POLICY AND PROCEDURE MANUAL

FOUR RIVERS VECTOR CONTROL DISTRICT

Adopted: 1 January 1993

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POLICY 1.1: GOVERNANCE BY POLICIES

A. GOVERNANCE BY POLICIES

The primary duty and function of the Board of Directors is to establish policies for the governance of the District. It is the policy of the Board to delegate to the Chief Executive Officer and staff the responsibility for the day-to-day administration of the District, in a manner consistent with the policies and directions of the Board.

B. COMPLIANCE WITH LAW

Policies shall comply with all applicable federal, state and local laws and regulations. If any policy or portion thereof is found to conflict with any local, state, or federal law or regulation, such policy shall be deemed void without further Board action. It shall be the responsibility of all District personnel to bring any such conflict to the Board's attention immediately upon discovery.

C. COMPLIANCE WITH POLICIES

All District personnel shall comply with the policies adopted by the Board of Directors. Any failure to comply shall constitute grounds for disciplinary action or termination.

D. POLICIES DO NOT CREATE RIGHTS

Policies of the District shall not create any enforceable right, contract, employment agreement or expectation on the part of any person; and any deviation from a District policy shall not in itself render any District action invalid, void or voidable, nor shall such deviation constitute evidence of negligence. The Board may deviate from policy when to do so serves the public interest or would avoid hardship as the Board may determine.

POLICY 1.2:ADOPTION, AMENDMENT AND REPEAL OF POLICIES AND OTHER REGULATIONS

A. BOARD ADOPTION, AMENDMENT, AND REPEAL OF POLICIES AND OTHER REGULATIONS

The Board shall base its regulations on the best available information and input from affected parties. Whenever the Board enacts, amends or repeals any policy or other regulation, it shall do so in accordance with

ORS 198.510 to 198.600. A copy of these statutes is attached as an Appendix.

POLICY 1.3:MAINTENANCE AND DISTRIBUTION OF POLICY MANUALS

A. COMPILATION OF POLICY MANUALS

The Chief Executive Officer shall compile all of the policies and procedures adopted by the Board into a District Policy and Procedure Manual. The Chief Executive Officer shall be responsible for updating the Manual regularly.

B. DISTRIBUTION OF POLICY MANUALS

Updated Policy and Procedure Manuals shall be kept at each office or other facility maintained by the District. The following persons shall maintain an updated Manual:

1. All Board members;

2. Director/Manager

3. Office Copy

4. Other persons designated by the Chief Executive Officer or the Board;

C. DISTRICT POLICY MANUAL TO BE AVAILABLE TO THE PUBLIC

The Policy and Procedure Manual is a public record. At least one copy of the updated Policy Manual shall be available for inspection and use by the public at the District's main business office during regular business hours.

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POLICY 2.1:MEMBERSHIP ON THE BOARD OF DIRECTORS

A. POSITIONS AND TERMS

1. The Board of Directors of the District shall consist of five members serving four year staggered terms. No person shall be eligible to be a Board member who is not at the time of election or appointment a resident or property owner in the District.

2. All Board members shall serve at large.

B. ELECTION OF BOARD MEMBERS

The appointment of Board members shall be conducted as provided by ORS 452.090 and ORS Chapter 255.

C. QUALIFICATIONS

No person appointed to the Board shall be sworn in unless such person meets the qualifications for office set forth in ORS 452.080. If questions exist regarding the eligibility of any candidate, the Board shall obtain an opinion from legal counsel prior to swearing in such person.

D. OATH OF OFFICE

Each newly appointed Board member shall take an oath of office at a Board meeting prior to assuming the duties of the position, as required by ORS 452.080

E. TERM OF OFFICE -- STARTING DATE

Except where the Board or the County Commission is filling a vacancy on the Board, terms of office shall start on 1 July.

F. VACANCIES

Vacancies on the Board shall be filled by appointment by the County Commission. A majority of the remaining members of the Board will submit recommendations as they wish to the County Commission. If a person is appointed to fill a vacancy in mid term, the appointment ends when the term being filled ends.

POLICY 2.2:POWERS AND DUTIES OF THE DISTRICT'S BOARD OF DIRECTORS

A. MEETING THE NEEDS OF THE DISTRICT

It is the policy of the Board of Directors to exercise those powers granted to it, and to carry out those duties assigned to it by law, in such a way as to best meet the needs of the District.

B. FORMULATION AND INTERPRETATION OF DISTRICT POLICY

The most important activity of the Board is the formulation and interpretation of District policies. The Board shall establish policy, reserving to itself all authority and responsibility not expressly assigned to other District officers and personnel.

C. BOARD MEMBERS AUTHORIZED BY OFFICIAL BOARD ACTION ONLY

No individual Board member may speak for or act on behalf of the Board or District, except as authorized to do so by official Board action as recorded in the official minutes, guidelines or policies of the District.

D. ETHICAL STANDARDS

Board members act as representatives of the citizens of the District. Therefore, Board members shall adhere to the highest ethical standards in the conduct of District business.

E. BOARD MEMBER EDUCATION

In order to effectively carry out their duties, Board members must be adequately informed. Members are encouraged to attend such conferences and other training programs as the Board may authorize.

POLICY 2.3:BOARD MEMBER ORIENTATION

A. COOPERATION WITH BOARD CANDIDATES

The Board, through its staff, shall cooperate impartially with candidates for the Board and provide them with information about Board policies, administrative regulations and other aspects of the operation of the District.

B. ORIENTING NEW BOARD MEMBERS

The Board and its staff shall assist each new member-elect and appointee to understand the Board's functions, policies, and procedures before he/she takes office. The following methods shall be employed:

1. New members shall be invited to attend and participate in public Board meetings prior to being sworn in.

2. The Chief Executive Officer shall provide material pertinent to District meetings and respond to questions regarding such material.

3. New members shall be invited to meet with the Chief Executive Officer and other District personnel to discuss the services each performs for the District.

4. The Chief Executive Officer shall give each new Board Member:

   a. An updated copy of the District's Policy and Procedure Manual.

   b. A copy of the Attorney General's "Public Records and Meetings Manual."

   c. Copies of the minutes of all Board meetings, except for executive sessions, for the preceding twelve (12) months.

   d. Copies of the District's last five (5) budgets.

   e. Copies of the District's insurance policies.

   f. Copies of all such documents as the attorney for the District may recommend with respect to any pending claims or lawsuits.

   g. A list of all District personnel by position.

   h. Such other materials as the Board may direct or the Chief Executive Officer deems appropriate.

POLICY 2.4:REIMBURSEMENTS OF BOARD MEMBER EXPENSES

A. BOARD MEMBER COMPENSATION AND REIMBURSEMENT

Pursuant to ORS 198.190, Board Members may receive daily compensation not to exceed $50.00 for their services on the Board. Such compensation shall be set by majority vote of the Board. Board Members shall also be reimbursed for their actual and reasonable travel and other expenses incurred in the performance of official District duties.

B. REIMBURSEMENT DOCUMENTATION

Board Members incurring reimbursable expenses shall submit proper documentation of such expenses to the Chief Executive Officer or such officer's designee for reimbursement by the District.

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POLICY 3.1:DUTIES OF THE PRESIDENT

A. DUTIES OF THE PRESIDENT

1. The President of the Board shall preside at meetings of the Board of Directors. The President shall perform all of the duties prescribed by the Oregon Revised Statutes.

2. The President shall consult with the Clerk of the Board regarding the preparation of each Board meeting agenda.

3. The President shall have the same right as other members of the Board to discuss and to vote on questions before the Board.

4. The President may call Special Meetings of the Board as described by the Oregon Public Meetings Law and Policy 4.4.

5. The President of the Board shall sign official District documents on behalf of the Board when authorized to do so by a majority of the Board.

POLICY 3.2:DUTIES OF THE VICE-PRESIDENT

A. DUTIES OF THE VICE-PRESIDENT

In the President's absence, or during any disability of the President, the Vice-President shall have the powers and duties of the President of the Board as prescribed in Policy 3.1. The Vice-President shall have such other powers and duties as a majority of the Board may from time to time determine.

POLICY 3.3:DUTIES OF THE SECRETARY-TREASURER OF THE BOARD

A. DUTIES OF THE SECRETARY & TREASURER OF THE BOARD

1. The Secretary of the Board shall cause accurate minutes of each Board meeting to be taken, transcribed and distributed to each Board Member in a timely manner for review prior to approval. The Secretary shall maintain properly authenticated official minutes in chronological order. Any of the foregoing responsibilities may be delegated to

staff members under the supervision of the Secretary.

2. The Treasurer of the Board shall assure that accurate accounting and financial records are maintained by the District.

POLICY 3.4:DUTIES OF THE CLERK OF THE BOARD

A. DUTIES OF THE CLERK OF THE BOARD

The Clerk of the Board shall be the Chief Executive Officer of the District or such other person as may be designated by the Board. The duties of the Clerk of the Board are:

1. Respond directly to routine correspondence.

2. Handle correspondence of special interest to the Board as follows:

   a. Draft replies in advance, when possible, for Board consideration.

   b. Seek instruction for reply when necessary.

   c. Prepare correspondence as the Board directs.

3. Prepare for Board meetings.

   a. Prepare the agenda with the advice of the President.

   b. Maintain a calendar for the Board's unfinished business.

   c. Call to the Board's attention legal requirements and those matters for which the District is responsible.

   d. Draft policy motions at the request of any Board member.

4. Board meeting duties:

   a. Attend all Board meetings or designate an alternate.

   b. Make physical arrangements for Board meetings.

c. Provide notice of Board meetings in accordance with the Public Meetings Law.

5. Maintain and update the District's Policy and Procedure Manual.

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POLICY 4.1:PREPARATION FOR BOARD MEETINGS

A. DISTRIBUTION OF MATERIALS TO BOARD MEMBERS

The Agenda, Chief Executive Officer's Report,and Treasurer's Report shall be given to each member of the Board of Directors at least four (4) days prior to any regularly scheduled Board meeting.

At the same time, the Chief Executive Officer shall provide members detailed information relative to the Agenda, including existing Board policy pertinent to Agenda items.

POLICY 4.2:BOARD MEETING AGENDA

A. MEETING AGENDA

The Clerk of the Board shall draft the Agenda after conferring with the President of the Board. The following general order shall be observed:

1. Call to order
2. State time
3. Approval of the minutes.
4. Audience participation (testimony from citizens).
5. Secretaries report.
6. Treasurer's report.
7. Old business.
8. Correspondence.
9. New business.
10. Chief Executive Officer's report.
11. Items not on agenda open to public, Board and staff participation.
12. Agenda suggestions for future meetings from Board members and District personnel.

POLICY 4.3:NOTICE AND LOCATION OF MEETINGS

A. APPLICATION

This policy applies to all meetings of the Board of Directors of the District, and to any meetings of subcommittees or advisory groups appointed by the Board if such subcommittees or advisory groups normally have a quorum requirement, take votes, and form recommendations as a body for presentation to the Board of Directors.

B. COMPLIANCE WITH LAW

All meetings shall be conducted in accordance with the Oregon Public Meetings Law, ORS 192.610-192.710, and 192.990, a copy of which appears as an Appendix to this Manual.

C. LOCATION OF MEETINGS

All meetings shall be held within the geographic boundaries of the District, except for training sessions held without any deliberative action. No meeting shall be held in any place where discrimination on the basis of race, creed, color, sex, age, national origin or disability is practiced. All meetings shall be held in places accessible to the handicapped.

D. MEETINGS HELD BY TELEPHONE

Meetings held by telephone or other electronic communication are subject to the Public Meetings Law if they otherwise qualify by virtue of their deliberative purpose and the presence of a quorum. ORS 192.670(1). Notice and opportunity for public access shall be provided when meetings are conducted by electronic means. At least one location shall be provided where meetings held by telephone or other electronic means may be listened to by members of the public. ORS 192.670(2). The media shall be provided access to a listening location whenever executive sessions are conducted electronically, unless such executive sessions are exempt from media attendance pursuant to ORS 192.670(1) and 192.660(3).

E. REGULAR MEETINGS

The Board shall hold regular meetings on the second Thursdays of January, June, and October. Such

meetings shall be held at 56478 Solar Drive, at 7:30 P.M., or at such other places and times as the Board may designate from time to time.

F. SPECIAL MEETINGS

The Board shall hold special meetings at the request of the President or any three members of the Board. If the President is absent from the District, special Board meetings may be held at the request of the Vice-President. No special meeting shall be held upon less than 24 hours' public notice.

G. EMERGENCY MEETINGS

Emergency meetings may be held at the request of persons entitled to call special meetings, upon less than 24 hours' notice in situations where a true emergency exists. An emergency exists where there are objective circumstances which, in the judgment of the person or persons calling the meeting, create a real and substantial risk of harm to the District which would be substantially increased if the Board were to delay in order to give 24 hours' notice before conducting the meeting. The convenience of Board members is not grounds for calling an emergency meeting.

At the beginning of any emergency meeting, the Director or Directors calling such meeting shall recite the reasons for calling such meeting, and the reasons the meeting could not have been delayed in order to give at least 24 hours' notice, which reasons shall be noted in the minutes. The Board shall then determine if the reasons are sufficient to hold an emergency meeting and, if not, shall immediately adjourn such meeting. Only business related directly to the emergency shall be conducted at an emergency meeting.

H. NOTICE OF MEETINGS

Notice of the time, place, and principal subjects to be considered shall be given for all meetings. For regular meetings, the notice shall be in the form of an agenda, which shall be sent to all Board members, local media, and to all persons or other media representatives having requested notice in writing of every meeting. The agenda shall also be posted at the following locations within the District:

DRRH Neighbors Club Building

Vector District Office

Written notice shall also be sent to any persons which the District knows may have a special interest in a particular action, unless such notification would be unduly burdensome or expensive. For special meetings, press releases shall be issued or phone calls made to wire services and other media; and interested persons shall be notified by mail or telephone. For emergency meetings, the District shall attempt to contact local media and other interested persons by telephone to inform them of the meeting. A sample "Notice of Meetings" is contained in the Appendices to this Manual in the "Outline of the Oregon Public Meetings Law."

I. EXECUTIVE SESSIONS

Notice for meetings called only to hold executive sessions shall be given in the same manner as notice for regular, special and emergency meetings set forth above, except that the notice need only indicate the general subject matter to be considered at the executive session, but it shall also set forth the statutory basis for calling the executive session. A sample "Notice of Executive Session" is contained in the Appendices to this Manual in the "Outline of the Oregon Public Meetings Law."

J. INTERPRETERS FOR THE HEARING IMPAIRED

The District shall comply with ORS 192.630(5) regarding the provision of interpreters for the hearing impaired at Board meetings, in accordance with the following rules:

1. The District shall make a good faith effort to have an interpreter for hearing impaired persons provided at any regularly scheduled meeting if the person requesting the interpreter has given the District at least 48 hours' notice of the request, provided the name of the requester, the requester's sign language preference, and any other relevant information which the District may require. "Good faith efforts" shall include contacting the Oregon Disabilities Commission, or other state or local agencies that maintain a list of qualified interpreters.

2. If a meeting is held upon less than 48 hours' notice, the District shall make reasonable efforts to have an interpreter present.

3. The requirement for an interpreter does not apply to emergency meetings.

4. The Chief Executive Officer shall be responsible for developing and maintaining a list of qualified interpreters, and shall have the responsibility for making the required good faith effort to arrange for attendance of an interpreter at any meeting for which an interpreter is requested.

POLICY 4.4:CONDUCT OF BOARD MEETINGS

A. PRESIDING OFFICER

The President shall preside at Board meetings. In the President's absence, the Vice President shall preside. If both the President and Vice-President are absent, any other member of the Board may preside.

B. AUTHORITY TO CONDUCT MEETINGS

The President or other presiding officer at any Board meeting shall have full authority to conduct the meeting. Meetings shall be conducted in such a manner as to provide a full and fair opportunity for discussion of the issues in an efficient and timely manner. Any decision of the President or other presiding officer at the meeting may be overridden by a majority vote of the Board.

C. PUBLIC PARTICIPATION

If public participation is to be a part of the meeting, the presiding officer may regulate the order and length of appearances, and limit appearances to presentations of relevant points. Persons failing to comply with the reasonable rules of conduct outlined by the presiding officer, or causing any disturbance, may be asked or required to leave. Upon failure to do so, such persons become trespassers.

D. ELECTRONIC EQUIPMENT

The authority to control the meetings of the District Board extends to control over equipment such as cameras, tape recorders and microphones. The presiding officer shall inform persons attending any meeting of the District Board of reasonable rules necessary to assure an orderly and safe meeting. The physical comfort and safety of members of the Board and the public attending the meeting shall be of primary concern in formulating such rules.

E. RECORDING OF VOTES

Votes shall be recorded. Any member may request that his or her vote be changed, if such request is made prior to consideration of the next order of business.

F. QUORUM REQUISITES

Three members shall constitute a quorum. If only a quorum is present, a unanimous vote shall be required to take final action.

G. VOTE EXPLANATIONS

Members of the Board may append to the record, at the time of voting, a statement indicating either the reason for their vote or abstention.

H. CONFLICT OF INTEREST/EX PARTE CONTACTS

In the event of a conflict of interest, a member of the Board shall declare such conflict and abstain from voting. In the event any member of the Board has had any ex parte contact regarding a matter, the member shall declare such contact prior to participating in any vote on the matter.

I. SMOKING

Pursuant to ORS 192.710, no person shall smoke or carry any lighted cigar, cigarette, pipe or other smoking equipment into a room where a meeting is being held by the Board or is to continue after a recess. For purposes of the statute, a meeting is deemed to have started at the time the agenda or meeting notice indicates it is to commence, regardless of the time the meeting actually begins. This rule shall apply at any regular, special or emergency meeting at which the Board intends to "exercise or advise in the exercise of any power of government." No quorum requirement shall apply for this smoking ban to apply. If the Board intends to reconvene after leaving a meeting room for an executive session, the Board will be deemed to be in a "recess" during which smoking shall be prohibited in the meeting room.

1. Smoking Policy at Other Locations: If a meeting is held at a location other than one which is "rented, leased or owned" by the State or a political subdivision, such as a hotel meeting room, where no separate charge is made for the room, the smoking ban of ORS 192.710 shall not apply, but other laws prohibiting smoking except in designated areas, such as that found in ORS 433.845, may apply.

2. Smoking Reminder: Whenever members of the public are in attendance at a meeting, the presiding officer shall remind those present of the no smoking rule at the beginning of the meeting to avoid potential embarrassment.

J. ADJOURNMENT

The meeting shall be adjourned by a majority vote or as a result of the loss of a quorum.

POLICY 4.5:EXECUTIVE SESSIONS

A. NOTICE

Public notice of executive sessions shall be provided in accordance with Policy 4.3.

B. NO FINAL DECISIONS

The Board shall not take any votes during any executive session, nor make any final decisions during any executive session. This policy, however, shall not prohibit full discussion of Board members' views during executive sessions.

C. PURPOSES

Executive sessions shall be held only for the following purposes:

1. Employment of Personnel: ORS 192.660(1)(a). To discuss the employment of a public officer, employee, or staff member, but only if the following requirements have been met:

   a. The vacancy for the position has been advertised;

   b. Regularized procedures for hiring have been adopted;

   c. There has been opportunity for public input into the employment of such employee or officer;

   d. Where employment of a Chief Executive Officer is under consideration, the standards, criteria and policy directives to be used in hiring such officer must have been adopted at a meeting open to the public at which the public has had an opportunity to comment. No executive session may be held under ORS 192.660(1)(a) for purposes of filling a vacancy in an elective office.

2. Discipline of Public Officers and Employees: ORS 192.660(1)(b). To consider the dismissal or disciplining of a public officer, employee, staff member or individual agent, or to hear complaints or charges brought against such persons, unless the person complained against requests an open hearing.

3. Consultation with Labor Negotiator: ORS 192.660(1)(d). To conduct deliberations with persons designated by the Board to carry on labor negotiations on its behalf. News media representatives may be excluded from executive sessions called under this section.

4. Real Property Transactions: ORS 192.660(1)(e). To conduct deliberations with persons designated by the Board to negotiate real property transactions.

5. Exempt Records: ORS 192.660(1)(f). To consider records that are exempt by law from public inspection. Examples of such records include medical records pertaining to personnel, confidential communications from legal counsel, employment tests or examination materials, and other materials exempted from public disclosure under the Public Records Law, ORS 192.501 and 192.502.

6. Litigation/Consultation with Legal Counsel: ORS 192.660(1)(h). To consult counsel concerning the District's legal rights and duties, as well as current litigation or litigation likely to be filed. Whenever written legal advice received from counsel is to be discussed, the Board may utilize an executive session to discuss the writing under the authority of ORS 192.660(1)(f), as well. This section authorizes an executive session to consider records which are exempt by law from public inspection.

7. Performance Evaluations: ORS 192.660(1)(i). To review and evaluate the employment-related performance of the chief executive officer, other officers, employees or staff members, pursuant to standards, criteria and policy directives adopted by the District, unless the person whose performance is being reviewed and evaluated requests an open hearing. The standards, criteria and policy directives to be used in evaluating chief executive officers must first have been adopted by the Board in meetings open to the public in which there was an opportunity for public comment. Executive sessions called pursuant to this section may not include a general evaluation of any District goal, objective or operation, and may not include any directive to the Chief Executive Officer or other District personnel

concerning agency goals, objectives, operations or programs.

8. Labor Negotiations: ORS 192.660(2). Labor negotiations may be held in executive session if either side requests an executive session.

D. CONDUCT OF EXECUTIVE SESSION

The President or other presiding officer shall announce the statutory authority for the executive session before going into closed session. Once the executive session has been convened, the President shall direct any representatives of the news media who are present not to report certain specified information from the executive session. In general, the extent of the non-disclosure requirement should be no broader than the public interest requires, and the news media will ordinarily be allowed to report the general topic of discussion in the executive session. Board members, staff and other persons present shall not discuss or disclose executive session proceedings outside of the executive session without prior authorization of the Board as a whole.

POLICY 4.6:MINUTES OF MEETINGS

A. WRITTEN MINUTES

The Board shall keep written minutes of all of its meetings in accordance with the requirements of ORS 192.650. Minutes of public meetings shall include at least the following information:

1. All members of the Board present.

2. All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition.

3. Results of all votes, including the vote of each member by name.

4. The substance of any discussion on any matter.

5. Subject to ORS 192.410 - 192.505 relating to public records, a reference to any document discussed at the meeting.

B. MINUTES OF EXECUTIVE SESSIONS

Minutes of executive sessions shall be kept separately from minutes of public meetings. Minutes of executive sessions may be kept either in writing, in the same manner as minutes of public sessions, or by tape recording. If minutes of an executive session are kept by tape recording, written minutes are not required, unless otherwise provided by law. ORS 192.650(2).

C. DISCLOSURE OF EXECUTIVE SESSION MATTERS

If disclosure of material in the executive session minutes would be inconsistent with the purpose for which the executive session was held, the material may be withheld from disclosure. No executive session minutes may be disclosed without prior authorization of the Board. ORS 192.650(2).

D. RETENTION

Any tape recordings or written minutes of public Board meetings or executive sessions shall be retained by the District until such time as their disposal is authorized by the State Archivist pursuant to ORS 192.105.

E. AVAILABILITY TO THE PUBLIC

Written minutes of public sessions shall be made available to the public within a reasonable time after the meeting. ORS 192.650(1).

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POLICY 5.1:PUBLIC RECORDS

A. COMPLIANCE

The District shall fully comply with the Oregon Public Records Law, ORS 192.410-192.505. A copy of this law is contained in the Appendices to this Manual.

1. Specificity of Request: In order to facilitate the public's access to records in the District's possession, and to avoid unnecessary expenditure of staff time, persons requesting access to public records for inspection or copying, or who submit written requests for copies of public records, shall specify the records requested with particularity, furnishing the dates, subject matter and such other detail as may be necessary to enable District personnel to readily locate the records sought.

2. Access: The District shall permit inspection and examination of its non-exempt public records during regular business hours in the District's offices, or such other locations as the Board may reasonably designate from time to time. Copies of non-exempt public records maintained in machine readable or electronic form shall be furnished, if available, in the form requested. If not available in the form requested, such records shall be made available in the form in which they are maintained. ORS 192.440(2).

3. Certified Copies: Certified copies of non-exempt public records shall be furnished upon request, and receipt of payment therefor.

B. FEES FOR PUBLIC RECORDS

In order to recover its costs for responding to public records requests, the following fee schedule is adopted by the District:

1. Copies of Public Records; Certified Copies: Copies of public records shall be _____ cents per copy for standard, letter size copies. Copies shall be certified for an additional charge of _____.

2. Copies of Sound Recordings: Copies of sound recordings of meetings shall be _____ per copy.

3. Copies of Maps and Other Nonstandard Documents: Charges for copying maps or other nonstandard size documents

shall be charged in accordance with the actual costs incurred by the District.

4. Research Fees: If a request for records requires District personnel to spend more than 15 minutes searching or reviewing records prior to their review or release for copying, the minimum fee shall be _____ per hour with a minimum charge for one quarter hour. The District shall estimate the total amount of time required to respond to the records request, and the person making the request shall make payment for the estimated cost of the search and copying of the records in advance. If the actual time and costs are less than estimated, the excess money shall be refunded to the person requesting the records. If the actual costs and time are in excess of the estimated time, the difference shall be paid by the person requesting the records at the time the records are produced.

5. Additional Charges: If a request is of such magnitude and nature that compliance would disrupt the District's normal operation, the District may impose such additional charges as are necessary to reimburse the District for its actual costs of producing the records.

6. Reduced Fee or Free Copies: Whenever it determines that furnishing copies of public records in its possession at a reduced fee or without costs would be in the public interest, the Board may so authorize. ORS 192.440(4).

C. AUTHORIZATION REQUIRED FOR REMOVAL OF ORIGINAL RECORDS

At no time shall an original record of the District be removed from the District's files or the place at which the record is regularly maintained, except upon authorization of the Board of Directors of the District.

D. ON-SITE REVIEW OF ORIGINAL RECORDS

If a request to review original records is made, the District shall permit such a review provided that search fees are paid in advance in accordance with paragraph B.4, above. A representative shall be present at any time original records are reviewed, and the charges for standing by while the records are reviewed shall be the same as the charges for searching or reviewing records.

E. UNAUTHORIZED ALTERATION, REMOVAL OR DESTRUCTION OF ORIGINALS

If any person attempts to alter, remove or destroy any District record, the District representative shall immediately terminate such person's review, and notify the attorney for the District.

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POLICY 6.0:PUBLIC CONTRACTING RULES

A. DIVISION 1: PUBLIC CONTRACTS GENERALLY -- ORIGIN OF RULES

The following chart shows the statutory or other legal basis for each public contracting rule contained in Chapter 6 of this Policy and Procedure Manual. These rules have been drafted so as to afford District Boards the greatest flexibility possible in public contracting.

