RED RIVER AUTHORITY OF TEXAS

ADMINISTRATIVE POLICY AND PROCEDURE MANUAL

AS AMENDED

Adopted October 28, 1980, by the Board of Directors of Red River Authority of Texas

Subsequent Revisions:
February 10, 1983; January 15, 1985; January 26, 1988; January 23, 1990; July 17, 1991; January 27, 1993; January 18, 1995; January 21, 1998; January 19, 2000; April 11, 2001; January 16, 2002; January 15, 2003; January 19, 2005; May 2, 2007; July 15, 2009; July 17, 2013; September 18, 2019; April 7, 2020; August 12, 2020; January 19, 2022; November 9, 2022; December 21, 2022; April 19, 2023; July 19, 2023; September 20, 2023; October 18, 2023; April 16, 2025; July 23, 2025; January 21, 2026; July 22, 2026

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GENERAL ADMINISTRATION

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GENERAL POLICY

CHAPTER 1

1.0 PREFACE TO GENERAL POLICY

1.0.1 The Red River Authority of Texas

The Red River Authority of Texas was created in 1959 by Acts of the 56th Legislature as a conservation and reclamation district, a political subdivision of the state, a body politic and corporate under Article XVI, Section 59 of the Texas Constitution.

The governing body shall be composed of a board of nine directors, all of whom shall be property taxpayers, legal voters of the state, and residents of a county within the Authority's territory. The Directors shall serve six-year staggered terms upon appointment of the Governor and confirmation by the Senate. From the Directors, the Governor will appoint a President, and the Directors will elect from their membership a Vice President, and a Secretary/Treasurer. The Directors may also elect an Assistant Secretary. The legislative acts provided that a governing body shall preside over all operations and functions of the Authority through the promulgation of bylaws or general policies. Before beginning to perform the duties of office, each director shall execute a bond for $10,000 payable to the Authority and conditioned on the faithful performance of that director's duties. All bonds of the directors shall be approved by the board and paid for by the Authority.

1.0.2 Enabling Legislation

The Enabling Legislation, as enumerated in Article 8280-228 of Vernon's Annotated Texas Civil Statutes (VATCS) as amended, specifies the powers and duties granted to the Authority under the general and special laws of the state to fulfill its purposes. A copy can be found in Appendix A. Effective April 1, 2023, by acts of the 87th Legislature, the Authority was codified under the Special District Local Laws Code, Title 6, Water and Wastewater, Subtitle G, River Authorities, with Chapter 8510. A copy of this codification is contained in Appendix B.

1.0.3 Adopted Bylaws

The Board of Directors has adopted a formal set of Bylaws and, from time to time, revises the same. A copy of the Bylaws currently in effect is contained in Appendix C.

1.0.4 Legal Jurisdiction

The legal jurisdiction of the Authority in which its legislative charges shall be administered is defined as all of any partial county lying within the watershed of the Red River in Texas. The total complement is 43 Texas counties. Refer to **Figure 1**, Vicinity Map.

CHAPTER 1

1.0.5 Funding

All funding received for the Authority's continued operation shall be from services rendered through the accomplishment of the legislative charges. Funds received may be in the form of user rates, fees, charges, and contracts in connection with services provided by the Authority. The Authority may also receive contributions, grants, and contributed capital or issue its revenue bonds for any useful purpose, providing it is within the scope of the Enabling Legislation.

1.0.6 Disposition of Funding, Assets, and Property

The Board of Directors shall provide disposition of all funding, assets, and property, in accordance with 30 T.A.C. Section 292.13(1)(D).

Red River Authority of Texas
Jurisdictional Map

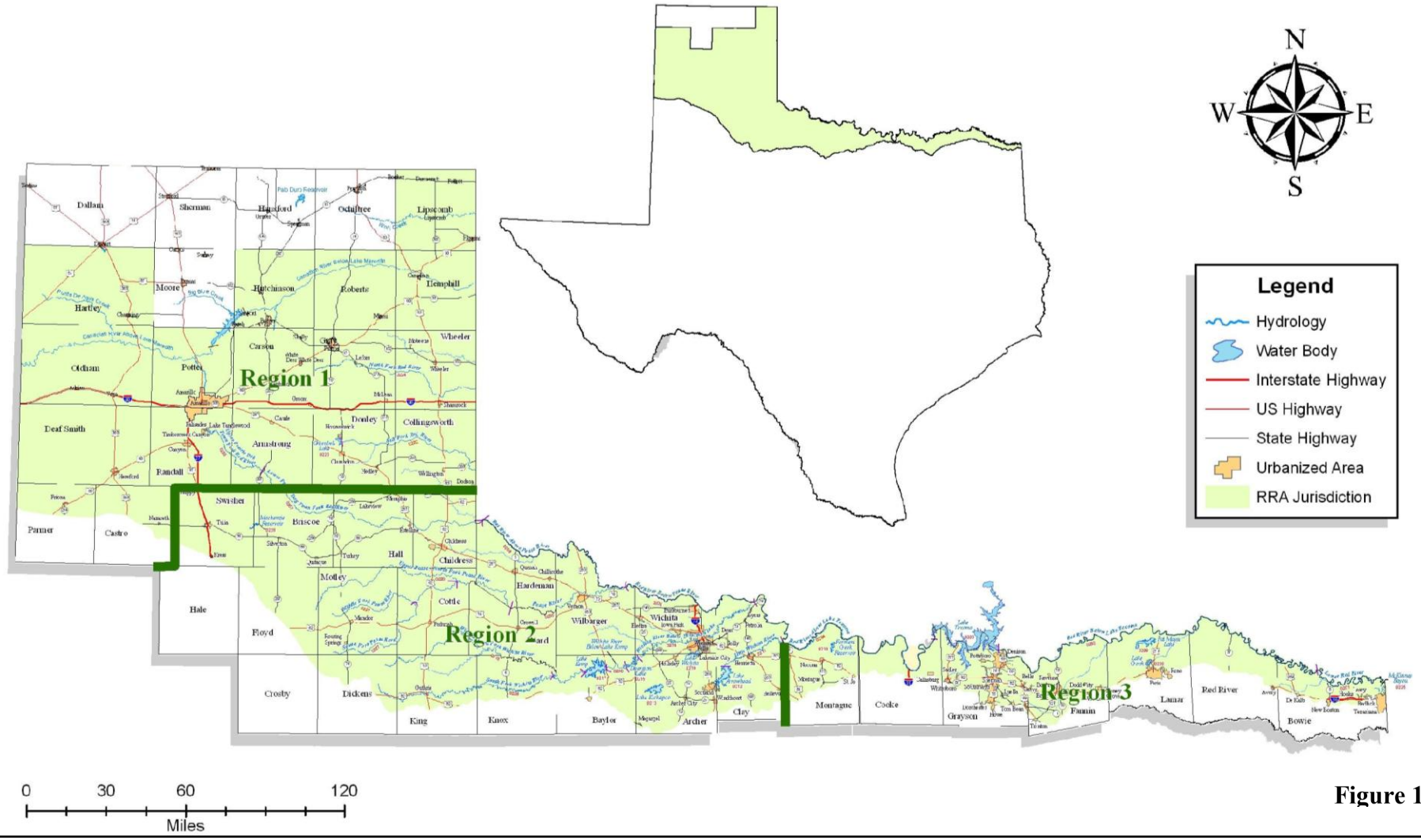


Figure 1

CHAPTER 1

1.1 GENERAL ADMINISTRATION DIVISION

1.1.1 Introduction

The General Administration Division is designated to function as the chief executive branch of the Authority and is directed to carry out the policies sanctioned by the Board of Directors to achieve the purpose for which the agency was created. All officers and employees shall adhere to the policies adopted by the Board of Directors and administer the responsibilities entrusted to the agency with the highest ethical and professional regard. The Board of Directors shall require each officer and employee who shall be charged with the collection or paying, or handling of any funds of the Authority to furnish a good and sufficient bond, payable to the Authority, conditioned upon the faithful performance of duties and the accounting for all funds and property of the Authority.

A General Manager shall be appointed by the Board of Directors and charged with the administration of the affairs and operations of the Authority under the guidelines and procedures outlined in this General Policy as adopted by the Board of Directors.

The General Manager may be assisted by a professional staff and employees in the accomplishment of his or her duties and shall be solely responsible to the Board of Directors for the proper implementation of all policies and the successful operation of the Authority.

The General Manager shall be vested by the Board with the right to employ and terminate all personnel deemed necessary to fulfill the Authority's purpose. The General Manager shall be authorized to set and regulate the compensation of all employees, except that of him or herself, under the guidelines set forth by the Position Classification Act (Chapter 654, Government Code), and subject to budgetary restrictions.

1.1.2 General Purpose

The Authority's mission is the orderly conservation, reclamation, protection, and development of the water resources throughout the Red River Basin for the benefit of the public.

The prime directives enumerated by the Texas Legislature are expanded for the purpose of establishing a systematic approach through its objectives.

1.1.3 Scope of Services

The scope of services of the Authority, as summarized from its Enabling Legislation, shall be considered the primary objectives of the Authority. They include, but are not limited to, the following general responsibilities:

a. Preparation and maintenance of a Master Plan, Strategic Plan, and Asset Management Plan for the organized protection, reclamation, conservation, and

development of water resources throughout the Red River Basin for the benefit of the general public.

b. Provide administrative and technical assistance in the areas of development, operation, and maintenance to meet the water resource needs of communities and municipalities within the designated legal jurisdiction.

c. Provide financial assistance to aid in the control of pollution, conservation of water, resource management and development, water and wastewater treatment, navigation, flood control, and solid waste disposal.

d. Provide sponsorship of any feasible public works project where the intent is to reclaim, improve, or develop the water resources of the watershed within the framework of all applicable state and federal statutes.

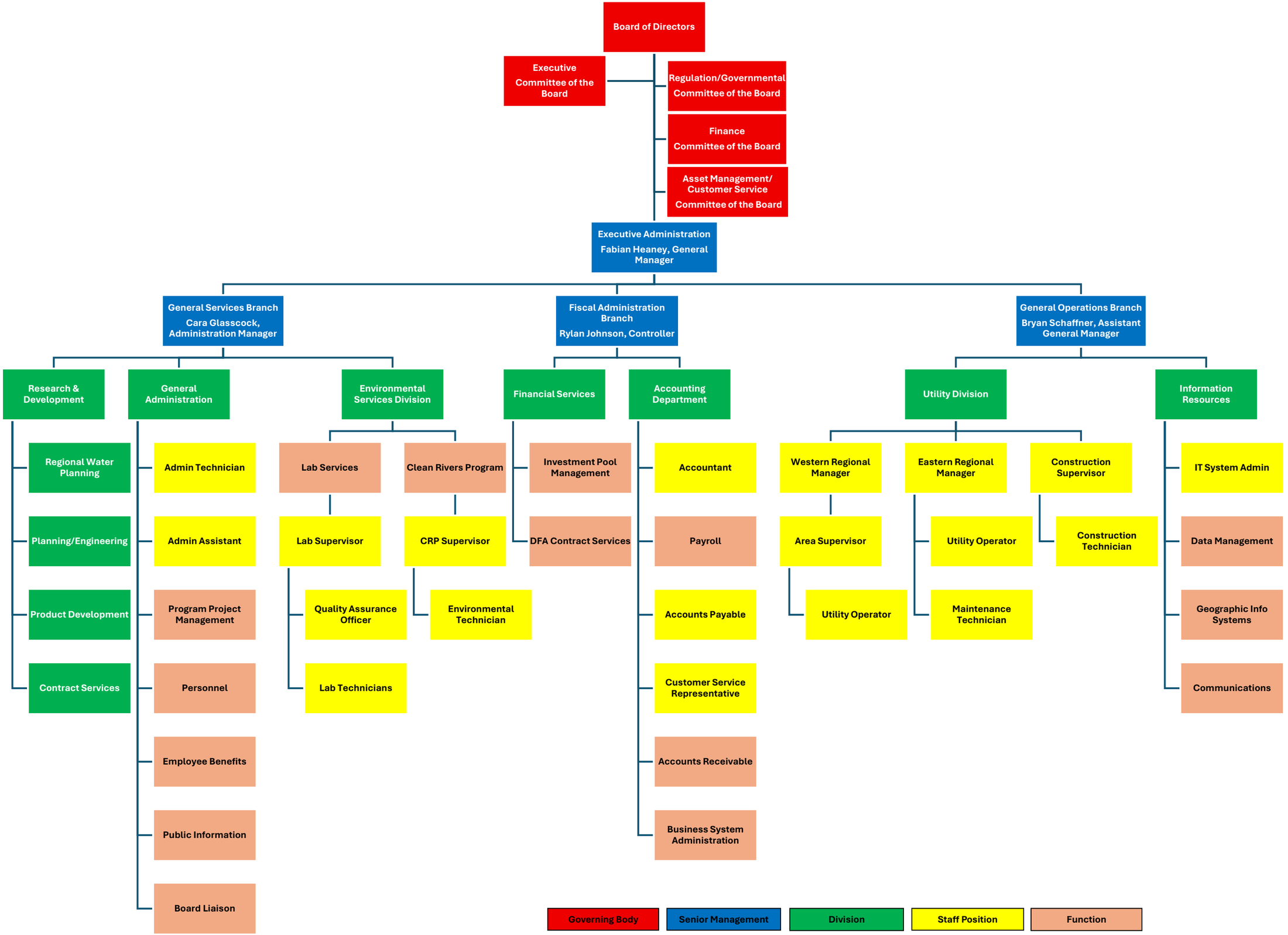
e. The Authority may exercise its legislative powers to contract, construct, purchase, lease, own, or operate any public facilities necessary to benefit the public, within the scope of its Enabling Legislation.

1.1.4 Organizational Chart

An organizational chart shall be maintained to accurately present the level of interaction and function of all divisions and departments within the structure of the Authority.

a. All divisions and department functions of the Authority shall be subordinate to the governing body, including outside professional consultants, and categorized by the integral scope of service to be provided by each.

b. Any material changes or modifications in the organizational structure shall be subject to the approval of the Board of Directors.


