

**GULL LAKE
SEWER AND WATER AUTHORITY
PERSONNEL POLICY**

Effective Date: April 1, 2022

**Date of last prior revision: January 1, 2022
Date of last prior revision: March 1, 2021
Date of last prior revision: November 11, 2020
Date of last prior revision: July 1, 2019
Date of last prior revision: June 2, 2015
Date of last prior revision: May 3, 2012
Date of last prior revision: April 28, 2011
Date of last prior revision: March 1, 2008**

Attachments:

**9-page Code of Ethics
1 page Commitment to Excellence**

Table of Contents

| | |
|-------------|--|
| Section 1: | Purpose |
| Section 2: | Definitions |
| Section 3: | Non-discrimination |
| Section 4: | Management rights |
| Section 5: | Contractual work |
| Section 6: | Employment at will |
| Section 7: | Review Period |
| Section 8: | Hours, Work Week, Overtime |
| Section 9: | Sick, Funeral, and other Leaves of Absence |
| Section 10: | Holidays, Regular Employees |
| Section 11: | Vacations |
| Section 12: | Insurance and Supplemental Benefits |
| Section 13: | Retirement |
| Section 14: | Part-time Employee |
| Section 15: | Dress Code, Uniforms; Cell Phones |
| Section 16: | Drug-Free Workplace Policy |
| Section 17: | Employee and Policy review |
| Section 18: | Incentive pay and bonuses |
| Section 19: | Policies subject to applicable law. |
| Appendix: | Code of Ethics Commitment to Excellence |

PERSONNEL POLICY

These rules are placed in effect November 11, 2020, by motion of the Gull Lake Sewer and Water Authority at a regular meeting held on November 11, 2020.

Section 1: Purpose

It is the purpose of these policies to promote and ensure harmonious relations, cooperation and understanding between the Authority and Employees covered hereby, to establish standards of wages, hours, working conditions and other conditions of employment. These are policies established by the Authority and are subject to change by the Authority at any time by action at a regular or special meeting of the Authority Board where a quorum is present, by resolution, or by approval of written modifications to this Policy document. No person is authorized to change these policies except the Authority Board by action of a quorum of said Board.

Section 2: Definitions

The term "Director" shall mean the person designated by the Authority to direct its affairs and oversee the operations. The term "Regular Employee" shall include all Employees of the Authority working 40 hours per week on a year-round basis and shall include the Authority Director. Part-time Employees are defined in Section 14.

Within Sections 1-8 inclusive and Sections 14-18 inclusive, the term "Employee" shall also include Part-Time employees as referenced and defined in Section 14. The term "Authority" and "Authority Board" shall mean the Board of Commissioners of the Gull Lake Sewer and Water Authority.

Section 3: Non-discrimination

The Authority and the Employee both recognize their responsibilities under Federal, State and local laws pertaining to fair employment practices as well as the moral principles involved in the area of Civil Rights. Accordingly, both parties reaffirm by this Section 3 the commitment not to discriminate against any person or persons because of race, creed, color, religion, sex, age or national origin.

Sexual harassment constitutes discrimination and is illegal under federal and state laws. It is the policy of the Authority that any form of sexual harassment of Employees or applicants for employment is unacceptable conduct and will not be tolerated.

Sexual harassment is unwelcomed sexual conduct. It may include one (1) or more of the following: sexual advances or propositions; requests for sexual favors; verbal abuse of a sexual nature, including sexually explicit or degrading references to another person, or similar language; unnecessary touching; the display of sexually suggestive objects or pictures; sexually explicit or offensive jokes; or physical assault.

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

No supervisor or other Employee shall engage in unwelcome sexual conduct. No supervisor or other Employee shall threaten or insinuate, either explicitly or implicitly, that another Employee's or an applicant's refusal to submit to sexual advances will adversely affect that person's employment, work status, evaluation, wages, advancement, assigned duties, shifts, or any other condition of employment or career development. No supervisor or other Employee shall, by unwelcome sexual conduct, create a hostile work environment for any Employee.