Rule	Origin (OAR)	Comments
6.1 Definitions	137-30-000; 125-300-001; ORS 279.011	
6.2 Competitive Bidding; Exceptions	137-30-005; 125-300-010; 125-310-020; 125-310-030; 125-310-035; 125-310-040	See ORS 279.015, 279.017, 279.053, 279.056
6.3 Bid Documents	137-30-010	See ORS 279.312 - 279.435
6.4 Public Notice	137-30-015	See ORS 279.025
6.5 Bid Preparation	137-30-020	See ORS 279.027
6.6 Bidder Prequalification	137-30-025	See ORS 279.039, 279.041, & 279.047
6.7 Bidder Submissions	137-30-030	
6.8 Bid Security	137-30-035	See ORS 279.027(3), 279.031, & 279.033
6.9 Pre-Bid Conferences	137-30-040	
6.10 Brand Name Products	137-30-045; 125-310-060; 125-340-020; 125-310-120; 125-340-030; 125-340-010	See ORS 279.017

Rule	Origin (OAR)	Comments
6.11 Bid Protests	137-30-050	
6.12 Addenda to Bid Documents	137-30-055	
6.13 Pre-Opening Modification or Withdrawal of Bids	137-30-060	
6.14 Receipt, Opening, & Recording of Bids	137-30-065	See ORS 192.501(2) & 279.027 (1)(c) & (2)
6.15 Late Bids, Late Withdrawals, & Late Modifications	137-30-070	
6.16 Mistakes in Bids	137-30-075	
6.17 Time for Acceptance	137-30-080	
6.18 Extension of Time for Acceptance of Bid	137-30-085	
6.19 Bid Evaluation & Award	137-30-090	See ORS 279.035, 279.023(1)
6.20 Low Tie Bids	137-30-095	See ORS 279.021(1)
6.21 Rejection of Bids or Proposals	137-30-100; 137-30-102	See ORS 279.035, 279.361, & 279.039
6.22 Negotiation with Bidders Prohibited	137-30-105	
6.23 Bidder Disqualification	137-30-110	See ORS 279.037, 279.043, 279.045
6.24 Cancellation of Invitations to Bid	137-30-115	See ORS 279.035
6.25 Disposition of Bids or Proposals when Bid is Canceled	137-30-120	
6.26 Documentation of Award	137-30-125	See ORS 279.029

Rule	Origin (OAR)	Comments
6.27 Foreign Contractor (ORS 279.021)	137-30-130	See ORS 279.021
6.28 Availability of Award Decisions	137-30-135	
6.29 Performance Security	137-30-140; 125-360-020	See ORS 279.029(3), 279.033
6.30 Right to Audit Records	137-30-145	
6.31 Right to Inspect or Test	137-30-150	
6.32 Contract Cancellation Procedures	137-30-155	
6.33 Life Cycle Costing	125-310-015	
6.34 Request for Proposal	125-310-025	See ORS 279.015 (5)(a)
6.35 Telecommunications Systems Contracts	125-320-020	
6.36 Telecommunication Services	125-320-025	
6.37 Insurance Contracts	125-310-140	
6.38 Employee Benefit Insurance	125-310-139	
6.39 Data & Word Processing Contracts	125-320-010	
6.40 Laboratory & Medical Supplies	125-310-045	
6.41 Gasoline, Diesel Fuel, Heating Oil, Lubricants & Asphalts	125-310-055	
6.42 Copyrighted Materials	125-310-060	
6.43 Periodicals	125-310-068	

Rule	Origin (OAR)	Comments
6.44 Purchases of Used Personal Property	125-310-075	
6.45 Advertising Contracts	125-310-080	
6.46 Investment Contracts	125-310-090	
6.47 Personal Services Contracts	125-310-092	See ORS 279.011(5)
6.48 Single Seller of Product Required	125-310-120; 125-340-030	
6.49 Food Service Contracts	125-310-135	
6.50 Contract Amendments (Including Change Orders & Extra Work)	125-310-150	
6.51 Office Copier Purchases	125-320-030	
6.52 Requirements Contracts	125-310-300	
6.53 Purchases Under Requirements Contracts	125-310-310	
6.54 District Printing	New	See ORS 282.310 - 282.230
6.55 Product Prequalification	125-340-040	

B. DIVISION 2: PUBLIC IMPROVEMENTS CONTRACTS--
ORIGIN OF RULES

Rule	Origin (OAR)	Comments
6.57 Application	137-40-000	
6.58 Competitive Bidding	137-40-005	
6.59 Public Notice	137-40-010	See ORS 279.025, 279.348(3), 279.350
6.60 Bid Evaluation & Award	137-40-015	
6.61 Contract Cancellation Procedures	137-40-020	See ORS 279.326-279.333
6.62 Retainage (ORS 279.420, 279.575)	137-40-025	See ORS 279.420, 279.435
6.63 Progress Payments (ORS 279.575)	137-40-030	See ORS 279.435
6.64 Final Inspection (ORS 279.575(3))	137-40-035	See ORS 279.435(3)
6.65 Final Estimate & Final Payment (ORS 279.575(3))	137-40-040	See ORS 279.435(3)
6.66 Claims for Unpaid Labor or Supplies	137-40-045	See ORS 279.526, 279.314
6.67 Policy Modification when Required by Public Interest	New	
Exhibit A	137-40-045 (Ex. A)	
Exhibit B	New	
Exhibit C	New	
Exhibit D	New	
Exhibit E	New	

DIVISION 1: PUBLIC CONTRACTS GENERALLY

POLICY 6.1:DEFINITIONS

A. DEFINITIONS

For purposes of these Policies the following definitions apply:

1. Addenda to the Bid Documents: Additions or changes to bid documents which shall be labeled as such by the District, and be distributed in accordance with these Policies.

2. Bid: A competitive offer in which price, delivery (or project completion) and conformance to specifications will be the predominant award criteria. Bid also includes a proposal when authorized by the Contract Review Board where a solicitation of competitive proposals or offers is utilized for procurement when specification and price will not necessarily be the predominant award criteria.

3. Bid Closing: The date and time announced as the deadline for the receipt of bids.

4. Bid Opening: The date, time and place set for opening of competitive bids.

5. Bid Sample: A representative specimen of the item that will be available in response to the bid.

6. Bidder: A person who submits a bid in response to the District's Invitation to Bid.

7. Bidding Period: The span of time between the date of the invitation to bid and the time and date set for receipt of bids. A minimum of fourteen (14) calendar days shall be provided, unless a shorter time is deemed necessary in the public interest for a particular procurement.

8. Board: The local contract review board created pursuant to ORS 279.055.

9. Competitive Bidding: The issuing of invitations to bid which follow the formal process for advertising, bid and bid opening required by ORS Chapter 279, and by these Policies.

10. Competitive Quotes: The solicitation by the District of offers from competing vendors. The solicitation may be by advertising or by direct contact with a vendor to request

that the vendor make an offer. The solicitation and offer may be written or oral.

11. Consultant: An individual or firm that has been found qualified to do specified types of work for the District and with whom the District may contract.

12. Contract Release Order: The document authorizing an additional purchase on an existing requirements contract or price agreement.

13. Contract Review Board: The Board of Directors of the _____ District.

14. Descriptive Literature: Materials submitted by prospective vendors or contractors to provide information concerning the products or services available in response to the bid.

15. Invitation to Bid: Solicitation of competitive offers in which specifications, price and delivery (or project completion) will be the dominant award criteria.

16. Lowest Responsible Bidder: The lowest bidder who has substantially complied with all prescribed public bidding procedures and requirements and who has not been disqualified by the Contract Review Board under ORS 279.037. (ORS 279.029(1)).

17. Personal Property: All items subject to ownership which are not real property and which have exchangeable value.

18. Personal Services Contract: Contracts calling for services performed as an independent contractor in a professional capacity. Contracts for such services call primarily for the contractor's time and abilities, rather than for a tangible product.

19. Price Agreement: A requirements contract.

20. Proposer: A person who submits a proposal in response to the District's Request for Proposals.

21. Public Contract: Any purchase, lease or sale by the District or another public agency of personal property, public improvements or services other than "personal services."

22. Public Improvement: Construction, reconstruction or major renovation projects on real property to be done by or for the District. "Public improvement" does not include

emergency work, minor alterations, ordinary repairs or maintenance work necessary to preserve a public improvement.

23. Request for Proposal: Solicitation of competitive proposals or offers to be used as a basis for making an acquisition, or entering into a contract when specification and price will not necessarily be the predominant award criteria.

24. Requirements Contract: An agreement in which the vendor agrees to supply all of the District's requirements for a specified item or items within a designated time period.

25. Service: Work performed to meet a demand, especially work not connected with a manufacturing process.

26. Service Contract: A contract calling primarily for a contractor's time and efforts rather than a specific end product.

POLICY 6.2:COMPETITIVE BIDDING; EXCEPTIONS

A. COMPETITIVE BIDDING

Contracts issued by the District shall be awarded by competitive bidding except as specifically exempted in these Policies, or as provided in ORS 279.015, 279.017, 279.053 or 279.056.

B. EXCEPTIONS TO COMPETITIVE BIDDING

Competitive bidding shall not be required on the following public contracts:

1. Made with other public agencies of this state, the federal government, or created by intergovernmental agreement;

2. Made with qualified non-profit agencies providing employment opportunities for disabled individuals;

3. For supplies, where the value of the contract is less than $2,500;

4. For personal services which are covered by Policy 6.47;

5. Public contracts specifically exempted under the provisions of these rules;

6. Public contracts which do not exceed $25,000 for the purchase of goods, materials, supplies, services, and public improvements but only when the District has made written findings that the awarding of the contract without formal

competitive bidding is unlikely to encourage favoritism or substantially diminish competition for public contracts, and will result in substantial cost savings to the District. The following conditions must also be complied with:

a. The contract shall be for a single project, and shall not be a component of or related to any other project.

b. When the amount of the contract does not exceed $2,500, the District should, where feasible, obtain competitive quotes.

c. When the amount of the contract is more than $2,500, but less than $25,000, the District shall obtain a minimum of three competitive quotes. The District shall keep a written record of the source and amount of the quotes received. If three quotes are not available, a lesser number will suffice, provided that a written record is made of the effort to obtain the quotes.

7. Contracts for equipment repair or overhaul may be let without formal competitive bidding, subject to the following conditions:

a. The service and/or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing; or

b. The service and/or parts required are for sophisticated equipment for which specially trained personnel are required, and such personnel are available from only one source.

c. If such contract exceeds $10,000, the District shall document in its procurement file the reasons why competitive bids or quotes were deemed to be impractical.

8. Contracts for the direct purchase of goods or services where the rate or price for the goods or services being purchased is established by federal, state or local regulatory authority.

C. ADDITIONAL CLASSES OF EXEMPT CONTRACTS

Additionally, the Contract Review Board may exempt certain other public contracts or classes of public contracts from competitive bidding upon the making of the following written findings:

1. That it is unlikely that such exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and

2. That the awarding of public contracts pursuant to the exemption will result in substantial cost savings to the District. In making such finding, the Board may consider the type, cost, amount of the contract, number of persons available to bid and such other factors as may be deemed appropriate.

D. ALTERNATIVE CONTRACTING AND PURCHASING PRACTICES

In granting exemptions from competitive bidding pursuant to paragraphs (1) and (2) of subsection (C) of this Policy, the Board shall, where appropriate, direct the use of alternate contracting and purchasing practices that take account of market realities and modern or innovative contracting and purchasing methods, which are also consistent with the public policy of encouraging competition.

E. EMERGENCY AND ECONOMY OF SCALE EXEMPTIONS

A public contract also may be exempted from competitive bidding if:

1. Emergency conditions (ORS 279.015(3)(a)) require prompt execution of the contract; or

2. In case of a sale of surplus property by the District, where the number, value and nature of the items to be sold make it probable that the cost of conducting a sale by competitive bid will be such that a liquidation sale will result in substantially greater net revenue to the District.

F. EMERGENCY CONTRACT AWARDS

If an emergency is declared, any contract awarded under subsection E.1. of this Policy must be awarded within 60 days following declaration of the emergency, unless the Board grants an extension.

POLICY 6.3:BID DOCUMENTS

A. BID DOCUMENT CONTENTS

1. Instructions and information to bidders concerning the bid submission requirements, including the time and date set for opening of bids, the address of the office to which bids are to be delivered, and any other special information;

2. Where applicable, the purchase description, specifications, delivery or performance schedule, inspection and acceptance requirements, and special evaluation factors;

3. The contract terms and conditions, including warranty and bonding or other bid security requirements, as applicable; and

4. All addenda issued by the District.

B. DETERMINATION OF CONTRACTUAL TERMS AND CONDITIONS

The District shall determine the contractual provisions, and terms and conditions of solicitations and contracts, provided such provisions, terms and conditions are not contrary to statutory or regulatory requirements.

C. TERMS AND CONDITIONS APPLICABLE TO DISTRICT CONTRACTS

1. In addition to the Oregon preference requirement in ORS 279.021(1), and the reciprocal preference requirements of ORS 279.029(2) and (3), the following terms and conditions are applicable as prescribed by ORS 279.310 to ORS 279.542 and other cited statutes:

   a. Payment of laborers and materialmen; contributions to the Industrial Accident Fund; liens and withholding taxes (ORS 279.312);

   b. Payment of claims by public officers (ORS 279.314);

   c. Hours of labor (ORS 279.316 and 279.338);

   d. Environmental and natural resources regulations (ORS 279.318);

   e. Payment for medical care and workers' compensation (ORS 279.320);

   f. Voluntary termination of the contract (ORS 279.324 and 279.326);

g.Suspension or termination of the work (ORS 279.328-279.333);

h.Maximum hours, holidays and overtime (ORS 279.334);

i.Time limits on claims for overtime (ORS 279.336);

j.Overtime requirement for local government bodies (ORS 279.340 and 279.342);

k.Prevailing wage rates (ORS 279.348-279.365);

l.Retainage and progress payments (ORS 279.400-279.430; ORS 279.435);

m.Contractor's bond (ORS 279.526 and 279.536);

n.Notice of claim (ORS 279.528);

o.Preference of labor, material and medical care liens (ORS 279.538 and 279.540);

p.Joint liability for labor and material costs in absence of bond (ORS 279.542);

q.Progress payments (ORS 279.435);

r.Certificate of contractor's compliance with Oregon tax laws (ORS 305.385);

s.Certification that the contractor has not discriminated against minority, women or emerging small business enterprises in obtaining required subcontracts (if any);

t.A provision substantially providing that: "The Contractor, its subcontractors, if any, and all employers working under this Agreement/Contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers";

u.In cases where the contract calls for work as described in ORS 701.005(2) (i.e., construction work), certification by the "contractor" that the contractor is registered with the Construction Contractors Board in accordance with ORS 701.035 to 701.055. (Federal regulations may prohibit this requirement when federal funds are involved);

v.Certification by the contractor that all subcontractors performing work as described in ORS 701.005(2) (i.e., construction work) will be registered with the Construction Contractors Board in accordance with ORS 701.035 to 701.055 before the subcontractors commence work under the contract;

w. Any other requirement imposed by federal or state law, regulation, rule or ordinance which is applicable to the contract. ORS 279.056 provides that where federal funds are involved, federal laws, rules and regulations shall govern in case of conflict with any of the provisions of ORS 279.011 to 279.063;

x. Such terms, conditions and requirements shall become an integral part of each contract.

2. Such terms and conditions shall become an integral part of each public contract let by the District.

D. SPECIAL TERMS AND CONDITIONS

The District may establish additional standard conditions and terms applicable to its public contracts. Special terms and conditions applicable to specified categories of public contracts may be imposed, as well. Any such terms and conditions shall be included in the bid documents and become an integral part of those contracts.

E. COMPLIANCE AND EXCEPTIONS TO TERMS AND CONDITIONS

1. Bidders are responsible for noting the terms and conditions included as applicable to each set of bid documents.

2. By signing and returning the bid proposal form, the bidder is acknowledging acceptance of and the intent to abide by the terms and conditions.

3. Any exceptions to the terms and conditions must be clearly stated in writing by the bidder in the signed returned proposal. The District reserves the right to reject any bid which takes exception to the terms and conditions. Exceptions to the terms and conditions become contractual obligations only upon written acceptance by the District.

F. LIST OF ADDITIONAL REGULATORY AGENCIES

In compliance with the provisions of ORS 279.318, the District shall provide notice to prospective bidders as part of any invitation to bid that the following federal, state and local agencies may have enacted ordinances or regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of the contract:

1. Federal Agencies:

Department of Agriculture
- Forest Service
- Soil Conservation Service

Department of Defense
- Army Corps of Engineers

Environmental Protection Agency

Department of Interior
- Bureau of Land Management
- Bureau of Indian Affairs
- Fish and Wildlife Service

Department of Labor
- Occupational Safety and Health Administration

Department of Transportation
- U.S. Coast Guard
- Federal Highway Administration

2. State Agencies:

- Department of Agriculture
- Department of Environmental Quality
- Department of Fish and Wildlife
- Department of Forestry
- Department of Geology and Mineral Industries
- Department of Human Resources
- Department of Land Conservation and Development
- Division of State Lands
- Water Resources Department

3. Local Agencies:

- City Councils
- County Commissioners
- Port Districts
- County Service Districts
- Sanitary Districts
- Water Districts
- Fire Protection Districts

POLICY 6.4:PUBLIC NOTICE

A. DISTRIBUTION

Bid documents and notices of the availability of bid documents shall be mailed or otherwise furnished to a sufficient number of bidders for the purpose of securing competition. Notices of availability shall indicate where, when, and for how long the bid documents may be obtained; generally describe the supply, service or construction desired; and may contain other appropriate information. The District may charge a fee or require a deposit for the bid documents.

B. ADVERTISING

1. Every formal solicitation of bids shall be advertised. An advertisement for bids shall be published at least once, in at least one newspaper of general circulation in the area where the contract is to be performed, and in as many additional issues and publications as the Contract Review Board may determine to be necessary or desirable to assure competition. If the contract is for a public improvement with an estimated cost in excess of $50,000, the advertisement for bids shall be published in at least one trade newspaper of general statewide circulation. The Contract Review Board may require an advertisement for bids to be published more than once or in one or more additional publications.

2. All advertisements for bids shall be posted at the District's office and shall state:

   a. The date and time after which bids will not be received. This date shall not be less than five (5) days after the date of the last publication of the advertisement.

   b. The date that prequalification applications must be filed, if prequalification is a requirement;

   c. The character of the work to be done or the items to be purchased;

   d. The office where specifications, material or things may be seen;

   e. The name and title of the person designated to receive bids;

   f. The date, time, and place that bids will be publicly opened;

g. That the bid may be rejected for not complying with all prescribed public bidding procedures and requirements; and

h. That any or all bids may be rejected for good cause upon a finding that it is in the public interest to do so.

i. If the contract is for a public work subject to ORS 279.348 to 279.363 or the Davis-Bacon Act (40 U.S.C. 276a), that no bid will be received or considered unless the bid contains a statement by the bidder as a part of its bid that the provisions of ORS 279.350 or 40 U.S.C. 276a are to be complied with;

j. That each bid must contain a statement as to whether the bidder is a resident bidder, as defined in ORS 279.029;

k. Whether or not a contractor or subcontractor must be licensed under ORS 468A.720;

l. That no bid for a construction contract shall be received or considered by the public contracting agency unless the bidder is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530; and

m. Whether or not a contractor (or subcontractor) must be licensed under ORS 468.883 to work with asbestos-containing materials.

C. POSTING OF BID ADVERTISEMENT

A copy of each bid advertisement shall be posted at the District's offices. Bidders may obtain a copy upon request.

POLICY 6.5:BID PREPARATION

A. BID PREPARATION INSTRUCTIONS

1. Bids shall be typed or prepared in ink and shall be signed in ink by the bidder or an authorized representative of the bidder.

2. Bids shall be made on the bid form provided.

3. Alterations or erasures, if any, shall be initialed in ink by the person signing the bid.

4. Bids shall contain a fully executed bid package, including all required documents and descriptive literature.

POLICY 6.6:BIDDER PREQUALIFICATION

The District may require mandatory prequalification of bidders on forms prescribed by the Contract Review Board. When prequalification is required by the bid documents as a condition for bidding, the District shall not consider the bid(s) of any prospective bidder who is not prequalified in accordance with this Policy.

If a bidder is currently prequalified by either the State Department of Transportation or the State Department of General Services to perform contracts, the bidder shall be rebuttably presumed qualified to perform the same kind of work for the District. (ORS 279.047).

POLICY 6.7:BIDDER SUBMISSIONS

A. BID SAMPLES AND DESCRIPTIVE LITERATURE

Bid samples or descriptive literature may be required when it is necessary to evaluate required characteristics of the items bid. Bid samples will be returned in accordance with provisions contained in the bid documents.

B. IDENTIFICATION OF BIDS

Bids shall be submitted in a sealed envelope appropriately marked or in the envelope provided by the District, whichever is applicable, to assure proper identification and handling. The District shall not be responsible for the proper identification and handling of any bids not submitted as required by this Policy.

C. RECEIPT OF BIDS

It is the bidder's responsibility to assure that bids are received by the District prior to the stated bid closing time.

POLICY 6.8:BID SECURITY

A. PUBLIC CONTRACTS

Unless exempted by the Contract Review Board pursuant to ORS 279.033, bid security not to exceed 10 percent of the base bid(s) shall be required. The bid security shall be forfeited as liquidated damages and not as a penalty if the bidder fails to execute the contract promptly and properly if awarded. (ORS 279.027(3), 279.031).

B. FORM OF BID SECURITY

The following forms of bid security will be accepted by the District:

1. Surety bond from a surety company authorized to do business in the State of Oregon; or

2. Cashier's check or certified check; or

3. Annual surety bond filed with the District (except for public improvements contracts).

C. RETURN OF BID SECURITY

The bid security of all unsuccessful bidders shall be returned after a contract has been executed, or all bids have been rejected. The District may return the bid security of unsuccessful bidders after bid opening but prior to award, if the return does not prejudice bid award, and provided that the bid security of at least the three lowest bidders is retained pending the execution of a contract.

POLICY 6.9:PRE-BID CONFERENCES

Pre-bid conferences may be held by the District to explain procurement requirements or conduct site inspections. The District may require attendance at the pre-bid conference as a mandatory condition for bidding. Such conferences shall be announced to all prospective bidders in the bid documents. The pre-bid conference shall be held within a reasonable time after the bid documents have been issued to allow bidders to become aware of it, but sufficiently before bid closing to allow consideration of the conference results in preparing bids. Statements made at the pre-bid conference shall not change the bid documents unless confirmed to all prospective bidders by means of a written addendum to the bid documents.

POLICY 6.10:BRAND NAME PRODUCTS

A. PRODUCT REQUIREMENT BY BRAND NAME PROHIBITED

Specifications for District contracts shall not expressly or implicitly require any product by any brand name or mark, nor the product of any particular manufacturer or seller, unless:

1. The contract is for the purchase of copyrighted materials, and there is only one known supplier of such goods; or

2. There is only one seller of a product of the quality required, or if the efficient utilization of existing equipment or

supplies requires the specification of a compatible product for which there is only one supplier; or

3. The product is data processing equipment or materials to be used in a setting requiring exchange of software or data with other offices; or

4. Certain brand name goods have been placed on a list of "prequalified" products by the District in accordance with Policy 6.55.

5. The District may, whenever no alternative is practical, identify products by brand names in its specifications so long as "approved equal" or "or equal" is included in the bid documents.

B. REQUIREMENT OF BRAND NAME

Notwithstanding Section A of this Policy, the District shall not require any brand name product unless and until it has made the findings required under ORS 279.017(2).

POLICY 6.11:BID PROTESTS

A. TIME FOR SUBMISSION OF PRE-AWARD PROTEST

Protests of bid specifications shall be presented to the Contract Review Board in writing in accordance with the following timeliness:

1. Public Improvement Contract: ten (10) calendar days prior to bid closing;

2. Other Public Contracts: five (5) calendar days prior to bid closing;

Such protest shall include the reasons for the protest and any proposed changes to the specifications. No protest against award because of the content of bid specifications shall be considered after the deadline established for submitting such protest.

B. EXTENSION OF OPENING DATE

If any bid specification protest is received in accordance with subsection (1) above, the bid opening date may be extended if necessary to allow consideration of the protest and issuance of any addenda to the bid documents.

C. IDENTIFICATION OF PROTEST

Envelopes containing pre-award protests of bid specifications shall be marked as follows:

Bid Specification Pre-Award Protest
Bid Identification: **[Insert Bid Name And/Or Number]**.

POLICY 6.12:ADDENDA TO BID DOCUMENTS

A. FORM

Changes to bid documents shall be accomplished by addenda. The bidder shall acknowledge receipt of all addenda issued, either with the bid or separately prior to bid opening.

B. DISTRIBUTION

Addenda shall be sent to all prospective bidders known to have obtained the bid documents or to have attended any mandatory pre-bid conference.

C. TIMELINESS

Addenda shall be issued at least 72 hours prior to bid closing to allow prospective bidders to consider them in preparing their bids. If necessary, the Contract Review Board may notify prospective bidders by telegram, telephonic facsimile or telephone, followed by a confirming written addendum. In its discretion, the District may adjust the bid closing date to permit prospective bidders to analyze any addendum issued. Such revised bid closing date shall be communicated either in the addendum or in writing accompanying it.

POLICY 6.13:PRE-OPENING MODIFICATION OR WITHDRAWAL OF BIDS

A. MODIFICATIONS

Bids once submitted may be modified in writing prior to the time and date set for bid closing. Any modifications shall be prepared on the company letterhead, signed by an authorized officer, and state that the new document supersedes or modifies the prior bid. Telegraphic or telephonic facsimile modification shall not be accepted unless authorized in the bid documents. To assure the integrity of the bidding process, the envelope containing any modifications to a bid shall be marked as follows:

Bid Modification

Bid Identification: **[Insert Bid Name And/Or Number]**.

B. WITHDRAWALS

1. Bids may be withdrawn by written notification on company letterhead signed by an authorized person and received prior to the time and date set for bid closing. Bids also may be withdrawn in person prior to the scheduled bid closing upon presentation of appropriate identification.

2. Unopened bids withdrawn under subsection (a) above, may be released to the bidder after voiding any date and time stamp used.

3. Requests to withdraw mailed bids shall be marked as follows:

Bid Withdrawal

Bid Identification: **[Insert Bid Name And/Or Number]**.

C. DOCUMENTATION

All documents relating to the modification or withdrawal of bids shall be made a part of the appropriate bid file.

D. TIMELY SUBMISSION

The burden of submitting the bid on time, is on the vendor. No exceptions can be allowed to this requirement since one of the fundamentals of the public competitive bidding process is that all vendors be treated fairly. This Policy prohibits acceptance of any kind of bid or other pre-bid submission that is received after the time and date listed in the notification.

E. DATE AND TIME STAMPING

The District Manager will record and initial in order to verify the time and day of receipt of the bids. The official clock shall be that of the District Manager in charge of opening the bids.

POLICY 6.14:RECEIPT, OPENING, AND RECORDING OF BIDS

A. RECEIPT

Upon its receipt, each bid and modification shall be marked by hand but not opened and shall be stored in a secure place until bid opening. If bids or modifications are opened inadvertently or are opened prior to the time and date set for bid opening because they were improperly identified by the bidder, the bids or authorized modification documents shall be resealed and stored for opening at the correct time. When this occurs, documentation of this procedure shall be placed in the bid file.

B. OPENING AND RECORDING

Bids and modifications shall be opened publicly, at the time, date, and place designated in the bid documents. If witnesses are present at the bid opening, and to the extent practicable, the name of each bidder, the bid price(s), and such other information as considered appropriate, shall be read aloud. On voluminous bids, the Contract Review Board may advise bidders as part of the bid documents that the bid items and prices will not be read aloud.

C. AVAILABILITY

The opened bids shall be available for public inspection prior to award except to the extent the bidder designates trade secrets or other proprietary data to be confidential. (ORS 192.501(2)). The Contract Review Board shall verify and determine that the confidential information claimed to be exempt is in fact exempt from disclosure under the Oregon Public Records Law. Material so designated shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the nonconfidential portion of the bid. Prices, makes, models or catalog numbers of items offered, scheduled delivery dates, and terms of payment shall be publicly available regardless of any designation to the contrary.

POLICY 6.15:LATE BIDS, LATE WITHDRAWALS, AND LATE MODIFICATIONS

A. DEFINITION

Any bid received after the time and date set in the bid documents for receipt of bids is late. Any request for bid withdrawal or modification received after the time and date set for bid closing is late.

B. DISPOSITION

Late bids, late modifications, or late withdrawals shall not be considered.

POLICY 6.16:MISTAKES IN BIDS

A. GENERAL

Clarification or withdrawal of a bid because of an inadvertent, nonjudgmental mistake in the bid requires careful consideration to protect the integrity of the competitive bidding system, and to assure fairness. Except as provided in this Policy, if the mistake is attributable to an error in judgment, the bid may not be corrected. Bid correction or withdrawal by reason of a nonjudgmental mistake is permissible, but only to the extent that it is not contrary to the interests of the District or the fair treatment of other bidders.

