 or ORS 279C.440 that prohibits a potential contractor from competing for the District's public contracts for a prescribed period of time.

**Disposal** means any arrangement for the transfer of property by the District under which the District relinquishes ownership.

**Emergency** means circumstances that create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety; and require prompt execution of a contract to remedy the condition.

**Findings** are the statements of fact that provide justification for a determination. Findings may include, but are not limited to, information regarding operation, budget and financial data; public benefits; cost savings; competition in public contracts; quality and aesthetic considerations, value engineering; specialized expertise needed; public safety; market conditions; technical complexity; availability, performance and funding sources.

**Goods** mean any item or combination of supplies, equipment, materials or other personal property, including any tangible, intangible and intellectual property and rights and licenses in relation thereto.

**Informal solicitation** means a solicitation made in accordance with the District's Public Contracting Regulations to a limited number of potential contractors, in which the Purchasing Agent attempts to obtain at least three written quotes or proposals.

**Invitation to bid** means a publicly advertised request for competitive sealed bids.

**Model Rules** means the public contracting rules adopted by the Attorney General under ORS 279A.065.

**Offeror** means a person who submits a bid, quote or proposal to enter into a public contract with the District.

**Oregon Public Contracting Code** means ORS chapters 279A, 279B and 279C.

**Person** means a natural person or any other private or governmental entity, having the legal capacity to enter into a binding contract.

**Proposal** means a binding offer to provide goods, services or public improvements with the understanding that acceptance will depend on the evaluation of factors other than, or in addition to, price. A Proposal may be made in response to a request for proposals or under an informal solicitation.

**Personal services contract** means a contract with an independent contractor predominantly for services that require special training or certification, skill, technical, creative, professional or communication skills or talents, unique and specialized knowledge, or the exercise of judgment skills, and for which the quality of the service depends on attributes that are unique to the service provider. Such services include, but are not limited to, the services of architects, engineers, land surveyors, attorneys, auditors and other licensed professionals, artists, designers, computer programmers, performers, consultants and property managers. The General Manager or the Local Contract Review Board shall have discretion to determine whether additional types of services not specifically mentioned in this paragraph fit within the definition of personal services.

**Public contract** means a sale or other disposal, or a purchase, lease, rental or other acquisition, by the District of personal property, services, including personal services, public improvements, public works, minor alterations, or ordinary repair or maintenance necessary to preserve a public improvement.

**Public improvement** means a project for construction, reconstruction or major renovation on real property by or for the District. "Public improvement" does not include:

- (1) Projects for which no funds of the District are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection; or
- (2) Emergency work, minor alteration, ordinary repair or maintenance necessary to preserve a public improvement.

**General Manager** means the District's General Manager or designee appointed by the General Manager to exercise the authority of the General Manager under these public contracting regulations.

**Qualified pool** means a pool of vendors who are pre-qualified to compete for the award of contracts for certain types of contracts or to provide certain types of services.

**Quote** means a price offer made in response to an informal or qualified pool solicitation to provide goods, services or public improvements.

**Request for proposals** means a publicly advertised request for sealed competitive proposals.

**Services** means and includes all types of services (including construction labor) other than personal services.

**Solicitation** means an invitation to one or more potential contractors to submit a bid, proposal, quote, statement of qualifications or letter of interest to the District with respect to a proposed project, procurement or other contracting opportunity. The word “solicitation” also refers to the process by which the District requests, receives and evaluates potential contractors and awards public contracts.

**Purchasing Agent** means with respect to a particular solicitation, the Purchasing Agent or person designated by the General Manager to conduct solicitation and make award.

**Solicitation documents** means all informational materials issued by the District for a solicitation, including, but not limited to advertisements, instructions, submission requirements and schedules, award criteria, contract terms and specifications, and all laws, regulations and documents incorporated by reference.

**Standards of responsibility** mean the qualifications of eligibility for award of a public contract. An offeror meets the standards of responsibility if the offeror has:

- (1) Available the appropriate financial, material, equipment, facility and personnel resources and expertise, or ability to obtain the resources and expertise, necessary to indicate the capability of the offeror to meet all contractual responsibilities;
- (2) A satisfactory record of performance. The Purchasing Agent shall document the record of performance of an offeror if the Purchasing Agent finds the offeror to be not responsible under this paragraph;
- (3) A satisfactory record of integrity. The Purchasing Agent shall document the record of integrity of an offeror if the Purchasing Agent finds the offeror to be not responsible under this paragraph;
- (4) Qualified legally to contract with the District;
- (5) Supplied all necessary information in connection with inquiry concerning responsibility. If the offeror fails to promptly supply information requested by the Purchasing Agent concerning responsibility, the Purchasing Agent shall base the determination of responsibility upon any available information or may find the offeror non-responsible; and
- (6) Not been debarred by the District, and, in case of public improvement contracts, has not been listed by the Construction Contractors Board as a contractor who is not qualified to hold a public improvement contract.

**Surplus property** means personal property owned by the District that is no longer needed for use by the department to which such property has been assigned.

## **7. Public Contracts - Process for Approval of Special Solicitation Methods and Exemptions.**

- A. **Authority of Local Contract Review Board.** In its capacity as contract review board for the District, the Local Contract Review Board, upon its own initiative, or upon request of the General Manager, may create special selection, evaluation and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts as provided in this section 7.

**B. Basis for Approval.** The approval of a special solicitation method or exemption from competition must be based upon a record before the Local Contract Review Board that contains the following:

- (1) The nature of the contract or class of contracts for which the special solicitation or exemption is requested;
- (2) The estimated contract price or cost of the project, if relevant;
- (3) Findings to support the substantial cost savings, enhancement in quality or performance or other public benefit anticipated by the proposed selection method or exemption from competitive solicitation;
- (4) Findings to support the reason that approval of the request would be unlikely to encourage favoritism or diminish competition for the public contract or class of public contracts, or would otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with the solicitation requirements that would otherwise be applicable under these regulations;
- (5) A description of the proposed alternative contracting methods to be employed; and
- (6) The estimated date by which it would be necessary to let the contract(s).