Harassment based on any other protected characteristic also is strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that belittles or shows hostility or aversion toward an individual because of his/her religion, race, color, national origin, age, height, weight, familial status, marital status, disability, genetic information or any other characteristic protected by law and that: (1) has the purpose or effect of creating an intimidating, hostile or offensive work environment, (2) has the purpose or effect of unreasonably interfering with an individual's work performance, or (3) otherwise adversely affects an individual's employment opportunities.

Any Employee who feels that he or she is a victim of harassment, including, but not limited to any of the conduct listed above, shall bring the matter to the immediate attention of the Director. An Employee who is uncomfortable for any reason in bringing such a matter to the attention of the Director or is not satisfied after bringing the matter to the attention of the Director, shall report the matter to the Authority Board or the Authority Attorney.

The Authority will promptly investigate all allegations of harassment in as confidential a manner as possible.

The Authority prohibits retaliation against any person who brings a complaint of harassment or who takes part in investigating such a complaint.

Any Employee whom the Authority believes to have been involved in discrimination or harassment in violation of this policy will be subject to appropriate sanctions, up to and including termination of employment pursuant to Section 6.

Section 4: Management rights

The Authority shall have the right to establish, evaluate, change, and eliminate jobs. The Authority has the right to develop and establish, at any time at its sole discretion, new or revised job descriptions, specifications, requirements, classifications, and rates of pay and to place them into effect.

Section 5: Contractual work

The right of contracting or subcontracting is vested in the Authority.

Section 6: Employment at will

Certain types of conduct, examples of which are set forth below, may result in disciplinary action including suspension or dismissal. However, the Authority reserves the right to terminate employment of any Employee, Regular or Part-time, at any time at will.

Conduct which may lead to disciplinary action (dismissal, suspension, or other discipline) includes but is not limited to, the following:

1. Unauthorized or excessive absence from work.
2. Commitment or conviction of any criminal act.
3. Conduct unbecoming any employee in public service.
4. Disorderly or immoral conduct.
5. Failure to make proper provisions for liquidation of just debts.
6. Incompetency or inefficiency.
7. Insubordination.
8. Bringing intoxicants or narcotics into, or consuming intoxicants or narcotics on any Authority property, or reporting to work under the influence of intoxicating liquor or narcotics.
9. Neglect of duty.
10. Negligence or willful damage to public property, waste or misappropriation of public supplies or equipment.
11. Violation of any lawful regulation or order made by Federal, State, or local jurisdiction, including the Authority Board.
12. Willful violation of any provisions of this policy or Authority Board policy.
13. Deliberate falsification of records and reports.
14. Dishonesty.
15. Failure to possess valid Michigan drivers' license (field employees only).
16. Unsatisfactory work performance.

The Director or Authority may institute dismissal, suspension, or other disciplinary action with or without pay. All actions shall be in writing, and whenever reasonably possible, shall be presented or delivered to the Employee (by mail or electronic mail or in person) prior to the action taken. Any Employee wishing to contest a dismissal, suspension or disciplinary action shall, within five (5) working days of receipt of the written notice, file with the Authority a written request for hearing.

The Authority Board, upon receipt of the request for hearing, shall meet within ten working days, or as soon as possible thereafter when a quorum can be made available, to receive evidence and argument from the Employee, with or without the Employee present at the meeting, together with such other evidence as may be available to the Board, and it shall thereafter issue, in writing, its determination. The Authority Board may affirm, modify, or reverse a dismissal, suspension or other disciplinary action following the hearing. A copy of the determination (or copy of the minutes) shall be delivered by mail (by mail or electronic mail or in person) to the Employee at the address in the Employee's personnel file. Failure of an Employee to request a hearing in the time and manner prescribed herein shall constitute waiver of the hearing right provided for herein.

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

Section 7: Probation

Employees shall be regarded as under review Employees for the first sixty (60) days of active employment. An Employee under review may be dismissed at will (as may be any other Employee) and, in addition, any conduct by an under-review Employee that consists of conduct set forth in Section 6, subsections 1-16, may lead to immediate dismissal.