B. MISTAKES DISCOVERED AFTER BID CLOSING BUT BEFORE AWARD

This subsection prescribes procedures to be applied in situations where mistakes in bids are discovered after the time and date set for bid closing, but before award:

1. Minor Informalities: Minor informalities are matters of form rather than substance that are evident from the bid documents, or insignificant mistakes that can be waived or corrected promptly without prejudice to other bidders or the District. Such informalities do not affect price, quantity, quality, delivery, or contractual conditions except in the case of informalities involving unit price. Examples include, but are not limited to, the failure of a bidder to:

    a. Return the number of signed bids or the number of other documents required by the bid documents;

    b. Sign the bid form in the designated block so long as a signature appears elsewhere in the bid documents evidencing an intent to be bound;

    c. Acknowledge receipt of an addendum to the bid documents, but only if:

        i. It is clear from the bid that the bidder received and considered the addendum, and intended to be bound by its terms; or

        ii. The addendum involved did not affect price, quantity, quality, or delivery.

2. Mistakes Where Intended Correct Bid is Evident: If the mistake and the intended correct bid are clearly evident on the face of the bid form, or can be substantiated from accompanying documents, the District may accept the bid. Examples of mistakes that may be clearly evident on the face of the bid form are typographic errors, errors in extending unit prices, transposition errors, and arithmetic errors. Whenever there exist discrepancies between unit prices and extended prices, unit prices shall prevail.

3. Mistakes Where Intended Correct Bid Not Evident: The Contract Review Board may not accept a bid in which a mistake is clearly evident on the face of the bid form but the intended correct bid is not clearly evident or cannot be substantiated from accompanying documents.

POLICY 6.17:TIME FOR ACCEPTANCE

Bids shall be valid for thirty (30) days unless otherwise specified in the bid documents.

POLICY 6.18:EXTENSION OF TIME FOR ACCEPTANCE OF BID

Notwithstanding Policy 6.17, after opening bids, the Contract Review Board may request orally or in writing that bidders extend the time in writing during which the District may accept their bids.

POLICY 6.19:BID EVALUATION AND AWARD

A. GENERAL

The contract, if awarded, is to be awarded to the lowest responsible bidder. ORS 279.029. Consistent with the provisions of the bid documents, awards may be made by item, groups of items, or entire bid in the public interest as determined by the District. The District reserves the right to reject any bid not in compliance with the bid documents or all bids pursuant to ORS 279.035 when it is in the public interest to do so.

B. SPECIAL REQUIREMENTS

The bid documents shall set forth any special requirements and criteria which will be used to determine the lowest responsible bidder. No bid shall be evaluated for any requirement or criterion that was not previously disclosed in the bid documents or District regulation.

C. PRODUCT ACCEPTABILITY

1. The bid documents shall set forth the evaluation criteria to be used in determining product acceptability. The District may require the submission of bid samples, descriptive literature, technical data, or other material, and may also provide for accomplishing any of the following prior to award:

   a. Demonstration, inspection or testing of a product prior to award for such characteristics as quality or workmanship;

   b. Examination of such elements as appearance, finish, taste, or feel; or

   c. Other examinations to determine whether the product conforms with specifications.

2. The acceptability evaluation is conducted only to determine that a bidder's offering is acceptable as provided in the bid documents. Any bidder's product which does not meet the minimum requirements shall be rejected. Product rejections

are not considered bidder disqualifications and are not grounds for appeal under ORS 279.043-279.045.

D. DETERMINATION OF LOWEST RESPONSIBLE BIDDER

Following determination of product acceptability as set forth in subsection C of this Policy, if any is required, bids will be evaluated to determine which bidder offers the lowest cost to the District in accordance with the evaluation criteria set forth in the bid documents. Only objectively measurable criteria which are set forth in the bid documents shall be applied in determining the lowest responsible bidder. Examples of such criteria include, but are not limited to, transportation cost, volume weighing, trade-in allowances, depreciation allowances, cartage penalties, and ownership or life cycle cost formulas. Evaluation factors need not be precise predictors of actual future costs; but to the extent possible, such evaluation factors shall:

1. Be reasonable estimates based upon information the District has available concerning future use;

2. Treat all bids equitably; and

3. Recognize that public policy requires acquisitions and public improvements to be accomplished at the least cost. ORS 279.023(1).

E. RESTRICTIONS

Nothing in this Policy shall be deemed to permit contract award to a bidder submitting a higher quality item than that designated in the bid documents if such bidder is not also the lowest responsible bidder as determined under subsection D of this Policy. Further, this Policy does not permit negotiations with any bidder.

POLICY 6.20:LOW TIE BIDS

A. DEFINITION

Low tie bids are low responsive bids from responsible bidders that are identical in price, fitness, availability and quality, and which meet all the requirements and criteria set forth in the bid documents.

B. AWARD

1. Low tie bids are subject to the Oregon preference requirement contained in ORS 279.021(1).

2. Low tie bids that remain tied after application of the statutory Oregon preference shall be awarded according to the following sequence:

a. Preference shall be given to the bidder whose principal offices or headquarters are located in Oregon.

b. If a tie still remains after applying (a) above, award shall be made by drawing lots among any tied Oregon bidders. Such bidders shall be given notice and an opportunity to be present when the lots are drawn.

c. If none of the tied bidders is located in Oregon, award of the contract shall be made by drawing lots.

POLICY 6.21:REJECTION OF BIDS OR PROPOSALS

A. REJECTION OF INDIVIDUAL BIDS OR PROPOSALS

In accordance with ORS 279.035, the District may reject in whole or in part, any bid not in compliance with all prescribed bidding procedures and requirements. No bid shall be considered unless the bid security, if required, properly executed, has been submitted with the bid as required by the bid documents.

B. REASONS FOR REJECTING INDIVIDUAL BID OR PROPOSAL

Reasons for rejecting a bid include but are not limited to:

1. The bidder has not prequalified under Policy 6.6, or has been disqualified under Policy 6.23; or

2. The bidder has been declared ineligible by the Commissioner of the Bureau of Labor and Industries under ORS 279.361; or

3. The bid is not responsive, in that it does not conform in all material respects to all prescribed public bidding requirements and the bid documents; or

4. The supply, service, or construction item offered in the bid is unacceptable by reason of its failure to meet the requirements of the bid documents or permissible alternates or other acceptability criteria set forth in the bid documents; or

5. The bidder is not capable of satisfying the terms and conditions of the public contract in a timely manner due to financial incapacity, inability to obtain bonding, loss of license, or other objective cause; or

6. The bidder within the last five years has been found, in a civil, criminal or administrative proceeding, to have committed fraud, misrepresentation, price-rigging, unlawful anti-competitive conduct, or similar behavior; or

7. The bidder has been determined responsible (i.e., adjudicated by a court) for more than one breach of a public or private contract or contracts in the last three calendar years before the scheduled date of the bid opening; or

8. The bid security has not been submitted or properly executed as required; or

9. The bidder has not met the emerging small business, disadvantaged business, minority business and women business enterprise requirements, if any, established in the bid documents or has not made a good faith effort in accordance with ORS 200.075 and 279.059 to comply with the requirements prior to the time bids are opened; or

10. The bidder has not certified (if required in the bid documents) that the contractor has not discriminated against minority, women or emerging small business enterprises in obtaining any required subcontracts.

C. REJECTION OF ALL BIDS OR PROPOSALS

All Bids or proposals may be rejected for good cause upon a written finding by the District that it is in the public interest to do so. Notification or rejection of all bids or proposals, along with the good cause justification and finding of public interest shall be sent to all who submitted a bid. The reasons for rejecting all bids or proposals include but are not limited to finding that:

1. Due to the content of or error in the bid documents, including its terms, conditions or specifications, the solicitation process unnecessarily restricted competition for the public contract; or

2. The price, quality, or performance presented by the lowest or best responsible bidder is, in the opinion of the District, too costly or of insufficient quality to justify acceptance of the bid or proposal; or

3. Misconduct, error, or ambiguous or misleading provisions in the bid documents threaten the fairness and integrity of the competitive process; or

4. Causes other than legitimate market forces threaten the integrity of the competitive procurement process. These causes include, but are not limited to, those that tend to limit competition such as restrictions on competition, collusion, corruption, unlawful anti-competitive conduct, and inadvertent or intentional errors in the bid documents.

POLICY 6.22:NEGOTIATION WITH BIDDERS PROHIBITED

Unless a request-for-proposal is used, the District shall not negotiate with any bidder prior to award of a contract. After award of the contract, modifications to the contract shall be made with change orders or addenda to the contract and in accordance with the Policies set forth herein.

POLICY 6.23:BIDDER DISQUALIFICATION

A. GROUNDS FOR DISQUALIFICATION

As provided in ORS 279.037, the following are grounds for bidder disqualification:

1. The bidder does not have sufficient financial ability to perform the contract. If a bond is required to assure performance of a contract, evidence that the bidder can acquire a surety bond in the amount and type required shall be sufficient to establish financial ability;

2. The bidder does not have equipment available to perform the contract;

3. The bidder does not have key personnel available of sufficient experience to perform the contract; or

4. The bidder has repeatedly breached contractual obligations to public and private contracting agencies; or

5. As provided in ORS 200.075, the following are grounds for suspension of a bidder's, contractor's or subcontractor's right to bid or participate in a public contract:

    a. If the person has entered into any agreement representing that a certificated disadvantaged, minority, women or emerging small business enterprise will be performing or supplying materials under a public improvement contract without the knowledge and consent of the certified enterprise;

    b. If the person exercises management decision-making control over the internal operations, as defined by ORS 200.075(1)(b), of any certified disadvantaged, minority, women or emerging small business enterprise; or

    c. If the person uses a disadvantaged, minority, women or emerging small business enterprise to perform contracting services or provide supplies under a public improvement

contract to meet an established DBE/MBE/WBE/ESB goal, when the enterprise does not perform a commercially useful function, as defined by ORS 200.075(3) in performing its obligations under the contract.

B. INVESTIGATION

The District may make such investigation as is necessary to determine whether a bidder is qualified. If a bidder or prospective bidder fails to supply information promptly as required by the District, such failure is grounds for disqualification.

C. TRADE SECRET

Any information voluntarily submitted by a bidder or prospective bidder pursuant to an investigation under subsection B of this Policy or in a prequalification statement which may be required by the Board under Policy 6.6 shall be deemed a trade secret pursuant to ORS 192.501(2) if so requested by the person submitting the information and verified to be a trade secret by the District.

D. NOTICE OF DISQUALIFICATION

The bidder or prospective bidder will be notified in writing by personal service or certified mail of the Contract Review Board's decision to disqualify the person from bidding with the District. The notice shall contain:

1. The effective date of the disqualification and the effective period of disqualification;

2. The grounds for disqualification from bidding; and

3. A statement of the contractor's appeal rights and applicable appeal deadlines.

E. APPEAL OF DISQUALIFICATION

If a contractor wishes to appeal the Contract Review Board's decision to disqualify, the contractor must notify the Contract Review Board in writing within three (3) business days after receipt of the notification.

POLICY 6.24:CANCELLATION OF INVITATIONS TO BID

A. CANCELLATION IN THE PUBLIC INTEREST

An invitation to bid may be canceled, in whole or in part, and all bids may be rejected when it is in the public interest to do so as determined by the Contract Review Board. The findings of the Board shall be made part of the bid file. (ORS 279.035).

B. NOTICE OF CANCELLATION

When an invitation to bid is canceled prior to bid opening, notice of cancellation shall be sent to all holders of bid documents. When an invitation to bid is canceled after bid opening, notice shall be sent to those bidders who submitted a bid. The notice of cancellation shall:

1. Identify the invitation to bid;

2. Briefly explain the reason for cancellation; and

3. Where appropriate, explain that an opportunity will be given to compete on any re-solicitation. (ORS 279.035).

POLICY 6.25:DISPOSITION OF BIDS OR PROPOSALS IF BID CANCELED

A. PRIOR TO BID OPENING

When an invitation for bids is canceled prior to bid opening, all bids received will be returned to bidders unopened, if submitted with a clearly visible return address. If there is no return address on the envelope, the bid will be opened to determine the source and then returned to sender.

B. AFTER BID OPENING

When all bids are rejected after bid opening, the bids received shall be retained and become part of the Contract Review Board's permanent file.

POLICY 6.26:DOCUMENTATION OF AWARD

A. BASIS OF AWARD

Following award, a record showing the basis for determining the successful bidder shall be made a part of the bid file.

B. CONTENTS OF AWARD RECORD

The record shall consist of:

1.Completed bid tabulation sheet.

2.Written justification for any rejection of lower bids.

POLICY 6.27:FOREIGN CONTRACTOR (ORS 279.021)

If the amount of the contract exceeds $10,000 and the contractor is a "foreign contractor," within 60 days from the date of execution of the contract, the contractor shall promptly report to the Oregon Department of Revenue on forms to be provided by the Department of Revenue the total contract price, terms of payment, length of contract and such other information as the Department of Revenue may require before final payment can be received on the contract. A copy of the report shall be forwarded to the Contract Review Board. The Board shall satisfy itself that the above requirements have been complied with before it issues final payment on the contract. For the purposes of this Policy, a foreign contractor is one who is not domiciled in or registered to do business in the State of Oregon.

POLICY 6.28:AVAILABILITY OF AWARD DECISIONS

A. CONTRACT DOCUMENTS

A signed purchase order, price agreement, or contract document, as applicable, shall be sent to the successful bidder.

B. NOTIFICATION TO UNSUCCESSFUL BIDDERS

Unsuccessful bidders need not be notified. Tabulations of awarded bids may be obtained for a nominal charge from the Contract Review Board. Requests should state the bid name and/or number, and be submitted along with a self-addressed, stamped envelope.

C. AVAILABILITY OF BID FILES

Completed bid files shall be available for public review at the District's offices.

D. COPIES FROM BID FILES

Copies of material from bid files, other than previously described tabulation sheets, may be obtained upon payment of a reasonable copying charge.

E. RETENTION OF CONTRACT DOCUMENTS

The Contract Review Board shall retain contract documents after award as follows:

1. For all service contracts the original shall be retained for two years after the contract has been completely executed;

2. Capital improvement contracts shall be retained permanently;

3. Goods contracts shall be retained for seven years after maturity;

4. Intergovernmental and inter-agency agreements shall be retained permanently.

5. Any copies of originals shall be retained for two years after maturity in categories 1-4, above.

POLICY 6.29:PERFORMANCE SECURITY

A. PUBLIC IMPROVEMENTS CONTRACTS

Except in emergencies, when the requirement may be waived pursuant to ORS 279.029(5), or when exempted by the Board pursuant to ORS 279.033, a performance bond in a sum equal to the contract price shall be required for all public improvement contracts in excess of $10,000.

B. OTHER PUBLIC CONTRACTS

The District may require performance security for other public contracts. Such requirements shall be stated in the bid documents.

C. CONTRACTS UNDER $10,000

Performance bonds for a contract under $10,000 shall be utilized only when specially required by the Board, so as not to discourage competition.

D. REQUIREMENT FOR SURETY BOND

A surety bond furnished by a surety company authorized to do business in Oregon is the only acceptable form of performance security unless otherwise specified in the bid documents.

E. TIME FOR SUBMISSION

Upon request by the Contract Review Board, the apparent successful bidder must furnish the required performance bond within 10 days. Prompt submittal of the performance bond is required to assure

timely project initiation. Failure to furnish the bond prior to the deadline may result in rejection of the bid, and forfeiture of bid security and award to the next lowest responsible bidder.

POLICY 6.30:RIGHT TO AUDIT RECORDS

A. AUDIT OF COST OR PRICING DATA

The Contract Review Board or its authorized representatives may, at reasonable times and places, audit the books and records of any person who has submitted cost or pricing data according to the terms of a contract to the extent that such books and records relate to such cost or pricing data. Any person who receives a contract, for which cost or pricing data are required, shall maintain such books and records that relate to such cost or pricing data for three (3) years from the date of final payment under the contract, unless a shorter period is otherwise authorized in writing.

B. CONTRACT AUDIT

The Contract Review Board shall be entitled to audit the books and records of a contractor or any subcontractor under any contract or subcontract to the extent that such books and records relate to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three (3) years from the date of final payment under the prime contract and by the subcontractor for a period of three (3) years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing.

POLICY 6.31:RIGHT TO INSPECT OR TEST

A. TIME FOR INSPECTION

The Contract Review Board or its authorized representative(s) may, at reasonable times, inspect the part of the plant or place of business of a contractor or any subcontractor, which is related to the performance of any contract awarded.

B. ACCESS TO PLANT OR PLACE OF BUSINESS

As a condition of bidding, bidders agree that the members of the Contract Review Board, its representatives and staff, may enter a contractor's or subcontractor's plant or place of business during normal business hours for the following purposes:

1. To inspect and/or test supplies or services for acceptance by the District pursuant to the terms of the bid; or

2. Investigate facts in connection with a bidder's application or qualification.

C. CONTRACTUAL PROVISIONS

Public contracts may provide that the Contract Review Board shall inspect supplies and services at the contractor's or subcontractor's facility and perform tests to determine whether they conform to the bid documents, or, after award, to contract requirements, and are therefore acceptable. Such inspections and tests shall be conducted in accordance with the terms of the contract.

D. PROCEDURES FOR TRIAL USE AND TESTING

The Contract Review Board may establish operational procedures governing the testing and trial use of equipment, materials, and the application of resulting information and data to specifications or procurements.

E. CONDUCT OF INSPECTIONS

1. Inspectors: Inspections or tests shall be performed so as not to unduly delay the work of the contractor or subcontractor. No change of any provision of the specifications or the contract may be required by the inspector without written authorization of the Contract Review Board, unless otherwise specified in the bid documents. The presence or absence of an inspector shall not relieve the contractor or subcontractor from any requirement of the contract.

2. Location: When an inspection is made in the plant or place of business of a contractor or subcontractor, such contractor or subcontractor shall provide without charge all reasonable facilities and assistance for the safety and convenience of the person or persons performing the inspection or testing on behalf of the Contract Review Board.

3. Time of Testing or Inspection: Inspection or testing of supplies and services performed at the plant or place of business of any contractor or subcontractor shall be performed at reasonable times during normal business hours.

F. INSPECTION OF CONSTRUCTION PROJECTS

On-site inspection of construction shall be performed in accordance with the terms of the contract.

POLICY 6.32:CONTRACT CANCELLATION PROCEDURES

A. GROUNDS FOR CANCELLATION

A contract may be canceled by the Contract Review Board for any violation of the provisions of the contract. Such provisions generally include, but are not limited to:

1. Standard terms and conditions included in all contracts;

2. Product or service specifications;

3. Delivery or completion requirements; or

4. Contracted pricing and price escalation/de-escalation clauses.

Cancellation, unless limited by the terms of the contract in question, shall not restrict or abrogate any other remedy available at law or in equity to the District.

POLICY 6.33:LIFE CYCLE COSTING

A. LIFE CYCLE COSTING MAY BE USED

In determining the lowest responsible bidder in the award of a contract, the District may use the concept of life cycle costing if it complies with this Policy. As used in this Policy, life cycle costing means determining the cost of a product for its useful life.

B. IDENTIFICATION OF FACTORS

Prior to the time of writing specifications for the product, the District shall identify those factors which will have cost implications over the life of the product.

C. INVITATION TO BID

The invitation to bid shall set out clearly the factors and methodology to be used in life cycle cost adjustments.

D. ADJUSTMENTS

At or after the formal bid opening, the results of life cycle costing adjustments shall be applied to the base bid, and the bidder whose total bid results in the lowest ownership cost, taking into account the life cycle costing adjustments, shall be considered the lowest responsible bidder.

POLICY 6.34:REQUEST FOR PROPOSAL

The District may, at its discretion, use request-for-proposal competitive procurement methods subject to the following conditions:

A. CONTRACTUAL REQUIREMENTS

Contractual requirements are stated clearly in the solicitation document.

1. Evaluation criteria to be applied in awarding the contract and the role of an evaluation committee are stated clearly in the solicitation document.

2. Criteria used to identify the proposal that best meets the District's needs may include but are not limited to cost, quality, service, compatibility, product reliability, operating efficiency and expansion potential.

B. SOLICITATION DOCUMENT

The solicitation document clearly states all complaint processes and remedies available.

C. VENDOR COMMENT

The solicitation document states the provisions made for vendors to comment on any specifications which they feel limit competition.

D. INHIBITION OF COMPETITION

The selection process shall not inhibit competition or encourage favoritism, and will result in cost savings to the District.

POLICY 6.35:TELECOMMUNICATIONS SYSTEMS CONTRACTS

A. EXEMPTION FROM COMPETITIVE BIDDING

Contracts for acquisition of telecommunication system hardware and software may be let without competitive bidding, subject to the following conditions:

1. If the contract amount does not exceed $25,000 the District shall at a minimum obtain competitive quotes. Prior to selection of a vendor reasonable efforts shall be made to solicit proposals from three or more vendors. Justification of the award shall be documented and become a public record of the District.

2. If the contract amount exceeds $25,000, the District may use the request-for-proposal process outlined in Policy 6.34, and shall solicit written proposals. Solicitations shall

be requested from appropriate vendors appearing on lists compiled by the District or by advertising in an appropriate trade publication of general circulation.

B. REQUIREMENTS

The telecommunications solicitation authorized in subsection A.2. of this rule shall:

1. State the contractual requirements in the solicitation document;

2. State the evaluation criteria to be applied to awarding the contract and the role of any evaluation committee. Criteria to be used to identify the proposal that best meets the District's needs shall include, but not be limited to: cost, quality, service, compatibility, product reliability, operating efficiency, and expansion potential;

3. State the provisions made for vendors to comment prior to award on any specifications which they feel limit competition.

POLICY 6.36:TELECOMMUNICATIONS SERVICES

A. DEFINITION

"Telecommunications Services" means the lease or rental of the use of voice and data transmission facilities or services or of central office services, but does not include acquisition of switch or station equipment or acquisition or installation of wire and cable.

B. DETERMINING COMPETITION

In determining the appropriate procurement method for telecommunications services, the District shall determine whether competition exists. In determining competition, the District may consider the following factors:

1. The extent to which alternative providers exist in the relevant geographic and service market. The relevant market will vary from service category to service category and cannot be pre-determined in advance.

2. The extent to which alternative services offered are comparable or substitutable in technology, service provided, and performance.

3. The extent to which alternative providers can respond to the District's interests in consistency and continuity of services throughout its service area, volume discounts and centralized management. The District shall document for the record its findings on these factors or any other factors

used in determining whether competition exists. In developing its findings, the District may solicit the information either through informal telephone or written contacts, or through a formal Request for Information.

C. COMPETITIVE BIDDING EXEMPTION

Upon determination that competition does not exist for the relevant service and geographical area, the District may proceed to secure the service without competitive bidding.

POLICY 6.37:INSURANCE CONTRACTS

Contracts for insurance where either the annual or aggregate premium exceeds $5,000 shall be let by formal competitive bidding or by one of the following procedures:

A. AGENT OF RECORD

The District may appoint a licensed insurance agent ("agent of record") to perform insurance services in connection with more than one insurance contract. Among the services to be provided is the securing of competitive proposals from insurance carriers for all coverages for which the agent of record is given responsibility;

1. Prior to the selection of an agent of record, the District shall make reasonable efforts to inform known insurance agents in the competitive market area that it is considering such selection. These efforts shall include a public advertisement in at least one newspaper of general circulation in the area where the contract is to be performed. The advertisement shall generally describe the nature of the insurance that the District will require. If the amount of the annual premium for insurance, other than employee benefits insurance is likely to exceed $10,000 per year, such notice shall also include a public advertisement in at least one insurance trade publication of general circulation in the state.

2. Any appointment period shall not exceed three years. Agents may serve more than one appointment period. Agents must qualify for appointment prior to each period as if each appointment period were the first.

3. In selecting an agent of record, the District shall select the agent(s) most likely to perform the most cost-effective services.

B. SPECIFIC PROPOSALS FOR INSURANCE CONTRACTS

Specific Proposals for Insurance Contracts: The District may solicit proposals from licensed insurance agents for the purpose

of acquiring specific insurance contracts subject to the following conditions:

1. The District shall make reasonable efforts to inform known insurance agents in the competitive market area of the subject matter of the contract, and to solicit proposals for providing the services required in connection with the contract. Such efforts shall include public advertisements in at least one newspaper of general circulation in the area where the District is located. If the amount of annual premium for insurance, other than employee benefits insurance is likely to exceed $10,000 per year, such notice shall also include a public advertisement in at least one insurance trade publication of general circulation in the state.

2. The District shall select an agent on the basis of the most competitive offer considering coverage, premium cost, and service to be provided.

POLICY 6.38:EMPLOYEE BENEFIT INSURANCE

The District may, without competitive bidding, contract for medical and hospital services or for employee benefit insurance, including but not limited to remedial care and hospital benefits without competitive bidding. As used in this Policy, "remedial care" includes services rendered by a person licensed to practice one or more of the healing arts or any other remedial care recognized under the laws of this state. The District may negotiate more than one such contract with one or more companies or associations if necessary to obtain optimum coverage at minimum cost.

POLICY 6.39:DATA AND WORD PROCESSING CONTRACTS

Contracts for acquisition of data and word processing hardware and systems software may be let without competitive bidding, subject to the following conditions:

A. CONTRACTS UNDER $25,000

If the contract amount does not exceed $25,000, the District shall, at a minimum, make reasonable efforts to solicit proposals from three or more vendors. Justification of award shall be documented and become a public record of the District.

B. CONTRACTS OVER $25,000

If the contract amount exceeds $25,000, the District may use the request-for-proposal process outlined in Policy 6.34, above, and shall solicit written proposals. Solicitations shall be requested from appropriate vendors appearing on lists compiled by the District or by advertising in an appropriate trade publication of general circulation. The Contract Review Board shall document the evaluation and award process, retaining such documents as public records.

C. CONTRACTS OVER $100,000

If the amount of the contract exceeds $100,000, in addition to the requirements of section B of this Policy, the District shall provide an opportunity for vendors to review the evaluation of their proposals before final selection.

POLICY 6.41:GASOLINE, DIESEL FUEL, HEATING OIL, LUBRICANTS AND ASPHALTS

As a public contracting agency the District is exempt from formal competitive bidding requirements for the purchase of gasoline, diesel fuel, heating oil, lubricants and asphalts. However, the Contract Review Board shall obtain competitive quotes from a majority of vendors in the area and purchase its requirements from the least expensive source. The District shall retain written documentation of the quotes received for the purchases made under this Policy.

POLICY 6.42:COPYRIGHTED MATERIALS

If a contract is for the purchase of copyrighted materials and there is only one known supplier for such materials, the District may contract for the purchase of the materials without competitive bidding.

POLICY 6.43:PERIODICALS

The District may purchase or subscribe to periodicals, including journals, magazines, and similar publications without competitive bidding.

POLICY 6.44:PURCHASES OF USED PERSONAL PROPERTY

The District may purchase used personal property for $10,000 or less without competitive bidding if it has determined that the direct purchase without competitive bidding will result in cost savings. For purchases of used personal property over $10,000, three competitive quotes shall be obtained. If three quotes are not available, a written record shall be made of the attempts to obtain quotes.

POLICY 6.45:ADVERTISING CONTRACTS

The District may purchase advertising or advertising services without competitive bidding.

POLICY 6.46:INVESTMENTS CONTRACTS

The District may, without competitive bidding, contract for the investment of public funds or the borrowing of funds when such investment or borrowing is contracted pursuant to duly enacted statute, ordinance, charter, or constitution.

POLICY 6.47:PERSONAL SERVICES CONTRACTS

A. EXEMPT PERSONAL SERVICE CONTRACTS

The following are personal service contracts exempt from competitive bidding requirements under ORS 279.011(5):

1. Contracts for services performed as an independent contractor in a professional capacity, including but not limited to the services of an accountant; attorney; architectural or land use planning consultant; physician or dentist; registered professional engineer; appraiser or surveyor; passenger aircraft pilot; aerial photographer; timber cruiser; data processing consultant or broadcaster. **[Note: Districts contracting for architectural and engineering personal services should also see OAR 137-35-000 through 137-35-080.]**

2. Contracts for services as an artist in the performing or fine arts, including but not limited to those persons identified as musicians, dancers, photographers, filmmakers, painters, weavers, or sculptors.