In making a determination regarding a special selection method, the Local Contract Review Board may consider the type, cost, amount of the contract or class of contracts, number of persons available to make offers, and such other factors as it may deem appropriate.

**C. Hearing.**

- (1) The District shall approve the special solicitation or exemption after a public hearing before the Local Contract Review Board following notice by publication in at least one newspaper of general circulation in the District area.
- (2) At the public hearing, the District shall offer an opportunity for any interested party to appear and present comment.
- (3) The Local Contract Review Board will consider the findings and may approve the exemption as proposed or as modified by the Local Contract Review Board after providing an opportunity for public comment.

**D. Special Requirements for Public Improvement Contracts.**

- (1) Notification of the public hearing for exemption of a public improvement contract, or class of public improvement contracts, shall be published in a trade newspaper of general statewide circulation at least 14 days prior to the hearing.
- (2) The notice shall state that the public hearing is for the purpose of taking comments on the District's draft findings for an exemption from the standard solicitation method. At the time of the notice, copies of the draft findings shall be made available to the public.

- E. **Commencement of Solicitation Prior to Approval.** A solicitation may be issued prior to the approval of a special exemption under this section 7, provided that the closing of the solicitation may not be earlier than five days after the date of the hearing at which the Local Contract Review Board approves the exemption. If the Local Contract Review Board fails to approve a requested exemption, or requires the use of a solicitation procedure other than the procedures described in the issued solicitation documents, the issued solicitation may either be modified by addendum, or cancelled.

**8. Public Contracts – Solicitation Methods for Classes of Contracts.**

The following classes of public contracts and the method(s) that are approved for the award of each of the classes are hereby established by the Local Contract Review Board.

- A. **Purchases from Nonprofit Agencies for Disabled Individuals.** The District shall give a preference to goods, services and public improvements available from qualified nonprofit agencies for disabled individuals in accordance with the provisions of ORS 279.835 through 279.850.
- B. **Public Improvement Contracts.**
- (1) **Any Public Improvement.** Unless otherwise provided in these regulations or approved for a special exemption, public improvement contracts in any amount may be issued only under an invitation to bid.
  - (2) **Non-Transportation Public Improvements Up to \$100,000.** Public improvement contracts other than contracts for a highway, bridge or other transportation project for which the estimated contract price does not exceed \$100,000 may be awarded using an informal solicitation for quotes.
- C. **Personal Services Contracts.** Except as otherwise provided in these regulations, personal service contracts may be awarded in the same manner as contracts for services under ORS 279B.050, and 279B.060 to 279B.085.
- (1) **Any Personal Services Contract.** Personal services contracts in any amount may be awarded under a publicly advertised request for competitive sealed proposals.
  - (2) **Personal Service Contracts Not Exceeding \$150,000.** Contracts for personal services for which the estimated contract price does not exceed \$150,000 may be awarded using an informal solicitation for proposals.
  - (3) **Award from Qualified Pool \$75,000.** Contracts for personal services for which the estimated contract price does not exceed \$75,000 may be awarded by direct appointment without competition from a Qualified Pool.
  - (4) **Personal Service Contracts Not Exceeding \$20,000 Per Year.** Contracts for which the General manager estimates that payments will not exceed \$20,000 in any fiscal year or \$150,000 over the full term, including optional renewals, may be awarded

under any method deemed in the District's best interest by the General Manager, including by direct appointment.

(5) **Personal Service Contracts for Continuation of Work.** Contracts of not more than \$150,000 for the continuation of work by a contractor who performed preliminary studies, analysis or planning for the work under a prior contract may be awarded without competition if the prior contract was awarded under a competitive process and the General Manager determines that use of the original contractor will significantly reduce the costs of, or risks associated with, the work.

D. **Hybrid Contracts.**<sup>1</sup> The following classes of contracts include elements of construction of public improvements as well as personal services and may be awarded under a request for proposals, unless exempt from competitive solicitation.

(1) **Design/Build and CM/GC Contracts.** Contracts for the construction of public improvements using a design/build or construction manager/general contractor construction method shall be awarded under a request for proposals. The determination to construct a project using a design/build or construction manager/general contractor construction method must be approved by the General manager or Local Contract Review Board or designee, upon application of the Purchasing Agent, in which the Purchasing Agent submits facts that support a finding that the construction of the improvement under the proposed method is likely to result in cost savings, higher quality, reduced errors, or other benefits to the District.

(2) **Energy Savings Performance Contracts.** Unless the contract qualifies for award under another classification in this section 8, contractors for energy savings performance contracts shall be selected under a request for proposals in accordance with the District's Public Contracting Regulations.

E. **Contracts for Goods and Services.**

(1) **Any Procurement.** The procurement of goods or services, or goods and services in any amount may be made under either an invitation to bid or a request for proposals.

(2) **Procurements Up to \$150,000.** The procurement of goods or services, or goods and services, for which the estimated contract price does not exceed \$150,000 may be made under an informal solicitation for either quotes or proposals.

F. **Contracts Subject to Award at Purchasing Agent's Discretion.** The following classes of contracts may be awarded in any manner, which the Purchasing Agent deems appropriate to the District's needs, including by direct appointment or purchase. Except where otherwise provided the Purchasing Agent shall make a record of the method of award.

(1) **Advertising.** Contracts for the placing of notice or advertisements in any medium.

(2) **Amendments.** Contract amendments shall not be considered to be separate contracts if made in accordance with the Public Contracting Regulations.