Section 8: Hours, Work week, Overtime, On-call personnel

The regularly scheduled work week shall consist of a forty (40) hour work week for all Regular Employees, which shall be comprised of either (i) five eight (8) hour days, or (ii) four nine (9) hour days M-Th and 4 hours on Friday. The Director shall establish the schedule for the Employees from time-to-time. Any deviation from these options shall be effective upon approval by the Authority, or, in the case of the Director, agreed to in writing by the Authority. Pay checks shall be issued every two-weeks on Friday for the period ending five days prior, unless, in the event an employee requests a 4-week pay period, the Director may authorize same.

For Regular Employees, overtime is paid at a rate of 1.5 times the regular rate-of-pay for hours worked greater than 40 during a work week. For Part-time Employees, overtime is paid at a rate of 1.5 times the regular rate of pay for hours worked greater 9 hours in any day, or greater than 40 during a work week.

Eligibility for overtime pay shall be determined by the requirements of applicable law. Field personnel who are called out between 11 pm and 6 am into the office or into the field, may record 2-hour minimum on their respective timesheet. Overtime pay shall be included within the scheduled paychecks. Time sheets are required for each time period prior to a check being issued. A sample timesheet is attached.

On-call personnel shall receive 7.0 hours OT pay for each 7-day period on-call, to be recorded as "on-call 7.0" hours on the respective time sheet. **These 7.0 hours of OT shall not be eligible for "flex" time accrual.**

Compensatory time or "flex" time may be accrued by the employees per written agreement and documentation with the Director, provided however, the accumulation of compensatory time shall not exceed 120 hours. Employees may elect to receive payout of compensatory time accrual at the 1st pay period of the calendar year.

Employees terminating employment shall receive compensatory time allowance and/or pay for accumulated "flex" time.

Part-time Employee hours shall be established by the Director from time-to-time, subject to subsequent approval and/or acknowledgment of the Authority and/or as per budget.

Section 9: Sick, Funeral and other Leaves of Absences

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

Each Regular Employee will be entitled to paid sick leave accumulated at the rate of one (1) day per month with an accumulation of ninety (90) days maximum. Paid sick leave is to be recorded on the time sheet as “sick – 8.0” (or other appropriate increments of time). Paid sick leave shall be granted to an Employee when they are incapacitated from the performance of their duties by sickness or injury. The Director may, upon request of an Employee, allow paid sick leave for Employee doctor/dentist visits, hospital out-patient services and/or stress related psychologist/psychotherapist visitations, etc. Also, the Director may, upon request of an Employee, allow sick leave for an Employee to attend to immediate family medical situations, (occasional) child-care crises, family member’s doctor’s visits, animal emergency care and other normal daytime scheduled medical activities. For all Employee sick leave related to Employee illness and/or injury, the Director and/or the Authority may request medical verification from a medical doctor for any days missed. The Authority may also require a second opinion from another medical facility or doctor, provided the Authority pays the cost for the facility and doctor involvement for the second opinion. Employees shall not receive compensation for any unused sick leave.

All Employees covered by these policies shall be granted up to three (3) days off with pay for a death in the Employee’s immediate family. The immediate family shall be construed to mean the following including Employee spousal relationships of husband, wife, children, parents, siblings, grandparents, aunts, uncles, stepparent(s), stepchildren, and grandchildren. Additional paid time off for funeral up to 2 days may, upon request, be granted by the Director upon a showing of good cause or for non-specified grievance needs or when extensive travel is involved. Funeral time shall be recorded as “funeral-8.0” (or other related time). Employees shall not receive compensation for any unused funeral leave.

Leaves of absence with or without pay may be authorized by the Authority in its discretion.

Military leave shall be considered as Leave-of-Absence without pay.

Jury duty shall be considered as authorized Leave with Pay, subject to Employee reimbursement of payments received through the Court for time in Court during regular business hours.