3. Contracts for services of a specialized, creative and research-orientated, noncommercial nature.

4. Contracts for services as a consultant.

5. Contracts for educational and human custodial care services.

B. NON-EXEMPT CONTRACTS

The following are not personal service contracts exempt from competitive bidding:

1. Contracts, even though performed in a professional capacity, which are predominately for a product, e.g., a contract with a landscape architect to design a garden is for personal services, but a contract to design a garden and supply all the shrubs and trees is predominately one for tangible products.

2. A service contract to supply labor which is of a type that can generally be done by any competent worker, e.g., janitorial, security, crop spraying, laundry and landscape maintenance service contracts.

3. Contracts for trade-related activities considered to be labor and materials contracts.

4. Contracts for services of a trade-related nature, even though a specific license is required to engage in the activity. Examples are repair and/or maintenance of all types of equipment or structures.

POLICY 6.48:SINGLE SELLER OF PRODUCT REQUIRED

A. EXEMPTION FROM COMPETITIVE BIDDING

Subject to the requirements listed below, the District may, without competitive bidding, purchase goods where there is only one seller of a product of the quality required, or if the efficient utilization of existing equipment or supplies requires specification of a compatible product for which there is only one seller.

1. The product shall be selected on the basis of the most competitive offer considering quality and cost. The term "cost" includes not only the product price but also other items of expense such as costs related to quality or conversion.

2. Prior to awarding the contract, the District shall make reasonable efforts to notify all known vendors of competing or comparable products of the intended specifications and invite such vendors to submit competing proposals. If the purchase does not exceed $25,000, such notice and invitation may be informal. If the amount of the purchase exceeds $25,000, such notice shall include advertisement in at least one newspaper of general circulation in the area where the contract is to be performed and shall be timely to allow competing vendors a reasonable opportunity to make proposals.

3. If the amount of the purchase exceeds $25,000, and is not subject to Policy 6.39, the District shall document its actions in the bid file. Such documentation shall include:

   a. A brief description of the proposed contract or contracts.

   b. A detailed description of the reasons why the product and/or seller was selected and any competing products and/or sellers that were rejected. The description shall also include the efforts taken by the District to notify and invite proposals from competing vendors.

4. If the District intends to make several purchases of the product of a particular manufacturer or seller for a period not to exceed two years, it may so state in the documentation

required by subsections 2 and 3 of this Policy, and such documentation shall be sufficient notice as to subsequent purchases.

POLICY 6.50:CONTRACT AMENDMENTS (INCLUDING CHANGE ORDERS AND EXTRA WORK)

A. EXEMPTION FROM COMPETITIVE BIDDING

Any contract amendment for additional work including change orders, extra work, field orders, or other change on the original specifications which increases the original contract price, may be made with the contractor without competitive bidding subject to the following conditions:

1. The original contract was let by competitive bidding; unit prices or bid alternates were provided that established the cost for additional work; and a binding obligation exists as to each of the parties covering the terms and conditions of the additional work; or

2. The amount of the aggregate cost increase resulting from all amendments will not exceed 20% of the initial contract. Contracts for renovation or remodeling of buildings may have aggregate amendments not exceeding 33 percent of the initial contract. Amendments made pursuant to subsection 1 of this Policy are not included in computing the aggregate amount under this subsection.

POLICY 6.51:OFFICE COPIER PURCHASES

A. MULTIPLE PRICE AGREEMENTS/REQUIREMENTS CONTRACTS AUTHORIZED

The District may enter into multiple price agreements or requirements contracts for either the purchase or lease of office copying equipment. Except for this multiple award exemption, such agreements shall otherwise conform to the requirements of Policies 6.52 and 6.53.

B. CONSIDERATIONS

In exercising this exemption regarding requirements contracts, the District shall fully consider the operating capabilities, limitations and cost of each brand or model and select the brand which will produce the best combination of performance and cost per copy for each application.

POLICY 6.52:REQUIREMENTS CONTRACTS

A. CONDITIONS

The District may enter into requirements contracts whereby it agrees to purchase its requirements at a pre-determined price providing the following conditions are complied with:

1. The contract must be let by competitive bidding, unless elsewhere exempted in these Policies.

2. The term of the contract, including renewals, shall not exceed three years.

POLICY 6.53:PURCHASES UNDER REQUIREMENTS CONTRACTS

A. SUBSEQUENT COMPETITIVE BIDDING NOT REQUIRED

When the price of goods and services has been established by a requirements contract pursuant to Policy 6.52, the District may purchase the goods and services from the supplier without subsequent competitive bidding.

B. USE OF ANOTHER AGENCY'S REQUIREMENTS CONTRACTS

The District may use a requirements contract entered into by another public contracting agency when a formal inter-agency agreement exists between the two.

POLICY 6.54:DISTRICT PRINTING

A. PRINTING WORK TO BE DONE IN-STATE

Pursuant to ORS 282.210-282.230, and except as provided in section B of this Policy, all District printing, binding and stationery work shall be performed within the State of Oregon. All invitations for bids or requests for proposals and all contracts issued by the District for such work shall so stipulate.

B. EXCEPTIONS

District printing, binding, and stationery work may be performed outside the state if it is established that:

1. The work cannot be performed within the state;

2. The lowest price for which such work can be procured within the state exceeds the charge usually and customarily made to private individuals and corporations for work of similar character and quality; or

3. All bids for the work or any part thereof, are excessive and not reasonably competitive.

C. LABOR CONDITIONS

All contracts for printing, binding and stationery work to be performed outside the state under section B of this Policy shall provide and require that such work be performed under conditions of labor and employment which shall substantially conform to the laws of the state respecting hours of labor, the minimum wage scales for women and minors, and the regulations promulgated by the Wage and Hour Commission of the State of Oregon regarding conditions of employment, hours of labor and minimum wages. Violation of the provisions of this section shall be grounds for cancellation of the contract. (ORS 282.230).

POLICY 6.55:PRODUCT PREQUALIFICATION

A. LIST OF APPROVED PRODUCTS

When it is impractical to create specific design or performance specification for a type of product to be purchased, the District may specify a list of approved products by reference to

particular manufacturers or sellers in accordance with the following product prequalification procedure:

1. The District shall make reasonable efforts to notify all known manufacturers or vendors of competitive products of its intention to accept applications for inclusion in its list of prequalified products. Notification shall include advertisement in a trade journal of state-wide distribution when possible.

2. The District shall permit application for pre-qualification of similar products up to 15 days prior to advertisement for bids on the product.

DIVISION 2: PUBLIC IMPROVEMENT CONTRACTS

POLICY 6.57:APPLICATION

In addition to the requirements set forth in Division 1 of these Policies, the following Policies apply to public improvement contracts.

POLICY 6.58:COMPETITIVE BIDDING

Public improvement contracts, if awarded, shall be awarded by the Contract Review Board to the lowest responsible bidder as defined by statute and these Policies unless otherwise exempt under the provisions of these Policies or ORS 279.015, 279.017 or 279.053; or preempted by federal law pursuant to ORS 279.056.

POLICY 6.59:PUBLIC NOTICE

A. TRADE NEWSPAPER ADVERTISEMENT

In addition to the requirements of Policy 6.4, public improvements having an estimated cost in excess of $50,000 shall be advertised for bids in at least one trade newspaper of general state-wide circulation. The Contract Review Board may require advertisement more than once, or in additional publications.

B. PREVAILING WAGE RATE NOTICE

If the following conditions apply, the District shall include in the public notice a statement that the bidder shall comply with the requirements of ORS 279.350:

1. The bid must be for "public works" as defined in ORS 279.348(3), including but not limited to: construction, reconstruction, major renovation or painting of roads, highways, buildings, structures and improvements of all types, excluding improvements to privately owned property leased by a public agency;

2. The contract price for the project exceeds $10,000; and

3. The project is not regulated under the Davis-Bacon Act (40 USC § 276a). (ORS 279.357).

POLICY 6.60:BID EVALUATION AND AWARD

Award of a public improvement contract shall be to the lowest responsible bidder on the basis of total bid price. If the bid includes unit prices and extensions for estimated quantities, the total bid price for the purpose of comparing bids will be the total sum computed from bid quantities and the unit prices entered thereon

by the bidder with due adjustments being made for alternate items and any specified or authorized reductions, additions or changes. In case of conflict between a unit price and the corresponding extended amount, the unit price shall govern.

POLICY 6.61:CONTRACT CANCELLATION PROCEDURES

A. TERMINATION DUE TO CIRCUMSTANCES BEYOND THE CONTROL OF THE CONTRACTOR (ORS 279.326, 279.328, 279.330, 279.332)

1. Reasons for Termination: The District may, by written order or upon written request from the contractor, terminate the contract or a portion thereof if any of the following occur:

   a. The contractor is prevented from completing the work by circumstances beyond the control of the District;

   b. Completion of the project is prevented by circumstances beyond control of the contractor;

   c. The District determines for any reason that termination is in the public interest. However, such determination shall not be made due to a labor dispute or by reason of any third party judicial proceeding relating to the work other than a suit or action filed with regard to a labor dispute. A District determination to terminate the contract or portion thereof may be based upon findings which include but are not limited to: nonavailability of materials, phenomenon of nature of catastrophic proportions or intensity, executive orders of the President related to national defense, or Congressional, State or District exigencies related to funding.

2. Payment When Contract is Terminated: When the contract, or any portion thereof, is terminated by the District before completion of all items of work in the contract, payment will be made for the actual items of work completed under the contract, or by mutual agreement, for items of work partially completed. No claim for loss of anticipated profits will be allowed.

3. Responsibility for Completed Work if Contract Terminated: Termination of the contract or a portion thereof shall not relieve the contractor of responsibility for the work completed, nor shall it relieve the surety of its obligation for any just claims arising from the work performed.

B. TERMINATION OF CONTRACT FOR DEFAULT (ORS 279.333)

1. If the contractor should persistently or repeatedly refuse to or fail to supply enough properly skilled workmen or proper materials for the efficient execution of the project,

or should fail to make prompt payment to subcontractors for material or labor, or persistently disregard laws or ordinances, or the instructions of the District, or otherwise be guilty of a substantial violation of any provision of the contract, then the District without prejudice to any other right or remedy and after giving the contractor or the surety seven (7) days' written notice, may terminate the employment of the contractor and take possession of the premises and of all materials, tools and appliances thereon as well as all other materials whether on the premises or not, on which the contractor has received partial payment. The District may finish the work by whatever method it deems expedient.

2. Required Response to Declaration of Default. If the Contract is terminated pursuant to section B.1. of this Policy, the contractor or the surety shall provide the District with immediate and peaceful possession of all of the materials, tools and appliances located on the premises, as well as all other materials whether on the premises or not on which the contractor has received any progress payment. Further, the contractor shall not be entitled to receive any further payment until the work is completed. Upon completion of the work, a determination shall be made by the District of the total amount that the contractor would have been entitled to receive for the work, under the terms of the contract, had the contractor completed the work. If the difference between said total amount and the sum of all amounts previously paid to the contractor, which difference will hereinafter be called the "unpaid balance," exceeds the expense incurred by the District in completing the work, including expense for additional managerial and administrative services, such excess will be paid to the contractor, with the consent of the surety. If, instead, the expense incurred by the District exceeds the unpaid balance, the amount of the excess shall be paid to the District by the contractor or the surety.

3. Expense of Completion. The expense incurred by the District shall be as determined and certified by the District.

4. Refusal to Perform. In addition to and apart from the right of the District to terminate the employment of the contractor set forth in subsection B.1. of this Policy, the contract may be canceled by the District for any willful failure or refusal on the part of the contractor to perform the contract faithfully according to all of its terms and conditions. However, in such event neither the contractor nor the surety shall be relieved from damages or losses suffered by the District on account of the contractor's breach of contract.

5. Remedies are Cumulative. The District may, at its discretion, avail itself of any or all of the above rights or remedies

and invoke any one of the above rights or remedies without prejudice. Such action shall not preclude the District from subsequently invoking any other right or remedy available to it.

POLICY 6.62:RETAINAGE

A. RETAINAGE OF FIVE PERCENT

The amount to be retained from any given progress payment will be such that when added to the sum of amounts previously retained will equal not more than five percent of the value of completed work. However, if the contract work is 50 percent completed and the work is progressing satisfactorily, the retainage may be reduced or eliminated on the remaining progress payments. Any reduction or elimination of retainage shall be allowed only upon written application of the contractor, which application shall include written approval of the contractor's surety. When the contract work is 97 1/2 percent completed, the District may without application by the contractor, reduce the retained amount to 100 percent of the value of the contract work remaining to be done. If retainage has been reduced or eliminated, the District reserves the right in protecting its interests to reinstate retainage from further progress payments at any time.

B. ALTERNATIVES TO CASH RETAINAGE

In lieu of cash retainage to be held by the District, the contractor may select one of the following options:

1. Deposit of Securities: The contractor may deposit bonds or securities in any bank or trust company in this State to be held for the benefit of the District. In such event, the District shall reduce the retainage in an amount equal to the value of the bonds and securities. This reduction in retainage will be made in the progress payments made subsequent to the time the contractor deposits the bonds and securities.

2. Valuation and Character: The value of the bonds and securities deposited will be determined periodically by the District and the amount retained on progress payments will be adjusted accordingly. The bonds and securities deposited by the contractor shall be fully assigned to the District or be payable to the District on demand and shall be of a character approved by the Contract Review Board including but not limited to the following:

   a. Bills, certificates, notes or bonds of the United States.

   b. Other obligations of the United States or its agencies.

c. Obligations of any corporation wholly owned by the Federal Government.

d. Indebtedness of the Federal National Mortgage Association.

e. Time certificates of deposit or savings account passbooks issued by a commercial bank, savings and loan association, or mutual savings bank, duly authorized to do business in Oregon.

f. Corporation bonds rated A or better by a recognized rating service.

g. General obligation bonds of the State of Oregon or any political subdivision thereof.

h. General obligation improvement warrants issued pursuant to ORS 287.502.

i. Irrevocable letters of credit from a bank doing business in Oregon.

3. Release: At the time the Board determines that all requirements for the protection of the District's interest have been fulfilled, all bonds and securities deposited as above provided will be released to the contractor.

4. Deposit in Interest-Bearing Accounts: Upon written request of the contractor, the District shall deposit any amounts withheld as retainage in an interest-bearing account in a bank, savings bank, trust company or savings association for the benefit of the District. Interest earned on such account shall accrue to the contractor.

5. The District may, in its discretion, allow the contractor to deposit a security bond acceptable to the District in lieu of all or part of the retainage. The contractor shall in turn accept like bonds from subcontractors and suppliers when the District has permitted the contractor to deposit a security bond.

C. RECOVERY OF COSTS

If the District incurs additional costs as a result of the exercise of any of the options for retainage described herein, the District may recover such costs from the contractor by reduction of the final payment. As work on the contract progresses, the District shall, upon request, inform the contractor of all accrued costs.

D. DEPOSIT OF SECURITIES

1. When a contractor elects to deposit securities with a bank or trust company in lieu of retainage on District contracts,

the securities shall be held by the custodian in fully transferable form and under the control of the District.

2. Non-negotiable securities so deposited shall have proper instruments attached to enable the District to effect transfer of title should the contractor be unable to fulfill the contract obligations.

3. The custodian bank or trust company shall issue a safekeeping receipt for the securities to the District. The receipt will describe the securities, the par value, the name of the contractor, and project number or other project identification.

4. Unless otherwise mutually agreed, the value placed upon said securities shall be present fair market value.

5. Securities deposited in the manner described above shall be released by the bank or trust company only upon the written instructions and authorization of the Contract Review Board.

6. In lieu of the above, an escrow agreement mutually acceptable to the contractor and the Contract Review Board and the bank or trust company may be used.

POLICY 6.63:PROGRESS PAYMENTS (ORS 279.435)

A. REQUEST FOR PROGRESS PAYMENTS

At a regular time each month, the contractor shall, if required by the contract documents, submit to the District a request for payment based upon an estimate of the amount of work completed and of the value of such completed work. This request shall also include an estimate of the amount and value of acceptable material to be incorporated in the completed work which has been delivered and acceptably stored. Upon verification and approval of the District, the sum of these values will be referred to as the "value of completed work." With these estimates as a base, a progress payment will be made to the contractor, which progress payment shall be equal to the value of completed, work, less such amounts as may have been previously paid, less such other amounts as may be deductible or as may be owing and due to the District for any cause, and less an amount to be retained in protection of the District's interests. Interest at the rate of one and one-half percent per month shall be payable to the contractor on any progress payment due, commencing 30 days after receipt of the invoice or 15 days after the District has approved payment, whichever is earlier.

B. PROGRESS PAYMENTS DO NOT MEAN ACCEPTANCE OF WORK

Progress payments shall not be construed as an acceptance or approval of any part of the work covered thereby, and they shall

in no manner relieve the contractor of responsibility for defective workmanship or material.

C. ESTIMATES FOR PROGRESS PAYMENTS

The estimates upon which progress payments are based are not represented to be accurate estimates, and all quantities shown therein are subject to correction in the final estimate. If the contractor uses such estimates as a basis for making payments to subcontractors, this is at the contractor's own risk, and the contractor shall bear all loss that may result.

POLICY 6.64:FINAL INSPECTION

A. NOTIFICATION OF COMPLETION

When the contractor determines that all construction work on the project has been completed, the contractor shall so notify the District. The District shall make an inspection of the project and project records within 15 days of receiving said notice. If, at such inspection, all construction provided for and ordered under the contract is complete and satisfactory to the District, and all certifications, bills, forms and documents have been submitted properly, such inspection shall constitute the final inspection.

B. INSTRUCTIONS TO COMPLETE THE WORK

If, however, at any inspection, any work in whole or in part is found unsatisfactory, or it is found that all certifications, bills, forms and documents have not been submitted properly, the District shall within 15 days provide instructions to the contractor on outstanding requirements to complete the project. At such time as the contractor determines full compliance with and the execution of such instructions, the contractor shall notify the District in writing. The District shall make another inspection within 15 days after such notice and this inspection shall constitute the final inspection provided construction work has been completed satisfactorily.

C. ACKNOWLEDGMENT OF ACCEPTANCE

Upon satisfactory completion of all work required under the contract, the Board on behalf of the District shall acknowledge acceptance of the work in writing.

POLICY 6.65:FINAL ESTIMATE AND FINAL PAYMENT (ORS 279.435(3))

A. SUBMISSION OF FINAL ESTIMATE

As soon as practicable after final inspection of the work under the contract, if unit prices were applicable, the District shall prepare a final estimate of the quantities of the various classes of work performed. Following a determination of the total amount due the contractor, and following final acceptance of the work by the District, final payment shall be made to the contractor.

B. CORRECTION OF PRIOR PAYMENTS

All prior partial estimates and payments shall be subject to correction in the final estimate and payment.

C. INTEREST

Beginning 30 days after the date of final acceptance of the project by the District, the District shall pay to the contractor interest at the rate established by statute (ORS 279.435(8)) on any money due and payable to the contractor.

POLICY 6.65:CLAIMS FOR UNPAID LABOR OR SUPPLIES

A. RIGHT OF ACTION

As provided in ORS 279.526 a person claiming to have supplied labor or materials for work on a public improvement contract let by the District for which the person has not been paid by the prime contractor or any subcontractor has a right of action on the contractor's bond, if a written notice of such claim has been given pursuant to ORS 279.528 within 120 days of last providing labor or furnishing materials, or within 150 days of providing labor or prior to the expiration of six (6) months following the acceptance of the work by the District.

B. NOTICE OF CLAIM

To initiate a claim against the contractor's bond, a person should file with the President of the Board of Directors of the District a Notice of Claim in the form and manner attached as Exhibit A to these Policies.

Any notice of claim shall include the information specified in ORS 279.528.

C. RESPONSE TO NOTICE OF CLAIM

Upon receipt of such Notice of Claim, the District shall:

1. Send an acknowledgment to the claimant;

2.Send a copy of the notice to the prime contractor;

3.File a copy of the notice in the District's official records;

4.File a copy of the notice with the bonding or surety company.

D. REFERRAL TO SURETY COMPANY

If the contract has been completed and all funds disbursed to the prime contractor, the District shall refer all claims to the surety company for resolution. The District shall not arrange for second payments directly to subcontractors or suppliers for labor or materials already paid for by the District.

E. DISCRETIONARY PAYMENT OF CLAIM

If the contract is still in force, the District may, in accordance with ORS 279.314, pay a valid claim to the person furnishing the labor or materials, and charge the amount of the payment against funds due or to become due to the contractor under the contract.

F. LIABILITY FOR CLAIM

If the District chooses to make such a payment as provided in ORS 279.314, the contractor or the contractor's surety shall not be relieved from obligations with respect to any unpaid claims.

POLICY 6.67:POLICY MODIFICATION WHEN REQUIRED BY PUBLIC INTEREST

Nothing in these Policies prohibits the Board from amending the District's public contracting rules; altering contract language relating to cancellation, termination, retainage, inspection, estimates and payments, and claims; or adding contract terms, if the Board determines that to do so is necessary to protect the public interest in a particular instance.

EXHIBIT A

SAMPLE CLAIM OF SUBCONTRACTOR OR SUPPLIER

TO: _____ DISTRICT

NOTICE IS HEREBY GIVEN that the undersigned, **(insert name of subcontractor or supplier)**, a **(corporation, partnership, sole proprietorship, etc.)**, as claimant, whose address is **(insert address here)**, has a claim for **(labor performed by the claimant, materials supplied by the claimant, etc.)**, generally consisting of **(brief description)** in the sum of $_____ against the bond taken from **(name of prime contractor)**, as principal, and **(name of bonding company)**, as surety, for the construction of the **(title of project)** at **(location)** said contract dated **(insert date)** by and between _____ District and **(name of prime contractor)**, as Contractor.

(Insert a brief description of other work concerning which the bond was taken.)

DATED this _____ day of _____, 19__.

By _____
(claimant's name)
Title _____

EXHIBIT B

SAMPLE LETTER

[Date]

Board of County Commissioners
_____, County
City, Town, 00000

Re:Creation of Local Contract Review Board by the _____ District and Enactment of Public Contracting Policies

Dear Commissioners:

Enclosed for filing pursuant to ORS 279.055(2) is a true copy of the resolution (Resolution No. ____) adopted by the Board of Directors of the _____ District on _____ creating the Board of Directors as the Local Contract Review Board for the _____ District. Also enclosed are the Public Contracting Policies adopted by the Board pursuant to ORS 279.055(5) as Ordinance .

Very truly yours,

President of the Board

EXHIBIT C

SAMPLE LETTER
TO COUNTY CLERK

[Date]

County Clerk
Street Address
City, Town 00000

Re: Adoption of Resolution ____ Creating Contract Review Board and Enacting Policies Governing the Public Contracts of the District

Dear Sir/Madam:

Enclosed for filing pursuant to ORS 198.560(2) is a certified copy of Ordinance No. _____, which contains the Public Contracting Policies of the _____ District. This Ordinance shall be available for public inspection at the District's offices during regular business hours.

Very truly yours,

President of the Board

Enclosure

cc: District Counsel

EXHIBIT D

BEFORE THE BOARD OF DIRECTORS
FOR _____ DISTRICT

In the Matter of the Creation of a Contract Review Board for the District and Adoption of Regulations Governing the District's Public Contracting.

Resolution and Order No. _____

WHEREAS ORS 279.055(2) permits a local public agency such as the _____ District having a governing body to adopt a resolution or ordinance designating the governing body of the public agency as the Local Contract Review Board for the public agency, and

WHEREAS the Board of Directors of the _____ District has determined that they shall function as the Local Contract Review Board for the District, and

WHEREAS the Board of Directors has caused the attached public contracting policies to be prepared to articulate the District's regulations respecting its public contracting;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED AS FOLLOWS:

1. The Board of Directors of _____ District is hereby created as the Local Public Contract Review Board for the District;

2. The public contracting policies attached hereto, having been duly enacted in accordance with the provisions of ORS 198.510-198.600, are hereby adopted as Ordinance _____ by the Board for the purpose of governing public contracts let by the District. These policies shall remain in effect until such time as the Board of Directors acting in its capacity as the Local Contract Review Board for the District shall amend or repeal them by Ordinance pursuant to the authority granted to the Board under the laws of this state; and

3. The _____ of _____ District is instructed to file a copy of this Resolution with the Board of County Commissioners of _____ County, Oregon to permit to Board to begin functioning in the capacity of Local Contract Review Board for the District.

DATED this _____ day of _____, 199_____.

Board of Directors for _____ District

By:_____
President of the Board

ATTEST:

_____
Secretary-Treasurer

EXHIBIT E

SAMPLE CALL FOR BIDS

TO: ALL INTERESTED BIDDERS

FROM: _____ DISTRICT

SUBJECT: CALL FOR BIDS -- _____

DATE: _____

_____

This is the Cover Memorandum for the Call for Bids for the _____ District _____ procurement. The District intends to purchase _____ _____as more fully specified herein.

Vendor Conference:

A vendor conference is:

_____ **mandatory and scheduled to begin at** _____a.m./p.m., on _____, at _____ _____ _____, Oregon 97____. This conference is mandatory -- vendors must attend in order to be eligible to submit a bid.

The purpose of the conference is to insure a complete understanding of the Call for Bids through an oral presentation by the District's personnel and a question and answer period. The conference will be recorded and a summary of the conference will be provided to all vendors who attend. This summary will be unofficial and is intended for information purposes only. Any changes to the Call for Bids will be issued through Addenda.

_____ **not required.**

Schedule of Events:

The following schedule of events is part of this Call for Bids and may be changed only through the issuance of an Addendum to the Call for Bids.

Event	Date
Issue Call for Bids	_____
Mandatory Vendor Conference	_____

Last Day for Vendor Appeal of
Call for Bids Requirements _____
Last Day for Issuance of Addenda
Without Extending the Closing Date _____
Closing Date (Opening of Bids) _____
Technical Evaluation Period _____
Award of Contract _____
Delivery Date _____

Issuing Agency:

_____ District is the issuing agency. All questions or comments with respect to this Call for Bids, whether technical or procedural, must be directed to: _____ at _____ _____, _____, Oregon 97_____, (503)_____.

Closing Time and Date:

Sealed bids will be received by the District until _____ a.m./p.m., PST on _, 199___ for the procurement described herein.

All bids shall be delivered in sealed envelopes, plainly marked "_____ Procurement Bid" to the District's offices at _____, _____, Oregon 97_____ by the date specified. Bids may be delivered by mail or by personal delivery, during regular business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m., but in no event will any bid be accepted after the date and time set forth above. All bids must be received and time stamped by the District by such time. Late bids will not be accepted. Each bid received must be clearly marked as indicated.

All bids properly received by the stated time and date will be publicly opened and read aloud at _____a.m./p.m. _____, 199__ in the _____ room of the District at _____, _____, Oregon 97_____.

District Board Approval:

District Board approval is required before the final award of the contract to the successful bidder. The District does not anticipate any undue delays as a result of this approval requirement, however, vendors should recognize that the possibility of a delay does exist.

I. INSTRUCTIONS CONCERNING BID SUBMISSION

A. Scope

This Call for Bids contains the instructions and requirements for bids on the _____. The Call for Bids is organized into the following parts:

Cover Memorandum
Section I - Instructions Concerning Bid Submission
Section II - Specifications
Section III - Contract Terms and Conditions
Section IV - Addenda

B. Schedule of Events

The Schedule of Events for this Call for Bids is as specified in the Cover Memorandum.

C. Addenda to the Call for Bids

In the event it becomes necessary to revise any part of this Call for Bids, including, but not limited to the Schedule of Events, Instructions Concerning Bid Submissions, Specifications or Contract Terms and Conditions, an Addendum will be issued. All Addenda issued prior to any vendor conference to be held will be sent to all parties who have received a copy of this Call for Bids. Following the vendor conference (if any), Addenda will be sent only to those vendors having filed a written Statement of Interest in Participation in the procurement with the District. Addenda shall be issued at least 72 hours prior to bid closing. If necessary, the District may notify prospective bidders by telegram or telephone, followed by written confirmation. Each vendor submitting a bid shall acknowledge in writing receipt of all Addenda issued, either with the bid or separately prior to the bid opening.