- (3) **Contracts Up to \$5,000.** Contracts of any type for which the contract price does not exceed \$5,000 without a record of the method of award.
- (4) **Copyrighted Materials; Library Materials.** Contracts for the acquisition of materials entitled to copyright, including, but not limited to works of art and design, literature and music, or materials even if not entitled to copyright, purchased for use as library lending materials.
- (5) **Equipment Repair.** Contracts for equipment repair or overhauling provided the service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing.
- (6) **Government Regulated Items.** Contracts for the purchase of items for which prices or selection of suppliers are regulated by a governmental authority.
- (7) **Insurance.** Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and 414.145.
- (8) **Non-Owned Property.** Contracts or arrangements for the sale or other disposal of abandoned property or other personal property not owned by the District.
- (9) **Sole Source Contracts.** Contracts for goods or services, which are available from a single source, may be awarded without competition.
- (10) **Specialty Goods for Resale.** Contracts for the purchase of specialty goods by District for resale to consumers.
- (11) **Sponsor Agreements.** Sponsorship agreements, under which the District receives a gift or donation in exchange for recognition of the donor.
- (12) **Structures.** Contracts for the disposal of structures located on District-owned property.
- (13) **Renewals.** Contracts that are being renewed in accordance with their terms are not considered to be newly issued Contracts and are not subject to competitive procurement procedures.
- (14) **Temporary Extensions or Renewals.** Contracts for a single period of one year or less, for the temporary extension or renewal of an expiring and non-renewable, or recently expired, contract, other than a contract for public improvements.
- (15) **Temporary Use of District-Owned Property.** The District may negotiate and enter into a license, permit or other contract for the temporary use of District owned property without using a competitive selection process if:
  - (a) The contract results from an unsolicited proposal to the District based on the unique attributes of the property or the unique needs of the proposer;
  - (b) The proposed use of the property is consistent with the District's use of the property and the public interest; and

(c) The District reserves the right to terminate the contract without penalty, in the event that the District determines that the contract is no longer consistent with the District's present or planned use of the property or the public interest.

(17) **Used Property.** The Purchasing Agent, for procurements up to \$20,000, and the General Manager, for procurements in excess of \$20,000 may contract for the purchase of used property by negotiation if such property is suitable for the District's needs and can be purchased for a lower cost than substantially similarly new property. For this purpose the cost of used property shall be based upon the life-cycle cost of the property over the period for which the District will use the property. The General Manager shall record the findings that support the purchase.

(18) **Utilities.** Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.

#### G. **Contracts Required by Emergency Circumstances.**

(1) **In General.** When an official with authority to enter into a contract on behalf of the District determines that immediate execution of a contract within the official's authority is necessary to prevent substantial damage or injury to persons or property, the official may execute the contract without competitive selection and award or Local Contract Review Board approval, but, where time permits, the official shall attempt to use competitive price and quality evaluation before selecting an emergency contractor.

(2) **Reporting.** An official who enters into an emergency contract shall, as soon as possible, in light of the emergency circumstances, (1) document the nature of the emergency; the method used for selection of the particular contractor and the reason why the selection method was deemed in the best interest of the District and the public, and (2) notify the Local Contract Review Board of the facts and circumstances surrounding the emergency execution of the contract.

(3) **Emergency Public Improvement Contracts.** A public improvement contract may only be awarded under emergency circumstances if the General Manager or the Local Contract Review Board has made a written declaration of emergency. Any Public Improvement Contract award under emergency conditions must be awarded within 60 Days following the declaration of an emergency unless the Local Contract Review Board grants an extension of the emergency period. Where the time delay needed to obtain a payment or performance bond for the contract could result in injury or substantial property damage, the General Manager or the Local Contract Review Board may waive the requirement for all or a portion of required performance and payment bonds.

#### H. **Federal Purchasing Programs.** Goods and services may be purchased without competitive procedures under a local government purchasing program administered by the United States General Services Administration ("GSA") as provided in this subsection.

(1) The procurement must be made in accordance with procedures established by GSA for procurements by local governments, and under purchase orders or contracts submitted to and approved by the General Manager or the Local Contract Review Board. The Purchasing Agent shall provide the General Manager with a copy of the letter, memorandum or other documentation from GSA establishing permission to the District to purchase under the federal program.

- (2) The price of the goods or services must be established under price agreements between the federally approved vendor and GSA.
  - (3) The price of the goods or services must be less than the price at which such goods or services are available under state or local cooperative purchasing programs that are available to the District.
  - (4) If a single purchase of goods or services exceeds \$150,000, the Purchasing Agent must obtain informal written quotes or proposals from at least two additional vendors (if reasonably available) and find, in writing, that the goods or services offered by GSA represent the best value for the District. This paragraph does not apply to the purchase of equipment manufactured or sold solely for military or law enforcement purposes.
- I. **Cooperative Procurement Contracts.** Cooperative procurements may be made without competitive solicitation as provided in the Oregon Public Contracting Code.
- J. **Surplus Property.**
- (1) **General Methods.** Surplus property may be disposed of by any of the following methods upon a determination by the Purchasing Agent that the method of disposal is in the best interest of the District. Factors that may be considered by the Purchasing Agent include costs of sale, administrative costs, and public benefits to the District. The Purchasing Agent shall maintain a record of the reason for the disposal method selected, and the manner of disposal, including the name of the person to whom the surplus property was transferred.
    - (a) **Governments.** Without competition, by transfer or sale to another District department or public agency.
    - (b) **Auction.** By publicly advertised auction to the highest bidder.
    - (c) **Bids.** By public advertised invitation to bid.
    - (d) **Liquidation Sale.** By liquidation sale using a commercially recognized third-party liquidator selected in accordance with rules for the award of personal services contracts.
    - (e) **Fixed Price Sale.** The Purchasing Agent may establish a selling price based upon an independent appraisal or published schedule of values generally accepted by the insurance industry, schedule and advertise a sale date, and sell to the first buyer meeting the sales terms.
    - (f) **Trade-In.** By trade-in, in conjunction with acquisition of other price-based items under a competitive solicitation. The solicitation shall require the offer to state the total value assigned to the surplus property to be traded.
    - (g) **Donation.** By donation to any organization operating within or providing a service to residents of the District which is recognized by the Internal Revenue

Service as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

- (2) **Disposal of Property with Minimal Value.** Surplus property which has a value of less than \$1,000, or for which the costs of sale are likely to exceed sale proceeds may be disposed of by any means determined to be cost-effective, including by disposal as waste. The official making the disposal shall make a record of the value of the item and the manner of disposal.
- (3) **Personal-Use Items.** An item (or indivisible set) of specialized and personal use, with a current value of less than \$100 may be sold to the employee or retired or terminated employee for whose use it was purchased. These items may be sold for fair market value without bid and by a process deemed most efficient by the General Manager or the Local Contract Review Board.
- (4) **Restriction on Sale to District Employees.** District employees shall not be restricted from competing, as members of the public, for the purchase of publicly sold surplus property, but shall not be permitted to offer to purchase property to be sold to the first qualifying bidder until at least three days after the first date on which notice of the sale is first publicly advertised.
- (5) **Conveyance to Purchaser.** Upon the consummation of a sale of surplus personal property, the District shall make, execute and deliver, a bill of sale signed on behalf of the District, conveying the property in question to the purchaser and delivering possession, or the right to take possession, of the property to the purchaser.