Section 10: Holidays, Regular Employees

The Authority will pay the respective scheduled hours’ pay for the following holidays even though no work is performed by the Regular Employee; providing the Regular Employee worked the last scheduled workday prior to and the next scheduled workday after such Holiday; exclusive of vacation time or paid sick leave utilized for such days off:

- President’s Day
- Good Friday
- Memorial Day
- July Fourth

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

- ❑ Labor Day
- ❑ Thanksgiving Day
- ❑ Day after Thanksgiving Day
- ❑ Christmas Day + 1 day either side of the holiday at Director's discretion
- ❑ New Year's Day + 1 day either side of the holiday at Director's discretion
- ❑ Plus 1 Flex Day at the Director's discretion

In the event the holiday falls on a weekend, the Director and/or Authority shall allow a corresponding Friday or Monday as the designated holiday.

Employees required to work on a holiday will receive pay at 1.5 time's regular pay for hours worked on that holiday.

Employees off sick the day before or the day after the Holiday will be required by the Director and/or Authority to provide a doctor's proof of illness to receive Holiday pay.

Section 11: Vacations

Each Full Time Employee, who has completed the probationary period, shall receive paid vacation as follows:

| | | |
|-----------------------------------|------------------|---------------------------------|
| 1 st year of service: | 80 hours credit | (2 weeks) |
| 2 nd year of service: | 120 hours credit | (3 weeks) |
| 5 th year of service: | 160 hours credit | (4 weeks) |
| 10 th year of service: | 200 hours credit | (5 weeks) *FT On-call Employees |

Each Employee shall be granted his/her respective vacation time on January 1st. Employees are required to utilize 50% of their annual awarded time under this section by taking time off away from the workplace. Fifty percent of unused vacation time may be 'rolled over' to the ensuing year; however, Employees may not take more than three consecutive weeks without Director's permission, or in the case of the Director, he/she must have the Authority's permission to exceed three consecutive weeks.

Accrual of vacation time shall not exceed the annual award of vacation time per Employee plus rollover. In the event an Employee does not utilize 50% of vacation time in any calendar year by December 1st +/-, and his/her accrual balance exceeds 50% one year's vacation time award, the Director shall provide written notice on or about December 1st +/- to the Employee that he/she needs to utilize vacation time to a level equal to or less than 50% of the past award of vacation. The Director may allow additional rollover on a temporary basis and or authorize payment for no more than 3-days' accrued vacation on occasion at time of roll-over.

Employees terminating employment shall receive vacation allowance and/or pay for accumulated time including the year in which they terminate their employment.

Section 12: Insurance and Supplemental Payments

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

Health Insurance: For each Regular Employee (including the Director) and his/her family (defined as his/her spouse and dependents -- under the age of 65), the Authority shall select a carrier of a comprehensive and major medical hospital insurance based on input and recommendation from the Employees. Pursuant to Public Act 152, the Authority's obligation to pay the premium is subject to a 'ceiling' published annually by the State of Michigan, or 80% of the total cost (as per statute). Dental and Vision coverage, if provided by the Authority, is not subject to the PA 152 ceiling or 80% rule. The Authority will not be required to provide duplicate coverage for Regular Employees

Any Regular Employee or his/her family member over the age of 65 shall no longer have primary coverage through the Authority, and the Authority may consider an offsetting pay increase reflecting the cost savings of secondary coverage for such Employees and their family members.

Life insurance: The Authority shall provide and pay the premium for \$25,000 life insurance for each Regular Employee.

Disability insurance: The Authority shall select a carrier of Disability Insurance for each Regular Employee and pay the basic premium(s) for said coverage. Said coverage shall not pay benefits until 90 days have elapsed from the beginning date of the Regular Employee's disability with benefits payable to age 65 for accident and/or sickness.

Section 13: Retirement

All Regular Employees, including the Director, shall be eligible for retirement benefits. The Authority shall pay an amount equal to 10% of the Regular Employee's pay into a public retirement fund or other municipal investment option chosen by the Authority. The Authority and Regular Employee shall abide by the rules and regulations governing such retirement investments as set forth by the carrier agreements and/or statutory requirements. Vesting shall be 25% per year with full vesting after the fourth year of employment. The Authority requires each covered employee to make a one-time irrevocable selection for contributing to his/her retirement with a 2% minimum irrevocable contribution, although the Employee may choose up to 10% if she/he so selects. The Authority may elect to contribute additional funds to the Regular Employees' retirement system upon occasion, subject to the rules and regulations in effect with the carrier and/or statute. The Authority Board may also elect to enroll in an employee deferral plan for the Employee's benefit, however, the Authority shall not participate in funding more than one plan at a time.