D. Vendor Prequalification

Vendor prequalification is:

_____ required.
_____ not required.

E. Vendor Conference

In the event a mandatory pre-bid conference has been specified in the Schedule of Events listed in the Cover Memorandum of the Call for Bids, vendors, or their authorized representatives, must attend in order to be eligible to participate in this procurement. The purpose of such a conference is to provide interested vendors an opportunity to ask questions arising from their review of the Call for Bids. Discussion at the conference will be recorded, summarized and sent to participating vendors for general information purposes only. Any change or modification in the specifications or the procurement process will be stated in a separate document as an Addendum to the Call for Bids. In the event that a mandatory pre-bid

vendor conference has been scheduled for this procurement, vendors must file a Statement of Interest in participating by the end of such vendor conference in order to participate in the procurement. A copy of the Statement of Interest Form is attached hereto as Exhibit A.

F. Appeals Regarding the Requirements of the Call for Bids

Vendors who have concerns or questions about the requirements of this Call for Bids must submit them in writing and clearly labeled "Pre-Award Appeal -- _____," to _____, _____ District, _____, _____, Oregon, 97_____, within five (5) calendar days following issuance of the Call for Bids or the vendor conference, whichever is later. The District shall review and determine such appeals within ten (10) calendar days of bid closing in the case of public improvements contracts, and within five (5) calendar days of bid closing in the case of all other public contracts and, if the District deems it necessary, amend the Call for Bids using the Addenda process outlined in Section I.C., above. If necessary, the bid opening date may be extended to allow consideration of appeals regarding this Call for Bids and the issuance of any Addenda. No protest against the award because of the content of the Call for Bids shall be considered unless the protestant complied with this requirement.

G. Response Date

In order to be considered, bids must arrive at the District's office on or before the date and time specified on the Schedule of Events in the Cover Memorandum. Vendors mailing bids to the District should allow extra mail delivery time to insure timely receipt of their bids by the District. Bids received by the District after the specified time and date cannot be considered, and will be returned unopened to the vendor. The District cannot make exceptions to this rule. Each bid should be submitted to the District in a sealed envelope clearly marked "_____Procurement Bid." The District shall not be responsible for the proper identification or handling of any bid not submitted as required herein.

H. Pre-Opening Modification or Withdrawal of Bids

Bids once submitted may be modified in writing prior to the time and date set for bid closing. Any modification(s) shall be prepared on the vendor's letterhead, signed by an authorized representative, and state that the new document supersedes or modifies the prior bid. Telegraphic modifications shall not be accepted. To insure the integrity of the bidding process, the envelope containing any modification(s) to a bid shall be marked as follows: "Bid Modification -- _____ Procurement Bid."

Bids may be withdrawn by written notification on the vendor's letterhead signed by an authorized representative and received prior to the time and date set for bid closing. Bids also may be withdrawn in person prior to the scheduled bid closing, upon presentation of appropriate identification. Unopened bids withdrawn in accordance with this section may be released to the vendor after voiding the date and time stamp on the envelope. Requests to withdraw

mailed bids shall be marked as follows: "Bid Withdrawal -- _____ Procurement Bid."

All documents relating to the modification or withdrawal of bids shall be made a part of the appropriate bid file.

I. Receipt, Opening and Recording of Bids

Upon its receipt, each bid and modification shall be date and time stamped or marked by hand, but not opened, and shall be stored in a secure place until the bid opening. Bids or modifications opened inadvertently prior to the time and date set for bid opening shall be resealed and stored for opening at the correct time. Documentation of inadvertent premature opening shall be placed in the bid file.

Bids received in response to this Call for Bids will be opened at the District's office on the date and at the time specified in the Schedule of Events in the Cover Memorandum. Vendors who attend the bid opening will be informed of the names of the vendors submitting bids and their bids, unless such bids are voluminous. In that case the District may advise bidders that bid items and prices will not be read aloud. No other information will be made available at that time.

The opened bids shall be made available for public inspection prior to award unless a bidder has designated trade secrets or other proprietary data to be kept confidential. Prices, makes, models or catalog numbers of items offered, scheduled delivery dates, and terms of payment shall be publicly available regardless of any designation to the contrary.

Any bid received after the time and date set forth in the Cover Memorandum for receipt of bids is late. Any request for bid withdrawal or modification received after the time and date set forth for bid closing is late. Late bids, modifications or withdrawals shall not be considered.

J. Vendor's Bids

In order to be considered for selection, vendors must submit a complete response to this Call for Bids, including all required documents and descriptive literature, and any bid sample specified in the Call for Bids. Incomplete bids will be considered non-responsive and cannot be supplemented by submissions delivered after the deadline for submission of bids. Incomplete bids are those which lack any portion of the information required of vendors under this Call for Bids.

All bids shall be typed or prepared in ink, and shall be signed in ink by the vendor or an authorized representative of the vendor. All bids shall be submitted on the Bid Pricing Pages which are attached hereto as Exhibit B, however, vendors may also attach additional sheets, properly identified, as necessary. Each bid shall contain a statement certifying that the bid and the prices contained therein shall remain valid for thirty (30) days beyond the date of the bid opening.

The District may request that bidders extend the time during which the District may accept their bids. The District reserves the right to waive minor irregularities and to accept clarifications or corrections, in accordance with the District's public contracting rules. Any such waived irregularity, clarification, or correction allowed will be disclosed to all other responding vendors. This disclosure will occur at the time the clarification, correction or waiver is accepted by the District.

Protests of any such occurrence must be filed with the District within five (5) calendar days of the date of the disclosure by the District. Protests at other times will not be allowed. The District will review any such protest and issue a finding and resolution within ten (10) days of receipt of the protest. This resolution will be the final disposition of the matter.

Any erasures, typeovers or other changes to a bid must be initialed in ink by an authorized representative of the vendor.

K. Acceptance of Bid Content

If the District awards the purchase contract, the contents of the bid of the selected vendor will become contractual obligations. The District intends to rely on the statements of the vendor in making an award. Failure of the selected vendor to execute a contract with the District containing these terms, within ten (10) days after notification of award, will result in cancellation of the award to that vendor and forfeiture of the vendor's bid security. This time period may be extended at the District's sole option, and if extended, only when the delay is the result of a negotiation or a factor beyond the control of the vendor. Any such extension must be in writing and signed by the District.

The price quoted by the vendor on the Bid Pricing Pages for the base bid only, and not including any allowances or alternates proposed, shall be used in evaluating the bid. The contract, if awarded, shall be awarded to the lowest responsible bidder meeting the requirements of this Call for Bids. The "lowest responsible bidder" shall be the vendor proposing the lowest total lump sum base bid.

L. Low Tie Bids

Low tie bids are low responsive bids from responsible bidders which are identical in price, fitness, availability and quality, and which meet all of the requirements set forth in this Call for Bids.

Low tie bids are subject to the Oregon preference requirement contained in ORS 279.021(1). Low tie bids which remain tied after application of the statutory Oregon preference, shall be awarded according to the following sequence:

1. Preference shall be given to the bidder whose principal offices or headquarters are located in Oregon.

2. If a tie still remains after applying paragraph 1, immediately above, the award shall be made by drawing lots among

any tied Oregon bidders. Such bidders shall be given notice and an opportunity to be present when the lots are drawn.

3. If none of the tied bidders has its principal offices or headquarters in Oregon, award of the contract shall be made by drawing lots.

M. Rejection of Bids

In accordance with ORS 279.035, the District may reject in whole or in part any bid not in compliance with all of the prescribed procedures and requirements contained in this Call for Bids. No bid shall be considered unless the required bid security, properly executed, has been submitted with the bid as required herein. A bid received from any bidder declared ineligible by the Commissioner of the Bureau of Labor and Industries under ORS 279.361 shall be rejected. Any bid which is found not to conform in all material respects to the requirements contained in this Call for Bids shall be rejected.

N. Vendor Disqualification

A vendor may be disqualified upon a finding that it does not have sufficient financial ability to perform the contract (however, capacity to acquire a surety bond in the amount and type required herein shall be sufficient to establish financial ability). A vendor may also be disqualified upon a finding that it lacks the requisite equipment or key personnel available to perform the contract; or if it has repeatedly breached contractual obligations to public and private contracting agencies.

O. Contractual Requirements

In order to assure that vendors are offered the same contract provisions, the successful vendor must enter into a contract based on this Call for Bids. Only non-substantive or minor procedural changes may be requested by a vendor. Such requests must be submitted within five (5) calendar days after issuance of this Call for Bids or the vendor conference, whichever is later. Decisions on requested changes shall be made solely by the District, and such decisions shall be final.

P. News Releases

News releases pertaining to this procurement will be made only with the prior written consent of the District.

Q. Public Records

This Call for Bids and one copy of each original bid received in response to it, (excepting those bids properly withdrawn prior to bid opening), together with copies of all documents pertaining to the award of a purchase contract shall be kept by the District for a period of three years from completion of the contract and made a part of a file or record which shall be open to public inspection.

The District's responsibility to protect the confidentiality of vendors' submissions shall at all times be subject to the Oregon Public Records Law, ORS 192.410 to 192.500.

R. Proprietary Function of the District

This procurement is a proprietary function of the District. The District has and reserves the right to refuse to enter into a contract if the District, based upon reasonable grounds, determines that the legitimate ends of government would not be served thereby. Specifically, this right may be exercised if the District has a reasonable basis to believe that a given vendor cannot perform as specified under the contract. The District, at its option, may give the vendor notice, specifying the grounds for rejection, and may allow the vendor fifteen (15) calendar days to respond in writing.

S. Bonding Requirements

1. Bid Security. Unless exempted by the Contract Review Board, bid security shall be required only in circumstances deemed critical by the District, bid security equal to 10 percent of the vendor's base bid shall be required by the District to guarantee acceptance of the award. The cost of this item shall be included as part of the vendor's base bid. Bid security ___ is / _____ is not required on this procurement. If required, the following forms of bid security will be accepted by the District:

a. surety bond from a surety company authorized to do business in the State of Oregon; or

b. cashier's check or certified check made payable to the District.

The bid security of all unsuccessful vendors shall be returned after a contract has been executed, or all bids have been rejected by the District. The District may choose to return the bid security of unsuccessful vendors after bid opening, but prior to award, if the return does not prejudice the bid award, and provided that the bid security of at least the three (3) lowest bidders is retained pending the execution of a contract.

The bid security shall be payable to the District for any failure by the successful vendor to promptly execute the contract upon award.

2. Performance Bond. Except with respect to contracts under $10,000 where performance bonds shall be required only in circumstances deemed critical by the District, a performance bond equal to 100% of the base bid, plus any alternates or additional services selected by the District for purchase, shall be provided by the vendor within ten (10) days of its being identified as the apparently successful bidder, as a condition precedent to execution of the contract. A performance bond ___ is _____ is not required on this procurement. If required, the performance bond must be issued by a surety company authorized to do business in the State of Oregon. It shall be payable to the District for any failure to perform as required under the contract. The performance bond shall also cover liquidated damages under the contract.

3. In the event that the bonding company issuing either a bid bond or performance bond fails to remit to the District within thirty (30) calendar days of submission of a claim, the District may proceed directly against the vendor.

T. Specification Equivalents

Certain products and components may have been specified by brand names in Section II - Specifications. Where the specifications provide that an equivalent product or component is acceptable, the vendor shall supply with its bid proof that the equipment or component proposed to be furnished is equivalent to the brand named in the specification. Bids without such proof will be rejected. Where a brand name is specified, but an "approved equal" or "equal" has not been provided for, the District has made the determination that there is only one seller of the product or component of the quality required. Bids failing to specify the named product or component shall be rejected.

U. Advertisement

The District shall advertise this Call for Bids at least once, in a newspaper of general circulation in the contracting area, and in such other issues and publications as the District Board may determine are legally required or desirable to assure competition. A copy of each bid advertisement shall be posted at the District's offices. Each advertisement shall state the date and time after which bids will not be received; the date the prequalification applications must be filed if prequalification is a requirement; the character of the work to be performed or the goods to be purchased; the office where specifications may be seen; the name and the title of the person designated to receive bids; the date, time and place that bids will be publicly opened; If the contract is for a public work subject to ORS 279.348 to 279.363 or the Davis-Bacon Act (40 U.S.C. 276a), that no bid will be received or considered unless the bid contains a statement by the bidder as a part of its bid that the provisions of ORS 279.350 or 40 U.S.C. 276a are to be complied with; that each bid must contain a statement as to whether the bidder is a resident bidder, as defined in ORS 279.029; whether or not a contractor or subcontractor must be licensed under ORS 468A.720; that no bid for a construction contract shall be received or considered by the pulic contracting agency unless the bidder is registered with the Construction Contractors Board or licensed by the State Landscape Contractors Board as required by ORS 671.530; and whether or not a contractor (or subcontractor) must be licensed under ORS 468.883 to work with asbestos-containing materials. Vendors may obtain copies of such advertisements and of this Call for Bid upon request.

V. Foreign Contractor (ORS 279.021)

If the successful vendor is a "foreign contractor" as defined in ORS 279.021(2)(b), the vendor shall promptly report to the Oregon Department of Revenue within 60 days from the date of execution of the contract the following information on forms provided by the Department: contract price, terms of payment, length of contract, and such other information as the Department of Revenue may require. A copy of this report shall be forwarded to the District. The District shall satisfy itself that the above requirements have

been complied with before it issues final payment on the contract. For purposes of this Call for Bids, a foreign contractor is one who is not domiciled in, or registered to do business in the State of Oregon.

EXHIBIT A -- STATEMENT OF INTEREST IN PARTICIPATION (for use only if a mandatory vendors conference is held)

EXHIBIT B -- BID PRICING PAGES

EXHIBIT A
TO
INSTRUCTIONS CONCERNING BID SUBMISSION

STATEMENT OF INTEREST IN PARTICIPATION

TO: _____ DISTRICT

FROM: INTERESTED VENDOR

SUBJECT: STATEMENT OF INTEREST IN PARTICIPATION
_____ PROCUREMENT BID

DATE: _____

The undersigned hereby notifies the District of its intention to participate in the procurement now being conducted by the District.

Vendor requests that a summary of the vendor conference and all Addenda issued after the vendor conference be sent to the following:

Vendor Name: _____

Address: _____

_____

_____

Telephone: _____

Name of Authorized Representative: _____

Title: _____

Signature: _____

Date: _____

EXHIBIT B
TO
INSTRUCTIONS CONCERNING BID SUBMISSIONS

BID PRICING PAGES

Please specify the location of the factory (or factories) where the goods or systems are to be manufactured: _____.

Please set forth the number of years this vendor has been engaged in the manufacture or distribution of goods of the type specified in this Call for Bids: _____ years.

On one or more separate pages, describe this vendor's experience in manufacturing goods of the type specified in this procurement.

The following is a list of at least _____ (__) deliveries of similar goods or systems sold to purchasers in the Pacific Northwest since January 1, _____:

1. _____
   Address: _____
   _____
   _____
   Contact Person: _____
   Telephone: _____

2. _____
   Address: _____
   _____
   _____
   Contact Person: _____
   Telephone: _____

3. _____
   Address: _____
   _____
   _____
   Contact Person: _____
   Telephone: _____

Maximum number of days required for completion and delivery of the specified goods to _____, Oregon from the date of contract execution: _____ days.

Name(s) of individual(s) who will be responsible for actual performance of the work:
_____
_____

Phone No(s):_____

Please attach an itemized list of any alternate(s) or additional service(s) proposed. Prices for such must be separately quoted on the Bid Pricing Pages. Vendors' Base Bid shall not reflect the cost of any such alternate or additional service proposed.

BID

1. Vendor's Base Bid: $__

2. Alternates (if any)

   Alternate A: _____ $__

   Alternate B: _____ $__

   Alternate C: _____ $__

3. Additional Services (if any) $__
   (Specify nature of additional services on a separate sheet.)

ACKNOWLEDGMENT

By the signature of its authorized representative hereto, the vendor acknowledges acceptance of and its intention to abide by and be bound by the terms contained in the Cover Memorandum, the Instructions, Specifications, Contract Terms and Conditions, and Addenda included in this Call for Bids. Any exceptions thereto have been clearly set forth in writing, signed by an authorized representative and attached hereto.

The vendor certifies that this bid and the prices contained herein shall remain effective for thirty (30) days after the date of the bid opening.

By: __
Title: __
Vendor Name: __
Employer I.D. No._____
Address: __
__
__
Telephone: __
Date: __

II. SPECIFICATIONS

A. Description

This Call for Bids seeks bids on a _____ _____ _____.

B. All New Materials

The goods provided shall be of all new materials. Workmanship and finish characteristics shall suit the goods to the use for which they are intended.

C. Factory Location

Each vendor shall specify the location of the factory (or factories) where the goods are to be manufactured.

D. Vendor Experience

The bid shall set forth the number of years that the vendor has been engaged in the manufacture or distribution of goods of the type specified in this Call for Bids. Only bids from vendors with a minimum of _____ years' experience shall be deemed responsive.

E. Recent Pacific Northwest Deliveries by Vendor

Each vendor shall submit a list of _____ deliveries of similar goods sold to purchasers in the Pacific Northwest since January 1, 19__.

F. Completion and Delivery

Each bidder shall specify the maximum number of days required for completion and delivery to the District at , Oregon of the goods specified herein. The District desires to take delivery of the specified goods within _____ (__) days from the date of execution of a contract, however, no vendor indicating a reasonable manufacturing period shall be deemed unresponsive.

G. Warranty Periods

The goods provided in response to this Call for Bids shall be unconditionally warranted to be free from any defect for the following periods: _____.

The vendor shall be responsible for all defects, developing or discovered during such warranty periods. The contractor shall remedy fully, without cost to the District, all such defects within a commercially reasonable time period upon receipt of written notice to do so from the District.

H. Parts and Service/Defect Correction

Parts and service for the goods shall be guaranteed to be available for a period of not less than _____ (__) years from the date of acceptance. Parts must be available within _____ (__)

calendar days from the date of order. Service must be available within _____ (__) days from the date of order. Any defect discovered after delivery, but before acceptance and called to the attention of the vendor, shall be corrected within a period of 30 days.

I. Descriptions and Specifications

Each bid shall be accompanied by the manufacturer's detailed description and specifications for each item of equipment or component the vendor proposes to incorporate into the finished goods. Vendors shall also furnish their own complete and detailed description and specifications for each entire system proposed to be furnished. Reproductions of this Call for Bids with its specifications, advertising materials or computer run-off sheets will not be acceptable to meet this requirement.

J. Engineer's Line Drawings

Each vendor shall include with its bid an engineer's line drawing of each product or system to be furnished. Final engineering drawings must be approved by the District prior to commencement of the manufacturing process by the successful vendor.

K. Testing

The successful vendor shall contract with _____ or other appropriate testing entities to test the goods, as required in the Detailed Specifications. Certificate(s) showing the results of such testing shall be provided to the District within _____days of delivery.

L. Incorporation of Standards or Requirements

The finished goods shall meet all of the requirements contained in the standards listed on Exhibit A attached hereto, in addition to all federal, state and local requirements for design, safety and operation.

M. Performance Testing

Performance testing shall be conducted by the District. In the event that the goods fail to satisfy the test requirements on the first trial, a second trial may be made, at the option of the vendor within thirty (30) days from the date of the first trial. Such second trial shall be the final and conclusive trial, and failure to meet all of the performance requirements shall be cause for rejection by the District.

N. Acceptance

Until such time as a successful performance test has been conducted, and the District has determined that all of the specifications contained in this Call for Bids are satisfied, or waived, the goods shall not be accepted.

O. Manuals

The vendor shall, at the time of delivery, supply the District with at least _____ copies of all operation and maintenance manuals covering the completed goods, including a complete parts manual.

P. Alternates/Additional Services

Each vendor shall include a separate quote on the Bid Pricing Pages for any alternate or additional service the vendor proposes to furnish. Vendors shall indicate an increase or decrease to the base bid for each such alternate or additional service. The base bid itself shall not include the cost of any alternate or additional service.

Q. Detailed Specifications

See Exhibit B, attached hereto and incorporated herein by this reference.

EXHIBIT A -- STANDARDS INCORPORATED

EXHIBIT B -- DETAILED SPECIFICATIONS

EXHIBIT A
TO
SPECIFICATIONS

STANDARDS INCORPORATED

[Here list any performance or other standards being incorporated by reference into the bid documents.]

EXHIBIT B
TO
SPECIFICATIONS

DETAILED SPECIFICATIONS

[Here insert the detailed specifications applicable to the bid.]

III. CONTRACT TERMS AND CONDITIONS

A. Applicable Law

This Call for Bids is governed by applicable provisions of law and the District's public contracting rules, adopted pursuant to Resolution No. _____ on _____, 19___. The District is solely responsible for determining the contractual provisions, terms and conditions of this Call for Bids.

In addition to the Oregon preference requirements set forth in ORS 279.021(1), and the reciprocal preference provisions of ORS 279.029(3), the provisions of ORS 279.310-279.542 shall apply to this Call for Bids, and shall become an integral part of any contract let by the District.

In conformance with the provisions of ORS 279.318, the District hereby notifies vendors that the federal, state and local agencies listed in Exhibit A hereto may have enacted regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of this contract. Vendors are solely responsible for determining the applicable regulations and taking such into account in preparing their bids.

The vendor warrants that during the performance of work under this contract, it will comply with all applicable provisions of the laws and constitution of the State of Oregon, the public contracting rules of the District, and all applicable local rules, regulations and ordinances of Oregon's cities, counties, municipalities, and local taxing districts in which it performs the work.

B. Vendor Responsibility/Exceptions to Terms

Vendors are responsible for noting each of the requirements set forth in the Call for Bids. By signing and returning the Bid Pricing Pages, the vendor acknowledges acceptance of, and the intent to abide by, the Instructions, Specifications, Contract Terms and Conditions, and Addenda set forth herein. Any exceptions to the foregoing must be clearly set forth in writing, signed by the vendor and returned with the vendor's bid. The District reserves the right to reject any bid which qualifies or takes exception to the terms and conditions herein. Exceptions to the terms and conditions herein become contractual obligations upon the District only upon written acceptance by the District.

C. Right to Inspect the Plant

As a condition of bidding, vendors agree that the District, its representatives and staff may enter upon the vendor's plant or place of business during normal business hours to inspect and/or test products or services for acceptance by the District pursuant to the

terms of the vendor's bid; or to investigate facts in connection with a vendor's qualification. The District or its authorized representatives may, at reasonable times, inspect the plant or place of business of the vendor or any subcontractor. The District may also inspect products and services at the vendor's or subcontractor's facility and perform tests to determine that they conform to the specifications contained in Section II herein, or, after award, to the contract document.

D. Contract Cancellation

A contract may be canceled by the District for any violation of the provisions of the contract.

E. Choice of Law/Venue

The provisions of this contract shall be construed and enforced in accordance with the laws of the State of Oregon and any provision of this contract in conflict with them shall be void. The parties expressly agree that any action or suit involving the terms and conditions of this contract must be brought in the Circuit Court of the State of Oregon for the County of _____. The prevailing party in any such action or suit shall be entitled to its reasonable attorney fees and costs if awarded by the court, including reasonable attorney fees and costs on appeal.

F. Time is of the Essence

Time is of the essence in this contract.

G. Liquidated Damages

If the goods or systems specified herein are not delivered within the time specified, the delay will interfere with the District's obligation to provide services to the people of the District, to their loss and damage.

The parties agree that it would be impractical and extremely difficult to fix the actual damages sustained in the event of such a delay. Therefore, the parties agree that in the event of such a delay the vendor shall pay $_____ as liquidated damages, and not as a penalty. The District, at its option, may deduct amounts due the District as liquidated damages from any money payable to the vendor under this procurement, may bill the vendor as a separate item, or may collect against the performance bond.

H. Patent and Copyright Protection

The vendor warrants that the goods, including all equipment and component parts, do not infringe upon or violate any United States patent, copyright, trademark, or any other legally protected right of any third party.

In the event of any claim by any third party against the District, the District shall promptly notify the vendor and the vendor shall defend and hold the District harmless from such claim, at the vendor's sole expense and shall indemnify the District against any loss, cost, expense or liability arising out of such claim, whether or not such claim is successful. If the District reasonably concludes that its interests are not being properly protected, it may enter any action. However, any settlement by the District with the party alleging such infringement or violation shall not be binding upon the vendor. Further, if principles of government or public law are involved, or otherwise at its election, the District may participate in the defense of any such action.

I. Risk of Loss or Damage

During the period that the goods specified herein are being manufactured or in transit, and until they are delivered to the District at _____, Oregon, and have met the standards of performance set forth herein and has been accepted by the District, the vendor and its insurer, if any, are liable for all risk of loss or damage to the goods, including equipment and any component parts, except for loss attributable to the fault or negligence of the District. After the goods, equipment and component parts have been accepted by the District, all risk of loss and damage shall be borne by the District, except for that loss or damage attributable to the vendor's fault or negligence, defects in the goods, equipment or component parts, or any subsequent breach of this contract by the vendor.

J. Vendor's Liability for Injury to Persons or Damage to Property

The vendor shall be liable for damages arising out of any injury to persons (including, but not limited to, employees of the District, persons designated by the District for any purpose, and persons other than agents or employees of the vendor), and/or damage to the property of the District prior to or subsequent to delivery, acceptance, or use of the goods specified hereunder, provided that the injury or damage arises out of the intentional or negligent acts or failure to act by the vendor.

Nothing in this contract shall limit the vendor's liability, if any, to third parties, the District and employees of the District for any remedy which may exist under law in the event that any defect in the design or manufacture of the goods specified hereunder, equipment or component parts, or any act or omission of the vendor, its officers, employees or agents, is the cause of injury to such person or the District.

The vendor shall not be deemed an officer, employee or agent of the District as those terms are used in ORS 30.265.

K. Taxes--Federal, State and Local

The District shall not be responsible for any taxes due as the result of this contract, whether federal, state or local. It is agreed that the vendor has anticipated these taxes, if any, and included them in its bid. While the goods specified herein are in the process of being manufactured, delivered, tested or otherwise prior to acceptance and transfer of title, the vendor shall be responsible for any personal property taxes or other taxes, and agrees that it has anticipated such taxes, if any, in its bid.

L. Warranty

The vendor warrants that the goods, equipment and component parts specified herein when delivered to and accepted by the District shall be of all new materials, in good working order, fully conforming to the specifications contained herein, and the specifications and descriptions contained in the vendor's bid and incorporated in the contract. The vendor unconditionally warrants that the goods shall be free from any defect for the following periods: _____

The vendor shall remedy at vendor's sole expense, and within a commercially reasonable time period, any defect developing or discovered during the warranty periods specified upon receipt of written notice of the defect from the District. The warranty periods specified shall commence on the date of acceptance by the District.

The vendor warrants that parts and service for the _____ shall be available for a period of not less than _____ (__) years from the date of acceptance. Parts shall be available within _____ (__) calendar days from the date of order. Service shall be available within _____ (__) calendar days from the date of order. Any defect discovered after delivery, but before acceptance and called to the attention of the vendor, shall be corrected within a period of _____ (__) days.

M. Documents

The vendor shall provide certificate(s) showing successful completion of all required testing. The certificate shall be provided to the District within _____ (__) days of delivery of the goods.

Final engineering drawings shall be forwarded by the vendor to the District prior to commencement of the manufacturing process. Upon completion of the manufacturing process and prior to delivery, "as built" engineering drawings shall be provided to the District by the vendor.

The vendor shall furnish the District with all performance testing records showing the results of the testing completed on the goods.

The vendor shall also supply the District with at least two copies of a comprehensive operation and maintenance manual covering

the completed goods or systems, including in each manual a complete parts manual.

N. Severability

If any term or condition of this contract or its application to any person is waived or is held invalid by a court of the State of Oregon or by agreement of the parties, this invalidity or waiver shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application.

O. Waiver

Waiver of any breach of any term or condition of this contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this contract shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the authorized representative of the party sought to be charged.

P. Independent Status of Vendor

Throughout the course of the contract the parties shall be held to be acting in their individual capacities and not as agents, employees, partners, joint venturers, or associates of one another.