**9. Public Contracts - Informal Solicitation Procedures.** The District may use the following procedure for informal solicitations in lieu of the procedures set forth in the Model Rules.

**A. Informally Solicited Quotes and Proposals.**

- (1) **Solicitation of Offers.** When authorized by these regulations, an informal solicitation may be made by general or limited advertisement to a certain group of vendors, by direct inquiry to persons selected by the Purchasing Agent, or in any other manner which the Purchasing Agent deems suitable for obtaining competitive quotes or proposals. The Purchasing Agent shall deliver or otherwise make available to potential offerors, a written scope of work, a description of how quotes or proposals are to be submitted and description of the criteria for award.
- (2) **Award.** The Purchasing Agent shall attempt to obtain a minimum of three written quotes or proposals before making an award. If the award is made solely on the basis of price, the Purchasing Agent shall award the contract to the responsible offeror that submits the lowest responsive quote. If the award is based on criteria other than, or in addition to, price, the Purchasing Agent shall award the contract to the responsible offeror that will best serve the interest of the District, based on the criteria for award.

- (3) **Records.** A written record of all persons solicited and offers received shall be maintained. If three offers cannot be obtained, a lesser number will suffice, provided that a written record is made of the effort to obtain the quotes.

**B. Qualified Pools.**

- (1) **General.** To create a qualified pool, the General Manager or the Local Contract Review Board may invite prospective contractors to submit their qualifications to the District for inclusion as participants in a pool of contractors qualified to provide certain types of goods, services, or projects including personal services, and public improvements.
- (2) **Advertisement.** The invitation to participate in a qualified pool shall be advertised in the manner provided for advertisements of invitations to bid and requests for proposals by publication in at least one newspaper of general statewide circulation. If qualification will be for a term that exceeds one year or allows open entry on a continuous basis, the invitation to participate in the pool must be re-published at least once per year and shall be posted at the District's main office and on its website.
- (3) **Contents of Solicitation.** Requests for participation in a qualified pool shall describe the scope of goods or services or projects for which the pool will be maintained, and the minimum qualifications for participation in the pool, which may include, but shall not be limited to qualifications related to financial stability, contracts with manufacturers or distributors, certification as an emerging small business, insurance, licensure, education, training, experience and demonstrated skills of key personnel, access to equipment, and other relevant qualifications that are important to the contracting needs of the District.
- (4) **Contract.** The operation of each qualified pool may be governed by the provisions of a pool contract to which the District and all pool participants are parties. The Contract shall contain all terms required by the District, including, without limitation, terms related to price, performance, business registration or licensure, continuing education, insurance, and requirements for the submission, on an annual or other periodic basis, of evidence of continuing qualification. The qualified pool contract shall describe the selection procedures that the District may use to issue contract job orders. The selection procedures shall be objective and open to all pool participants and afford all participants the opportunity to compete for or receive job awards. Unless expressly provided in the contract, participation in a qualified pool will not entitle a participant to the award of any District contract.
- (5) **Use of Qualified Pools.** Subject to the provisions of these regulations concerning methods of solicitation for classes of contracts, the Purchasing Agent or the Local Contract Review Board shall award all contracts for goods or services of the type for which a qualified pool is created from among the pool's participants, unless the Purchasing Agent or the Local Contract Review Board determines that best interests of the District require solicitation by public advertisement, in which case, pool participants shall be notified of the solicitation and invited to submit competitive proposals.
- (6) **Amendment and Termination.** The General Manager or Purchasing Agent may discontinue a qualified pool at any time, or may change the requirements for eligibility

as a participant in the pool at any time, by giving notice to all participants in the qualified pool.

- (7) **Protest of Failure to Qualify.** The General Manager shall notify any applicant who fails to qualify for participation in a pool that it may appeal a qualified pool decision to the Local Contract Review Board in the manner described in section 13.

**10. Public Contracts - Use of Brand Name Specifications for Public Improvements.**

- A. **In General.** Specifications for contracts shall not expressly or implicitly require any product by one brand name or mark, nor the product of one particular manufacturer or seller, except for the following reasons:
- (1) It is unlikely that such exemption will encourage favoritism in the awarding of Public improvement Contracts or substantially diminish competition for Public improvement Contracts; or
  - (2) The specification of a product by brand name or mark, or the product of a particular manufacturer or seller, would result in substantial cost savings to the District; or
  - (3) There is only one manufacturer or seller of the product of the quality required; or
  - (4) Efficient utilization of existing equipment, systems or supplies requires the acquisition of compatible equipment or supplies.
- B. **Authority of General Manager.** The General Manager or the Local Contract Review Board shall have authority to determine whether an exemption for the use of a specific brand name specification should be granted by recording findings that support the exemption based on the provisions of subsection A.
- C. **Brand Name or Equivalent.** Nothing in this section 10 prohibits the District from using a “brand name or equivalent” specification, from specifying one or more comparable products as examples of the quality, performance, functionality or other characteristics of the product needed by the District, or from establishing a qualified product list.