Board of Directors
Executive Committee of the Board
Regulation/Governmental Committee of the Board
Finance Committee of the Board
Asset Management/ Customer Service Committee of the Board
Executive Administration
Fabian Heaney, General Manager
General Services Branch
Cara Glasscock, Administration Manager
Fiscal Administration Branch
Rylan Johnson, Controller
General Operations Branch
Bryan Schaffner, Assistant General Manager
Research & Development
General Administration
Environmental Services Division
Financial Services
Accounting Department
Utility Division
Information Resources
Regional Water Planning
Planning/Engineering
Product Development
Contract Services
Admin Technician
Admin Assistant
Program Project Management
Personnel
Employee Benefits
Public Information
Board Liaison
Lab Services
Clean Rivers Program
Lab Supervisor
CRP Supervisor
Quality Assurance Officer
Environmental Technician
Lab Technicians
Investment Pool Management
DFA Contract Services
Accountant
Payroll
Accounts Payable
Customer Service Representative
Accounts Receivable
Business System Administration
Western Regional Manager
Eastern Regional Manager
Construction Supervisor
Area Supervisor
Utility Operator
Maintenance Technician
Construction Technician
IT System Admin
Data Management
Geographic Info Systems
Communications
Governing Body
Senior Management
Division
Staff Position
Function

CHAPTER 1

1.2 ADMINISTRATIVE PROCEDURES

1.2.1 Responsibility

Each officer and employee shall acknowledge the primary goals of the Authority and observe the guidelines and procedures applying to the assigned area of responsibilities as specified in the job description, policies, guidelines, and procedures. Contained herein are the primary administrative procedures under which all officers and employees will work. The contents should be read thoroughly for a complete understanding and observed with the utmost sincerity.

All classified personnel shall endeavor to preserve and protect the fiduciary trust of the Authority and maintain personal accountability to perform all assigned duties within the ethical and professional disciplines of this policy and procedures manual.

1.2.2 Standards of Conduct

The Authority, which is a legal subdivision of the State of Texas, shall strictly adhere to the criteria set forth under Article 6252-9b, Section 8, Article 5996a, Section 1, VATCS and the Local Government Code, Chapter 171, as they relate to standards of conduct for directors, officers, employees, agents, and advisors of the Authority.

a. No director, officer, or employee should accept or solicit any gift, favor, or service that might reasonably tend to influence them in the discharge of his or her duties or that h or she knows or should know is being offered to them with the intent to influence his or her official conduct.

b. No director, officer, or employee should accept employment or engage in any business or professional activity that he or she might reasonably expect would require or induce him or her to disclose confidential information acquired by reason of his or her official position.

c. No director, officer, or employee should accept employment, compensation, or beneficial gain which could reasonably be expected to impair his or her independence of judgment in the performance of his or her official duties.

d. No director, officer, or employee should make personal investments that could reasonably be expected to create a substantial conflict between his or her private interest and the public interest of the Authority.

e. No director, officer, or employee should intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised his or her official powers or performed his or her official duties in favor of another.

f. A director, officer, or employee must agree not to accept any form of bribe, gratuity, special privilege, or other type of benefit from those doing business with or seeking to do business with the Authority, which might be reasonably construed to impair his or her judgment or the performance of his or her duties; and further agrees to report in writing to his or her supervisor any issues or actions that may appear questionable or bring discredit to the Authority.

g. All directors, officers, and employees who are responsible for receipt, disbursement, or investing Authority funds shall exercise sufficient care to avoid any conflict of interest or the appearance of impropriety in the execution of their assigned duties.

h. All directors, officers, and employees shall fully comply with Article 5996-a, §1, VATCS concerning the appointment or employment of any person related within the second degree of affinity or within the third degree by consanguinity to the person so appointing or employing, or to any member of the Board which such person so appointing or employing may be a member, when the salary, fees, or compensation of such person is to be paid for, directly or indirectly, out of or from public funds of the Authority (Refer to 1.3.42).

i. All directors, officers, and employees shall not knowingly seek or hold a substantial interest greater than a material value of $2,500 in any business activity or real property which might be construed as a conflict of interest, as defined in Chapter 171 of the Local Government Code; and shall report any economic benefit that may offer the appearance of conflict in writing to the General Manager for an opinion as to an actual conflict from the General Counsel.

j. All directors, officers, and employees shall execute an affidavit (Ethics Agreement) acknowledging they have read and agree to abide by the terms and conditions of these standards of conduct and general policy or decline appointment or employment with the Authority.

1.2.3 Equal Employment Opportunity

Equal Employment Opportunity (EEO) is defined as a policy whereby all employees, applicants for employment, and recipients of benefits and services are treated equally without regard to their protected class status.

The Authority strives to ensure that every applicant is treated equally and that the Authority's workforce reflects the diversity of the basin's workforce. The Authority makes all reasonable efforts to ensure that all have equal access to employment.

The Authority shall comply with Texas Government Code Chapter 573 regarding degrees of relationship and nepotism with its hiring practices.

There are strict time limits for filing charges of employment discrimination. To preserve the ability of EEOC to act on your behalf, and to protect your right to file a private lawsuit should you ultimately need to, you should contact EEOC promptly when discrimination is suspected: The U.S. Equal Employment Opportunity Commission (EEOC), 1-800-669-4000 (toll-free) or 1-800-669-6820 (toll-free TTY number for individuals with hearing impairments). EEOC field office information is available at www.eeoc.gov or in most telephone directories in the U.S. Government or Federal Government section. Additional information about EEOC, including information about filing charges, is available at www.eeoc.gov.

1.2.4 Affirmative Action Policy

Affirmative action is designed to achieve and promote Equal Employment Opportunity. The Authority strives to ensure a desirable workplace with a diverse team of people and professions. This work environment is achieved by a productive, efficient workforce that is free of discrimination, intimidation, and harassment.

Employees will not direct degrading or abusive conduct toward other employees. The Authority considers such conduct unacceptable in the workplace. Any behavior that degrades another's protected status is a serious violation of the Authority's EEO policy. The Authority will take immediate corrective action as each behavior occurs. Such behavior includes, but is not limited to, offensive name-calling, jokes, vulgar language, slang, jargon used to describe sexual acts, body parts, and bodily functions, slurs including all racial, ethnic, religious, and gender-based insults, and posting offensive materials on Authority property.

Defining Sexual Harassment

Sexual harassment is unwelcome conduct of a sexual nature that is persistent or offensive and interferes with an employee's job performance or creates an intimidating, hostile, or offensive work environment. Sexual harassment is defined by the federal Equal Employment Opportunity Commission as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when, for example:

a. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment.
b. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual.
c. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.
d. Sexual harassment can be physical and psychological in nature. An aggregation of incidents can constitute sexual harassment even if one of the incidents considered on its own would not be harassing.

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Examples of Prohibited Conduct

Though sexual harassment encompasses a wide range of conduct, some examples of specifically prohibited conduct include the following:

Physical assaults of a sexual nature, such as rape, sexual battery, molestation, or attempts to commit these assaults, and intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another employee's body, or poking another employee's body.

- Unwelcome sexual advances, propositions, or other sexual comments, such as sexual oriented gestures, noises, remarks, jokes, or comments about a person's sexuality or sexual experience.
- Preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward.
- Subjecting, or threats of subjecting, an employee to unwelcome sexual attention or conduct, or intentionally making the performance of the employee's job more difficult because of that employee's sex.
- Sexual or discriminatory displays or publications anywhere in the Authority's workplace by the Authority's employees.
- Retaliation for sexual harassment complaints.

Responding to Conduct in Violation of Policy

a. Employees
If an employee feels that he or she is being subjected to sexual harassment, he or she may immediately inform the harasser that the conduct is unwelcome and needs to stop. If the inappropriate conduct does not cease, or if the employee is unable to or uncomfortable with addressing the alleged harasser directly, he or she should report the incident to his or her supervisor or the human resources (HR) representative. It is helpful, but not required, to provide a written record of the date, time, and nature of the incident(s) and the names of any witnesses.

It is important to report all concerns of sexual harassment or inappropriate sexual conduct to the HR director, a supervisor or manager as soon as possible. Management must be made aware of the situation so that it can conduct an immediate and impartial investigation and take appropriate action to remediate or prevent prohibited conduct from continuing.

b. Managers and Supervisors
Managers and supervisors must deal expeditiously and fairly when they have any knowledge of sexual harassment within their departments, whether or not there has been a written or formal complaint. They must:

- Take all complaints or concerns of alleged or possible harassment seriously, no matter how minor or who is involved.

- Report all incidents to HR immediately so that a prompt investigation can occur.
- Take any appropriate action to prevent retaliation or prohibited conduct from recurring during and after any investigations or complaints.

Managers and supervisors who knowingly allow or tolerate sexual harassment or retaliation, including the failure to immediately report such misconduct to HR, are in violation of this policy and subject to discipline.

c. Human Resources
The HR representative is responsible for:

1. Ensuring that both the individual filing the complaint (complainant) and the accused individual (respondent) are aware of the seriousness of a sexual harassment complaint.
2. Explaining the Authority's sexual harassment policy and investigation procedures to all parties involved.
3. Exploring informal means of resolving sexual harassment complaints.
4. Notifying the police if criminal activities are alleged.
5. Arranging for an investigation of the alleged harassment and the preparation of a written report.
6. Submitting a written report summarizing the results of the investigation and making recommendations to designated company officials.
7. Notifying the complainant and the respondent of the corrective actions to be taken, if any, and administering those actions.
8. The HR representative will determine if an in-house investigation will be conducted or if a third party will be contracted to complete the investigation. All complaints involving senior management at the vice-president level or above will be handled by an external third party.

Complaint Resolution

Complaints should be submitted as soon as possible after an incident has occurred, preferably in writing. The HR representative may assist the complainant in completing a written statement or, in the event an employee refuses to provide information in writing, the HR representative will dictate the verbal complaint.

To ensure the prompt and thorough investigation of a sexual harassment complaint, the complainant should provide as much of the following information as possible:

a. The name, department, and position of the person or persons allegedly committing harassment.
b. A description of the incident(s), including the date(s), location(s) and the presence of any witnesses.

c. The effect of the incident(s) on the complainant's ability to perform his or her job, or on other terms or conditions of his or her employment.
d. The names of other individuals who might have been subject to the same or similar harassment.
e. What steps, if any, the complainant has taken to try to stop the harassment.
f. Any other information the complainant believes to be relevant to the harassment complaint.

Confidentiality

All complaints and investigations are treated confidentially to the extent possible, and information is disclosed strictly on a need-to-know basis. The identity of the complainant is usually revealed to the parties involved during the investigation, and the HR representative takes adequate steps to ensure that the complainant is protected from retaliation during and after the investigation. All information pertaining to a sexual harassment complaint or investigation is maintained in secure files within the HR department.

Defining Workplace Bullying

The Authority defines bullying as repeated, health-harming mistreatment of one or more individuals by one or more perpetrators. The Authority has a zero-tolerance policy for bullying behavior, and employees found violating this policy will face disciplinary action, up to and including termination. Bullying is abusive conduct that includes, but is not limited to:

- Threatening, humiliating or intimidating behaviors.
- Work interference or sabotage that prevents work from being performed.
- Verbal abuse.
- Physical abuse

Such behavior violates the Authority's Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

Examples

The Authority considers the following types of behavior examples of bullying:

- Verbal bullying. Slandering, ridiculing or maligning a person or his or her family; persistent name-calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- Physical bullying. Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person's work area or property.
- Gesture bullying. Nonverbal gestures that can convey threatening messages.
- Exclusion. Socially or physically excluding or disregarding a person in work-related activities.

In addition, the following examples may constitute or contribute to evidence of bullying in the workplace:

- Persistent singling out of one person.
- Shouting or raising one's voice at an individual in public or in private.
- Using obscene or intimidating gestures.
- Not allowing the person to speak or express himself or herself (i.e., ignoring or interrupting).
- Personal insults and use of offensive nicknames.
- Public humiliation in any form.
- Constant criticism on matters unrelated or minimally related to the person's job performance or description.
- Public reprimands where co-workers or customers are present.
- Repeatedly accusing someone of errors that cannot be documented.
- Deliberately interfering with mail and other communications.
- Spreading rumors and gossip regarding individuals.
- Encouraging employees to disregard a supervisor's instructions.
- Manipulating the ability of someone to do his or her work (e.g., overloading, underloading, withholding information, setting deadlines that cannot be met, giving deliberately ambiguous instructions).
- Assigning menial tasks not in keeping with the normal responsibilities of the job.
- Taking credit for another person's ideas.
- Refusing reasonable requests for leave in the absence of work-related reasons not to grant leave.
- Deliberately excluding an individual or isolating him or her from work-related activities, such as meetings.
- Unwanted physical contact, physical abuse, or threats of abuse to an individual or an individual's property (defacing or marking up property).

If you believe you have been discriminated against because of race, color, national origin, age, religion, sex, disability, or because of retaliation for participating in an investigation or proceeding, or filing another discrimination complaint, you should file a complaint in writing following the Grievances process listed below.

If you believe negative treatment you received from your employer was because of your race, color, national origin, age, religion, sex, disability, or because of retaliation for participating in or filing another discrimination complaint, contact the Civil Rights Division:

Email: EEOintake@twc.texas.gov
Fax: 512-463-2643
Mailing Address:
Texas Workforce Commission
Civil Rights Division
101 E 15th St, Guadalupe CRD
Austin, TX 78778-0001

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Physical Address:
1215 Guadalupe St,
Austin, TX 78701
Call: 512-463-2642 or 888-452-4778 (in Texas only)

1.2.5 Probation

Probation is defined as an employee's first six (6) months of duty in regular full-time status in a position. This period shall be considered probationary for all new employees or permanent employees reclassified through promotion, or for employees placed on probation for disciplinary reasons. Employees on probation are at-will, and may be terminated for any reason, including performance or policy violation.