The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

Q. Failure to Perform

In the event that the vendor has failed to perform any obligation to be performed by the vendor under this agreement, and fifteen (15) calendar days after written notice of said failure to perform is provided to vendor the failure has not been cured, then the District may withhold all monies due and payable to the vendor under this contract, without penalty, until such failure to perform is cured or finally adjudicated.

R. Cancellation

The District may cancel the contract without penalty by written notice mailed to the vendor not less than sixty (60) calendar days prior to the scheduled delivery date specified herein.

S. Price and Terms Warranty

The vendor warrants that all prices, terms, warranties, and benefits granted by vendor herein are comparable to or better than the corresponding terms being offered by the vendor for comparable goods, equipment and component parts to any commercial customer, or state or local governmental unit. If the vendor shall, prior to delivery, enter into arrangements with any other governmental unit or commercial customer providing greater benefits or more favorable

terms, this agreement shall thereupon be deemed amended to provide the same benefits and terms to the District.

EXHIBIT A -- ORS 279.318 DISCLOSURE

EXHIBIT A
TO
CONTRACT TERMS AND CONDITIONS

ORS 279.318 DISCLOSURE

In compliance with the provisions of ORS 279.318, the District hereby notifies prospective bidders as part of this Call for Bids that the following federal, state and local agencies have enacted regulations dealing with the prevention of environmental pollution and the preservation of natural resources that may affect the performance of the contract. Bidders are solely responsible for determining the applicable regulations and taking such into account in preparing their bids.

Federal Agencies:

Department of Agriculture
Forest Service
Soil Conservation Service

Department of Defense
Army Corps of Engineers

Environmental Protection Agency

Department of Interior
Bureau of Land Management
Bureau of Indian Affairs
Fish and Wildlife Service

Department of Labor,
Occupational Safety and Health Administration

Department of Transportation,
U. S. Coast Guard
Federal Highway Administration

State Agencies:

Department of Agriculture
Department of Environmental Quality
Department of Fish and Wildlife
Department of Forestry
Department of Geology and Mineral Industries
Department of Human Resources
Department of Land Conservation and Development
Division of State Lands
Water Resources Department

Local Agencies:

City Councils
County Commissioners
Port Districts
County Service Districts
Sanitary Districts
Water Districts
Fire Protection Districts

IV. ADDENDA

[Here attach any addenda issued by the District with respect to this procurement.]

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POLICY 7.1:DISTRICT COMPLIANCE WITH LOCAL BUDGET LAW

[NOT APPROPRIATE WITHOUT MODIFICATION FOR DISTRICTS LOCATED IN COUNTIES WITH A TAX SUPERVISING AND CONSERVATION COMMITTEE.]

A. COMPLIANCE WITH LOCAL BUDGET LAW

Compliance with Oregon's Local Budget Law (ORS 294.305 - 294.565), is required prior to the expenditure of any monies or the levy of any tax upon property located within the District. ORS 294.326. The District shall comply with the provisions of the Local Budget Law, and with the instructions and requirements of the Department of Revenue, which has been charged by the Legislature with responsibility to interpret and administer the Local Budget Law. In preparing and adopting its Budget, the District shall be guided by the Budget Manual for Municipal Corporations, published by the Department of Revenue, and the Department's various forms and instructions.

B. APPOINTMENT OF BUDGET OFFICER

Pursuant to ORS 294.331, the District Board of Directors shall designate a Budget Officer to prepare or supervise the preparation of the District's Budget. The Budget Officer shall fully acquaint himself/herself with the Local Budget Law and the budget preparation process. The Budget Officer shall act under the direction of the Board.

C. PREPARATION OF THE PROPOSED BUDGET

The Budget Officer shall prepare or supervise preparation of the proposed Budget. The Budget Officer shall then publish a "Notice of Budget Committee Meeting" as set forth in ORS 294.401(1).

D. BUDGET COMMITTEE

Pursuant to ORS 294.336, the District shall establish a Budget Committee consisting of the members of the Board of Directors and an equal number of qualified electors of the District. Any increase or reduction in the number of the members of the District's Board of Directors shall cause a like increase or reduction to be made in the number of the appointive citizen members of the Budget Committee. At its first meeting, the Budget Committee shall elect a chairperson and a secretary. The Committee shall meet from time to time to review and revise or approve the proposed Budget presented by the Budget Officer. All meetings of the Budget Committee are subject to Oregon's Public Meetings Law. Members of the Budget Committee shall receive no compensation for their services. The appointive members of the Budget Committee shall not be considered officers, agents, or employees of the District. Each member shall serve a three year term. Terms of office on the Budget Committee shall be staggered as the Board of Directors shall determine.

E. PUBLICATION OF BUDGET SUMMARY AND NOTICE OF BUDGET HEARING (ORS 294.421)

After the budget has been approved by the Budget Committee, a budget hearing shall be held by the Board of Directors of the District. Fifteen to twenty-five days before the scheduled hearing, the Board of Directors shall publish a "Financial Summary and Notice of Budget Hearing." This information must appear in a newspaper of general circulation published in the District. Eight to fourteen days before the scheduled hearing, a second notice of budget hearing shall be published. It need not contain the summarized financial information found in the first notice. However, the second notice shall repeat significant information about the scheduled budget hearing, and set forth the date on which the Financial Summary was first published.

F. BUDGET HEARING (ORS 294.430)

The Board of Directors of the District shall hold the scheduled budget hearing on the date specified in the public notices given. The purpose of the hearing is to take citizen testimony on the Budget approved by the Budget Committee. Additional hearings may be held if necessary. All hearings are open to the public, and subject to Oregon's Public Meetings Law.

G. BUDGET ADOPTION, APPROPRIATIONS, AND TAX LEVY

The District's Board of Directors may make changes in the approved budget before it is adopted, subject to the limitations set forth in ORS 294.435. These limitations cannot be exceeded without first publishing a revised Financial Summary and holding another budget hearing. Once all budget hearings have been concluded, and upon consideration of relevant testimony received at such hearings, the District's Board of Directors shall adopt the Budget. The District's Board of Directors shall prepare a resolution or ordinance formally adopting the Budget; making appropriations; and determining, making and declaring the ad valorem tax levy for each fund.

H. CERTIFICATION OF LEVY

The District shall send a certified copy of the ordinance or resolution to the County Commission within 15 days after its adoption. The following shall be submitted to the County Assessor's office by July 15 of each year:

1. The original and one copy of the notice of levy;

2. Two true copies of the budget as finally adopted;

3. A copy of the notice of publication per ORS 294.421; and

4. Two copies of the resolution adopting the budget and of the resolution making appropriations.

On or before July 15 of each year the District shall forward the following to the Department of revenue:

1. A true copy of the budget as finally adopted;

2. A copy of the notice of publication per ORS 294.421;

3. A copy of the resolution adopting the budget and of the resolution making appropriations; and

4. Copies of any notices pursuant to ORS 294.421(4), (5) or (6).

I. POST-ADOPTION CHANGES TO THE BUDGET

Post-adoption changes to the budget are restricted by statute. ORS 294.450 governs the transfer of appropriations within a fund or from one fund to another. ORS 294.455 governs the appropriation of funds to repair or replace property involuntarily converted or destroyed. ORS 294.460 governs loans from one fund to another. ORS 294.480 specifies the conditions under which the District shall adopt a supplemental budget.

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DISTRICT PERSONNEL POLICIES AND PROCEDURES MANUAL

1.0 OVERVIEW AND GENERAL POLICIES

1.1 PURPOSE OF PERSONNEL POLICIES

These policies provide rules and regulations for all employees of the FOUR RIVERS VECTOR CONTROL DISTRICT (which is referred to as "the District" throughout these policies) relative to matters of personnel administration. These rules and regulations are intended to set a general framework for effective personnel administration.

1.2 INTRODUCTION

This manual contains statements of personnel policies and procedures. It is designed to inform everyone of the working guidelines for supervisory and staff personnel in the day-to-day administration of the District to provide employees an understanding of what is expected of them, and to ensure consistent, fair and uniform treatment of District employees.

The District reserves the right to change these policies and procedures at any time. These policies and procedures do not and are not intended to confer any property right in continued employment, to constitute an express or implied contract, or to give rise to a binding past practice under any collective bargaining agreement.

Employees and the District reserve the right to end the employment relationship, with or without cause, at any time. Further, except as might be approved in writing by the Board President, no employee or representative of the District has the authority to enter into an agreement for employment for any specified period of time, or to make any agreement contrary to Board-approved policies.

Each employee can assist in keeping the District personnel program up to date by notifying the District Manager whenever problems are encountered or improvements can be made. When the need for a new or revised policy presents itself, a recommendation should be submitted to the Board of Trustees for consideration.

The Board of Trustees may vary or modify any District personnel policy, on a case-by-case basis, if it is found that strict application of the policy is impractical or if it would result in hardship. Exceptions granted in any instance will not be binding in the future.

1.3 PERSONNEL ADMINISTRATION GENERALLY

The Board of Directors and Director of Operations shall have authority over all matters of personnel administration through adoption and implementation of the District budget, pay plans, collective bargaining agreements, and ordinances and resolutions adopting and/or amending the personnel rules and regulations.

The Director of Operations is charged with responsibility for the interpretation and application of the policies.

The Director of Operations may specifically delegate in writing the authority for the enforcement of rules and policies.

The Director of Operations shall be responsible for insuring the effective implementation of these rules and regulations and may further establish, amend, or otherwise modify administrative rules and regulations pursuant to Board policies and shall advise the Board on any changes concerning these rules and regulations. The Board delegates to Director of Operations broad discretion in all aspects of personnel and labor relations, subject to the advice and concurrence of the Board.

Labor negotiations (including the settlement of any grievance after that grievance has been denied by the Board or a committee thereof) must and in every instance shall be approved by the Board of Directors before the District may be bound.

2.0 APPOINTMENTS, QUALIFICATIONS AND SEPARATION

2.1 JOB ANNOUNCEMENT

A job announcement will be made for any vacant position within the District. The announcement shall specify title and salary range of the position, the nature of the duties performed, qualification requirements, the time and place to apply, and may include the selection process to be used. Job announcements shall be posted on appropriate bulletin boards, and may be published in District publications and local newspapers. Job announcements will be posted a minimum of 7 working days prior to the closing date.

2.2 APPLICATIONS

Appointment to positions is through an open competitive process and will be based on merit and fitness. If all other aspects are equal, employees will be considered first.

Applications shall be available in the District Managers's office. Applications will be accepted only for advertised openings. Applicants will complete the application form and any supplemental materials required by the District for positions within the time period specified in the job announcement.

Applicants for employment shall furnish complete information requested as to education, special training, experience and skills, as well as a chronological schedule of employment, references, and other pertinent information. The Director of Operations makes all appointments to positions authorized by the Board.

2.3 ELIGIBILITY

At the time of application all applicants must meet the minimum qualifications for the position or demonstrate a reasonable assurance of meeting the minimum qualifications by the time of appointment.

2.4 SELECTION

Selection criteria and procedures will be based solely on job-related knowledge, skills, abilities, experience, education, training, and, when appropriate, prior demonstrated performance, aptitude, and character. The Director of Operations shall design selection criteria based on the classification specifications and job requirements. Based on the results of the selection process, applicants will be selected by the Director of Operations for an employment interview.

2.5 ORIENTATION

Upon appointment, the District Manager shall be responsible for orientation of new employees. Orientation shall include, but shall not be limited to organization and services of the District, work rules, personnel policies and procedures, safety training, completion of payroll forms, and introduction to other District personnel.

2.6 PROBATIONARY PERIOD

New and rehired employees shall serve a probationary period of one year, commencing with their first day of employment. Upon promotion probation is six (6) months unless otherwise specified in the position or at the time of the promotion opportunity.

Probation is part of the selection process used to confirm the initial employment decision and to reject those whose performance is not satisfactory. During this evaluation period, the employee and the District will have an opportunity to determine whether further employment with the District is appropriate.

The District can extend the duration of the probationary period up to six (6) months if, in its discretion, it determines that such an extension is appropriate. The employment relationship can be terminated by the employee or the District at any time during the probationary period for any reason. An employee who successfully completes the probationary period will be notified in writing that he or she has become a regular full-time or a regular part-time employee of the District.

No employee will be deemed a "regular" and no longer a probationary employee until the District has so determined and notified the employee in writing.

2.7 EMPLOYEE STATUS

2.7.1. Regular Full-Time Employees. An employee who regularly works a minimum of forty (40) hours a week on a continuing basis all year, and who has completed the probationary period, is considered a regular full-time employee.

2.7.2. Regular Part-Time Employees. An employee who regularly works less than forty (40) hours a week, or who works less than a full year, but returns for a consecutive year, is considered a regular part-time employee once the probationary period is successfully completed.

2.7.3. Temporary Employees. Temporary employees are defined as those employees holding jobs of limited duration arising out of special projects, abnormal work loads or emergencies. [Temporary employees are ineligible for employer-paid benefits.]

2.7.4. Duration of Employment. All employees except temporary employees are hired for an unspecified duration. The District may not guarantee employment for any specific length of time. Employment is at the mutual consent of the employee and the District. Accordingly, either the employee or the District can end the employment relationship at any time, in accordance with District procedures **[and applicable collective bargaining agreements.]** Discipline and discharge may occur subject to the policies and procedures set forth in Section 9.0 et seq.

2.7.5. Anniversary Dates. The anniversary date used to determine vacation and merit increases of an employee hired before the 15th of the month shall be the first day of the month. The anniversary date of an employee hired on or after the 15th shall be the first day of the following month.

2.8 VOLUNTEERS

Volunteers are not employees of the District. Volunteers receive only those benefits expressly conferred in writing or by law. Workers' Compensation insurance will be provided to volunteers. The service of a volunteer may be discontinued at any time for any reason. Volunteers must abide by all applicable rules, policies and practices of the District, and are held to the same standard of performance as applies to regular employees. The benefits related to a volunteer's association with the District (or through a volunteer association) are set forth in Appendix. Volunteers serve at the pleasure of the District and the volunteer, and either may end the volunteer arrangement at any time.

2.9 EMPLOYMENT OF RELATIVES

Relatives of employees may be hired by the District only if individuals concerned do not work in a direct supervisory relationship. "Relatives" are [this term may be defined the same as "immediate family" under family death leave policy -- Policy 5.3.4.] Present employees who marry will be permitted to continue work only if they do not work in a direct supervisory relationship with one another. Employees will be allowed to accept a demotion to an available and suitable position to avoid direct supervision by a relative. If this can not be accomplished, the least senior employee may be terminated.

2.10 PHYSICAL EXAMINATIONS

An offer of employment may be contingent upon an applicant's successful completion of a medical examination, and, if multiple finalists are tested, contingent on an available position to fill from the list. The District may require finalists on an eligibility list or the leading applicant to take a pre-employment physical examination. If required, this examination will be provided by the District at District expense. Any information gathered will be treated as a confidential medical record.

In order to insure continued qualification for employment, the District periodically may request its employees to submit to a medical examination at the District's expense.

2.11 DRIVING RECORD

Employees who may be required to drive must possess a valid Oregon driver's license and must comply with any operator's license restriction. All employees who may be required to drive on District business may at any time have their driving record checked by the District. If the record indicates violations, the employee may be subject to appropriate warnings or disciplinary action. As a condition of continued employment each employee who operates District vehicles must maintain a personal driving record which is within risk criteria, if any, established by the District's insurer.

Job applicants' driving records are checked prior to being hired as a condition of employment, if they will be required to drive.

Employees who may be required to drive shall notify the District Manager of any change in license status, and all traffic violations. Failure to report a traffic violation or change in license status to the District Manager is viewed as a violation of District policy. The District monitors driving records as a component of risk management, in order to identify needs for driver improvement.

2.12 LAYOFFS

Should a reduction in the District work force become necessary, the following procedures shall apply.

Layoffs may be implemented on a District-wide basis or in one or more departments, work groups, or job classifications depending on the needs of the District. Once it is determined what the scope of the layoff will be, employees generally will be laid off in the following order:

A. Temporary and on-call employees;
B. Probationary employees;

C. Part-time employees;

D.Regular employees, according to knowledge, skills, and abilities as determined by the District.

In lieu of layoff the District may reduce the hours of work of District personnel.

The District will make available medical and dental insurance as required by COBRA.

2.13 VOLUNTARY RESIGNATIONS

To voluntarily resign in good standing, an employee must submit a written letter of resignation to the District Manager allowing at least ten working days' advance notice. Failure to submit a timely written resignation may preclude the individual from future employment opportunities with the District. Temporary Employees are exempt from this requirement.

2.14 PERSONNEL RECORD

2.14.1 Maintenance of File. Official personnel records of employees shall be maintained by the District Manager. If there is a change of name, address, telephone number, marital status, or number of dependents, the District Manager should be notified.

2.14.2 Removal. Documents shall not be removed from a personnel file, except pursuant to a determination by the District Manager that each particular document is not accurate, or is no longer relevant or timely to any personnel or performance matter. Any document which is removed shall be maintained in a separate file containing all such documents, not indexed under the name of any employee.

3.0 PAYROLL, SCHEDULING AND OVERTIME PRACTICES

3.1 WORK WEEK AND WORKING HOURS

The normal work week consists of forty (40) hours, however this should not be considered as a guarantee of any specific amount of work being made available. Employees are expected to accomplish service priorities in a timely fashion within the normal work week to the greatest extent possible. The hours of employment shall be fixed by the District Manager.

3.2 WAGE COMPENSATION

3.2.1 Wage Policy. The District maintains a pay plan covering all positions in the District, showing the minimum rates of pay. In arriving at such salary ranges, consideration is given to prevailing rates of pay for comparable work in other public and in private employment, including consideration of conditions of work and basic pay, current costs of living, the local economy and wage adjustments in the community, suggestions of the Director of Operations, and the District's financial condition.

3.2.2 Salary Review. Compensation will be reviewed by the District Manager at the end of an employee's probation. An increase may be recommended to the Board of Trustees, based upon competent and commendable service.

Regular employee's salaries will be reviewed on the first of January following twelve (12) months of continuous employment in the current classification. Wage increases for cost of living (based on the Deschutes County Personnel Department's index) are automatic. The District Manager may make salary recommendations to the Board of Directors based upon merit and/or length of service. For exceptional performance a District Manager may recommend a merit increase to any employee, and if granted, it may be reduced to the step appropriate at any time extraordinary performance ceases.

3.3 REST PERIODS

Employees may take a 15-minute rest period during each half shift, scheduled at or as near as feasible to the middle of each half shift. Consistent with operating requirements, employees who at the request of the District work two or more hours beyond their regular quitting time shall receive a 15-minute rest period before starting on the next shift in addition to the regular rest periods occurring during the shift. Each rest period shall not exceed fifteen (15) minutes total. Rest periods shall not interfere with or be detrimental to the public safety.

3.4 MEAL PERIODS

Employees shall be granted an uncompensated meal period not to exceed one hour during each work shift. Consistent with operating requirements, meal periods shall be scheduled at or about the middle of the work shift.

3.5 MANAGEMENT LEAVE

The Position of Field Supervisor shall be allowed discretionary time off with pay as approved by The District Manager. The Director of Operations shall regulate his/her own use of management leave.

3.6 PAYDAY

The District will pay twice monthly from March through August, on the 1st and 15th days of the month, with pay period cut-offs on the 20th and 5th respectively, allowing 10 days for completion of payroll. The rest of the year the District will pay once per month on the 1st day of the month, with pay period cut-off on the 20th.

3.7 PAYROLL DEDUCTIONS

3.7.1 Required Deductions. Federal and state laws require the following deductions from every paycheck:

A. Federal Withholding Tax;

B. State Withholding Tax;

C. Social Security Taxes (FICA);

D. State Accident Insurance-Employee Surcharge;

E. Court ordered child support payments or garnishments; and

F. Retirement.

3.7.2 Optional Deductions. Other deductions may be made from the employee's paycheck with the employee's written request, including, but not limited to:

A. Insurance contribution;

B. Any other deduction of general interest to District employees affecting 1 or more employees may be authorized by the employee in writing, with approval of the District Manager;

C. Monies due to the District.

3.7.3 Deferred Compensation. Any District employee may elect to enroll in a deferred compensation plan approved by the District. Deferred compensation accounts will be established on behalf of any employee who is willing to make contributions to the plan in accordance with plan requirements.

3.8 MEDICAL AND LIFE INSURANCE

*** ***This policy is as example only, and will be adjusted by you*** ***

The District provides **[group medical, dental and long term disability and life insurance]** for **[The Manager and Field Supervisor]**. Coverage begins [_____].

[The District participates in the Public Employee Retirement System for [?] employees. working over 600 hours per year. Information about contributions and retirement or disability benefits may be obtained from the [_____] or from the PERS.]

3.9 TIME RECORDS

Time cards must serve as an accurate record of the time for which each employee is paid wages and overtime. Each employee is expected to record accurately the time spent working on District business. Personal time spent in District offices outside regular working hours should not be recorded.

Probationary or regular employees shall record all time worked for the District. An employee of the District may volunteer service to the District, and the time involved would not be recorded, ONLY IF the volunteer hours worked DO NOT INVOLVE THE SAME TYPE OF SERVICE which the person is employed to perform for the District. All volunteer activities by employees must be approved in advance, and in writing.

3.10 SEVERANCE PAY

A regular employee terminating employment with the District will be paid on the date of separation any earned and unpaid wages then due plus any accumulated and unused vacation pay and compensatory time. Work hours, earned vacation which the employee is eligible to take off, and compensatory time shall be paid at the employee's hourly rate at the date of separation. If the employee fails to give at least forty-eight (48) hours advance notice prior to quitting District employment, severance pay shall be paid within forty-eight (48) hours of the termination excluding weekdays and holidays.

4.0 EMPLOYEE TRAVEL AUTHORIZATION AND REIMBURSEMENT

4.1 GENERAL EXPECTATIONS

All employees of the District are expected to use good judgment regarding the expenditure of funds for travel expenses. Only through teamwork can the costs of travel on District business be minimized.

4.2 DOCUMENTATION OBJECTIVES

The Procedures for documenting the expenses involved with employee travel on District related business activities are designed to provide public accountability in two areas:

A. Pre-approval of all travel requests to insure that the travel is appropriate to the needs of the District and that budgeted funds are available for specific travel requests; and

B. A complete accounting of the actual expenses for the travel to insure that the expenses reported for reimbursement are appropriate and provide appropriate documentation.

4.3 APPROVAL

The Director of Operations shall authorize registration, travel and attendance expenditures in advance within the budgeted amounts adopted by the Board.

4.4 TRAVEL REQUEST

At least three weeks prior to the anticipated travel, the employee should submit a completed REQUEST FOR EXPENSES form to Director. This will document advance approval of the requested travel and provide a basis for an advance of funds to the employee.

4.5 TRAVEL SETTLEMENT

Within **[one week]** after the travel has been completed, the employee must turn in receipts for lodging and all other expenses to be paid on an actual basis.

4.6GUIDELINES

The following general guidelines apply to the reimbursement of employee travel expenses.

4.6.1 Transportation. The actual cost of transportation, taxi fares, telephone calls and similar items incidental and necessary to the performance of official business while on travel status will be paid. If the employee's personal vehicle is used, the District will reimburse the employee at the current IRS mileage rate for the actual mileage required for the trip. Parking and other related expenses must be documented by receipt.

4.6.2 Lodging. Hotel and motel accommodations should be appropriate to the purpose of the trip. Expenses for lodging must be supported by actual receipts. Reimbursement for lodging is generally limited to the expense of a single room, except where employees are sharing a room. If an employee chooses to make other arrangements for lodging, a payment of [$15.00] per night may be allowed in lieu of paying the actual accommodation costs.

4.6.3 Meals. Employees will be allowed a per diem rate of [$23.00] per day for meals. This is broken down as follows: [$5.00] for breakfast, [$6.00] for lunch, and [$12.00] for dinner. No receipts are required for meals covered under the per diem.

4.6.4 Telephone and Telegram. Expenses for telephone and/or telegram communications are reimbursable only if they are directly related to District business and are supported by actual receipts.

Personal telephone calls charged to the District or to your room and paid by the District must be reimbursed.

4.6.5 Registration and Tuition Fees. Expenses for registrations and/or tuition fees are allowable expenses, and a copy of the registration must be attached to the Request for Expenses form.

4.6.6 Accompanied Travel. Any expenses for family members who accompany the employee on a trip are not reimbursable.

[4.6.7 Alcoholic Beverages. Any expenditures for alcoholic beverages are not allowed and reimbursement will be required if any are charged to the District.]

5.0 TIME OFF

5.1 VACATION BENEFITS

Due to the seasonal nature of this district, all salaried employees are allowed to vacation with pay at their own discretion during the off season, as long as their required work is completed in a timely manor.

5.2 HOLIDAYS

Regular full-time employees will receive a day off with pay on each of these recognized holidays:

New Years Day
Presidents' Day
Memorial Day
Fourth of July
Labor Day
Veteran's Day
Thanksgiving Day
Christmas Day

5.3 SICK LEAVE

At the present time, our District only has full time employees who are salaried by the year. The District will allow up to thirty (30) days paid sick leave, or until such time disibility insurance takes effect for these employees. Should the District employ full time hourly employees, a suitable policy must be resolved at the next board meeting available.

5.3.2 Leave of Absence Up to three days leave with pay will be granted to a full time employee in the event of a death in the immediate family.

5.5 JURY DUTY

If a summons for jury duty is received, the employee shall notify the District Manager. Arrangements will be made to reassign work and time off will be granted. Jurors will pay the District payments for jury duty [except mileage when using personal vehicle] and will be paid regular wages. Employees are expected to report for work when not selected for a jury on any day, or when jury duty requires only part of a day.

5.6 MATERNITY

Disability or illness caused by pregnancy will be treated the same as any other temporary physical condition requiring time off from work.

An expecting mother may continue to work as long as she performs her job satisfactorily, attends work regularly, and is physically able to perform her job. She should leave work when her doctor advises her to do so; her leave should be coordinated with her supervisor. The portion of her leave during which she is unable to work for physical reasons will be covered under the District's standard employee sick pay or disability pay programs.

Additional unpaid personal leave, up to three months, may be arranged with the District Managers's approval, where work circumstances permit.

An employee taking pregnancy leave will be returned to work without loss of seniority or other service credits accrued on the date the leave commences. If the employee's job is no longer available when she seeks reinstatement, the District Manager will reinstate the employee to any other position which is available and suitable.

5.8 TIME OFF TO VOTE

If an employee does not have sufficient time outside of working hours to vote at a statewide or local election, the employee may, without loss of pay, take off enough working time which, when added to the voting time available outside of working hours, will enable the employee to vote.

5.9 MILITARY LEAVE

Upon application, the District will grant a leave of absence to members of the reserve components of the Armed Forces of the United States or the State of Oregon, or to an employee who leaves his/her employment with the District, whether voluntarily or involuntarily, to perform extended military duty. Such employees will be accorded all rights to which they are entitled under Oregon and federal law, as may be amended periodically. Military leave shall be without loss of benefits or seniority for up to a total of fifteen (15) days per year, and the District will maintain insurance benefits ordinarily provided by the District to the employee during any military leave period which does not exceed fifteen (15) continuous days in a single calendar year. Employees electing to do so may take accrued vacation while serving on annual training duty to make up the differential, if any, between military pay and the employee's regular salary. In no event will this differential be paid for more than fifteen (15) days of training duty.

OPTIONAL SECTION

5.10 UNPAID LEAVE OF ABSENCE

5.10.1 General. Employees who have been continuously employed with the District for at least one (1) year may request a personal leave of absence without pay for a reasonable period of time up to [sixty (60) days.] Requests for leaves of absence will be considered on the basis of the employee's length of service, performance, responsibility level, the reason for the request, whether other individuals are already out on leave, and the expected impact of the leave on the employer.

5.10.2 Requests. Requests must be submitted in writing and must be approved in writing by the employee's department head before the leave begins. Requests for extensions of leaves must be submitted in writing and approved in writing by the department head before the extended period of a leave begins. It is the employee's responsibility to report to work at the end of the approved leave. An employee who fails to report to work on the day after the leave expires will be considered to have voluntarily resigned.