Additional retirement savings is also available through a 457 account through the Municipal Employees Retirement System of Michigan.

Section 14: Part-time Employees

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

Part-time Employees are Employees who are paid hourly and work less than eight hours (8) per day, or less than a regular forty (40) hour-week, or who do not work 40 hours per week for 12 consecutive months.

Benefits for Part-time Employees: Part-time Employees are not eligible for benefits except as set forth hereafter:

- ❑ Sick Leave: Part-time Employees shall be granted sick leave to be accrued at ½ day per month. Part-time Employees shall not receive compensation for any unused sick leave not taken during the year. The Authority may require medical verification for any sick leave taken. The maximum accumulation of sick leave for Part-time Employees shall be 12 days, and the Authority shall not pay for accumulated sick time.
- ❑ Funeral Leave: Part-time Employees shall be granted Funeral leave on the same basis as Regular Employees under Section 9 above, applicable only for days regularly scheduled for the respective Part-time Employee.
- ❑ Holidays: Part-time Employees shall receive the designated Holiday days like Regular Employees under Section 10 above; provided however, the Employee is regularly scheduled to work on the day that is the Holiday.
- ❑ Vacation: Part-time Employees shall receive Vacation pay in the same manner as Regular Employees under Section 11 above. For example, a 3-day per week Employee, after two years, is entitled to two weeks' vacation, equating to six days for a 3-day per week Employee.
- ❑ Health Insurance: Pursuant to applicable health care law, the Authority may elect to allow Part-time Employees to participate in the Authority Health Insurance Plan, provided the Part-time Employee pays for the Health Insurance premium by payroll deduction or other method of payment, subject to accordance with the Health Insurance Plan of the Authority.
- ❑ Uniforms: Part-time Field Employees shall receive Uniform benefits in the same manner as regular Employees as per Section 15 below:
- ❑ Incentive pay and bonuses: Part-time Employees may receive, per Authority directive, incentive pay and bonuses as may be awarded from time-to-time.
- ❑ Retirement Savings: Part-time Employees have available to them a 457 account, through the Municipal Employees Retirement System of Michigan, to self-fund.

Section 15: Dress Code, Uniforms; Cell phones

Office dress code: Shall be business casual, not requiring ties, sport coats or dresses.

Field dress code: The Authority shall supply to the Field Employees winter and summer shirts of like design. The Authority also agrees to reimburse Field Employees, both Regular and Part-time, the cost of outdoor clothing and safety boots as may be reasonably expected to be used on the job in a year and to protect the Employee. The Director shall make the reimbursement determination annually, based on the following occasional allowable purchases (not limited to the following):

- Jeans/Cargo type pants (typically 3 pair per year)
- Winter coveralls (Carhartts, etc) (typically 1 set for 3-5 years)
- Winter Boots (typically 1 pair for 1-2 years)
- Summer Boots (typically 1 pair each year)

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

Summer coveralls (typically 1 pair for 2 years)

Rain gear (typically 1 set for 2-3 years)

All Employees are expected to report to work in clean clothes and to be presentable to the public. They are responsible for the laundry of their uniforms and clothing. The Authority shall supply an on-site shower, changing room, washer, and dryer for Employees' use if they choose not to take their clothing home.

The Authority shall provide all required Personal Protective Equipment and the Employees are expected to wear all task/job appropriate PPE. This includes "safety toe" work boots.

Name Tags: The Authority shall supply name tags/ID for field employees, and these are required whenever interaction with the public occurs.