1.2.6 Position Classification Plan

In 1961, the Texas Legislature adopted the Position Classification Plan (Chapter 654, Government Code), as amended, for all state employees. The Act requires that all regular, full-time salaried employees of a state agency conform to the Position Classification Plan as administered through the State Auditor's Office whether funds are kept inside or outside of the State Treasury.

The only exemptions are to elected officers, appointed officials, the chief executive officer of the agency, administrative and professional personnel, temporary, or contract labor employees.

The Authority shall conform to the Position Classification Plan where applicable as defined by Chapter 654, Government Code. The plan shall be administered under the direction of the General Manager.

1.2.7 Salary Classification

All salaried personnel shall be classified in a salary group according to the Position Classification Plan, as provided by the State Auditor's Office.

Each employee shall be classified with a Job Description provided at the beginning of employment detailing the various responsibilities and duties required for the position, together with the minimum education, skills, and experience necessary to perform acceptable work. The Job Description will also indicate the employee's immediate supervisor, who will assign the specific duties and evaluate the performance of the employee's work. The Job Description may be changed or modified from time to time depending upon a change in duty assignments within the position or reclassification of the employee.

Classification of employees shall provide the basis for maintaining equitable and uniform compensation with other state employees performing similar type work. The plan shall also provide equal opportunity in advancement and non-discriminatory compensation for each classified position within the Authority.

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1.2.8 Salary Adjustments

All salary adjustments shall be recommended by the supervisor, authorized by the General Manager, and subject to the availability of budgeted funds. Salary adjustments may be authorized as an increase for the purpose of promotion, merit award, or cost-of-living adjustments. Other adjustments may be a decrease for the purpose of demotion or disciplinary actions.

Merit awards shall be based upon the individual's evaluation and recommendation of the immediate supervisor, who shall carefully consider the employee's overall job performance, productivity, and attitude to be consistently above that normally expected or required for the position. The supervisor shall also consider any newly acquired skills and training relevant to the job classification when making the recommendation.

For an employee to be eligible for a merit salary increase, the following additional criteria must be met:

a. The employee must have been employed by the Authority in a full-time position for at least six (6) consecutive months.

b. At least six months must have elapsed since the employee's last salary increase or position change.

c. The Authority's criteria for granting salary adjustments shall include specific documentation contained in a written evaluation.

d. An employee may not be granted more than a two-step increase in any one adjustment unless the classification is changed through promotion or approved by the General Manager.

A decrease in salary may be authorized when recommended by the employee's immediate supervisor for the purpose of demotion or disciplinary reasons. Should a classified employee's performance so warrant disciplinary action without dismissal, the salary may be reduced. The employee shall be considered on probation and may be re-evaluated within six months. At the end of the probation period, the supervisor may recommend termination or reinstatement to the previous salary amount.

Cost-of-living salary adjustments may be authorized based on periodic studies of comparative salary rates with respect to the average annual rate of inflation as established by the State Auditor's Office and expressed as a percentage adjustment to all employees in classified positions. The General Manager may decline to follow the published cost-of-living increase granted to other state employees, depending upon the availability of budgeted funds.

The cost-of-living increase shall not exceed that recommended by the state or the current salary grid published by the State Auditor's Office.

All recommendations for salary adjustments, either as an increase or decrease, must be made in writing, recommended by the immediate supervisor, approved by the General Manager, and shall become a permanent part of the employee's personnel record.

1.2.9 Employee Evaluations

All classified employees shall be subject to an evaluation by their immediate supervisor at the end of the first six months of employment, or sooner if deemed necessary. This period shall be considered probationary for all new employees or permanent employees reclassified through promotion or placed on probation for disciplinary reasons. This period shall be considered probationary for all new employees or permanent employees reclassified through promotion or placed on probation for disciplinary reasons. The probationary period may be extended at the discretion of the General Manager and recommended by the supervisor. Thereafter, the classified employee will receive an evaluation annually or 12 months from the last evaluation. All evaluations will be discussed with the General Manager prior to issuance to the employee by the supervisor.

The evaluation is designed to provide the supervisor and the employee with an evaluation of strengths and weaknesses observed over a given period of time. The form used for the review shall be determined by the General Manager. The expected performance level is an overall average of three or higher. Refer to the Standards of Excellence contained in Appendix E for details.

The evaluation review shall be discussed with the employee by the supervisor, with an opportunity provided to the employee to review his or her evaluation and make written comments if desired. Should the employee feel that the evaluation is incorrect or inaccurate, the employee may request that the review be in the presence of the General Manager and his or her immediate supervisor.

It shall be the responsibility of the employee to understand all of the assigned duties of the Job Description. If at any time the employee does not fully understand the job assignments, the employee should consult with his or her supervisor for guidance. The supervisor may assign temporary duties that are not included in the job description but may be added upon recommendation of the supervisor. Achieving and maintaining a consistent average performance level of 3.0 or higher of all assigned duties, either permanent or temporary, is the minimum requirement expected of all employees. The evaluation shall become a permanent part of the employee's classified personnel record.

1.2.10 Longevity Pay

The purpose of Longevity Pay is to encourage, and reward continued employment with Red River Authority of Texas.

Employees of Red River Authority of Texas who have completed one or more years of service will be eligible to receive longevity pay as established by the Board of Directors of Red River Authority of Texas.

Longevity pay is earned at a maximum rate of $50.00 per year for each year of Authority service, up to and including 40 years. Longevity pay benefits begin upon the completion of one year of employment and increase by one at the end of each employment year thereafter. Employees will be paid longevity pay on December 1st of each year for the amount earned based upon the credited years as of November 30th of the same calendar year. The General Manager will authorize longevity pay increases for each eligible employee based upon completion of years of service and in accordance with this policy.

In order to be eligible to receive longevity pay for a given calendar year, employees must be employed by the Authority on December 1st of the year of the payment and have completed at least one year of service by November 30th of the same calendar year. Payment of longevity pay is contingent upon the availability of funds.

1.2.11 License Incentive Pay

The purpose of License Incentive Pay is to promote and maintain a highly qualified, trained, and professional workforce by providing incentives for employees to participate in job-related continuing education, certification, and licensing programs. This policy outlines license incentive pay requirements and amounts. This policy applies to non-exempt staff in the Utility Division.

Non-exempt Utility Division field staff are eligible to receive compensation, in addition to their base pay, for qualifying licenses obtained as required to perform their job duties. To qualify for license incentive pay, proof of licensure must be obtained from the appropriate institution or licensing agency. Licenses must be maintained in an active status in order to receive compensation. The head of Personnel Services has the right to verify the status of certifications.

Employees are responsible for providing the head of Personnel Services with a copy of any recently acquired license in a timely manner. License Incentive Pay is paid on each employee's payroll. The pay is on a per-license basis, and no more than three licenses will qualify for the incentive pay at any time. The amount of pay is $1.00 per license per hour, or as designated by the General Manager. The incentive pay may only be paid for licenses as follows:

- Utility Operator: Any TCEQ Water Operator License (D through A) and a Customer Service Inspector License. If the system has a Wastewater System, the Utility Operator or the designated back-up to the Utility Operator will also qualify for pay for a TCEQ Wastewater Operator License (D through A). The maximum incentive pay for any combination of these licenses is for three licenses.

- Maintenance Technician, Maintenance Supervisor, or Construction Manager: Any TCEQ Water Operator License (D through A) and a State of Texas Commercial Driver's License. If the Maintenance Technician is the designated backup to the Utility Operator of a system, that Technician will also qualify for pay for a TCEQ

Wastewater Operator License (D through A), or a Customer Service Inspector License. The maximum incentive pay for any combination of these licenses is for three licenses.

- The license pay will be revoked if the license is not maintained or if the employee changes to an exempt status. Employees on suspension, family medical leave, or catastrophic sick leave, or placed into a probationary status due to job performance, are not eligible to receive License Incentive Pay.

- The Authority will pay for the licensing, certification, training, examination, or related costs associated with obtaining a Commercial Driver's License (CDL), TCEQ occupational license, or other approved job-related license or certification. Employees will be required to sign a repayment agreement before the Authority incurs expenses.

- Employees who voluntarily resign employment or are terminated for misconduct within two (2) years after obtaining the license or certification shall reimburse the Authority for 100% of eligible expenses paid by the Authority related to the approved licensing or certification program.

1.2.12 On-Call Pay and Call Back Pay

The Authority's objective is to provide for after-hours services in the event of emergencies or as needed to maintain the utility operations. The Authority provides for after-hours service needs by providing rules for the designation of certain employees as on-call, and for the calling back of certain employees to work. Non-exempt personnel may be designated as on-call or may be called back to work. Employees designated to be on-call or who are called back to work are expected to respond to divisional after-hours service needs as required by procedures established by each Division.

Scheduled on-call status pay: Non-exempt employees shall receive on-call pay when designated as on-call. Non-exempt employees designated as on-call by their supervisors will receive pay for actual hours worked in addition to the on-call pay.

Unscheduled or emergency call back status pay: Non-exempt employees not designated as on call by their supervisors and who are called to work on an unscheduled or emergency basis will receive the greater of either two (2) hours' pay or the actual hours worked. If an employee receives subsequent callouts after the expiration of the initial two (2) hour period, each such subsequent call-out shall commence an additional two (2) hour guarantee.

Exempt employees are always considered on-call and will not receive pay for actual hours worked when called back to work, nor are they eligible for on-call pay.

Each Division shall establish internal procedures for handling emergency services which could require callback of all employees necessary to provide the needed service, regardless of on-call status. A callback occurs when the Authority requires an employee to return to work on an unscheduled or emergency basis to work outside of the employee's regularly scheduled work hours. Call-back pay does not apply in the case of scheduled overtime.

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All employees designated to on-call status or respond to a call-back must meet the provisions of the Authority's Drug and Alcohol Policy. All responding employees are expected to be fit (mentally and physically) to accomplish the services needed within the time frame required. Employees must communicate any concerns regarding their fitness or ability to respond to their supervisor at the time of the initial call to report to work. Call back time will be paid at the applicable overtime rate. Time worked immediately after regularly scheduled working hours at the request or approval of the supervisor will not be considered call back and will be paid at the regular rate of pay until overtime requirements are met.

An employee is expected to respond to callbacks within a reasonable time period in accordance with the rules established by the division in which the employee works. Failure to respond to callback requests may subject the employee to disciplinary action.

The General Manager shall establish internal procedures for designating employees as on-call. Designations are to be made in advance and are to be provided to the Authority Accountant for proper designation in payroll.

An employee who has been designated to be available for on-call and subject to call back is free to pursue personal activities but may be requested to respond to a call back within designated guidelines set by the Division in accordance with Authority Policies. All employees designated to be on-call are expected to be reachable by Authority-issued cell phone or other designated means. A non-exempt designated on-call employee should remain within 25 miles of home for emergency response, unless already working overtime on an Authority issue.

This on-call status is not considered as time worked but will be compensable on a per-week basis as designated by the General Manager. A non-exempt employee will be considered officially scheduled and designated as on-call only when approved by their supervisor. The On-Call period is the 24-hour period each day from Monday through Sunday. Non-exempt employees will be paid $50.00 per week for the period they are designated as on-call, or as set by the General Manager.

On-call pay is in addition to any other compensation. Also, non-exempt employees who are called back during their on-call status to the workplace will be paid at their regular rate of pay for actual hours worked until overtime requirements are met. Non-exempt employees who receive on-call pay are also paid for the actual hours they work.

On-call pay will be paid during the month following the month in which it was earned. A designated employee must complete the full week period of on-call status (Monday through Sunday) to receive the On-Call pay. The period an employee cannot work cannot be assigned to another employee. If an employee cannot meet the terms of the on-call status, the immediate supervisor must be notified.

Employees on suspension, family medical leave, or catastrophic sick leave are not subject to, and may not benefit from, on-call status.

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1.2.13 Employee Referral Program

The Authority is committed to attracting top talent, and employees can play a key role in this process. Research, as well as our own experience, shows that new hires referred by employees are valuable contributors, tend to stay longer, and are more cost-effective recruits.

If an employee knows someone who would be a strong addition to the Authority, the employee can earn a referral bonus of $50 (less taxes) at the end of the new employee's probation period, and another $50 (less taxes) at their one-year anniversary.

How to Participate:

To submit a referral, employees must email the Administration Manager with the candidate's resume or application, along with a completed referral form.

Program Rules:

- All classified full-time Authority employees, except those with hiring authority over the referred candidate, are eligible for the referral bonus.
- Referrals must be submitted after the job opening is posted and no later than 30 days from the job posting date.
- The referral must represent the candidate's first contact with the Authority. Temporary, summer, contract, and former employees are not eligible as referrals.
- To qualify for the bonus, the referring employee must submit the candidate's resume or application to the Administration Manager, along with the referral form.
- The referring employee must agree to have their name used when the company contacts the candidate.
- The first employee to refer to a candidate is the only one eligible for the referral bonus.
- Only candidates who meet the essential qualifications for the position will be considered.
- All hiring decisions will be made in accordance with company policies and procedures, and the selection process will remain confidential. Referral of a candidate is not a guarantee of employment.
- Any disputes or interpretations of the program will be addressed by the Administration Manager.

1.2.14 Succession Planning

Recognizing that changes in management are inevitable, the Authority has established a succession plan to ensure leadership continuity and to prevent prolonged and costly vacancies in key positions. The succession plan is designed to identify and prepare candidates for high-level management roles that may become vacant due to retirement, resignation, death, or new business opportunities and qualifications.

It is the Authority's policy to assess the leadership needs of the organization to ensure that qualified leaders are selected. These leaders should be diverse, fit well with the organization's mission and goals, and possess the necessary skills.

The General Manager, together with Senior Management, is responsible for the Authority's succession plan. This plan will be presented to the Board of Directors for approval each April.