5.10.3 Status of Employee Benefits During Personal Leave. The District will not pay for group health or dental insurance premiums during any portion of an unpaid leave of absence. Accordingly, the premiums for such coverage

are the complete responsibility of the employee. In order to keep the insurance in force, premiums for the entire period of the leave must be paid before the employee begins the leave. Vacation time and sick leave will not accrue during personal leave of absence.

6.0 SAFETY AND ACCIDENTS

6.1 SAFETY POLICY STATEMENT

Nothing is of greater concern to the District than the safety of its employees and the public. For the employee's protection, job-related injuries or illnesses must be reported immediately in accordance with the District's safety and accident policy. Employees are expected to use common sense and good judgment in work habits, to follow safe work practices, and to bring any unsafe condition to the attention of a supervisor.

For example, employees shall:

A. Use the safety equipment which has been provided for use;

B. Not operate equipment while medication, drugs or alcohol are present in the body without a doctor's written approval;

C. Operate only the equipment on which they have received training;

D. Warn co-workers and management of unsafe conditions or practices. Accept with appreciation the warning of a co-worker or supervisors as an expression of concern for their own well being;

E. Report dangerous or unsafe conditions observed at work; and

F. Refrain from horseplay at all times.

6.2 UNSAFE CONDITIONS

6.2.1 Employee Responsibility. Every employee is responsible for safety as a specific job assignment. To achieve the District goal of providing a safe work place, everyone must be aware of safety at all times. Employees shall report immediately any unsafe or hazardous condition directly to a supervisor, if it cannot be corrected safely and independently. Every effort will be made to remedy safety problems as quickly as possible.

6.2.2 Management Responsibility. Each department supervisor shall frequently review the need for implementing safety practices, policy or procedures warranted by hazards. Each accident and "near miss" is cause for review. A copy of such policies shall be delivered to all department employees. Department heads will periodically involve employees in the process. The need for periodic

training shall be considered, and arranged as determined by the department head.

6.2.3 Managing Unsafe Conditions. It is every employee's responsibility to observe and identify conditions which could pose a hazard to employees or to the general public.

After identifying the problem, employees at the scene are expected to:

A. Safely eliminate the hazard, and obtain necessary assistance;

B. Safely control the hazard by enclosure or guard;

C. Employ avoidance procedures; and

D. Use personal protective equipment as appropriate.

6.3 ACCIDENT REPORTING

Accidents involving the District must be reported in detail as soon after the occurrence as possible. All accident reports should be submitted to the District Manager.

6.3.1 Vehicular Accidents. Accidents involving District owned vehicles or personal vehicles being operated on District business must also be reported to a police agency for investigation. Any accident resulting in personal injuries or death must be reported immediately to the District office.

6.3.2 Other Accidents. Accidents involving damage to equipment or property, or personal injury, must also be reported to District Manager. The District Manager will determine the need for further investigation.

6.4 EMPLOYEE INJURY REPORT

In case of an accident involving personal injury to an employee, regardless of how serious, a supervisor and the District Manager should be notified as soon as possible. Failure to report accidents can result in a violation of conditions of insurance coverage and State laws, leading to difficulties in processing insurance and benefit claims. Injured workers must fill out a Worker's Compensation Report form and submit it as soon as possible to the District Manager. All injuries must be reported in a timely manner to avoid risk of claim denial. The District Manager will provide advice and assistance to any person filling out a Workers' Compensation Report.

If an injury results in the death of an employee, then the supervisor shall immediately notify the Safety Officer who, in turn, shall immediately notify the State Workers' Compensation Department and the District's insurance carrier by phone. The District Manager will then proceed to process a claim report form.

The appropriate entries shall be made in the OSHA 200 Report log.

6.5 WORKERS' COMPENSATION INSURANCE

If an employee is injured on the job, in most cases the injured worker will be entitled to benefits under the state workers' compensation law. The District carries workers' compensation coverage and will assist employees in obtaining all benefits to which they are legally entitled.

6.7 RETURN-TO-WORK POLICY

The following procedures must be followed by employees who wish to return to work following an on-the-job injury which has resulted in the employee's being off work.

A. All requests to return to work must be made in writing, dated and signed by you.

B. All requests to return to work must be accompanied by a dated, written release signed by your attending physician. This release must clearly specify whether you are released for your former job or are restricted in any way.

C. Requests to return to work must be made no later than the 7th regular work day following the date of your physician's signature on the written release. Except where, in our opinion, extenuating circumstances exist, failure to make a timely request terminates your right to reinstatement or reemployment. Failure to seek a written release upon your becoming able to return to work may constitute abandonment of your right to reinstatement or reemployment.

D. Requests to return to work may be brought in personally or mailed to the District. If mailed, the request should be directed to the person listed in No. 5 below. Requests brought in personally will be deemed made the date on which the written request is given to the District. Mailed requests will be deemed made on the date of receipt. All requests will be date stamped upon receipt.

E. All requests to return to work must be directed to District Manager.

F. If your former job or a suitable alternative is not available at the time of your request, you must contact District Manager in person or by telephone once a week to renew your request. If a period of 10 days elapses without such a contact, you will be considered to have abandoned your right to be returned to work.

G. All job offers will be made by telephone. It is your obligation to keep the District advised of any changes in your telephone number.

H. If you are offered a suitable position in response to your request to return to work and you refuse to accept it, you will be considered to have voluntarily terminated your employment and abandoned your right to reinstatement or reemployment.

6.7.1 Light Duty Work Assignments. Disabled employees who are temporarily assigned light duty work as a reasonable accommodation but are unable to perform the essential duties of their job may be required to provide a medical evaluation after 90 days from their treating physician so that the District Manager may determine whether the employee is capable at that time of performing the essential functions of the job, with or without reasonable accommodation. The District offers light duty accommodations only for those employees whom the District Manager may anticipate will recover the ability to perform all the essential functions of the job within a reasonable time. If recovery becomes doubtful, the District Manager may discontinue the light duty assignment. No light duty assignment is intended to become permanent.

7.0 WHAT THE DISTRICT EXPECTS FROM YOU

7.1 TEAMWORK AND EXCELLENCE

This section has been arranged to present a general overview of some of the District's expectations of its employees. Every employee should keep in mind that each is a part of a team of public employees, and public satisfaction with the District depends upon good service.

7.2 PERSONAL CONDUCT

Positive attitude, proper courtesy, and conduct on and off the job are important to the individual as well as to the District. Neatness of work performed is also important. All employees are engaged in public relations. Some deal directly with the public; others, while not in direct personal contact, do perform work under the public eye. Employees of the District, regardless of whether contacts are direct or indirect, are expected to be courteous, efficient, and helpful in all their work assignments. Favorable impressions created by employees' public behavior help develop good will and support for District services.

7.3 CODE OF ETHICS FOR DISTRICT EMPLOYEES

7.3.1 Personal Interests Avoided. District employees may not use District time, equipment or services for personal interest or gain. When giving testimony unrelated to their assigned District responsibilities, District employees shall not use information or facts that have come to them by virtue of their employment for personal gain or benefit. In matters of personal interest, employees should conduct themselves so as not to impair their working relationship with other employees, officials, or the public.

7.3.2 Gifts and Gratuities. Employees shall not accept any special favors, gifts, or gratuities resulting from or related to employment with the District. In this regard, the appearance of impropriety can be as damaging as actual impropriety and shall be avoided.

7.3.3 Special Gifts. Department heads may allow acceptance of nonmonetary gifts of nominal value e.g., under $50 at holidays or special occasions which are available to be shared by all employees. Gifts of under $20 value may be given to employees by the District Manager as bonuses for excellent performance of duties, not to exceed one per month for any one employee.

7.4 POLITICAL ACTIVITIES OF DISTRICT EMPLOYEES

7.4.1 Official Position - Campaigning. Employees may not use their official authority or position with the District to further the cause of any political party or candidate for nomination or election to any political office.

7.4.2 On-Duty Activity. Oregon law forbids any District employee, while on the job, from soliciting money, influence, service, or other article of value or otherwise aiding and/or promoting any political cause or the nomination or election of any person for public office.

7.4.3 Off-Duty Activity. During the term of their employment a District employee may not hold any elective office that creates a conflict of interest between the duties of that employee and the prospective duties of the elective office holder. An employee may obtain a prior written approval of their District Manager before filing as a candidate for an elective office. Failure to obtain prior written approval may be deemed by the District to constitute a voluntary resignation if the employee is elected to that position and the District determines that the election to the position creates a conflict of interest with the employee's position with the District.

Nothing in this rule is intended to restrict the political actions or activities of employees outside of their regular working hours.

7.5 COST CONSCIOUSNESS

Every employee of the District is a citizen and taxpayer and is expected to practice economy in all duties. Failure to do so is not in the best interests of the District and may lead to discipline, and/or discharge, as appropriate.

7.6 ATTENDANCE AND PUNCTUALITY

Each employee and the employee's performance on the job is important to the overall success of operations. When absent, someone else must do the job. Everyone is expected to keep regular attendance, be on time, and work as scheduled.

In accepting employment with the District, each employee is required to meet certain standards. Maintaining an acceptable level of job attendance is part of good work performance and is one of the standards by which an employee's overall contribution to the District may be measured. Continued employment carries with it the personal responsibility of each employee to be on the job on time every scheduled work day. Recurring and excessive absences and/or tardiness is disruptive to work schedules, costly to the District and its residents, and detrimental to the morale and efforts of employees who maintain a good work record.

Failure to meet these requirements subjects an employee to disciplinary action, which include termination. The ability to attend work regularly is a job requirement.

7.7 PERSONAL APPEARANCE

Each employee is responsible to present a proper, businesslike appearance whether in the office, a District vehicle, or other site. Good taste and good judgment in personal attire is expected.

7.8 APPEARANCE OF WORK AREAS

The District's objective is to provide and maintain clean, safe and healthy work conditions. It is the responsibility of each employee to maintain a safe, neat work area and insure that all working documents, desks, cabinets and equipment are secure at the close of the work shift.

7.9 PERSONAL TELEPHONE CALLS

District phones are to be used for District purposes. Telephone calls of a personal nature (incoming or outgoing) should be kept to a minimum and made during breaks or lunch periods whenever possible. Under no circumstances should an employee charge a long distance call to the District unless it is work-related. Friends and relatives should be discouraged from calling during working hours except in emergencies.

7.10 SMOKING

For health and safety considerations, the District discourages smoking. State law prohibits smoking in buildings except in designated smoking areas.

7.11 OUTSIDE EMPLOYMENT

7.11.1 District Comes First. When an individual accepts employment with the District it is understood that the District has first call upon the services of its employees, regardless of any effect on secondary employment. Temporary part time employees may exempt themselves by giving twenty four (24) hours notice.

7.11.2 Incompatible Work. Employees shall not engage in outside employment that conflicts in any way with District employment, detracts from the efficiency of work performance, or is in conflict with the interests of the District. The District expects employees to avoid extra work which affects endurance, overall personal health, or effectiveness. The District will hold all employees to the same standards of performance and scheduling demands, including employees who hold outside jobs. Temporary Part Time employees may exempt themselves by giving twenty four (24) hours notice.

7.11.3 Notification. Employees shall notify the Department Head 24 hours in advance of all employment outside the scope of their employment with the District.

7.11.4 Conflicts. The District Manager will notify the employee at any time outside employment is found to be in conflict with the interests of the District or is likely to bring discredit upon the District. It shall be up to

the employee to choose which employment option is most desired.

7.12 DRUGS AND ALCOHOL

7.12.1 Statement of Concerns.

A. The District has a responsibility to its employees, and the public to insure safe working conditions for its employees and a productive District workforce unimpaired by chemical substance abuse. The District has a responsibility pursuant to the Drug Free Workplace Act of 1988. To satisfy these responsibilities, the District must preserve a work environment free from the effects of drugs, alcohol, or other performance-impairing substances.

B. The misuse of alcohol and other drugs can impair employee performance, as well as physical and mental health, and may jeopardize employee safety as well as the safety of the public.

7.12.2 Policy.

A. The District is committed to maintaining a safe and healthy work place for all employees, and, if necessary, will take disciplinary action.

B. Each employee is responsible for meeting performance, safety and attendance standards.

C. Employees shall not report to work under the influence of intoxicating liquor or illegal drugs.

D. The use, sale, possession, manufacture, distribution and/or dispensing by an employee of an intoxicating liquor, controlled or illegal substance, or a drug not medically authorized, or any other substances which impair job performance or pose a hazard to the safety and welfare of the employee, other employees or the public, is strictly prohibited. The use of alcohol or medically prescribed controlled substances off-duty is not controlled by this policy. Conduct in violation of this policy may result in disciplinary action and/or criminal investigation, if appropriate.

J. This policy will be enforced and administered in a manner which is consistent with the value statements set forth in this section.

7.12.3 Permitted Use. It is the employees' responsibility to determine from a physician whether or not a prescribed drug can impair job performance. An employee whose impairment may affect job performance should take sick leave or other steps consistent with advice of a physician. If an employee reports to work under the influence of prescription medication and endangers self or others, the employee may be disciplined. Any failure to report the use of such drugs or other substances following an event of concern to the District, or failure to provide evidence of medical authorization, can result in disciplinary action.

7.12.4 Reports of Drug Conviction. Each employee must report facts and circumstances to the District Manager no later than five (5) days after conviction for violating any criminal drug statute.

7.12.5 Employee Education. The District will afford employees an opportunity to deal with drug and alcohol related problems. The District Manager maintains information relating to the hazards of and treatment for drug and alcohol related problems. Proactive training and information may be sponsored by the District periodically. Any District employee may seek advice, information and assistance voluntarily. Medical confidentiality will be maintained, consistent with this policy.

7.12.6 Employee Assistance. Any employee who voluntarily requests assistance in dealing with a personal drug and/or alcohol problem may do so at their own expense, through a private or public assisted treatment program for drug and alcohol problems. The District Manager will assist employees who wish to identify and select an appropriate treatment program.

7.12.7 Discipline Related to Abuse. An employee may be found to use illegal drugs on the basis of any appropriate evidence including, but not limited to:

A. Direct observation;

B. Evidence obtained from an arrest or criminal conviction;

C. A verified positive test result; or

D. An employee's voluntary admission.

As a result of disciplinary action arising from a drug or alcohol problem, an employee may be directed to consult with Deschutes County Mental Health and/or other health care providers. Such an employee may be required to participate in a drug or alcohol treatment program as a condition of continued employment.

A supervisor, based on reasonable suspicion that substance abuse is a factor in employment, may require an employee to be evaluated for drug and alcohol use and treatment by an employee assistance program or a doctor. An employee may be required to participate in follow-up care as part of a comprehensive alcohol and drug treatment program based upon medical advice.

When an employee is required to undergo treatment under the policy, the employee may be required to authorize the following as a condition of continued employment:

A. Monitoring of the treatment program and the employee's participation by the District Manager

B. Submission to random blood and/or urine screening for alcohol and/or drugs for a specific period of time not to exceed thirty-six (36) months.

When an employee voluntarily enters a treatment program which is not associated with District intervention, testing and monitoring by the District will not be required.

Medical confidentiality will be preserved, subject to rights granted by the employee to the District Manager to monitor treatment and program compliance.

7.12.8 Drug Testing Upon Reasonable Suspicion. Where a supervisory employee has a reasonable suspicion that an employee is under the influence of alcohol or drugs, the employee in question will be asked to submit to discovery testing including urinalysis or a blood screen, or both, to confirm involvement with alcohol or drugs or that the employee is drug or alcohol free at the time in question.

7.12.9 Consequence of a Positive Test. An employee who is found to be under the influence of or impaired by alcohol or illegal drugs as a result of a test requested by the District based upon reasonable suspicion will be subject to disciplinary action including suspension or termination.

7.12.10 Consequence of Refusal to Submit to Testing. An employee who refuses to submit to discovery testing for alcohol and drugs will be subject to suspension or discharge, or both. Alleged lack of reasonable suspicion is not grounds to refuse to submit to a test; however, it is reason to challenge discipline if discipline is imposed based on the test result alone.

7.12.11 Testing Procedure.

A. Employee Representation. When the employee is notified that he or she is required to consent and submit to such tests, he or she may request the presence of a representative to witness the test. The test may not be delayed unreasonably in order to wait for a representative. The absence of a representative shall not be grounds for the employee to refuse to consent and submit to such tests or searches. The presence of a representative shall not disrupt or interfere with the tests or searches.

B. Authorization to Test. Before a supervisor, acting on behalf of the District under this policy, may require an employee to consent and submit to any test, the supervisor must first obtain concurrence from the District Manager or the Districts legal council, that the information available to the District about the subject employee is sufficient to determine reasonable suspicion that prohibited conduct will be established as a result of the test.

C. Procedure for Consent. The employee shall give consent to a blood, urine or breathalyzer test, or any combination, upon request, by signing a consent form. The form shall contain the following information:

1. Employee's consent to release tests results to the District;

2. The procedure for confirming an initial positive test result for a controlled substance, including marijuana;

3. The consequences of a confirmed positive test result for a controlled substance, including marijuana;

4. The consequences of a positive test for alcohol, under the circumstances;

5. A listing provided by the employee of legally prescribed and over-the-counter medications which may be in the employee's body;

6. The right to explain a confirmed positive test result for a controlled substance, including marijuana, or a positive test for alcohol; and

7. The consequences of refusing to consent to the blood, urine or breathalyzer test.

D. Confirmatory Test. In the event that the blood or urine test results are positive for controlled substance(s), including marijuana, the District shall require that a second confirmatory test from the same sample be conducted, using gas chromatography/mass spectrometry methods performed by a laboratory certified by the National Institute on Drug Abuse, which also must be positive before concluding the employee has such substances(s) present in the body.

E. Employee Requested Test. If a blood or confirmed urine test is positive, the District will instruct the laboratory to retain the blood or urine sample for a period of not less than (thirty) 30 calendar days from the date the tests are complete for the purposes of allowing the employee to conduct an independent test at his or her own expense at a laboratory approved by the District.

F. Chain of Evidence. The procedures to obtain, handle and store blood and urine samples and to conduct laboratory tests shall be documented to establish procedural integrity and chain of evidence. Such procedures shall be administered with due regard for the employee's privacy and the need to maintain the confidentiality of tests results to an extent which is not inconsistent with the needs of this policy.

G. Notification. The employee shall be notified of the results of all tests conducted pursuant to this policy. Employees who test positive shall be afforded an opportunity to provide medical or other information that may explain the positive test result. If a question exists, the available information will be reviewed by a licensed physician with training in forensic drug testing.

7.12.13 Definitions.

A. "Reasonable suspicion" is defined as specific articulable observations by a supervisory employee concerning the work performance, appearance (including noticeable odor of an alcoholic beverage), behavior, or speech of the employee. Any accident or incident involving physical injury to any person may be considered as constituting reasonable suspicion for discovery testing for drugs and alcohol where human factors contribute to the incident and a question of sobriety short of reasonable suspicion exists.

Reasonable suspicion testing may be based upon, among other things:

1. Observable phenomena, such as direct observation of drug use or possession and/or the physical symptoms of being under the influence of a drug;

2. A pattern of abnormal conduct or erratic behavior;

3. Arrest or conviction for a drug-related offense, or the identification of an employee as the focus of a criminal investigation into illegal drug possession, use, or trafficking;

4. Information provided either by reliable and credible sources or independently corroborated; and

5. Newly discovered evidence that the employee has tampered with a previous drug test.

Although reasonable suspicion testing does not require certainty, mere "hunches" are not sufficient to meet this standard.

B. "Under the influence" is defined as any detectable level of drugs (in excess of trace amounts attributable to secondary exposure) in an employee's blood or urine or any noticeable or perceptible impairment of the employee's mental or physical faculties. With respect to alcohol, a blood alcohol content of .004% constitutes under the influence while on duty.

C. "Controlled substances" are defined as all forms of narcotics, depressants, stimulants, hallucinogens, cannabis, and other controlled substances of which the sale, purchase, transfer, use or possession is prohibited or restricted by The Federal Controlled Substances Act. "Illegal or controlled substances" means a controlled substance included in Schedule I or II, as defined by section 802(6) of Title 21 of the United States Code, the possession of which is unlawful under chapter 13 of that Title. The term "illegal drugs" does not mean the use of a controlled substance pursuant to a valid prescription or other uses authorized by law.

D. "Over-the-counter drugs" are those which are generally available without a prescription from a medical doctor and are limited to those drugs which are capable of impairing the judgment of an employee to safely perform his or her duties.

E. "Prescription drugs" are defined as those drugs which are used in the course of medical treatment and

have been prescribed and authorized for use by a licensed practitioner/physician or dentist.

F. Searches. Employees have no expectation to be free from search of a locker, desk or contents of other similar District controlled spaces. A search for contraband within personally controlled spaces on District property (purses, garments, brief cases or a personal vehicle, for example) shall be based on reasonable grounds or consent of the employee. In accordance with the provisions of this policy prohibiting drugs in the work place, or based upon legitimate concerns for the possession of other unauthorized materials (such as firearms, explosives or stolen property,) this policy constitutes formal notice of the District's intent to search premises, persons and secured spaces, including vehicles parked on District property, based upon reasonable grounds or consent. Searches shall be approved by the [_____] or his/her designee, and, if possible, notice to the employee and an opportunity to be present shall be given.

G. Refusal. Failure to appear for testing without a deferral will be considered refusal to participate in testing, and will subject an employee to the range of disciplinary actions, including dismissal, and an applicant to the cancellation of an offer of employment. If an individual fails to appear at the collection site at the assigned time, the collector shall contact the [_____] to obtain guidance on action to be taken.

8.0 NON-DISCRIMINATION AND HARASSMENT

8.1 EQUAL EMPLOYMENT OPPORTUNITY

It is the District's policy to employ, retain, promote, discipline, discharge, and otherwise treat all employees and job applicants on the basis of merit, qualifications and competence or membership in any other classification protected under federal or Oregon law. It is the policy of the District to comply with federal and state statutes on equal employment opportunity. This policy shall be applied without regard to any individual's sex, race, color, religion, national origin, ancestry, age, marital status, political affiliation, veteran status or any physical handicap or disability which can be accommodated reasonably.

The Director of Operations is the coordinator for the District's procedures for the implementation of this policy. It is the intent and desire of the District that equal employment opportunity

will be provided in employment, promotions, wages, benefits and all other privileges, terms and conditions of employment.

8.2 HARASSMENT

8.2.1 Statement of Concern. The District will work to eliminate and prevent harassment and to alleviate any effects harassment may have on the working conditions of an employee. All harassment is forbidden, including unsolicited remarks, gestures or physical contact, display or circulation of derogatory written materials or pictures regarding either gender or racial, ethnic or religious groups, and personnel decisions based on an employee's response to such harassment. The District regards job related harassment as a serious transgression and reason for discipline or discharge.

8.2.2 Policy. The policy of the District is that every employee has a right to be free of harassment. In response to formal reports of harassment, the District will protect all parties involved from retaliation, false accusations, or future harassment, and where indicated, will take prompt and adequate remedial measures.

Should an issue of harassment be raised, all related matters will be kept confidential to the extent possible throughout the investigation, counselling and disciplinary stages. Any supervisor or manager receiving notice of harassment shall notify the Director of Operations, or the President of the Board, who will direct an investigation and insure that the charge is resolved appropriately.

8.2.3 Reporting Harassment. Any employee who feels harassed or is aware of harassment of another employee is urged to report this to an immediate supervisor, department head, or District Manager . The report may be informal or formal. A formal report shall include a written statement, which may be a grievance under a labor agreement.

8.2.4 Response to Reports of Harassment. Written reports concerning harassment will be forwarded to the Director of Operations, unless there is an allegation against that person, and if so, then written reports will be forwarded to the President of the Board, who will delegate the matter to the District's legal counsel. This procedure will apply to written statements received from reporting employees or written records made by supervisory employees, including department heads. Whenever supervisory employees become aware of allegations of harassment, they will make a written record of the allegations and will forward the record to the District in accordance with this policy.

8.2.5 Investigation. The Director of Operations or the District's legal counsel or other person designated by the President of the Board, will begin an investigation if necessary. The first pre-investigation step shall be to inquire of all persons reporting as to whether the record now includes all allegations of harassment. The investigation will be conducted promptly on a priority basis.

The investigation will be directed at ascertaining the facts concerning the allegations. If, in the course of investigation, evidence of harassment is found, the District shall initiate separate investigations.

The investigator shall cause the person reported to have harassed an employee to be advised of the allegations and to afford such person an opportunity to reply orally or in writing. The employee shall also be advised that any retaliatory conduct will be subject to disciplinary action regardless of allegations of harassment.

The results of the investigation shall be reduced to writing. A finding shall be made that there is or is not reasonable cause for disciplinary action. Nothing in this section shall limit the authority of the District to modify policies or practices to correct any appearance of sexual harassment without finding reasonable cause for disciplinary action or taking any disciplinary action. The report will also include any recommendations to remedy any harm which was suffered if the evidence shows that the employee alleged to have been affected by sexual harassment was injured or harmed.

A report which finds reasonable cause for disciplinary action will be maintained in the personnel file of any employee subject to discipline. The employee may have placed in the personnel file a statement of rebuttal or correction. For the purpose of this section, a former employee may present such statement.

8.2.6 Sealing of Records Relating to Harassment. Records relating to sexual harassment will be retained by the District for a minimum of six (6) years. All such records will be retained in a sealed file. There will be a cross reference to the sealed file of the reporting employee, the allegedly affected employee and the employee who was reported to have harassed another. Once the material in the sealed file is determined to have no reasonable bearing on job performance or on the efficient and effective management of the District, reference to it in one or more individual personnel files may be removed.

No information from the sealed file nor any indication of the cross reference to the sealed file will be disclosed to persons who do not have confidential access to the personnel affairs of the District, provided that there are two exceptions which permit some disclosure. First, an employee who reported harassment and/or an employee who was allegedly affected by harassment may request that the District provide information to another regarding the investigation of harassment. On a case-by-case basis, the District, in its own discretion, may agree to release specified information. Secondly, whenever the District would provide general information

to persons who are not officers or employees of the District regarding an employee or former employee from the District's personnel file and the employee's personnel file reflects a finding of reasonable cause for disciplinary action, then the District will also send information regarding the investigation of harassment; except that no readily identifiable reference to other parties involved may be included, and any statement which the employee had requested be held in the file will accompany the disclosure. Information about the finding of reasonable cause for disciplinary action would not be given in response to a request for verification of dates employed.

8.3 HIV DISCRIMINATION

8.3.1 The Disease. Acquired Immune Deficiency Syndrome (AIDS) is a fatal, infectious disease which claims an increasing number of lives each year. It is caused by spread of the AIDS virus, Human Immunodeficiency Virus (HIV). Because of the alarming increase of AIDS, AIDS Related Complex (ARC), and (HIV), the District has investigated AIDS concerns and has consulted with experts on this subject. According to the best medical evidence available, casual work place contacts among employees and citizens infected with HIV will not result in the transmission of the virus. The nature of the disease and its presence in society warrants a District policy.

8.3.2 Purpose of Policy. The District recognizes that its employees are entitled to a safe working environment. Employees and job applicants who are HIV carriers or are afflicted with ARC or AIDS are entitled to compassion and legal protection against unlawful discrimination. Based on these principles, the District has formulated this AIDS policy to:

A. Prevent unlawful discrimination;

B. Educate employees about the ways HIV is, and is not, spread;

C. Designate a person to whom concerned employees can go for information;

D. Insure the confidentiality of information about any employee who contracts the virus;

E. Address employment concerns of infected employees;

F. Assure that the public is accommodated and that risks to health are minimized;

G. Protect the health and safety of all employees through a program of universal precaution; and

H. Avoid disruption or interference with District business that could result from unfounded health concerns.

This policy addresses the work place and shall be supplemented with any additional protocols found appropriate.

8.3.3 Non-Discrimination in Hiring. The District will not unlawfully discriminate against persons with AIDS, ARC or HIV on the basis of their handicap. The following practices are to be followed:

A. Job applicants are not to be asked whether they have AIDS or are infected with HIV. They may be asked if they have any physical or mental impairments which would prevent them from doing the job for which they are applying. If they are impaired, they may be asked what sort of accommodation would enable them to perform the job. If accommodation is required, its reasonableness will be assessed by management.