**11. Public Contracts - Bid, Performance and Payment Bonds.**

- A. **Purchasing Agent May Require Bonds.** The Purchasing Agent may require bid security and a good and sufficient performance and payment bond even though the contract is of a class that is exempt from the requirement.
- B. **Bid Security.** Except as otherwise exempted, the solicitations for all contracts that include the construction of a public improvement and for which the estimated contract price will exceed \$75,000 shall require bid security. Bid security for a request for proposal may be based on the District's estimated contract price.
- C. **Performance Bonds.**

- (1) **General.** Except as provided in these regulations, all public contracts are exempt from the requirement for the furnishing of a performance bond.
- (2) **Contracts Involving Public Improvements.** Prior to executing a contract for more than \$50,000 that includes the construction of a public improvement, the contractor must deliver a performance bond in an amount equal to the full contract price conditioned on the faithful performance of the contract in accordance with the plans, specifications and conditions of the contract. The performance bond must be solely for the protection of the District and any public agency that is providing funding for the project for which the contract was awarded.
- (3) **Cash-in-Lieu.** The General Manager may permit the successful offeror to submit a cashier's check or certified check in lieu of all or a portion of the required performance bond.

**D. Payment Bonds.**

- (1) **General.** Except as provided in these regulations, all public contracts are exempt from the requirement for the furnishing of a payment bond.
- (2) **Contracts Involving Public Improvements.** Prior to executing a contract for more than \$50,000 that includes the construction of a public improvement, the contractor must deliver a payment bond equal to the full contract price, solely for the protection of claimants under ORS 279C.600.

**E. Design/Build Contracts.** If the public improvement contract is with a single person to provide both design and construction of a public improvement, the obligation of the performance bond for the faithful performance of the contract must also be for the preparation and completion of the design and related services covered under the contract. Notwithstanding when a cause of action, claim or demand accrues or arises, the surety is not liable after final completion of the contract, or longer if provided for in the contract, for damages of any nature, economic or otherwise and including corrective work, attributable to the design aspect of a design-build project, or for the costs of design revisions needed to implement corrective work.

**F. Construction Manager/General Contractor Contracts.** If the public improvement contract is with a single person to provide construction manager and general contractor services, in which a guaranteed maximum price may be established by an amendment authorizing construction period services following pre-construction period services, the contractor shall provide the bonds required by subsection A. of this section upon execution of an amendment establishing the guaranteed maximum price. The District shall also require the contractor to provide bonds equal to the value of construction services authorized by any early work amendment in advance of the guaranteed maximum price amendment. Such bonds must be provided before construction starts.

**G. Surety; Obligation.** Each performance bond and each payment bond must be executed solely by a surety company or companies holding a certificate of authority to transact surety business in Oregon. The bonds may not constitute the surety obligation of an individual or individuals. The performance and payment bonds must be payable to the District or to the

public agency or agencies for whose benefit the bond is issued, as specified in the solicitation documents, and shall be in a form approved by the Purchasing Manager.

- H. **Emergencies.** In cases of emergency, or when the interest or property of the District probably would suffer material injury by delay or other cause, the requirement of furnishing a good and sufficient performance bond and a good and sufficient payment bond for the faithful performance of any public improvement contract may be excused, if a declaration of such emergency is made in accordance with the provisions of section 8.G, unless the Local Contract Review Board requires otherwise.

**12. Public Contracts - Electronic Advertisement of Public Improvement Contracts.** In lieu of publication in a newspaper of general circulation in the District metropolitan area, the advertisement for an invitation to bid or request for proposals for a contract involving a public improvement may be published electronically by posting on the District's website, provided that the following conditions are met:

- A. The placement of the advertisement is on a location within the website that is maintained on a regular basis for the posting of information concerning solicitations for projects of the type for which the invitation to bid or request for proposals is issued; and
- B. The Purchasing Agent determines that the use of electronic publication will be at least as effective in encouraging meaningful competition as publication in a newspaper of general circulation in the District metropolitan area and will provide costs savings for the District, or that the use of electronic publication will be more effective than publication in a newspaper of general circulation in the District metropolitan area in encouraging meaningful competition.

**13. Appeal of Debarment or Prequalification Decision.**

- A. **Right to Hearing.** Any person who has been debarred from competing for District contracts or for whom prequalification has been denied, revoked or revised may appeal the District's decision to the Local Contract Review Board as provided in this section 13.
- B. **Filing of Appeal.** The person must file a written notice of appeal with the District's General Manager within three business days after the prospective contractor's receipt of notice of the determination of debarment, or denial of prequalification.
- C. **Notification of Local Contract Review Board.** Immediately upon receipt of such notice of appeal, the General Manager shall notify the Local Contract Review Board of the appeal.
- D. **Hearing.** The procedure for appeal from a debarment or denial, revocation or revision of pre-qualification shall be as follows:
- (1) Promptly upon receipt of notice of appeal, the District shall notify the appellant of the time and place of the hearing;
  - (2) The Local Contract Review Board shall conduct the hearing and decide the appeal within 30 days after receiving notice of the appeal from the General Manager; and
  - (3) At the hearing, the Local Contract Review Board shall consider de novo the notice of debarment, or the notice of denial, revocation or revision of pre-qualification, the

standards of responsibility upon which the decision on pre-qualification was based, or the reasons listed for debarment, and any evidence provided by the parties.

- E. **Decision.** The Local Contract Review Board shall set forth in writing the reasons for the decision.
- F. **Costs.** The Local Contract Review Board may allocate the Local Contract Review Board's costs for the hearing between the appellant and the District. The allocation shall be based upon facts found by the Local Contract Review Board and stated in the Local Contract Review Board's decision that, in the Local Contract Review Board's opinion, warrant such allocation of costs. If the Local Contract Review Board does not allocate costs, the costs shall be paid as by the appellant, if the decision is upheld, or by the District, if the decision is overturned.
- G. **Judicial Review.** The decision of the Local Contract Review Board may be reviewed only upon a petition in the circuit court of Lane County filed within 15 days after the date of the Local Contract Review Board's decision.

### **3325 District Vehicle Purchase**

When acquiring vehicles for the District, the following criteria will apply:

1. The vehicle is efficient and effective for the work it will be doing.
2. Preference will be given to U.S. manufactured vehicles, when possible.
3. It is designed to maximize net energy conservation values; it will be as small as possible to do the job.
4. It is more fuel-efficient than other possible vehicle choices.
5. It is modest in appointments and simple in design for low-cost maintenance and upkeep.