In January, a succession planning meeting will be held. During this meeting, each manager will:

1. Present a review of their departmental succession plan to the committee.

2. Identify key positions and their current occupants that are targeted for succession planning, including an analysis of planned retirements and potential turnover.

3. Identify individuals who have the potential for progression into the targeted positions and for leadership within the company.

4. Outline the actions taken in the previous six months to prepare these identified individuals for greater responsibility in the future.

By the end of February each year, the General Manager will approve the selected candidates. By the end of March, the General Manager will also approve an outline of actions to be taken in the following six months to prepare these individuals for more significant roles.

The General Manager will periodically request updates from Senior Management on the development process for each selected candidate. The management team establishes a succession plan that identifies critical executive and management positions, forecasts future vacancies in those roles, and identifies potential managers to fill these vacancies. If there are no viable internal candidates, vacancies may be filled on an "acting" basis while an external recruitment process is conducted.

1.2.15 Whistleblower Act

The purpose of the Whistleblower Act is to protect employees from retaliation for reporting alleged violations of the law. The Authority will not tolerate adverse personnel actions (an action that affects an employee's compensation, promotion, demotion, transfer, work assignment, or performance evaluation) taken against an employee who, in good faith, reports a violation of the law to an appropriate law enforcement agency. Employees who report such violations are protected under the Whistleblower Act.

Employees may file an internal complaint with the Authority for retaliation (suspension, termination, or any adverse personnel action occurring within 90 days after a whistleblower report). Employees may also file a lawsuit, but according to the Whistleblower Act, they must file an internal complaint before any other legal action may be taken. Employees should be aware that there are complicated time constraints involved in retaliation lawsuits, and they may wish to seek legal counsel if they intend to take such action.

The Authority may be liable for supervisors who violate the Whistleblower Act, although supervisors should also be aware that they may be held personally liable for their actions. Notices will be posted on public bulletin boards explaining employees' rights under the Whistleblower Act.

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The U.S. Department of Labor's Wage and Hour Division (WHD) is responsible for administering and enforcing some of the nation's most important worker protection laws, including the Whistleblower Act. For questions or concerns, call 1-866-487-9243. There are WHD offices throughout the country with trained professionals for assistance. Additional information can be found at the following website: https://www.dol.gov/agencies/whd.

1.2.16 Grievances

Should an employee believe that he or she has been wrongfully treated, discriminated against, or harassed in any manner while in the performance of their assigned duties, the employee shall have the right to file a formal grievance with the Authority without prejudice. All grievances shall be made in writing, stating the nature of the grievance and directed to the supervisor. In the event the supervisor and the complainant are unable to reach a conclusion to the issue, the supervisor shall schedule a conference or special review within fifteen days of the complainant's original petition in the presence of the General Manager for an expeditious resolution. The General Manager's decision shall be final.

If the Supervisor is the object of the complaint, the complaint should be directed to the Administration Manager in his/her capacity as the Human Resources Officer. The Administration Manager will schedule a meeting with the Assistant General Manager for review by the General Manager.

If the Assistant General Manager or Administration Manager is the object of the complaint, the complaint should be directed to the General Manager.

If the General Manager is the object of the complaint, the complaint should be directed to the Administration Manager in her capacity as the Human Resources Officer. The Administration Manager will schedule a meeting with the Assistant General Manager for review by the Board President.

1.2.17 Training and Continuing Education

All classified personnel are eligible and periodically offered formal training programs, lectures, short courses, and seminars that are designed to enhance current skills and improve their present job performance. The Authority encourages the attendance of all job-related associational meetings and will pay all membership and tuition fees pertinent to maintaining or upgrading skills and certifications relevant to their present job. Employees should keep the personnel office appraised of any additional training, certifications, or skill enhancements received since their employment. Additionally, interoffice training events will be held on a regular basis, covering employee rights, ethics, and other applicable information, as needed.

1.2.18 Education Assistance Programs

The Education Assistance Program provides opportunities for employees interested in furthering their education while working for the Authority. Employees have the option to

attend classes on a part-time basis. The selected course or field of study must enhance the employees' skills and knowledge in a way that benefits the Authority and aligns with their current position or anticipated future staffing needs. Approval from the General Manager is required.

This program aims to qualify under Section 127 of the Internal Revenue Code, which allows employers to provide up to $5,250 per calendar year in educational assistance without it being included in the employee's gross income, provided the assistance comes from a qualified educational program.

a. Employee Eligibility

To be eligible for tuition assistance, employees must meet ALL of the following criteria:

1. Be a regular full-time employee.

2. Be in good standing with the Authority (meeting performance standards and not on probation).

3. Have been employed by the Authority for at least 24 months before the course begins.

4. Complete the course with a grade of at least a "B" (or "PASS" if evaluated on a Pass/Fail basis). Incomplete or failed courses will not be reimbursed.

5. Enroll in post-secondary associate, baccalaureate, or graduate-level courses that directly relate to training for the current position or enhance competencies relevant to the employee's career. Employees on leave of absence are not eligible for tuition assistance.

6. Tuition assistance is subject to available funds.

7. Complete all coursework independently and without any job interruptions or impairments to be eligible for future assistance. If job impairment occurs, future assistance may be denied.

8. Sign an agreement with the Authority outlining the conditions of the education assistance requested. Conditions will be determined by the General Manager on a case-by-case basis.

b. Course Eligibility

To qualify for tuition assistance, the chosen course of study must meet ALL of the following criteria:

1. The course must align with the skills or credentials required for the employee's current job or be consistent with the promotional ladder for that classification.

2. Courses necessary for a degree relevant to the employee's career may also be approved.

3. The course must be post-secondary and offered at any accredited four-year college or university or two-year junior or community college recognized by the Southern Association of Colleges and Schools (SACS) or comparable accrediting agencies.

4. The General Manager holds the exclusive right to determine eligible courses and providers for tuition assistance.

c. Funding and Assistance

The amount of tuition assistance provided per employee cannot exceed $5,250 per calendar year. Actual assistance may be less than this maximum. The following expenses are not covered:

- Books
- Supplies
- Community fees
- Parking fees
- Laboratory fees
- Building use fees
- Other miscellaneous expenses

If the employee receives tuition assistance exceeding $5,250 within a calendar year, the excess amount will be subject to federal income tax and applicable federal employment taxes.

d. Procedures

Before enrolling in a course, the employee must:

1. Provide the General Manager with information about the course they wish to take and discuss how it relates to their job.

2. Complete a tuition reimbursement request form and obtain the appropriate signatures.

3. Submit a copy of the request form to the General Manager while maintaining the original until completing the educational course.

After successfully completing the course, the employee should resubmit the original tuition reimbursement request form with the reimbursement section filled out, including appropriate signatures, along with receipts and proof of a passing grade (at least a "B" or "Pass"). The General Manager will coordinate reimbursement with the financial services department.

1.2.19 Risk Management

The Authority shall maintain a Safety Program aimed at reducing or eliminating unnecessary risk within the workplace, and provide detailed safety information, instructional training, and promotion of safe work practices to prevent accidents, bodily injury, and property damage or loss.

A Safety Procedures and Policy Instruction Manual covering all categories and topics relevant to the Authority's operations shall be utilized as the basic guidance document for developing topical training sessions for all classified personnel. All regular staff meetings shall include, as an integral component, at least one subject concerning safety practices in addition to regularly scheduled safety meetings. Refer to the manual summary contained in Appendix F.

1.2.20 Drug and Alcohol Abuse

The purpose of this policy section is to identify and remove the adverse effects of alcohol and drugs on job performance and to protect the health and safety of all employees. Use and misuse of alcohol or drugs can and do impair the ability of an employee to perform his or her duties and may endanger the employee, coworkers, and the public, as well as property.

The Authority seeks to prevent the abuse and misuse of drugs and alcohol by employees that may impair their ability to perform their assigned duties in any way.

a. The Authority shall provide drug and alcohol abuse education as part of the Safety Program.

b. Alcoholism and other drug addictions are recognized as diseases responsive to proper treatment, and can be overcome by employees with proper counsel, guidance, and treatment.

c. The manufacture, distribution, dispensing, possession, sale, purchase, or use of a controlled substance on Authority property is strictly prohibited.

d. Being under the influence of alcohol, a controlled substance, illegal drugs, or drugs on Authority property is strictly prohibited. The unauthorized use or possession of prescription or over-the-counter drugs on Authority property are prohibited and may result in employee discipline, including termination.

- "Controlled substance" is any drug, narcotic, hallucinogen, barbiturate, amphetamine, inhalant, mixture, or compound prescribed by a licensed physician for the legitimate treatment of a specific employee's medical

condition. (Controlled substances are listed in Schedules I-V of 21 C.F.R. Part 1308, and in Chapter 481 of the Texas Controlled Substances Act).

- "Illegal drug" means a controlled substance whose use or possession is controlled by federal law but that is not being used or possessed under the supervision of a licensed health care professional. (Controlled substances are listed in Schedules I-V of 21 C.F.R. Part 1308.)

- "Under the influence of alcohol" means an alcohol concentration equal to or greater than .08, or actions, appearance, speech, or bodily odors that reasonably cause a supervisor to conclude that an employee is impaired because of alcohol use.

- "Under the influence of a controlled substance, illegal drugs, or drugs" means a confirmed positive test result for illegal drug use per this policy. In addition, it means the misuse of legal drugs (prescription and possibly OTC) when there is not a valid prescription from a physician for the lawful use of a drug in the course of medical treatment (containers must include the patient's name, the name of the substance, quantity/amount to be taken and the period of authorization), or the misuse of any over the counter drug that impairs the employee's ability to work.

e. The policy applies to all officers and employees of the Authority, regardless of rank or position, and includes temporary and part-time employees.

f. Employees taking drugs prescribed by an attending physician must advise their direct supervisor in writing of the possible effects of such medication regarding their job performance and physical or mental capabilities. This written information must be kept confidential and communicated to the direct supervisor prior to the employee commencing work. All medical information will be kept confidential, and the employer, without exception, will punish any breach of privacy and confidentiality in this regard. All prescription drugs must be kept in their original container.

g. Any employee involved in a work-related accident where alcohol or drugs are believed to be a contributing factor will be subject to a special performance review and drug testing, in addition to any other accident investigation activities. An employee holding a commercial grade license may be subject to drug and alcohol testing as required by the United States Department of Transportation. The employee may be subject to discipline, including termination. Please refer to **Required Testing** for further clarification and details.

h. Employees may be subject to drug or alcohol testing based on reasonable suspicion, which may arise from, but is not limited to, observations of apparent workplace use, possession, or impairment. When job impairment has been observed or identified, and documented on a special performance review, the Authority may request that the employee seek professional assessment in resolving or accessing treatment for addiction to, dependence on, or problems with alcohol, drugs, or other personal

problems adversely affecting their job performance. The cost of treatment, counseling, or rehabilitation will be the responsibility of the employee. Please refer to Required Testing for further clarification and details.

i. Refusal to participate in, or failure to seek professional help, will be documented. Should job performance not improve after a reasonable length of time, as stipulated in the special performance review, the employee will be subject to progressive corrective action up to and including termination of employment. Please refer to **Consequences** for further clarification and details.

j. The earlier a problem is addressed, the easier it is to deal with and the higher the success rate, but it does not preclude the Authority's use of corrective actions or discipline.

k. Professional assessment, referral appointments, any treatment, or absences will not be treated as sick leave. Any loss of time must be pre-approved vacation, authorized personal time, or leave without pay.

l. The sale, use, purchase, transfer, or possession of an illegal drug or drug paraphernalia is a violation of the law. The Authority will report information concerning possession, distribution, or use of any illegal drugs to law enforcement officials and will turn over to the custody of law enforcement officials any such substances found during a search of an individual's work area or personal property located on Authority grounds. Searches will only be conducted on individuals' work area or personal property, based on reasonable suspicion. The Authority will cooperate fully in the prosecution and conviction of any violation of the law. The employee may be subject to discipline, including termination.

Required Testing

a. Pre-Employment

All candidates who received a verbal or written offer of employment will be required to undergo testing for commonly abused controlled substances in accordance with this policy.

Candidates will be tested for use of the following:

- Marijuana
- Cocaine
- Opiates
- Amphetamines
- Methamphetamine
- Phencyclidine (PCP)
- Chemical derivatives of these substances.

Upon receiving an employment offer, candidates must complete the necessary drug testing within 24 hours. The testing will be conducted by a licensed, independent medical laboratory, following established testing standards in accordance with state law. The candidate will provide a urine sample to the laboratory under procedures designed to maintain the privacy of the individual and prevent any tampering or alteration of the test results.

b. Reasonable Suspicion

Employees may be subject to drug or alcohol testing based on reasonable suspicion, which may arise from, but is not limited to, observations of apparent workplace use, possession, or impairment. At least two members of management must be involved in these observations. Before sending an employee for testing, HR or the General Manager should be consulted.

Management is required to document specific observations and behaviors that create reasonable suspicion of an employee being under the influence of illegal drugs or alcohol using the Reasonable Suspicion Observation Checklist. Examples of behaviors that may indicate impairment include, but are not limited to:

- Odors: Smell of alcohol, body odor, or urine.
- Movements: Unsteady, fidgety, dizzy.
- Eyes: Dilated, constricted, or watery eyes; involuntary eye movements.
- Face: Flushed, sweating, confused, or blank expression.
- Speech: Slurred, slow, distracted mid-thought, or inability to verbalize thoughts clearly.
- Emotions: Argumentative, agitated, irritable, or drowsy.
- Actions: Yawning, twitching.
- Inactions: Sleeping, unconscious, or no reaction to questions.

When management has established reasonable suspicion, both management and HR will meet with the employee to explain the observations and the requirement to undergo a drug or alcohol test within two hours. Should the employee refuse to comply, the refusal will be treated as a positive drug test result, leading to immediate termination of employment.

The Authority reserves the right to have a peace officer, as certified by the Texas Commission on Law Enforcement, conduct a field sobriety test if the suspected employee is on Authority premises, or operating Authority equipment.