Cell phone: On-call personnel are provided cell phones by the Authority, as these are needed to maintain communication with the alarm system and with each other during Authority business hours and after-hour emergencies. The Authority allows cell phones to be used for personal business-- to be primarily after hours --provided the total time spent on all phones does not exceed the allotted contract amount with the carrier. The Director will notify any employee whose personal cell phone use exceeds what is determined to be typical or acceptable. Regular employees requesting the use of an existing number/line will be reimbursed a maximum \$30 per-month for their personal phone and \$60 per -month for the data usage on an unlimited data plan. The employee is also encouraged to carry insurance on the phone

Section 16: Drug-Free Workplace Policy

The Gull Lake Sewer and Water Authority ("GLSWA") is a drug and alcohol-free workplace. Under our drug and alcohol testing policy, the GLSWA may require current and prospective employees to submit to drug and alcohol screening. The GLSWA will not ask a prospective employee to submit to testing unless an offer of employment takes place. An offer of employment by the GLSWA, however, depends on the prospective employee's testing negative for drugs and alcohol.

A. Drug-Free Workplace.

The GLSWA believes that the abuse of alcohol and marijuana, and the use of illegal drugs are harmful to the employee, workplace, and society. The unlawful manufacture, distribution, dispensation, possession, use or sale of illegal drugs, marijuana, or alcohol on GLSWA premises or while conducting GLSWA business are prohibited. Also, being under the influence of illegal drugs or alcohol or marijuana on GLSWA premises or while conducting GLSWA business is also prohibited since this unnecessarily endangers the

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

health and safety of not only yourself, but your fellow employees. Violation of this policy will subject the offending employee to disciplinary action up to and including discharge.

For purposes of this policy, the term “illegal drug” means: (1) controlled substances which cannot be legally obtained; (2) prescribed drugs whose prescription is not valid; (3) prescribed drugs used contrary to the prescription.

B. Required Drug and Alcohol Testing.

The GLSWA retains the right to require the following tests:

- **Pre-employment:** All applicants must pass a drug and alcohol test after receiving an offer of employment. Refusal to submit to testing will result in disqualification for further employment consideration.
- **Reasonable Suspicion:** Active employees may be required to undergo this testing upon reasonable suspicion of a violation of this policy or after an on-the-job accident or injury. “Reasonable suspicion” is defined as a belief based on objective facts sufficient to lead a prudent person to suspect that an employee is under the influence of a drug and/or alcohol such that the employee’s ability to perform the functions of the job or to perform the job safely is impaired. Observations that an employee may not be fit to work based on a reasonable suspicion of drug/alcohol use may include, but are not limited to: fighting, assaultive or threatening behavior; slurred speech; bleary, glazed, or unfocused eyes; excessively dilated pupils; inability to follow simple directions or perform routine, previously accomplished tasks; the odor of an alcoholic beverage; erratic behavior; injury; accidents; violent mood swings; a medical emergency which can be attributed to substance or alcohol abuse; and physical on-the-job evidence of substance or alcohol abuse. It is in the GLSWA’s discretion to determine what constitutes a reasonable suspicion. This testing will be performed by a reputable hospital or independent laboratory using qualified and trained medical technicians or professionals. This facility will be chosen by the GLSWA, and the employee will be transported to and from the testing center. Should the test prove negative, the employee will be returned to work without discipline or loss of pay. Positive testing of drug or alcohol use or abuse, refusal to submit to this testing, or a diluted or adulterated test will be grounds for discipline up to and including discharge.
- **Random Drug and Alcohol:** Employees in safety-sensitive positions requiring a CDL are subject to random testing as required by the U.S. Department of Transportation. This testing may involve third-party administration.

- **Post-accident:** Employees shall be subject to testing when they cause or contribute to accidents that damage a company vehicle, machinery, or equipment, and/or result in an injury to themselves or another employee requiring off-site medical attention. In any of these instances, the investigation and subsequent testing will take place immediately or within two (2) hours at the clinic, urgent care, emergency room, or hospital.
- **Follow-up:** Depending on the circumstances and the employee's work history/record, the GLSWA may offer an employee who violates this policy or tests positive the opportunity to return to work on terms acceptable to the GLSWA, which could include follow-up drug and alcohol testing at various times and frequencies for a minimum of one (1) year.