### **3410 Personnel Services**

The Personnel Officer shall be authorized to commit the District on such items as personnel transactions, voluntary and non-voluntary payroll deductions, and in those personnel matters requiring immediate resolution.

### **3412 Payroll Withholdings and Voluntary Deductions**

Such payroll deductions as are required by State and Federal laws or collective bargaining units shall be made against the employee's paycheck. District-approved voluntary deductions must be authorized in writing by the employee.

### **3415 Group Insurance**

Insurance shall be acquired from the lowest cost source. In order to assure this result, the Board may employ special consultants and designate agents for the purchase of adequate insurance coverage.

On at least a three-year basis, all insurance policies shall be reviewed and put out for bid.

### **3416 Workers' Compensation**

Any employee who is injured while on duty may receive compensation and expenses as prescribed by the Workers' Compensation Law. Compensation received for time off that has also been paid by the District as sick leave shall be returned to the District under appropriate administrative procedures.

### **3425 Educational Reimbursement**

The District shall reimburse tuition and costs of instructional material to any employee required by the District to attend a regular course of instruction. An employee who voluntarily attends courses which are directly related to the business of the District may receive tuition from the District if the employee has successfully completed the course of instruction and, prior to the employee attending said course of instruction, the District agreed, in writing, to pay tuition costs. The appointing authority shall determine if the course of instruction is directly related to the business of the District. All instructional materials which may be utilized by other employees shall be returned to the District at the time of reimbursement.

### **3431 Financial Report**

The General Manager shall provide the Board with a financial report showing revenues and expenditures in each major budget area and summarizing significant financial conditions or occurrences. This report shall be issued monthly.

### **3434 Annual Audit**

An annual audit of District financial records shall be conducted, and all the findings of the annual audit shall be reported to the Board.

### **3435 Appointment of Auditor**

An independent auditor shall be appointed by the Board according to State law.

### **3532 Insurance**

Adequate insurance coverage shall be maintained for: 1) fire and extended coverage on all facilities owned or occupied by the District; 2) comprehensive liability; 3) money and securities, including bonds on individual employees; 4) Board insurance, including errors and omissions policy; and 5) other coverage as deemed prudent. This matter is the responsibility of the General Manager.

### **3601 Archives and Records Management**

An archives and records management program shall be established in compliance with State law and shall be the responsibility of the Finance and Administrative Manager. (Refer to Policy #1244 for District policy regarding the permanent records of the Board of Directors.)

### **3610 Fees for Services**

District services may be offered at a fair and reasonable cost to individuals and organizations, in compliance with administrative procedures. The operational program shall have priority with regard to services provided. Fees shall be determined by the administrative unit providing the service in compliance with administrative procedures. All revenues derived shall be distributed to the administrative units bearing the cost of operating the facility.

### **3630 Inventory**

The inventory of capital equipment within each department/organizational unit shall be the responsibility of the administrator with budget responsibility. Central record sources shall be maintained for record and valuation purposes.

### **3660 Use of Facsimile Signature**

1. The Treasurer is authorized to sign checks, warrants or other instruments by facsimile signature affixed by rubber stamp or by any mechanical equipment or device the Treasurer finds necessary and convenient to utilize.
2. This authorization in no way changes the Board's established process for prior approval of claims or ratification of expenses paid prior to approval.
3. The Treasurer may authorize the General Manager and her/his designee to affix the Treasurer's signature on any check, warrant or other instrument by a written authorization or telephone approval. A clear record shall be kept of all telephone approvals.

### **3670 Designation of Registered Agent**

The Board designates the General Manager as the Registered Agent as required by ORS 198.340.

### **3680 Adoption of Federal Energy Regulatory Commission System of Accounts**

The Board hereby adopts the Federal Energy Regulatory Commission (FERC) Uniform System of Accounts and requires that accounting for receipts and disbursements be accomplished in accordance with said system of accounts.

### **3700 Customer Service Policies & Procedures**

The Customer Service Policies & Procedures, adopted by the Board of Directors and contained within the Administrative Procedures, apply to any person, firm, corporation or legal entity supplied with such utility service by the Emerald People's Utility District in accordance with the responsibility and authority set forth by the Oregon Law for People's Utility Districts.

It shall be the policy of the Emerald People's Utility District Board that the utility needs of the customer will be reliably met without discrimination and in accordance with sound business principles; that rates will be uniform to all customers within classifications; and that utility services pricing will be based on providing the lowest reasonable rate to all customers without special rate categories for selected social or economic classes of customers. Industrial customers' rates will reflect distinctions of risks and costs within the class.

Further, it shall be the policy of the Emerald People's Utility District Board to consider the aesthetic and environmental effects of its activities in conjunction with full utilization of its resources while providing utility services to its customers.

Policies, maintenance, repair and installation procedures are founded on standards of safety, economy and efficiency. EPUD will follow prudent utility and business practices, and all work will be done in accordance with all State and Federal rules and regulations. Some are a requirement for service; others are optional; and others are recommended. The use of such words as "shall," "may," etc., indicate the status for the policy or procedure. "Shall," for instance, is a requirement. "Should" is recommended. "May" is at the discretion of the District.

It is the intent of the District that the Customer Service Policies & Procedures will provide the instructional requirements to the customer, the many segments of the electrical industries and to the Emerald People's Utility District staff that will achieve the cooperation from everyone concerned in attaining a high quality of electric service.

#### **4100 Personnel Policies**

The Emerald People's Utility District Personnel Policy Manual, adopted by the Board of Directors and contained within the Administrative Procedures, outlines the standards, rules and guidelines by which employees work at Emerald. The policies are designed to insure that each employee's work experience is rewarding, and that each is treated with fairness and respect. The policies also outline the general responsibilities of Emerald employees to the District; to their managers, supervisors, and co-workers; and especially to Emerald's consumer-owners in whose service each employee's job exists.

#### **4111 Equality of Opportunity**

The Board directs strict adherence to the principles embodied in the Oregon and Federal "Fair Employment Practice" legislation.