Under no circumstances will the employee be allowed to drive themselves to the testing facility. A member of management must either transport the employee personally or arrange for a cab or alternate transportation to take the employee home after the test.

c. Post-Accident Testing

Employees may be subject to drug and alcohol testing when they cause or contribute to an accident that results in significant damage to the Authority's vehicle, machinery, equipment, or property, or when the accident results in an injury to the employee or another individual that requires off-site medical attention.

A circumstance that constitutes probable cause for testing will be presumed to arise in any situation involving a work-related accident or injury where an employee operating a motorized vehicle (including the Authority's vehicle or any motorized equipment) is found to be responsible for causing the accident. In such instances, both an investigation and subsequent testing should occur within two hours of the accident, or sooner if possible.

If an employee refuses to consent to testing, this refusal will be treated as a positive test result and will result in the immediate termination of employment.

Under no circumstances will the employee be permitted to drive themselves to the testing facility. A member of management must transport the employee directly or arrange for alternative transportation to ensure the employee is safely transported home.

d. Commercial Driver's License Testing

An employee holding a commercial grade license as a requirement for their position may be subject to drug and alcohol testing as required by the United States Department of Transportation, or the State of Texas, to obtain or maintain the license. An employee that cannot maintain a required commercial driver's license is subject to termination.

e. Confidentiality

Candidates for employment and employees have the right to meet with the testing laboratory personnel and with the Authority's representatives to discuss their test results. These discussions will remain confidential, with the exception of information shared with relevant personnel within the Authority or the laboratory who need to know in order to make informed decisions regarding the test results or employment status.

f. Consequences

The Authority will cover the cost of the drug testing. The laboratory will retain the samples as per state law. Should a candidate disagree with the initial test result, they may request a retest of the original submitted sample at their own expense.

Candidates for employment who refuse to consent to the drug test or fail to take the test within 48 hours of receiving the offer of employment will no longer be considered for the position, and any offer of employment will be rescinded.

Employees who test positive or otherwise violate this policy will be subject to disciplinary action, up to and including termination. Depending on the specific circumstances, the employee's work history, and any applicable state law, the Authority may offer the opportunity for the employee to return to work on a probationary basis, subject to mutually agreed-upon terms. These terms may include enrollment in a rehabilitation program and follow-up drug testing at times and frequencies determined by the Authority, for a minimum period of one year and up to a maximum of two years, as well as a waiver of the right to contest any termination resulting from a subsequent positive test.

If the employee fails to complete the rehabilitation program or tests positive after completing the program, the employee will be immediately terminated.

Candidates or employees who test positive may request a retest of the original urine sample within five working days of being notified of the positive result. The cost of the retest will be borne by the candidate or the employee unless the retest calls the original test result into question.

The Authority will provide a copy of the test results to any candidate or employee who tests positive, upon written request.

1.3 ADMINISTRATIVE GUIDELINES

1.3.1 Working Hours

The Authority's work week begins on Monday at zero hundred hours and ends on Sunday at 2400 hours, with the workday beginning at zero hundred hours and ending at 2400 hours. The normal working hours are from 0700 hours to 1600 hours, with an hour off for lunch.

Employees assigned to field duty or placed in charge of a specific area of operation may have variations in their working hours, if approved by the General Manager or Assistant General Manager.

Supervisors may make changes in employee work schedules on a temporary or permanent basis as deemed necessary.

The Authority expects all personnel placed in executive, management, or professional classifications to be responsible for proper scheduling of their time so that the routine scheduled duties may be accomplished during normal working hours, on a priority-type basis. If assigned duties cannot be accomplished during normal working hours, the supervisor should be consulted for assistance in adjusting those responsibilities. During periods of peak demand, deadlines, or emergency situations, all personnel are expected to carry out the performance of their assigned duties with due diligence and without regard to the normal working hours provision.

The provision for the use of compensatory time to assist during such periods of peak operations or an emergency is provided by the Authority at the discretion of the supervisor. All compensatory time charges shall first be authorized by the supervisor prior to initiation.

Failure to take a designated break or lunch period shall not constitute the accumulation of compensatory time. Refer to the Compensatory Time Section for detailed procedures.

1.3.2 Authorized Breaks

A fifteen-minute break may be scheduled in the morning and in the afternoon. Break times should be designated by the supervisor to fit the needs of an employee's duties and should not impair overall unit efficiency.

1.3.3 Tardiness and Attention to Duty

All employees are expected to report to work on time and be prepared for duty. Tardiness may result in costly and needless delays in the functioning of the Authority. If an employee realizes that he will be late for work due to circumstances that are unavoidable, the supervisor should always be notified prior to the scheduled start time. Repeated failure to arrive for work on time will result in lowered performance evaluation scores, and the employee may be subject to discipline or termination.

1.3.4 Absences

Any anticipated absence from duty must have prior approval of the supervisor. Absence for any reason requires the completion of an approved leave form available from the supervisor or the office. Absence from work other than by specific grant will be without pay. Habitual absenteeism, including the above-average use of available sick leave, or being absent without permission, could adversely affect an employee's evaluation and is grounds for discipline or termination. An absence of three days or more without notification to an employee's supervisor will be considered job abandonment.

1.3.5 Dual Employment

An employee of the Authority who desires to seek employment in other work while maintaining his or her position at the Authority must meet certain requirements:

a. The employee must not be employed in a position at the Authority which requires him or her to be "on call" during times other than his or her normal work hours.

b. The employee's additional employment must not be a conflict of interest to the Authority, or in any way adversely affect his or her duties at the Authority.

c. Notification and permission must be received from his or her supervisor and the General Manager and placed in his or her personnel file.

1.3.6 Personal Business

The conducting of personal business during working hours is prohibited. If it is necessary to take care of personal business during duty hours, the employee should conduct the business on breaks or during their lunch period or contact their supervisor for suitable leave arrangements.

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1.3.7 Visiting

Visiting during working hours at other offices, for other than business reasons, is prohibited. Social visits should be reserved for breaks or the lunch hour. If friends or relatives visit during working hours, please ensure that the visit is brief.

1.3.8 Communications and Computer Usage

The Authority provides a variety of communications technology and computerized equipment, and services both internally to all division and department personnel and externally to other agencies and the public. This technology is provided to employees by the Authority's Department of Information Resources (DIR). Employees engaged in the use of the telephone, mobile telephone, internet, e-mail services, facsimile, two-way radio equipment, or computer equipment as part of their job shall be required to observe the rules and regulations governing the type of equipment or service, observe good ethical business practices, and the adhere to the policies, licenses, or use agreements assigned to each. Use of these services and attendant equipment is an important method of communication and means of managing information for this agency and the public. Technology shall be utilized solely for the purpose for which it was intended, and within the scope of the Authority's authorized business activities. All employees engaged in the use of communications technology, computerized equipment, or services shall adhere to the following general rules applicable to each.

a. The Authority shall not tolerate the accessing, transmitting, storing, displaying, or requesting of obscene, pornographic, erotic, profane, racist, sexist, abusive, or other offensive material via any mode of communication.

b. Personnel shall not modify, change, or install personal equipment or software to any communications or computer equipment belonging to the Authority without approval from the DIR IT Systems Administrator or the General Manager.

c. All communications technology and computer services provided to personnel will be monitored, and accounts will be audited by DIR personnel to prevent willful abuse of the privileges.

d. Employee communications on Authority systems are not private. All data created on the Authority's system remains the property of the Authority.

e. Data security is imperative. Employees must safeguard their logon ID and passwords from disclosure to any person except DIR personnel and must utilize their individual ID password only. Each employee will be responsible for all activity conducted under their logon ID and must report any known or suspected compromise of their ID to DIR personnel immediately. All passwords created for access to work-related systems outside the Authority must be submitted to the IT Systems Administrator for filing in a secure master log.

f. Cell phones are provided to personnel in specific classified positions or who are located in remote areas. Authority-issued cell phones are for the use of conducting Authority business or for emergencies only. The use of personal cell phones is not

allowed, except on breaks or during the lunch period, except for emergencies. The General Manager will determine the scope of usage for Authority-issued cell phones.

1. Users must adhere to all applicable Authority policies and procedures, and federal and state laws and regulations regarding the use of mobile devices while driving, and shall not read or send text messages while driving.

2. All Authority Cell Phones are to be used by the assigned Device User only. Individual assigned Cell Phones are not to be given to another employee.

3. Authority-owned mobile devices (including the applications and software residing or stored on the device) are the property of the Authority and must be treated, used, and safeguarded as such. If the user damages or loses an Authority-owned mobile device, the user must notify the user's manager and the IT manager immediately.

4. The Authority will pay for a replacement device once per 12-month period. If the user's device is lost, broken, or stolen more than once in a 12-month period, the user may be subject to appropriate disciplinary, legal, or remedial action.

5. Specific configuration settings shall be defined for Authority cell phones and are not alterable by device users. Users shall not "jailbreak" any Authority Device.

6. Staff shall use the Authority server and email systems when sending or receiving Authority data.

7. All devices are to be located with the user and managed by the user at all times. Authority-owned mobile devices will have location services enabled at all times.

8. Devices should be locked when not in use, with encryption enabled.

9. Annual security training is provided to users of mobile devices. The content and form of that training shall be decided by the IT Systems Administrator. Periodic security reminders may be used to reinforce mobile device security procedures.

10. There shall be no expectation of privacy, anonymity, or confidentiality regarding any of the user's activities and the data stored or residing on the Authority-owned mobile device.

11. Users who violate or otherwise fail to adhere to these cell phone and mobile device administrative policies or procedures may be subject to appropriate legal, disciplinary, or remedial action, up to and including immediate removal of any Authority IT resource, suspension, or termination of the offending employee.

12. When a Utility Operator is on vacation, it is required that they forward their calls to another Utility Operator, as designated by the Regional Manager. In the event that no other Utility Operator is available to take the calls, the Regional Manager is responsible for ensuring that the calls are forwarded to their phone.

1.3.9 Social Media Policy for Business Use

This policy sets forth the clear standards and responsibilities for utilizing social media to conduct official state business, strictly adhering to state and federal laws, the Texas Administrative Code (TAC), and the policies of the Red River Authority of Texas (the Authority). The Authority's social media platforms are vital tools designed to enhance communication and collaboration with the public, directly supporting our mission and enabling effective engagement with stakeholders.

- "Accessibility" is the degree to which a product or service can be utilized by individuals with various capabilities.
- "Comments" are responses made on social media in direct reply to posts.
- "Personally Identifiable Information (PII)" is defined in Chapter 521 of the Texas Business and Commerce Code (TBCC), PII encompasses any information that identifies an individual, including:
    1. Name, Social Security number, date of birth, or government-issued ID
    2. Mother's maiden name
    3. Biometric data, such as fingerprints and voice prints
    4. Electronic identification numbers or addresses
- "Postings" are content published on the Authority's social media channels.
- "Sensitive Personal Information" includes an individual's first and last names combined with:
    1. Social Security number
    2. Driver's license number or government ID
    3. Account or credit/debit card numbers, along with required access codes
    4. Health-related information pertaining to the individual.

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The Authority's social media platforms may include Facebook, Twitter, YouTube, Instagram, LinkedIn, and blogs. These platforms are designed to enhance traditional communication channels while aligning with the Authority's mission, goals, and technical capabilities.

This policy applies to all public users of the Authority's social media sites. According to 1 TAC Chapter 206, a state website is one that is connected to the Internet and owned or operated by a state agency or institution of higher education. Social media sites developed by third parties are not covered by 1 TAC Chapter 206, but they should comply with its requirements when possible.

a. Privacy

Only public information may be posted on the Authority's social media sites. If private information needs to be communicated, users will be directed to the appropriate channels. Public comments made on these sites become public records and are subject to information requests.

The Authority is not responsible for content posted by others. Users who share personally identifiable information do so at their own risk. The Authority may remove such postings as soon as practical, but is not liable for any public display of that information or delays in its removal.

b. Links

The Authority may provide social media applications and content on its social media sites. Links from Authority-related websites or its social media sites to other websites do not imply endorsement of those sites or their content.

Individuals linking to or from the Authority's social media sites are encouraged to follow 1 TAC § 206.73 and the Department of Information Resources' Standards Review and Recommendation Publication 11. The Authority adheres to state website linking and privacy policies and encourages organizations to do the same, particularly regarding individuals' privacy rights and site accessibility.

c. Terms of Service

The Authority's social media platforms are governed by third-party terms of service, which are distinct from Authority regulations. The Authority does not control these platforms and is not responsible for their content or the user data they collect.

Users are expected to familiarize themselves with the terms of service of these social media platforms.

d. Content of Social Media Posts

All Authority-hosted social media sites are limited public forums. Content will be monitored during business hours (Monday through Friday, 7 a.m. to 4 p.m.).

Comments posted outside these hours will be reviewed as soon as possible. Posts may be removed for reasons including:

- Off-topic or out-of-context content.
- Threatening, harassing, defamatory, or discriminatory comments.
- Obscene content.
- Sensitive personal information.
- Public safety concerns.
- Promotion of violence or illegal activities.
- Commercial advertisements.
- Copyright infringement.
- Political endorsements.
- Any illegal content or violations of Authority policies.

The Authority will moderate content at its discretion without obligation to explain removals.

e. Intellectual Property

The Authority respects intellectual property rights and will not infringe upon them. Its use of protected intellectual property complies with applicable laws.

The terms of service of each social media account govern the public posting of intellectual property.

If an intellectual property owner believes their rights are infringed, they should contact the Authority by telephone at 940-723-8697 or by email at info@rra.texas.gov.

1.3.10 Artificial Intelligence (AI) Usage

The use of generative AI tools will generally be permitted while working for the Authority. Employees may use their company email addresses, credentials, or phone numbers to create accounts with these technologies. However, our organization's proprietary information must not be entered into any AI tool, including those approved for use by the Authority, without explicit permission from the General Manager.

Employees interested in using generative AI tools should discuss the parameters of their use with their supervisor. Supervisors have the authority to approve, deny, or modify these parameters to ensure compliance with company policy, legal requirements, and other business needs.