C. Consequences.

Applicants who fail to take a test or who test positive will not be hired. Employees who fail to cooperate in required tests or who use, possess, buy, sell, manufacture, or dispense an illegal drug in violation of this policy are subject to discipline, up to termination. If an employee tests positive for alcohol, marijuana, or illegal drug use in violation of this policy, the employee will be subject to discipline up to and including termination. Employees will be paid for regularly scheduled work hours when they are sent for alcohol/drug testing and during any paid suspension pending the results of the drug/alcohol test. After the results of a test are received, a date/time will be scheduled to discuss the results of the test. Should the results prove to be negative; the employee will be informed and reinstated without loss of pay.

D. Confidentiality.

Information and records relating to test results, drug and alcohol dependencies, and medical explanations provided to the GLSWA shall be kept confidential to the extent required by law and maintained in secure files separate from regular personnel files.

Section 17: Employee and Policy review

These policies and job descriptions shall be reviewed and acknowledged by each Employee upon hiring. Each Employee shall be responsible for familiarizing themselves with these policies, including the attached "Code of Ethics" and other supplements hereto, including any amendments or additions hereto as may be added by the Authority. Each Employee's work performance shall be reviewed by the Director and/or Authority no less than annually. Job descriptions and these policies shall be reviewed annually by the Employee during their performance review.

Section 18: Incentive pay and bonuses:

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

The Authority's core objective is to manage, in a business-like manner, the long-term costs of providing water and sewer service to the businesses and residents (collectively the Users) of participating Municipalities. The Authority acts as an agent of the participating Municipalities. The annual total of quarterly amounts collected from Users should approximate the annual operating costs incurred by the Authority.

As incentive to its Employees to control costs and maintain efficient operations, the Authority Board shall consider, on an annual basis, the following incentives:

- A. Continuing Education: Each Employee is encouraged to improve on his or her relevant skills by continuing education. At the annual employee review, each Employee is encouraged to advise the Authority if he/she desires to take classes or course work in a relevant skill area. The Director may accept or modify such goals and objectives for each Employee during the Authority Board's annual review of employees. The Authority may, upon a pre-determination of the relevance of the coursework and successful completion of the coursework by the Employee, as evidenced by a certificate or grade, reimburse the Employee reasonable pre-approved costs for all or part of such successful continuing education, including reasonable expenses for mileage and supplies, not-to-exceed \$500 per year per Employee without Authority Board approval.
- B. Licensing for water and sewer maintenance and operations – hourly employees only. There are currently no wastewater licenses mandated by the Michigan EGLE for the Authority sewer collection operations.

Wastewater: For a field employee who participates in state or local voluntary wastewater collection system licensing and/or state or local committees for collection system personnel, the Authority will, upon successful completion of the coursework, consider pay increases and coverage for expenses for participation in these activities.

Water: Water operations licenses, as required and regulated by the Michigan EGLE, consist of S, D, and F classifications, with each classification having 4 levels, known as S-4, S-3, S-2, S-1 (for distribution systems)// D-4, D-3, D-2 D-1 (for limited treatment systems) // and F-4, F-3, F-2, F-1 (for filtration plant operations), with the number "1" being the highest achievable skill level in each classification. When the Authority owns, operates, or manages public water systems, the Authority Board will consider whether to authorize the following licensing achievement awards for relevant licenses that are achieved by an Employee after being hired, to be awarded two-weeks following the date the license certificate is achieved by the Employee:

For level 4 and 3 respectively in each category, pay increase of \$0.50 per hour
 For level 2 and 1 respectively in each category, pay increase of \$1.00 per hour

- C. Sewer permit handling and account establishment-all Employees: Each new or renewed sewer connection and account establishment requires effort and coordination by the Authority staff. Each year, during the annual review of

Gull Lake Sewer Authority: Personnel Policy: Acknowledgement: _____

employees, if the number of sewer permits (including camera and tear down permits) issued and administered during the previous calendar year equals or exceeds 60, each employee shall receive \$250 achievement recognition award, or any such greater alternative amount to be determined by the Authority Board. Said award shall be made by March 30th of the following year.

Incentive pay and bonuses: Regular Employees may receive, per Authority directive, incentive pay, and bonuses as may be awarded from time-to-time.

Section 19: Policies subject to applicable law

These personnel policies are subject to the provisions of applicable laws of the State of Michigan and of the United States.

Employee's signature + date