Persons applying for positions at the District will be considered for employment without regard to age, sex, race, color, religions, creed, physical handicap, or national antecedents. In addition, the administration will make additional efforts to recruit, employ and promote qualified members of groups formerly excluded, even if that exclusion cannot be traced to particular discriminatory actions on the part of the Board or the administration.

#### **4115 Part-time Employees**

The General Manager or a designated representative is authorized to interview, select and make payment to part-time employees without the necessity of verification by the Board. All temporary and part-time classified employees shall be paid according to the established classification and step placement plan or proration thereof.

#### **4117 Evaluation Guidelines**

The administration and staff shall prepare regulations which delineate the steps and procedures as well as criteria to be followed in the evaluation of all staff members.

#### **4121 Professional Growth**

In order to promote professional growth, employees are encouraged to participate in worthwhile educational and professional activities and to cooperate with organizations and committees dedicated to professional development. Administrative rules shall delineate steps and procedures as well as criteria for employee participation.

#### **4122 Travel Authorization**

The Board delegates to the General Manager the immediate authority to approval travel of employees within budgetary allocations and with reference to the following framework:

1. Travel may be approved for employees to:
  - a. Transact business of the District.
  - b. Attend educational and professional meetings.
  - c. Attend meetings related to legislative matters important to the District.

2. Travel shall be regulated so that:
  - a. No department's staff is depleted below effectiveness.
  - b. The duties of an employee while away are covered normally by other employees.
  - c. The opportunity to attend conventions and professional meetings is distributed as broadly as possible.
3. The approval of expenses incurred will serve as ratification of all such travel.

#### **4125 Staff Travel Expense**

Staff members shall be reimbursed for authorized personal expenses incurred while on official trips approved by the General Manager or a designated representative. Reimbursement rates for in-state and out-of-state travel expenses shall be contained in administrative rule.

Staff shall utilize District-owned automobiles whenever possible. Reimbursement for private car use will be according to administrative rules.

Reimbursement will be made for lodging, food, and other appropriate expenses. Staff must request State commercial rates. No reimbursement shall be made for alcoholic beverages, gratuities in excess of 15%, laundry, hair care, shoe care and other expenses of a personal nature unless specifically approved by the General Manager.

Staff meals in the Lane County area may be reimbursed if an employee attends a meal meeting in the line of duty as required of the employee's position.

When appropriate, staff members shall file monthly a statement of travel and reimbursable expenses.

Equipment owned and maintained by Emerald P.U.D. is not intended for personal use by Emerald staff. No equipment is to be removed from the premises unless used in conjunction with employment at Emerald and with appropriate supervisor's prior approval. Emerald equipment may be used at Emerald offices during non-working hours with appropriate supervisor's prior approval.

#### **4130 Community and Public Affairs Activities & Outside Employment of District Staff**

Prior to engaging in such activities as seeking elective or appointed political office, or accepting concurrent outside employment, each employee should consider whether such activity will create a conflict of interest or otherwise interfere with the accomplishment of duties at the District. If a conflict is established, the employee shall refer the matter to the appropriate supervisor for resolution. If an employee takes concurrent outside employment, they should inform their supervisor and the General Manager of this employment.

#### **4138 Conflict of Interest**

No employee shall use her/his position to obtain financial or personal gain other than regular salary or the reimbursement of expenses for themselves, or for any member of the employee's immediate family, or for any business with which the employee or immediate family member is associated.

#### **4140 Employment of Family Members**

No employee shall be assigned responsibilities to be performed under the supervision of a member of the employee's immediate family. Employees shall not participate in matters involving the hiring, retention, promotion, salary change, or termination of an immediate family member.

#### **4141 Leave of Absence**

The administration is authorized to grant an absence without pay from assigned duties where there is an urgent professional, personal or business need in compliance with administrative procedures and contractual agreements.

#### **4142 Appearances in Court or at Hearings**

No deductions shall be made from the salary of an employee for required appearances in court, including jury duty, or before any governmental body, when the reason for such appearance is not personal to the employee. Any remuneration derived from such appearances shall be endorsed to the District.

#### **4143 Sick Leave**

District employees who work at least 600 hours per year on a regularly scheduled basis shall qualify for paid sick leave, prorated according to the proportion of full-time worked. Sick leave is defined as any physical or mental condition that would prevent the employee from working at their job. The employee's job security or promotional opportunities are not jeopardized by a request for diagnosis and treatment of any illness. If deemed appropriate, the supervisor may request a verifying statement from the employee's personal physician or the District's consulting physician. As an example, such conditions may include temporary mental illness, alcoholism or drug addiction.

#### **4144 Holidays**

The following days shall be holidays for the District and for all employees:

- New Year's Day
- Martin Luther King Day: Observed; office not closed, employees may use a floating holiday
- Washington's Birthday: No time off; accrue one day of vacation to be used within the next year
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving
- Day after Thanksgiving: Those working receive one extra vacation day
- Either Christmas Eve day or New Year's Eve day
- Christmas Day

Three floating holidays are to be used within their anniversary year.

#### **4145 Vacations**

District permanent employees who work on a regularly scheduled basis shall accumulate vacation credits prorated according to the proportion of full-time worked. Employees are encouraged to take their vacation time.

#### **4150 Retirement Extension**

It is the intent of the Board to neither encourage nor discourage District employees retiring at legal retirement age, recognizing that within legal limitations that is primarily a personal decision. An employee who has reached the age of 70 may apply for permission to remain in service beyond such retirement age. The General Manager will annually review the services and physical condition of the individual and determine whether continued service would be in the individual's and the public's interest.

#### **4151 Right to Appeal**

District employees engaged in disciplinary, grievance, or appeals procedures shall have the right:

1. To have a full and fair hearing of charges and the defense to such charges, according to District administrative procedures defining fairness and consistency for all individuals.
2. To appeal any decision made to the Board in compliance with administrative procedure except in those cases where collective bargaining agreements establish a grievance procedure.
3. To have a copy of the record of the pleadings and proceedings provided.
4. To have only such penalties imposed as are commensurate with the violation charged.