All content generated by AI must be reviewed for accuracy before being used for work purposes. If a reliable source cannot be found to verify the factual information generated by AI, that information cannot be used. Employees are ultimately responsible for the accuracy and quality of any work product created with the assistance of generative AI.

Acceptable uses of generative AI include:

- Answering general knowledge questions to enhance understanding of work-related topics.
- Brainstorming ideas related to ongoing projects.
- Creating formulas for Excel spreadsheets or similar programs.
- Developing or debugging code, which should be verified before deployment.
- Drafting emails or letters.
- Summarizing online research or creating outlines for content projects, ensuring that only employee-written content is included in final products.

a. Public Information

All information and work produced by employees, whether created solely by them or in collaboration with AI in any Authority document, will be considered public records and may be subject to requests under the Texas Public Information Act. Documents or communications generated using generative AI for official business but stored on personal devices or accounts may also be subject to such requests.

b. Ethical Use

Employees must utilize generative AI tools in accordance with all Authority policies and procedures, including conduct and anti-discrimination policies. Content that is inappropriate, discriminatory, or harmful to others or the company must not be created. Violating these rules may result in disciplinary action, up to and including termination.

c. Monitoring

The Authority's Computer Use Policy and relevant monitoring policies continue to apply when using generative AI tools on company equipment.

1.3.11 Gifts, Contributions, and Bartering

An officer or employee shall not accept, solicit, or provide any gift, favor, or service that might be construed as influencing the discharge of his or her duties. The Authority shall not disperse its funds for the purpose of providing a contribution or donation to any public or private organization, whether for-profit or non-profit.

1.3.12 Use and Monitoring of Company Property, including Motor Vehicles

The purpose of this policy is to ensure that all property maintained by the Authority is kept in optimal working condition and is used properly.

- "Property" refers to any equipment, furnishing, vehicle, building, or supply that is leased, owned, donated, or otherwise in the custodial care of the Authority, or any individual acting on its behalf.

- Examples of property, but not limited to, vehicles, colorimeters, cellphones, tools, toolboxes, copiers, computers, and printers.

Employees should not expect any privacy while on the Authority's premises or when using the Authority's property, including company-owned vehicles.

a. General Guidelines for Using Company Property

1. Work Environment - All employees are required to maintain an orderly work environment and adhere to the Authority's rules to ensure proper use and maintenance of its property.

2. Neglect and Misuse - Employees who neglect or misuse the Authority's property may face disciplinary action, which could include termination. If an employee's misuse of property results in damage, the Authority reserves the right to require the employee to pay for repair or replacement costs.

3. Misappropriation - The misappropriation of the Authority's property is grounds for immediate termination and potential criminal action.

4. Personal Use of Property - Employees are not permitted to use the Authority's property for personal purposes unless specific permission has been granted by the General Manager or Assistant General Manager. If permission is granted, the employee is responsible for the care and return of the property issued for their use.

b. Use of Company Vehicles

An employee who has an Authority-owned vehicle assigned, either on a temporary or permanent basis, shall ensure the proper authority expenditures for the care, upkeep, and repair of said vehicle.

The Authority expects each motor vehicle operator to use reasonable and proper care when driving, and to observe the following basic guidelines:

1. Employees assigned to fieldwork or on-call may receive a company vehicle for home storage. These vehicles are strictly for work-related use and may not be used for personal errands.

   - Home storage address must match the information on the employee's Texas driver's license.
   - All home storage vehicles approved for use must have a GPS tracking device installed, unless an exemption is granted by the General Manager.

2. Obey all traffic laws.

3. Report any accident to the supervisor as soon as possible.

   The employee will bear full personal responsibility for any injury, death, or property damage that arises from the unauthorized use of the Authority's vehicle. In cases of sole negligence, intentional misconduct, or abuse of the vehicle, the employee will be held financially accountable for any damage incurred to the Authority's vehicle. They may also be required to fully reimburse the Authority for all repair costs. It is essential to adhere to these guidelines to maintain accountability and ensure the proper use of company resources.

4. Abstain from the use of intoxicants, illegal drugs, or the use of other stimulants. This is to include the transporting of the same.

5. Do not add or remove any equipment to or from the vehicle without prior approval from the supervisor.

6. Keep vehicle clean, presentable, and in good repair per vehicle manufacturer guidelines.

7. No employee shall use the vehicle in connection with any business or personal gain other than its original intent by the Authority.

8. No vehicle shall be mechanically or otherwise abused.

   - Revving a cold engine.
   - Operate the vehicle when instruments or warning lights indicate a malfunction or deficit of operating fluids.
   - Operate the vehicle that is difficult to control or produces unusual noises.
   - Overload the vehicle or use it for purposes other than those identified.
   - Utilizing the wrong type of fuel, such as diesel in place of gasoline, or introducing foreign substances like water into the oil system can lead to significant damage and costly repairs.

9. The vehicle is to be operated for the business activities of the Authority only, and in the territory to which it is assigned. Any deviation must have prior approval from the supervisor.

10. A monthly report of use and expenses must be completed and filed within five days of the month ending. The report must include beginning and ending odometer readings, all purchase tickets for gas, oil, and repairs received during the reporting month. A total of mileage, expenses, fuel used, and miles per gallon must be computed.

11. A routine maintenance log shall be provided to each employee who operates a vehicle. The log must be recorded daily and retained in the vehicle for inspection at all times.

12. Authority vehicles shall be operated safely. The use of headphones, texting, reading emails, etc., while driving is forbidden.

13. The General Manager reserves the right to revoke the at-home storage of any Authority vehicle at any time. In such instances, the vehicle will be stored at a location designated by the General Manager. The employee may be permitted to use the vehicle during working hours or on-call hours, provided that the vehicle is picked up and returned to the designated location.

14. The General Manager may have an Authority-owned vehicle assigned to them as a Benefit-In-Kind (BIK). They may use the vehicle for personal use and are allowed to have non-Authority employees as occupants. BIK vehicles cannot be used in a private business or to obtain personal gain.

c. Monitoring of Company Property

The Authority reserves the right to monitor any property that utilizes its networks at any time. The Authority can review activities and analyze usage patterns to confirm that company resources are being used in accordance with this policy.

Employees are prohibited from knowingly disabling any network software or system designated as a monitoring tool.

1.3.13 Business Credit Cards and Charge Accounts

The Authority shall provide each employee assigned a vehicle a business credit card in which to purchase gas. Any purchase other than normal use must be approved by the supervisor. The vehicle unit and license number must appear on all purchase tickets. Card numbers and type must be properly recorded with the main office, and any lost, stolen, or damaged card must be reported to the supervisor immediately for cancellation. Willful misuse of a business credit card will be grounds for discipline or termination.

The Authority shall provide business credit cards to select staff members to pay for incidental vehicle expenses, business expenses, conferences and training sessions, or travel deemed necessary for Authority operations, and for purchases of miscellaneous items used in the course of business at establishments where the Authority does not have an existing revolving charge account. Card numbers must be properly recorded by the Controller. Any lost, stolen, or damaged card must be reported to the Controller immediately for cancellation. Willful misuse of a debit/credit card will be grounds for discipline or termination.

The Authority shall provide charge accounts for operating purposes at various businesses. Care shall be taken that excessive spending of Authority funds does not increase the cost of operation and create waste. Abuse or carelessness will result in the ultimate dismissal of any employee found guilty of abusing this privilege.

a. All invoices must bear the signature of the employee and a description identifying the purpose for which materials were purchased. This is mandatory.

b. Any obligation in excess of $200.00 must have prior approval from the employee's supervisor. All purchases must be recorded on an approved purchase voucher or on an administrative expense report, except in emergency situations.

1.3.14 Historically Underutilized Businesses

The Authority shall endeavor to conduct its business with historically underutilized businesses (HUBs) whenever possible.

1.3.15 General Travel for Classified Personnel

For the purpose of clarification, business travel expense shall apply to any mode of transportation not furnished by the Authority and shall include meals, lodging, and miscellaneous out-of-pocket expenses of the classified employee only. This does not include alcoholic beverages.

- A meal stipend for non-overnight travel is permissible when traveling more than 45 miles outside the designated work area or with prior supervisor approval.
- Meal allowances are based on the Travel Reimbursement Rates set by the Texas Comptroller of Public Accounts.
- Tips may be reimbursed up to 15% of the total cost and may not be cash.

1.3.16 Authorized Reimbursements for Classified Personnel

The Authority shall provide reimbursement for all reasonable travel expenses incurred by classified personnel while in the performance of designated business activities. Expenses will be reimbursed in accordance with the Texas Comptroller of Public Accounts Travel Reimbursement Rates. Reimbursement requests must be submitted on an approved expense voucher to the immediate supervisor for approval, and payment will be authorized by the General Manager. All vouchers presented for reimbursement must include a valid receipt to substantiate each expense claimed for reimbursement.

1.3.17 General Travel for Board of Directors and Key Officials

The following are guidelines for payment of director fees, and reimbursement of the travel expenses that members of the Board of Directors and Key Officials incur in carrying out their responsibilities of Authority official business. This does not include alcoholic beverages or the expenses of a spouse.

In accordance with Section 49.060 of the Texas Water Code, a director is entitled to receive fees of office of not more than $150 a day for each day the director actually spends performing the duties of a director. In this subsection, "performing the duties of a director"

means substantive performance of the management or business of the district, including participation in board and committee meetings and other activities involving the substantive deliberation of district business and in pertinent educational programs. The phrase does not include routine or ministerial activities, such as the execution of documents, self-preparation for meetings, or other activities requiring a minimal amount of time.

Travel expenses for reimbursement:

A Director can only be reimbursed for "actual" expenses—meaning the use of a per diem is not authorized. In accordance with Section 49.060 of the Texas Water Code, the statute provides that the expenses must be "reasonably and necessarily incurred." The Board has the authority to determine whether expenses are reasonable and necessary and should be approved for reimbursement. Only actual expenses will be reimbursed. A Director must submit receipts to prove and establish the amount of the actual expenses requested for reimbursement for the Directors expenses only and should be on a receipt separate from other expenses.

1.3.18 Authorized Transportation for Classified Personnel, Board of Directors, and Key Officials

Directors and classified personnel of the Authority using their personal automobile or private aircraft on authorized official business may be reimbursed at the prevailing rates per mile as established by the Texas Legislature and published by the Texas Comptroller of Public Accounts. Classified personnel and directors traveling by rented or public conveyance on official business may be reimbursed for the actual transportation cost, provided the fare is limited to the next lowest available rate below first class. Expenses for transportation to and from airports where commercial air transportation is not available may be reimbursed to classified personnel and directors in addition to the cost of the normal air fare (excluding first class).

1.3.19 Authorized Lodging for Classified Personnel, Board of Directors and Key Officials

Lodging shall be reimbursable as an actual expense when it is directly associated with an official business event of the Authority. The lodging benefit may be utilized immediately before, during, and immediately after an official business event provided the classified employee or director is at least seventy-five miles from his or her headquarters, and his or her presence is required at that location the following day. This is to include continuing education programs sponsored by the Authority.

All anticipated expenditures shall be authorized by the supervisor or General Manager prior to confirming any reservations. The Board of Directors will coordinate with the Administration Manager on all lodging reservations. All advanced reservations shall be made through a vendor honoring governmental rates, where available.

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1.3.20 General Attitude

One of the most essential attributes of any job with the Authority is the general attitude expressed toward the public, the assignment, and other employees, together with the ability to understand and follow instructions in a team-like manner. An employee's basic attitude affects all those encountered. Each employee shall do his or her part in order to provide a conducive atmosphere in which to work. All employees are expected to conduct themselves with the best interest of the Authority and the public in mind, while adhering to the guidelines and procedures set forth by the Authority's General Policy. Opportunities for advancement will depend greatly upon an employee's expressed attitude.

1.3.21 Reports

The Authority is responsible for the operation of all its activities first to the Directors, to other state agencies, and to the public. The filing of reports is necessary for the proper operation of the Authority. As an employee, it is essential that accurate, informative, and punctual reports be filed according to various responsibilities. Supervisors will instruct employees as to the proper procedures in compiling and punctually filing any reports that may be required.

1.3.22 Payroll Intervals

The Authority authorizes payment of the payroll twice per month. All classified employees shall complete the *Authorization Agreement for Direct Deposit* with the required accompanying documentation to be properly set up at the employee's bank for all payroll checks to be directly deposited into the bank account so selected by the employee. Acknowledgment of the direct deposits is issued on the fifteenth and last day of each month. If those dates fall on the weekend or a scheduled holiday, the direct deposits will be issued to the bank on the day immediately preceding the weekend or holiday.

1.3.23 Payroll Deductions

Federal employee withholding and Social Security contributions will be deducted each pay period automatically. The amount of each contribution or deduction will be made in accordance with the current rates in effect, and will be calculated on the gross earnings. Group insurance, and other authorized deductions may be made from gross payroll at the employee's option. Any deductions other than the described mandatory deductions must be approved by the Controller.

1.3.24 Retirement Plans

All classified employees of the Authority who receive compensation for personnel services by a certified payroll warrant shall participate in the Texas County and District Retirement System (TCDRS). The contribution is calculated at the rate of seven percent (7%) of the employee's gross salary. The Authority may match the employee's contribution up to 100%, pending Board of Directors approval.

The contributed funds are held by TCDRS, and the employee will receive a statement of his or her deposits and interest earnings annually. Participating employees shall be deemed vested after eight consecutive years of service to the Authority. Retirement eligibility is determined by the "Rule of 80", where the sum of the employee's age and tenure must total 80 years, or by the employee reaching 30 years of service, or the employee reaching the age of 60 with 10 years of service. The total retirement benefit is 200% of the total contribution amount in the employee's account.

Should an employee leave the Authority before attaining retirement criteria, the employee may only receive the total employee's contribution plus accrued interest earned.