B. Job applicants who disclose that they have AIDS or are HIV infected shall be asked if they can do the job applied for and whether any sort of accommodation is required. The reasonableness of any requested accommodation shall be determined by management.

C. Any applicant known by the District to be handicapped but capable of performing the duties of the job sought, with or without reasonable accommodation, shall be given the same consideration as other equally qualified applicants.

8.3.4 Employee Education. Employees who are educated about the actual medical risks posed by AIDS and HIV will be safer and more comfortable at work. The District will strive to provide the following sources of education about the transmission of HIV:

A. Informational materials designed to answer specific questions;

B. Videotaped and/or live presentations; and

C. Confidential access to a designated contact person trained to answer questions or obtain additional information.

Employees are strongly urged to take advantage of these resources.

8.3.5 The Designated Contact Person. The District will have a designated contact person, who will be trained to address AIDS concerns. At present this person is the District Manager .

8.3.6 Confidentiality. The District recognizes that an employee's health concerns are confidential. Employees who have been infected with or exposed to HIV may contact the designated contact person confidentially. Medical information will be kept confidential, consistent with legal, medical and management practices.

Employees infected with HIV or afflicted with ARC or AIDS are expected to refrain from publicizing their condition in a manner likely to subject the District to adverse publicity or internal controversy. Failure to do so will be regarded by the District as grounds for discipline, wholly independent of the employee's underlying handicap.

Employees who obtain knowledge that an employee, guest or other individual utilizing District services is an HIV carrier or is afflicted with ARC or AIDS shall maintain the confidentiality of such information. Failure to do so will result in discipline if the circumstances warrant.

8.3.7 Employment Concerns of Infected Employees. Employees who are infected with HIV or afflicted with ARC or AIDS may contact the designated contact person for confidential information about the potential impact of their condition on their employment. The District will try to accommodate employees infected with HIV or afflicted with ARC or AIDS. The reasonableness of any proposed accommodation will be determined by management and shall take into consideration the health and safety of all employees. Supervisors are to consult the designated contact person and obtain District authorization before making any employment decision on the basis of an employee's

actual or perceived infection with HIV. Discrimination against such employees on the basis of their handicap will not be tolerated.

Upon request, the designated contact person will assist concerned employees in obtaining information about community resources and psychological counseling available to persons with AIDS or HIV and their families.

8.3.8 Infected Citizens. As a public service organization, the District cannot discriminate against citizens on the basis of handicap. If uniform body fluid precautions are followed rigorously and routinely, then the risks of accidental infection when rendering aid to an infected person is minimized. The routine activities of citizens in dealings with the District pose no measurable risk of HIV infection to employees. Discrimination against citizens with or suspected of HIV or AIDS will not be tolerated.

8.3.9 Business Disruptions Due to Unfounded Health Concerns. If an employee refuses to work with an HIV infected co-worker or serve an infected citizen, and a supervisor decides that the co-worker or citizen poses or posed no threat to the health and safety of others, continued refusal or a failure to work or other disruption of District services may result in discipline including discharge. Harassment of known or suspected HIV carriers is expressly prohibited and may result in discipline, including discharge.

8.3.10 Oversight. Supervisors are charged with insuring that this policy is adhered to. Complaints concerning any employee's failure to comply with this policy should be brought to the attention of a supervisor, and may be raised by following procedures of Section ___ relating to harassment or Section ___ relating to Complaints.

8.4 IMMIGRATION AND NATIONALITY PROGRAM

8.4.1 Policy Statement. The District recognizes that it has a responsibility to comply with the provisions of the Immigration Reform and Control Act of 1986 by employing only citizens of the United States of America and lawfully authorized alien workers. The District further recognizes that it is an unfair immigration-related employment practice to discriminate against an individual, other than an unauthorized alien, based on national origin or citizenship status.

The District's policy is to provide equal opportunity to all persons in matters affecting employment with the District, including full compliance with the Immigration Reform and Control Act of 1986. The District shall not discriminate against any individual, other than an unauthorized alien, based on national origin or citizen status.

8.4.2 Procedure. In order to assure compliance with the Immigration and Nationality Act, the District will:

A. Consider every job applicant on his or her merits;

B. Verify employability and identity in a lawful and consistent way; and

C. Maintain complete and accurate documentation of all decisions.

8.4.3 Appeal Procedure. Special Counsel for Unfair Immigration-Related Employment Practices has been established within the Department of Justice. Regional Offices of the Immigration and Naturalization Service handle the investigation and prosecution of cases. Individuals wishing to file a complaint may contact the Immigration and Naturalization Service, between the hours of 8:30 a.m. and 3:00 p.m., Monday through Friday.

9.0 PERFORMANCE EVALUATION

9.1 EMPLOYEE PERFORMANCE REVIEWS

9.1.1 Purpose - Communication. Employee performance reviews are an essential communication process between the employee and the immediate supervisor. Such reviews provide information relating to merit, identify areas of training needs, target the strengths and weaknesses of the employee's work performance, and measure the relationship between goals and objectives and the individual employee's job performance. The purpose of evaluations is to let employees know how well they are performing their job and whether they have performance problems. It also serves as a basis of personnel decisions -- merit increases, promotion and termination.

9.1.2 Goal - Form Desirable Behaviors. The goal of the employee performance review process is to establish a pattern of expected work performance and habits. The review process gives employees and supervisors an opportunity to measure, review and establish goals, reward or acknowledge good performance, create incentives, and to detect and correct improper behavior or activity and/or substandard work performance.

9.1.3 Review Process. Performance reviews shall be completed at least annually and in accordance with the guidelines and instructions set forth below. Employees and supervisors are required to sign the completed performance review forms. All performance reviews will be reviewed by the District Manager and placed in the employee's personnel file. Employees will be provided with a copy of performance reviews.

9.1.3.1 Manager Review Process. The Board of Trustees shall designate one member as evaluator of the District Manager/Director of Operations/CEO, to gather information to be presented to the Board.

9.1.4 Employees Affected. All regular employees of the District will be evaluated under this policy. The District

Manager/Director of Operations/CEO shall be evaluated by the Board Members based upon the consensus of the Board, using a written performance evaluation.

9.1.5 Regular Review. All employees will be evaluated at lease annually in the month of November.

9.1.6 Probationary Review. Probationary employees will participate in goal-setting interview/reviews as often as appropriate and will be evaluated in at least two performance progress reviews before being transitioned to regular employee status.

9.1.7 Pay and Probation Recommendations. A recommendation for a merit or step increase and/or extension of probation, or passing probation to regular employee status, or termination shall be set forth in a performance evaluation as appropriate.

9.1.8 Supplemental Evaluation. A supplemental performance evaluation may be submitted on any occasion deemed appropriate by a supervisor.

9.2 THE EVALUATION PROCESS

Meaningful performance assessments require both the supervisor and the employee's evaluation of the employee's performance.

9.2.1 The Supervisor. The employee's immediate supervisor is responsible for timely completion of the official evaluation report. In cases where the immediate supervisor does not have ample opportunities to judge the employee's performance, the lead worker (or others in a position to observe performance) should be consulted in completing the evaluation. The form should be completed initially in pencil, and after discussion with the employee and the reviewer (if needed), the final evaluation will be typed, or neatly written in ink.

9.2.4 Common Errors to Avoid in Evaluating an Employee. No matter how well designed, a performance appraisal program can fail if the supervisors doing the appraisal are not adequately trained and informed. The following guidelines describe some frequent errors to avoid.

A. Avoid rating most employees at the high end of the scale. Experience shows that "excellent" and "very good" rating are used more frequently than competent or adequate. This is to often a reflection of supervisor's lack of confidence in the supervisor's own ability than the employee's performance. A rating of "competent" or "adequate" is not adverse and can generate suggestions for improvement needed to merit a higher rating. Descriptions of excellence should be reserved for those whose performance is truly superior.

B. Avoid the "Halo Effect." Raters tend to rate an individual consistently high, average, or low on all factors based on an overall impression. A dependable, conscientious employee does not necessarily produce high-quality work. Consider each factor separately and indicate strong and weak points. Don't hesitate to use the entire scale in your ratings. If the evaluations are to provide meaningful information, they must take advantage of the entire scale.

C. Avoid labels. Describe exact behavior. For example, telling an employee of a "bad attitude" does not offer an alternative for improvement or provide the employee with understandable examples of the behavior.

9.3 PREPARING FOR AND CONDUCTING THE PERFORMANCE REVIEW

9.3.1 Briefly Review General Background Information. The more you know about an employee, the easier it is for you to understand and discuss work performance and behavior. Some time prior to the appraisal discussion, you should review the employee's past history, work experience, education, and previous performance appraisals.

9.3.2 Arrange for the Interview.

A. Set a time and place for the discussion and avoid postponement. Arrange for appropriate privacy and time for the discussion. It is important to prevent interruption if at all possible. A private office or conference room creates a setting in which you and the employee can communicate effectively.

B. Notify the employee several days beforehand, so that the employee has enough time to prepare for the performance review. One good method of having the employee prepare is to require that the employee evaluate himself. Ask the employee to fill out an appraisal form for discussion and comparison with your's during the interview.

9.3.3 Conduct the Interview. Approach evaluations as a helper, not a judge. Too often performance appraisal discussions are viewed as a time when the supervisor is the "judge". This is a difficult role which often prevents positive discussion. This is a time when you and the employee can look at job performance and find and discuss ways to improve it.

"Rating" performance involves judgments. However, in the discussion you should focus on specific ways to improve performance, in the role of a helpful teacher.

9.3.4 Structure and Format of the Evaluation. The interview should have some structure to it, varying with individual circumstances.

A. Create a relaxed climate by indicating overall satisfaction and honest appreciation of job performance.

B. Outline the purpose and objectives of the review. Explain the benefits of positive two-way communications about performance -- a clear idea of how the employee is doing and potential steps to improve performance.

C. Follow a comfortable sequence during the discussion, for example:

1. Past performance -- on each relevant job performance factor;

2. Major strong points and weak points needing greater effort;

3. Specify developmental steps to be taken to improve performance; and

4. Goals and the role of the **[department] [District].**

D. Encourage the employee to participate. The more an employee discusses performance, the better the review. Listen and gather information. Active listening is very important.

1. Use open-ended questions (who, what, when, why and how) which encourage discussion rather than simple "yes/no" responses;

2. Tell the employee you are receiving information, not judging; and

3. Use restatement or reflection. This is a clarification process and feeds back what you are hearing to the employee.

E. Discuss areas of good performance first. This is easier if you have required the employee to appraise performance as preparation for the review.

F. Focus on areas of performance the employee identifies as not fully satisfactory. Determine what corrective action should be taken, and by whom. Collaborate on the action steps. Do you agree on areas of strengths and weaknesses? The more the employee participates in the plans for improvement, the greater will be the commitment to those plans. Offer useable criticism tactfully and constructively in the context of a discussion of strengths.

G. Use specific and realistic improvement targets. Don't try to eliminate all areas of weakness in one session. Concentrate on the most important ones. A development plan with two or three steps is often accomplished. One with eight or nine may cause the employee to give up.

H. Discuss personal goals and interest.

I. Close the discussion by summarizing what has been covered and reviewing the specific steps to be taken by supervisors and the employee. If appropriate, set a follow-up date to discuss progress towards performance improvement.

9.3.5 Follow-Up. During the review, specific steps to improve performance were identified. If action needs to be taken by you, take it.

If specific training has been recommended, it is important that it be undertaken. If parts of the job description have become obsolete, it should be rewritten.

10.0 PROBLEM SOLVING PROCESS

10.1 DISTRICT POLICY

The District strives for fair treatment of all employees, however, misunderstandings and problems may occur in any organization. The District intends that such matters be resolved as early and fairly as possible. Disagreements relating to work assignment, pay, promotion opportunity or any aspect of the work relationship should be openly discussed with the immediate supervisor. Supervisors and employees should make honest attempts to understand each others perspectives and make every effort to resolve differences.

10.2 STEPS TO SOLUTION

If at any time an employee believes s/he is not being treated fairly, the employee may report the problem to the department head or the District Manager. Several steps are suggested to insure that a prompt and fair resolution is achieved.

A. Talk with your supervisor as soon as possible. Your department head is the person responsible for what goes on in your work areas. S/he will review your problem, and keep you informed of the progress.

B. If you believe the problem is not properly resolved you can file a written statement concerning the problem with the District Manager. You will be given a written reply by your District Manager within ten (10) working days after the written statement is received, unless additional time is needed.

C. The District Manager will review any decision upon request, investigate further if appropriate, and issue a decision. The employee's request for consideration of the District Manager should be made within ten (10) working days from receipt of the supervisor's decision. The employee may present further facts, documents or argument.

D. The District cannot guarantee that an employee's point of view will be accepted, but supervisors and the District Manager will always listen, and make every effort to insure that problems are resolved fairly and in the public interest.

11.0 PROGRESSIVE DISCIPLINE

11.1 DISCIPLINE GENERALLY

On-the-job conduct of District employees affects the ability of the District to serve its citizens and affects the taxpayer's impression of District government. Employee safety, productivity and morale are dependent upon employee conduct.

Occasionally it is necessary for supervisors to resort to corrective action when other actions are inappropriate, or where a particular employee fails to respond to informal guidance.

In order to provide a fair method of correcting, and when necessary, disciplining employees, the District will use progressive discipline procedures.

11.2 DISCIPLINE - GENERAL GUIDELINES

A. Discipline may be initiated for many proper reasons, including, but not limited to, violations of the work rules, insubordination or poor job performance. The severity of the action generally depends on the nature of the offense and an employee's work record, and may range from verbal counseling to discharge.

B. Progressive discipline for infractions include:

1. Verbal counseling;

2. Written counseling or warning;

3. Temporary reduction in pay in lieu of suspension;

4. Suspension;

5. Demotion; and

6. Discharge.

Any or all of these steps may be utilized, depending upon individual circumstances and the nature of the infraction. Exceptions or deviations from the normal procedure may occur whenever the District deems it appropriate, case by case.

11.3 APPLICATION OF PROGRESSIVE DISCIPLINE

A. For performance deficiencies, employees will normally be verbally counseled once before receiving a written warning. A supervisor may or may not choose to make the imposition of a verbal warning part of the employee's personnel file.

B. In the event of two or more performance problems or more serious violation of a District policy or rule, a written warning may be issued.

1. The warning should be signed and dated by the employee. An employee who disagrees with the facts in the warning may submit a written response. It will be placed in the personnel file with the warning.

2. A written warning need not pertain to the same or similar matter (issue).

3. In addition to a written warning, the District Manager may also suspend an employee without pay for a period of up to thirty (30) working days, or take other disciplinary action deemed appropriate. Prior to suspending an employee without pay, the District Manager will meet with and afford the employee an opportunity to respond.

4. Department heads, with the approval of the District, may demote or reduce the pay of employees for cause. A written statement of the reasons for such action shall be furnished to the employee, and a copy shall be made a part of the personnel file. The employee will sign the statement acknowledging he has received a copy of it, and may file a rebuttal statement.

C. Discharge may result if the employee violates District policy, commits serious misconduct or fails to improve the level of performance.

11.4 DISCHARGE PROCEDURE

Pre-Discharge Conference. If the District Manager determines there is cause for the discharge of an employee, District Manager shall notify the employee of the specific reasons and that a suspension without pay and/or discharge is being considered. The employee shall be provided with the facts upon which the actions are based. The District Manager shall afford the employee a formal opportunity to refute the charges orally or in writing. Once the employee has been afforded an opportunity to refute the charges and explain the circumstances, the employee may be suspended without pay. If a pre-discharge conference is to be held, it will be scheduled and held 3 days after notice of action has been given. The employee will be given adequate time to develop a response and to seek necessary outside assistance as the employee feels necessary. The time limits may be varied by the District to meet individual needs.

The District Manager will conduct the conference and decide whether to impose discharge or a lesser degree of discipline.

13.0 EDUCATION AND TRAINING

The District encourages continued education and training for employees to enhance job performance and assist in potential career advancement within the District. The District shall provide such in-service training as deemed necessary and beneficial to the delivery of services and performance of duties.

Employees may request compensation for the costs of college-level, technical or other academic course work, seminars, and conferences relevant to their current or future roles in the organization. Such requests must be made in writing to the District Manager, or in case of the District Manager, to the Board of Trustees. Reimbursement for college-level course work will only be made if the employee receives a passing grade. All training activities involving a cost to the District must be approved in advance, in writing.

CERTIFICATE

I certify that I have received a copy of the Personnel Policies and Procedures of the District. I understand that it is my responsibility to read and ask questions if necessary regarding personnel policies. I accept responsibility for understanding and complying with the District's policies. I understand that my employment can be terminated with or without cause, at any time, at the option of either the District or myself, subject however only to such restrictions as may appear in the District Policies and Procedures Manual, as it may be amended periodically. I understand that no one except the Director of Operations and Board, has the authority to enter into any agreement in writing, contrary to the personnel policies and procedures of the District.

_____ _____

Signature Date

EXHIBIT A

RESOLUTION NO. ____

A RESOLUTION ADOPTING PERSONNEL
POLICIES FOR THE DISTRICT

WHEREAS, it is in the best interests of the citizens of the District and the employees of the District that certain policies relating to employment by the District be clearly set forth; and

WHEREAS, the District Board has reviewed this manual of personnel policies for employees; and

WHEREAS, the adoption of these policies appears to be in the best interest of the District and its employees;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE _____:

That the personnel policies attached hereto are approved and adopted as the policies for all employees of the District.

ADOPTED BY BOARD OF DIRECTORS THIS 13th DAY OF JANUARY, 1994.

_____
_____, President

ATTEST:

_____
_____, Secretary

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POLICY 9.1:SAFETY AND LOSS PREVENTION POLICY

A. PROMOTION OF SAFETY

It is the policy of the District to promote safety in all phases of District operations. To that end, the District shall strive to provide safe equipment, necessary personal protection, and adequate training. It is the responsibility of every employee and officer to cooperate in promoting safety and integrating safety procedures into all operations.

B. ADMINISTRATION OF SAFETY PROGRAM

The Chief Executive Officer shall be responsible for the day-to-day administration of the District's safety and loss prevention program, including:

1. Implementation of necessary loss prevention and risk control policies and programs, including the following:

    a. Participation by and accountability for all officers and employees in loss prevention activities.

    b. Hazard assessments and control.

    c. Accident investigations.

    d. Personal protective and safety equipment programs.

    e. Training programs.

    f. Operations evaluations.

    g. Claims management and early return to work efforts.

2. Legal compliance with all federal, state and local safety and health regulations.

3. Providing personnel with needed resources to insure compliance with the District's loss prevention and control policies.

4. Review of District loss data and accident investigation findings; evaluation of loss prevention activities, comparing them with current needs; assignment of responsibility for corrective action measures; and maintenance of necessary records of District activities.

5. Consulting with the District's insurance agents and carriers in developing loss control policies and procedures.

6. Creating and managing an early return-to- work program for injured employees.

7. Insuring personnel policies, manuals, job descriptions, and job placement practices are in place, and that all District volunteers, employees and officers are in compliance.

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POLICY 10.1:HAZARD COMMUNICATION PROGRAM

A. APPLICATION

In order to comply with Oregon's Occupational Health and Safety Code, OAR Chapter 437, Division 155, Hazard Communication, the District has established the following Hazard Communication Program. Each department and organizational unit of the District is included in the program.

B. CONTAINER LABELING

The District's purchasing agent and department heads shall be responsible to verify that all containers received for use by the District:

1.Are clearly labeled as to the contents;

2.Display the appropriate hazard warning; and

3.List the name and address of the manufacturer.

It is the policy of the District that no container of any substance or product will be released for use by District personnel until the above data is verified. The supervisor of each section will insure that all secondary containers are labeled with either an extra copy of the original manufacturer's label or with a generic label containing the information required under this paragraph.

C. MATERIAL SAFETY DATA SHEETS (MSDSs)

Copies of MSDSs for all hazardous chemicals to which employees of the District may be exposed shall be kept at each facility, as well as in the District's office. MSDSs will be available to all employees of the District in the District's office for review during regular business hours. If an MSDS is not available, or new chemicals in use do not have an MSDS, it shall be the responsibility of any employee noting the absence of an MSDS to report it to his or her supervisor.

D. EMPLOYEE INFORMATION AND TRAINING

Prior to commencing work for the District, each new employee shall attend a health and safety orientation, and shall receive information and training regarding the following:

1.An overview of the requirements contained in the State's Hazard Communication Rules, OAR Chapter 437, Division 155.

2.Chemicals present in the employee's workplace operation.

3. Location and availability of the District's written Hazard Communications program, including the required list of hazardous chemicals, and Material Safety Data Sheets required by OAR 437 Division 155.

4. Methods and observation techniques used to determine the presence or release of hazardous chemicals in the work area.

5. Physical and health effects of the hazardous chemicals encountered in the employee's workplace.

6. Steps which can be taken by the employee to prevent exposure, including actions taken by the District to reduce or prevent exposure to hazardous chemicals through work practices and personal protective equipment.

7. Emergency procedures to be followed if the employee is exposed to hazardous chemicals in the workplace.

8. Familiarization with labels and MSDSs to obtain appropriate hazard information.

After the employee or volunteer has attended the health and safety orientation, the employee or volunteer shall be given a copy of the District's Hazard Communication Program, and shall sign a form verifying both the attendance at the health and safety orientation and the receipt of the written materials.

Prior to the introduction of any new hazardous chemical into any District workplace, each employee of the District shall be furnished the information outlined above with respect to the new hazardous chemical. The District's purchasing agent and department heads are responsible for assuring that MSDSs are available for each new chemical introduced.

It shall be the responsibility of department heads to provide contractors working on the District's premises with information regarding the hazardous chemicals to which they may be exposed while on the job site, and precautions the contractor or its employees can take to lessen the possibility of exposure to such hazardous chemicals through the use of appropriate protective measures.

E. HAZARDOUS CHEMICALS LIST

The following is a list of all known hazardous chemicals used by the District:

Product Name	Utilization	Location

[Insert product names, uses and locations here.]

More information on each chemical noted is available by reviewing the MSDSs located at each District facility and in the District's office.

F. HAZARDOUS NON-ROUTINE TASKS

Periodically, employees of the District may be called upon to perform hazardous non-routine tasks. Before starting work on any such task, each affected employee will be given information by his or her supervisor regarding the hazardous chemicals to which they may be exposed during the activity. This information will include at a minimum the following:

1. Specific chemical hazards;

2. Protective or safety measures employees shall take to avoid hazardous exposure; and

3. Measures the District has taken to reduce the hazards, including ventilation, the provision of specialized equipment, or the presence of another employee to monitor the hazardous task, etc.

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POLICY 11.1:VEHICLE USE

A. INTRODUCTION

This policy applies to and regulates the use of all vehicles owned by the District, and prescribes their proper use under routine and emergency conditions.

B. POLICY

The use of vehicles creates special responsibilities for officers and employees of the District. Vehicle operators have the responsibility to operate vehicles in a safe, lawful and skillful manner, and shall at all times give the highest priority to the safety and welfare of the general public. Operators shall obey all laws and District policies pertaining to operation of District vehicles.

C. QUALIFICATION AND LICENSURE

No person shall operate a District vehicle unless he or she is qualified and authorized to do so, and possesses a valid Oregon driver's license with the proper license classification.

D. RESPONSIBILITIES

Officers and employees [and volunteers] assigned to operate District vehicles are responsible for the operation, care and condition of such motor vehicles, and for their cleanliness.

E. SEAT BELTS

Every operator and passenger riding in a District vehicle shall utilize his or her respective seat belt[s] while the vehicle is in motion. It is the responsibility of the operator to assure that all passengers utilize seat belts.

F. IDENTIFICATION

All vehicles owned by the District shall bear external identification indicating that they are property of the District.

G. OPERATION BY CIVILIANS

Only District officers, employees [and volunteers] shall be permitted to drive District-owned vehicles, except for purposes of mechanical maintenance or technical evaluation.

H. TRANSPORTATION OF CIVILIANS PROHIBITED; EXCEPTIONS

I. LIMITED PERSONAL USE Employees assigned to vehicles may make personal stops at restaurants or stores during breaks, on the way to or from work locations within the district.

1. The position of Director of Operations has been given use of an assigned vehicle for personal use within Deschutes County, in place of salary.

2. The position of Field Supervisor has been given use of an assigned vehicle to station at home for better use of time.

3. The ULV equipment operators may keep their assigned vehicles at home but are not to operate them for personal use.

Operators of District vehicles shall not transport civilians or other unauthorized persons in or on District vehicles except as authorized by a superior officer, in an official capacity, or as provided in this Policy.

1. Staff Vehicles. Civilians are not permitted to travel in District staff vehicles, except when such civilians are:

   a. Accompanying a District employee to an official District function located outside District's boundaries.

   b. Directly involved in the transaction of District business.

   c. Transported in the course of District response to a public assistance call.

J. USE OF STAFF VEHICLES

Staff vehicles are to be used only for the following purposes:

1. Transportation to and from District business.

2. Transportation to and from approved schools, seminars and meetings.

3. Other District business as approved by the Chief Executive Officer.

K. VEHICLE USE OUTSIDE DISTRICT BOUNDARIES

District-owned vehicles are not to leave the District other than on official District business, for maintenance purposes or as approved in advance by the Chief Executive Officer.

L. ASSIGNMENT

Assignment of vehicles shall be done by the chief executive officer with the approval of the Board. Employees must be cognizant of their high visibility, and the potential damage to the public trust if misuse occurs. Violation of this policy or any misuse of District vehicles shall result in disciplinary action being taken.

M. RADIO USE

N. SIGNS AND DECALS

Employees are prohibited from applying or placing any signs, decals, posters, insignia, bumper stickers, window stickers or any other items on District vehicles, unless authorized to do so by the Chief Executive Officer.

O. APPROPRIATE VEHICULAR SPEED

When practical, all travel in District vehicles shall be at the designated road speed or less. When traffic conditions make such speeds impractical, the vehicle shall be operated in accordance with the general flow of traffic.

P. VEHICLE OPERATION CODES

District vehicles shall be operated in strict conformance with all the provisions of the categorical designations set forth below:

1. Non-Emergency. Assignments which are not urgent. Units on such calls shall comply with all traffic laws.

Q. REPORTING AND INVESTIGATING ACCIDENTS

When any District vehicle is involved in an accident resulting in property damage or injury to any person, the following procedures shall be observed:

1. The operator shall: Immediately report such fact to the Dispatcher and to the operator's supervisor; remain at the scene until a police report is made in the case of a fatality, injury, extensive damage, or damage that renders a vehicle inoperative; and not move any vehicle until authorized by a supervisor unless non-removal creates an undue hazard. In those cases where the vehicle(s) suffer only minor damage, citizens should not be delayed any longer than is necessary to exchange the required information. The operator shall also: Promptly complete an individual accident report; and file any other reports as requested by the operator's supervisor.

2. The operator's supervisor shall: Respond to the scene, and insure that a police investigation is conducted; submit independent reports and complete all forms as appropriate; and report all findings and conclusions to the Chief Executive Officer.

R. MAINTENANCE OF VEHICLES

Operators shall be responsible for the proper maintenance of any vehicle assigned to them. This service shall include fuel, oil, water, tire check, wash windshield, and clean the interior of the vehicle of debris and clutter. All vehicles shall have routine maintenance as required, including lubrication, oil and filter changes, tire changes, and other preventive maintenance measures. The operator shall complete the necessary maintenance forms and documents in a timely manner.

S. REPAIR OF VEHICLES

When a vehicle is found to be inoperative or unsafe to use due to damage, mechanical failure, or normal wear, the operator to which the vehicle is assigned shall submit (on the proper District forms) a report on the condition of the vehicle to the operator's supervisor as soon as time permits. No officer or employee [or volunteer] shall attempt to repair any District vehicle unless authorized by a supervisor.

T. USE OF PERSONAL VEHICLES

All officers and employees shall have the specific advance approval of the Chief Executive Officer before using their own or other privately owned vehicle for District business. The District provides liability insurance for officers and employees [and volunteers] for the acts in which they become involved. However, officers and employees [and volunteers] must be advised that they must provide coverage for privately owned vehicles. Personal vehicles used for District business must be in good repair. When responding to an emergency in a private vehicle, all traffic laws shall be complied with.