#### **4155 Whistle-Blower Policy**

Emerald PUD requires that our directors, managers and employees hold themselves to the highest standards of honest and ethical conduct when conducting the District's business. Should any director, manager or employee observe an unethical business practice, she or he must report the violation to the appropriate person or persons.

If you observe any improper action or unethical business practice, and in good faith, report such action, you will not suffer any harassment, retaliation, discrimination, or adverse employment consequences as a result of this good faith reporting. "Good faith" in this case means that you have reasonable grounds for believing that a violation has occurred. Any allegation not made in good faith, which appears to have been made maliciously or knowingly to be false, will result in disciplinary action up to and including termination.

If an employee or Director observes unethical business practices or improper governmental action, and fails to report the violation, that person, too, could be subject to disciplinary action or censure.

Any Director, manager or employee who harasses, retaliates or discriminates against someone who has made a complaint of this nature will be subject to disciplinary action up to and including termination of employment or censure and request for resignation from the Board.

Reports of improper governmental action or unethical business practices should be directed to the Human Resources Coordinator, a Senior Manager, the General Manager, or the Chair of the Board of Directors. If the complaint involves a person holding any of these positions, it may be made directly to Emerald's legal counsel. Currently this person is Richard Larson, Attorney at Law, of the firm of Johnson, Clifton, Larson and Corson, P.C., Eugene, Oregon."

## **5120 Hydroelectric Generation**

Emerald People's Utility District shall not unilaterally exercise its rights under the Oregon Constitution, Article XI, S12(e), ORS 261.305(5), ORS 543.610(2), ORS 543.260, ORS 542.270 and ORS 543.610(1), to acquire a privately owned hydroelectric generation facility, permit or license of less than five (5) megawatt generation capacity in the State of Oregon.

## **5150 Cooperation with Oregon P.U.D.s**

Emerald P.U.D.'s best interests are served by working cooperatively with other Oregon consumer-owned utilities in legislative matters.

It is the policy of Emerald P.U.D. to give all encouragement and reasonable assistance to other public power entities. Special assistance will be given, within budget constraints, to newly formed or forming People's Utility Districts. Attendance at meetings, participation in studies, speaking to interested groups and provision of information and support are examples of this assistance.

## **6105 Communication with the Public**

The Board recognizes the public's right to information and will provide the means for the periodic, wide circulation of information and educational material throughout the District concerning District programs, needs and progress. The General Manager shall provide leadership in exploring methods to improve communication with the public, and it shall be the responsibility of all District employees to cooperate in this effort.

## **6120 Communication with the Board**

The Board shall encourage members of the District community to express their opinions and desires to the Board, either in writing or in person at meetings of the Board as provided for in the Board policies governing the determination of agendas for regular Board meetings, and discussion at Board meetings.

## **6230 Publicity Releases**

All publicity releases shall be channeled through the office of the General Manager or a designated representative. Only the Board President, the General Manager, or other person designated by the Board are authorized to speak for the District as official District spokespersons.

## **6240 Use of Facilities**

The District's meeting rooms shall be made available to the public at no cost or for a small fee to offset actual costs, when the room is not needed for District activities.

## **6250 Public Use of District Copy Machine**

At the discretion of the General Manager, Emerald will provide copying, faxing, and similar services to the public, at the cost of providing those services.

## **6260 District Support for Community Activities and Local Youth Groups**

1. The District shall endeavor to assist all major community activities through the supplying of manpower and/or financial assistance within budgetary constraints.
  - a. Such activities do not include monetary contributions to charities nor the purchase of tickets to concerts, circuses, etc.
2. The District shall endeavor to assist, through sponsoring or the access to District youth programs, youth groups within the District.

## **6270 Use of Emerald Mailings**

Emerald's mailings to customers are generally not available for use by others. Exceptions may be made for nonprofit organizations of which Emerald is a member, Oregon public institutions of higher education, major nonprofit community fairs or undertakings, independent nonprofit public corporations specifically created by an initiative law enacted by the people of Oregon, and local units of government that are situated in whole or in substantial part within Emerald's boundaries. Use of Emerald's mailings is further restricted as follows:

1. Mailings will be permitted only when space is not needed by Emerald.
2. Mailings will be scheduled at Emerald's sole discretion.
3. User will furnish all materials to be mailed in appropriate numbers and size(s) to be specified by Emerald.
4. No political messages regarding candidates or ballot measures will be included.

5. No commercial products or services may be advertised or offered for sale.
6. Any mailings will go to all Emerald customers who would normally receive an Emerald mailing; mailings may be customized for the benefit of a user at the sole discretion of Emerald.
7. The General Manager will be responsible for determining which entities and mailings qualify for use of Emerald mailings.

## **6280 Contributions**

All contributions must be approved by either the General Manager or the Board of Directors. The General Manager has authority to approve individual contributions totaling less than \$100. Contributions in excess of that amount must be approved by a majority vote of the Board of Directors.

- A. It is Emerald's policy to occasionally contribute dollars to some or all of the following purposes from the current operating budget.
  1. Educational purposes, including scholarships and internships.
  2. Specific requests by Directors to be reviewed by the Board of Directors.
  3. Non-educational purposes that relate to community development and meet with Emerald's business of energy service and the District's written Mission Statement and Goals.
- B. In general, Emerald's policy does not allow contributions or in-kind services for the following purposes:
  1. Discriminatory, sectarian, or denominational programs and organizations.
  2. Political campaigns.
  3. Tax-supported public education institutions for general purposes.
  4. In general, any profit-making or commercial enterprise.
- C. It is desirable that contributions be confined to donations of cash, and that contributions of services and labor be minimized for reasons of liability and loss of time on the job.
  1. In no case is the utility able to contribute:
    - a. Electricity.
    - b. Any service for which a fee is normally charged.
  2. In some cases, it is desirable for Emerald to contribute specific services for qualified community service organizations and programs:
    - a. Unique and skilled labor and/or equipment available only from Emerald.
    - b. Loaned personnel for community-wide benefit programs.