The Authority also offers a 457 deferred compensation plan from Security Benefit. This plan is strictly voluntary and is offered upon employment. Additionally, enrollment and changes to the plan are allowed during open enrollment, which is the first two weeks of each month during the calendar year. The Authority does not contribute to this plan, nor does it manage the plan. All investment changes are strictly between the employee and the Plan's representative. Additional information on the plan options can be obtained by request.

The General Manager and senior management shall prepare for future retirements and workforce changes by ensuring position classifications are reviewed or updated annually, and by making succession plans for key staff and personnel.

1.3.25 Medical Insurance

Classified full-time employees (FTEs) will be covered under a group medical insurance and dental program, if available, following two full months of employment. Each FTE shall be provided a current schedule of benefits and claim procedures at the time of employment. It is the employee's responsibility to ensure all eligible claims are filed with the insurance company. FTEs may elect to carry their dependents under the same group insurance program at the rate adopted by the Authority. Dependent coverage for an FTE is also available following two full months of employment. Other supplemental coverages may be available on a voluntary basis.

An employee who has met the retirement criteria listed in Section 1.3.24, is under the age of 65, and elects to retire may join a Pre Sixty-Five Retiree Health Plan, if offered by the current health insurance carrier at the time of retirement, until the retiree reaches the age of 65 years or becomes enrolled in any other type of medical insurance such as Medicare, whichever occurs first. The cost of the Pre Sixty-Five Health Insurance Plan will be 100% of the retiree's responsibility. This entitlement is totally dependent upon the insurance carrier's policy toward retirees. Only employees who separate from the Authority through retirement are eligible to participate. Terminated or voluntary resignations are not eligible. An employee who separates employment under any condition will be provided the opportunity to retain all or part of the group insurance at his or her own expense and at the Authority's current rate for a period not to exceed eighteen (18) months.

Under certain circumstances, an additional six (6) months extension may be granted to qualified applicants under the Consolidated Omnibus Budget Reconciliation Act of 1985.

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1.3.26 Vacation Leave

All classified full-time employees shall accrue paid vacation leave at the rate of one (1) day per month (8 hours) for each month of active employment up to a maximum of twelve (12) days (96 hours) per calendar year. Whenever possible, an employee's preference for vacation leave will be granted as long as adequate personnel are available to carry on the duties of the Authority.

Should employment terminate, all unused vacation leave accrued will be paid to the employee at their current salary rate up to a maximum of fifteen (15) days (120 hours). A minimum of fifteen (15) days (120 hours) of combined actual on-the-job work, used vacation time, used personal time, or Authority-authorized emergency office closures qualifies for one (1) day (8 hours) of accrued vacation leave benefits. Used Sick time or Authority Holidays do not count toward vacation benefit accrual.

a. Vacation leave with pay may not be granted until an employee has had continuous employment with the Authority for six months, although credit will be accrued during that time.

b. An employee may not take, nor be paid for more than fifteen (15) days (120 hours) during any single calendar year.

c. An employee may transfer unused vacation time from one calendar year to the next, providing the total accrued time does not exceed fifteen (15) days (120 hours) total.

d. Vacation leave requests in excess of one day shall be submitted to the supervisor at least two weeks in advance.

e. The supervisor may recommend adjustments to vacation leave periods or group leave schedules as necessary to prevent workload conflicts.

1.3.27 Standard Sick Leave

All full-time employees (FTEs) shall be provided paid sick leave at the rate of one (1) day (8 hours) per month for each month of active employment up to a maximum of ninety (90) days total under the following stipulations. Willful abuse of sick leave privileges shall be grounds for immediate dismissal. Should employment terminate for any reason, no compensation shall be paid for accrued sick leave. A minimum of fifteen (15) days (120 hours) of combined actual on-the-job work, used vacation time, used personal time, or Authority-authorized emergency office closures qualifies for one (1) day (8 hours) of accrued sick leave benefits.

Used Sick leave or Authority Holidays do not count toward sick leave benefit accrual.

a. Sick leave shall be granted when actual sickness, injury, pregnancy, or disabled confinement prevents the employee's performance of duty. However, sick leave with pay may not be granted until an employee has completed three months of continuous employment.

b. Sick leave may be granted to make a scheduled visit to a physician or dentist, when such visits are for receiving medical or dental services.

c. Sick leave may also be taken when a member of his or her immediate family is actually ill. Immediate family shall be defined as an employee's spouse, child, or any other relative who resides in the same household which the employee is listed to be the primary caregiver. A complete explanation of facts must be provided to the Authority in writing, including the name and relationship of the employee's relative.

d. Should the absence be three working days or longer, a written statement must be provided from the attending physician with specific instructions regarding returning to duty status (light or normal duty). If other than normal, then detailed work restrictions must be provided by the physician.

e. Leave for maternity purposes under the paid sick leave provision shall not exceed six weeks from duty without a written statement from the attending physician explaining the complications requiring the extended leave. Any extended paid or unpaid leave for maternity reasons shall be subject to the approval of the General Manager.

f. An explanation for any absences charged to sick leave must be submitted to the supervisor in writing and signed by the applicant if leave with pay is expected.

1.3.28 CATASTROPHIC SICK LEAVE POOL

The Authority provides a Catastrophic Sick Leave Pool (CSLP) to benefit classified employees who may suffer a catastrophic injury or illness. The Authority's Board of Directors designated the General Manager as the Pool Administrator, who is responsible for administering the CSLP and approving all contributions and withdrawals.

A qualified applicant may be issued an amount equal to one (1) day per month of active employment up to a maximum of one-third of the total amount in the pool or ninety (90) days, whichever is less.

a. Contributions

The CSLP is dependent upon voluntary contributions from the classified employees, who may contribute up to a maximum of five (5) days per calendar year from his or her accumulated standard sick leave as described in 1.3.27.

An employee who is leaving the Authority, either by resignation or retirement, may designate all or a specified portion of their accrued unused sick leave to be donated to the CSLP prior to separation.

b. Eligibility and Application
An employee is eligible to request and use CSLP leave after exhausting the employee's accrued sick leave if the employee's absence is due to:

1. A catastrophic illness or injury of the employee; or
2. A previous donation of time to the CSLP.

An employee may also request CSLP leave to care for an immediate family member, as defined in Policy 1.3.27. Immediate family shall be defined as an employee's spouse, child, or any other relative who resides in the same household for whom the employee is the primary caregiver. The amount of the CSLP leave authorized for use for an immediate family member shall be determined by the Pool Administrator.

An employee may apply to the Pool Administrator when his or her regular sick and vacation leave has been exhausted and must submit any required supporting documentation. A qualified applicant may not utilize more than one-third of the total amount of time in the pool or ninety (90) days, whichever is less.

All applications and transfers of pool sick leave are subject to the approval of the Pool Administrator.

c. Limitations
Contributed sick leave has no cash value. Should employment terminate for any reason, no compensation shall be paid for contributed sick leave.

Each employee shall be provided a pamphlet explaining application procedures and benefits at the time of employment or upon request thereafter.

1.3.29 EMERGENCY LEAVE

In case of death in the immediate family of a regular employee, the employee may be granted a leave of absence with pay for a period not to exceed three (3) working days. Immediate family is defined as spouse and children or other relatives who are related within the second degree of consanguinity (blood relative) or affinity (related by marriage) to the employee. (Refer to 1.3.42). The amount of leave granted up to the three (3) days maximum will be based on the relationship level of the employee, first degree up to three (3) days, second degree up to two (2) days. Any emergency leave requests shall be submitted in writing and subject to approval by the General Manager. Should employment terminate, no compensation shall be paid for emergency leave.

1.3.30 FAMILY AND MEDICAL LEAVE ACT

As a public agency, the Authority is covered under the Family and Medical Leave Act (FMLA). Employees can access the Department of Labor's FMLA poster for further information posted at the Authority's office buildings or virtually by accessing the US Department of Labor website at https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/fmlaen.pdf.

However, because the Authority does not have at least 50 employees within a 75-mile radius, its employees are not eligible for FMLA leave.

Although the Authority is not required by law to offer leave under FMLA, its employees may take unpaid leave under certain circumstances. Employees should refer to Section 1.3.35 for procedures for requesting unpaid leave.

Employees who give birth to a child are provided with up to six weeks of unpaid leave following the birth to medically recover from the birth. Employees who adopt or parent a newborn child without giving birth to the child may be granted reasonable, unpaid leave at the discretion of the General Manager. Leave granted for this purpose may be taken concurrently with paid sick, compensatory, or vacation leave. Employees should refer to Section 1.3.27 Standard Sick Leave for procedures related to new parent leave.

1.3.31 COMPENSATORY TIME

Compensatory time shall be granted to a non-exempt classified employee in lieu of actual payment for overtime worked at a rate of 1½ hours for each hour actually worked over forty (40) hours. This does not include any paid leave or holidays not actually worked.

Employees must use compensatory time during the month in which it is earned. No compensatory time will be carried forward without approval from their Supervisor, as approved by the Assistant General Manager or the General Manager.

The compensatory time and leave will be subject to the supervisor's approval, like any other leave the Authority provides. In the event an employee is unable to take all accumulated compensatory time off during the available period, all unused compensatory time will be paid during the month following the month in which it was earned. Payment shall be made at the regular hourly rate, since it is accumulated at one and one-half (1½) times the actual hours worked.

Each employee is urged to make an effort to take all compensatory time off as soon as practical after the time is accrued.

Should an employee terminate for any reason, all unused compensatory time will be paid to the employee. All employees classified in administrative, supervisory, or professional groups (that is, "exempt") will not accumulate compensatory time.

1.3.32 MILITARY LEAVE OF ABSENCE POLICY

The Authority is committed to protecting the job rights of employees who take military leave. In line with federal and state laws, no employee or applicant will be discriminated against due to their membership in, or obligation to serve in, the U.S. uniformed services. Employment decisions such as hiring, reemployment, promotions, or benefits will not be affected by military service. Retaliation for exercising military leave rights is strictly prohibited.

Employees who believe they have experienced discrimination or retaliation should immediately contact the Human Resources (HR) representative.

CHAPTER 1

a. Eligibility for Military Leave

Employees may request military leave for the following reasons:

1. Participation in authorized training or duty with state military forces, U.S. Armed Forces Reserve branches, or a state/federal urban search-and-rescue team.

2. Activation of the National Guard by the state governor.

3. Activation during a national emergency.

b. Paid Military Leave

- Employees are entitled to up to 15 paid workdays per federal fiscal year (Oct. 1 – Sept. 30) for active duty or training.
- These 15 days do not have to be consecutive.
- Holidays occurring during military leave are not counted against the 15 days and are paid as normal.
- Unused paid military leave may carry over to the next fiscal year, up to a maximum of 45 workdays.
- After using the 15 paid days, employees may use accrued sick leave, vacation, comp time, or go on unpaid leave (or both).
- In addition, employees called to state active duty by the governor in response to a disaster may receive up to 7 additional paid days per fiscal year.

c. Requesting Military Leave

Employees should provide as much advance notice as possible, unless military necessity makes this unreasonable.

How to Request:

1. Complete leave request.

2. Submit written notice, though verbal notice is acceptable and will be documented by the HR representative.

3. The HR representative will handle the paperwork, including insurance arrangements and other leave processes.

Employees may choose to use accrued vacation or personal leave during their absence.

If not returning to work, employees should inform HR promptly. If returning, they must submit a reemployment application as outlined below.

d. Benefits During Leave

1. Health insurance coverage for the employee and covered family members during their absence will continue under regular terms for up to 31 days.

2. Group life, Accidental Death and Dismemberment provided by the Authority, and voluntary AD&D insurance will end when active military service begins.

3. Employees do not accrue vacation, personal, or sick leave while on military leave.

4. Time on military leave counts toward retirement vesting.

An employee called to active duty will be provided with the following information:

- All paid leave balances
- Re-employment rights

An employee who has been employed with the state for less than 60 days is not eligible for health coverage.

e. Re-Employment Rights

As provided by the USERRA, an employee may have re-employment rights upon completion of the service if the employee:

- Is not a temporary employee; and
- Gives notice that they are resigning employment to enter directly into the uniformed services for a period of five years or less.

Uniformed services include the Army, Navy, Marine Corps, Air Force, Coast Guard, and Public Health Service Commissioned Corps, as well as the reserve components of each of these services. Federal training or service in the Army National Guard and Air National Guard is also covered under USERRA.

An employee who goes on leave of absence to enter active military service is entitled to be reemployed:

- In the same department and office in which the employee was employed at the time they were inducted, enlisted, or ordered to active military service; and
- In the same position held or in a position of similar seniority, status, and pay.
- This provision applies if the veteran:
- Is physically and mentally qualified to perform the required duty;
- Was honorably discharged within five years of beginning military service; and
- Contact HR within the established time limits for reporting back to work following discharge.

1. Exceptions to Re-Employment:

   Re-employment may be denied under these conditions:

   - Reemployment is impossible or unreasonable due to changes in the Authority's circumstances.
   - Reinstating the employee would cause undue hardship.
   - The job was temporary with no expectation of continuation.
   - The employee did not receive an honorable discharge.

2. Time Limit for Applying for Re-Employment

   The time limits for returning to work under USERRA depend upon the duration of the employee's military service. The employee must submit a written request for reemployment to HR and provide evidence of discharge/release from service under honorable conditions. The applicable time limits are as follows:

Length of Service	Application Deadline
Less than 31 days (or fitness exam)	Report to work on the next scheduled workday + 8 hours rest
31 to 180 days	Report to work within 14 days of completing service. Must submit written request to HR.
181 days	Report to work within 90 days of completing service. Must submit written request to HR.

   The deadlines for returning to work or contacting HR are extended for up to two years for those employees who are hospitalized or convalescing because of a disability incurred or aggravated during the period of military service.

1.3.33 OTHER LEAVE

The Authority provides other paid and unpaid leave privileges for certain circumstances, such as jury duty, selected legal holidays, active military duty, and inclement weather.

Any request for unpaid leave shall be subject to approval of the General Manager, depletion of all accumulated vacation, sick, personal days, and compensatory time, and submission of a written statement describing details of the request.

CHAPTER 1

Below are specific instructions for Other Leave due to holidays and inclement weather.

a. Holiday Leave

1. The Authority shall observe thirteen (13) legal holidays per year. The scheduled holidays are Columbus Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve, Christmas Day, New Year's Day, Martin Luther King, Jr. Day, President's Day, Good Friday, Memorial Day, Emancipation Day, Independence Day, and Labor Day, subject to 1.3.30(c). A current schedule of the actual dates to be observed will be provided to each employee on or around October 1st of each fiscal year.

2. An employee must work eight (8) hours the day before and work eight (8) hours the day after each scheduled holiday to be paid for holiday leave taken. Vacation leave or personal time, which has been approved prior to the scheduled holiday under proper notice of absence, will satisfy the eight-hour work day requirement.

3. Should an employee miss the day before or the day after a holiday, and it was not preauthorized vacation leave, then one (1) day of vacation leave, personal leave or unpaid leave will be required to make up for the holiday.

4. The General Manager shall have the option of designating an alternate holiday should a scheduled holiday fall on a weekend or conflict with a priority business function of the Authority.

b. Inclement Weather

The default position of the Authority is that we are open for business, and all employees are essential and should report to work, unless otherwise instructed. It is a good practice for all staff to monitor news and weather reporting apps to determine road conditions. It is expected that in times of road advisory warnings that staff will allow for extra travel time in their daily commute when reporting to work. Occasionally, certain conditions such as ice, heavy snow, power outages, etc., will require changes in the daily operations schedule. Employees will be notified should the General Manager or Assistant General Manager declare an event, and the Authority's regular schedule of operations changes, and whether "Other Leave" will be authorized by the Authority. In case of catastrophic conditions, travel and lodging arrangements may be provided at the discretion of the General Manager.

Field Staff should ensure that they are available to their Supervisor or Department Head. Field staff should also monitor roadway conditions and stay as close to their individual base of operations as possible. Priority operations will consist of insuring that all pump stations are operational and repairing leaks, which are considered to be detrimental to the system's operation.

During extreme events, responses to individual customer problems should be limited to extreme emergencies. When traveling in extreme weather conditions, personal emergency supplies should be maintained in the vehicle.

Department Heads should be aware of their employees' status, as well as any priority functions that must be conducted during the event. Department Heads need to advise the General Manager of this information as soon as possible after the event is initiated, and keep him or her advised of any changes throughout the event. It will be the Department Head's responsibility to ensure that all priority functions are conducted and maintained, remotely or otherwise.

In lieu of a schedule change by the General Manager, an employee may determine they cannot make it to work due to inclement or bad weather, or if they have children at home due to school closings for inclement weather. If so, the employee should contact their Department Head as they would for any other leave request. The Department Head may approve vacation time, personal time, or compensatory time to be used by the employee to offset the absence.

Delayed Start or Early Release or Other Modifications to Operation Hours:

Any changes to work day hours announced by the General Manager or Assistant General Manager not on the approved yearly calendar are only applicable to employees who are on duty and actively working on the day declared. Any modification of hours or closure will be treated individually from any previous closure or modification of hours. Each instance is subject to the conditions set forth at that time by the General Manager or Assistant General Manager. Depending on the emergency and breadth of the conditions, closures or modifications of hours may not affect all offices or areas of the Authority's service area. The General Manager or Assistant General Manager will specify which offices or locations are affected by the closure, and which employees are included. Individual instances of closure will not automatically affect all employees. To be eligible for paid time off under Other Leave on an early release day, the employee must have worked (without the benefit of leave time) all hours up to the early release. The General Manager or Assistant General Manager must approve paid Other Leave time.

1.3.34 PERSONAL DAYS

Each calendar year on the first day of January, each employee will be issued one (1) Personal Day (8 hours) for each five years of service completed, up to a maximum of eight (8) Personal Days (64 hours), with 40 years of service. An employee must have completed five full years prior to receiving his or her first Personal Day.

Personal Day leave may be utilized in lieu of any authorized leave time and may be utilized in conjunction with any other authorized leave. An employee wishing to utilize a Personal Day

leave is not required to provide advanced notice to his or her supervisor, unless the leave is used in conjunction with vacation or holiday leave. If advance notice is not given, each employee utilizing a Personal Day must notify the supervisor that they will not be in to work. It is the responsibility of the employee taking a Personal Day to ensure that any scheduling conflicts do not occur due to his or her unscheduled absence.

Personal Day leave used with vacation or holiday leave must conform to the notice requirements for vacation leave.

Personal Days must be utilized in the calendar year in which they were issued and may not be carried forward to the next calendar year. Upon termination of active employment for any reason, compensation for unused Personal Day leave will not be paid.

1.3.35 NOTICE OF ABSENCE

Employees are expected to report to work as scheduled. In the event an employee is unable to report to work, advance notification must be made to the immediate supervisor. An employee must call or contact (text, e-mail) their immediate supervisor prior to their shift when an absence will occur. If the immediate supervisor is not available, or cannot be reached, the employee must notify another supervisor in the same Division, or a member of upper management.

While it is recognized that circumstances beyond an employee's control may cause him or her to be absent or tardy, notice violations cannot be allowed.

A notice violation is any absences from or during an employee's scheduled work shift that did not meet the notice requirements. This includes: tardiness (over 15 minutes), docks, vacation, and sick leave. Three (3) calendar days will be considered the standard for notice. Sick leave, vacation, and docked absences taken in succession will be considered one violation.

Excessive (unacceptable) notice violations are generally defined as notice violations by an employee in excess of twelve (12) in a twelve (12) month period.

An employee who is absent for three or more consecutive days and requests the use of sick leave, may be required to provide a physician's statement before returning to duty and to be compensated for the absences.

Supervisors are crucial to the fair execution of this policy. Supervisors should set the example, exercise good judgment by bringing any situation which may require special consideration to management's attention, and maintaining proper documentation for use in evaluating an employee's performance, to ensure that the attendance portion of the employee's performance evaluation is completed in a uniform manner. This documentation can also be used in the initiation of progressive discipline.

After three or more days, an employee who stops reporting to work or calling in may be considered to have abandoned their job. Management must document their attempts to contact the employee. Should this effort fail to reveal an acceptable explanation for the employee's absence, the employee will be considered voluntarily terminated.

1.3.36 Exempt Employee Pay Deductions Policy

In compliance with the Fair Labor Standards Act (FLSA) regulations, exempt employees who are paid on a salary basis cannot have their pay reduced based on variations in the quantity or quality of work performed.

Exempt employees are generally entitled to receive their full salary for any workweek in which they perform any work, regardless of the number of hours or days worked. However, if an exempt employee performs no work during a particular week, they are not entitled to any salary for that week.

a. Prohibited Deductions

The Authority strictly prohibits pay deductions for absences due to the following circumstances:

1. Jury duty
2. Attendance as a witness
3. Temporary military leave
4. Absences caused by the employer
5. Absences due to the operating requirements of the business
6. Partial-day deductions, except for those specifically allowed under the exceptions below.

Any improper deductions from the pay of exempt employees are prohibited. Managers or supervisors who violate this policy will be subject to an investigation into their pay practices and appropriate corrective action, in line with standard procedures.

b. Exceptions to Salary Basis Pay:

While exempt employees are generally entitled to their full salary, the following exceptions allow for permissible pay deductions:

1. Absences for personal reasons (other than sickness or disability): Deductions can be made for one or more full days of absence for personal reasons, but partial-day deductions are not permitted.

2. Absences due to sickness or disability: Deductions may be made for one or more full days of absence due to sickness or disability, but partial-day deductions are not permitted.

3. Jury Duty, Witness Duty, and Military Leave: Fees received by the employee for jury duty, witness duty, or military leave may be applied to offset the employee's salary for the week. However, no deductions can be made for the employee's failure to work due to these reasons.

4. Penalties for Safety Violations: Deductions may be made for penalties imposed for significant violations of safety rules.

5. Unpaid Disciplinary Suspensions: Deductions may be made for unpaid disciplinary suspensions of one or more full days, in accordance with the Authority's disciplinary policy.

6. First and Last Week of Employment: In cases where an exempt employee works only part of the week (for either the first or last week of employment), deductions may be made on a pro-rata basis, provided this practice is consistently applied to all exempt employees in the same circumstances.

1.3.37 DRESS CODE

All employees shall dress in a suitable professional manner for the work being performed. Employees will be neat, personally clean, and wear clothing that is safe and appropriate for their assigned working environment. An employee is a representative of the Authority to the public, and should dress and maintain personal appearance appropriately. If uniforms are provided, they are to be worn while on duty and properly maintained.

The General Manager or Assistant General Manager may, from time to time, allow a dress-down day or theme day at his or her discretion, and employees may choose to participate voluntarily or continue to meet the traditional dress code.

Due to the requirement that certain classified employees may be required to periodically wear a self-contained breathing apparatus (SCBA), full facial beards will not be allowed for employees working in those classifications. Mustaches, sideburns, and goatees may be allowed for those classified employees, as long as they are well-trimmed, do not reach below the employee's jaw line, and do not impede the SCBA.

1.3.38 SMOKE AND TOBACCO FREE WORKPLACE

To promote a safe and healthy environment, the Authority maintains a smoke-free and tobacco-free workplace. Smoking, vaping, and the use of tobacco products are not allowed inside Authority buildings or vehicles, or at customer sites. Limited smoking and vaping on Authority premises may be permitted only in designated outdoor areas during scheduled breaks. Employees must properly dispose of cigarette butts, vape cartridges, and other tobacco or vape litter in designated receptacles.

Employees are expected to follow all policies when working offsite and to properly dispose of litter. Being permitted to use tobacco products during breaks is a privilege, as long as such use does not interfere with an employee's work, safety, fitness for duty, or professional appearance.

1.3.39 GOSSIP AND CONFIDENTIALITY

Relaying demeaning information about fellow employees, associates, or customers is an intolerable practice. Gossip is usually the repetition of misinformation and is strictly prohibited. All personnel shall guard against gossip and decline to listen to it from others.

All personnel shall practice professional confidentiality regarding personnel records, utility accounts, project plans, and general funds maintained by the Authority at all times. All information shall be considered confidential unless authorized for release by the General Manager or the Authority's Public Information Officer in response to information under the Public Information Act. The willful use of demeaning gossip concerning employees or customers, or the disclosure of confidential information without a release authorization, shall be grounds for discipline or termination.

1.3.40 POLITICAL ACTIVITY

Personal political beliefs will not affect employment unless they are contrary to the Constitution of the State of Texas or the United States. However, certain restrictions are placed upon any political activity as referenced in Section 1.2.2, Standards of Conduct. The supervisor should be consulted prior to engaging in any type of political campaign or voluntary political party activity to determine if there may be a possible conflict of interest.

1.3.41 Progressive Disciplinary Policy

The Authority's progressive discipline policy and procedures are designed to provide a structured approach to corrective action. This process aims to address and improve employee behavior and performance issues while preventing recurrence.

The steps outlined below describe the Authority's progressive discipline procedures. However, the Authority reserves the right to modify or skip steps based on the specifics of each situation and the nature of the offense. Factors such as whether the issue is recurring despite prior coaching, counseling, or training, the employee's work history, and the impact of the behavior on the organization will all be taken into consideration.

This policy does not provide any contractual rights regarding employee discipline or counseling, and nothing within it should be interpreted as modifying or altering the employment-at-will relationship between the Authority and its employees.

CHAPTER 1

a. Steps to Progressive counseling

Step 1: Counseling and Documented Conversation Warning

The first step offers an opportunity for the immediate supervisor to address the performance, conduct, or attendance issue with the employee. The supervisor will discuss the nature of the problem or violation and explain expectations for improvement. Clear steps for corrective action will also be outlined.

Within five business days, the supervisor will document the verbal counseling in writing. The employee will be asked to sign this document as acknowledgment of the issue and corrective action.

Step 2: Written Warning

The written warning represents a more formal documentation of the issue. In this step, the immediate supervisor, along with a division manager or director, will meet with the employee to review the performance, conduct, or attendance issues and any prior corrective actions taken.

A formal Performance Improvement Plan (PIP) will be provided to the employee, requiring immediate and sustained corrective action. The written warning may also indicate that continued failure to meet expectations could lead to further discipline, including termination.

Step 3: Suspension and Final Written Warning

For serious performance, conduct, or safety violations, a suspension may be necessary to temporarily remove the employee from the workplace. This action is especially important when immediate action is needed to ensure the safety of the employee or others.

Suspensions in this step must be approved by a next-level manager and HR. Depending on the infraction's severity, the employee may be suspended without pay. This suspension will be in full-day increments, consistent with federal, state, and local employment laws. Nonexempt/hourly employees may not use paid vacation or sick leave during this suspension.

If the investigation clears the employee of wrongdoing, pay may be reinstated.

Step 4: Recommendation for Termination of Employment

Termination is the final step in the progressive discipline process. The Authority will generally follow the progressive nature of this policy, providing warnings and suspensions before recommending termination. However, the Authority reserves the right to combine or skip steps based on

the specific circumstances and severity of the offense. In some cases, employees may be terminated without prior warning.

A recommendation for termination must be approved by the human resources representative (HR) and the General Manager (GM).

b. Performance and Conduct Issues Not Subject to Progressive Discipline

Certain behaviors are not subject to the progressive discipline process and may result in immediate termination. These include, but are not limited to:

- Illegal activities (which may also be reported to local law enforcement)
- Theft
- Substance abuse or intoxication
- Fighting or other violent behavior in the workplace

c. Documentation

The employee will receive copies of all documents related to progressive discipline, including Performance Improvement Plans (PIPs). Employees will be required to sign these documents, acknowledging receipt and understanding of the corrective action outlined.

All documentation will be placed in the employee's official personnel file.

1.3.42 TERMINATION, SUSPENSION, OR DEMOTION

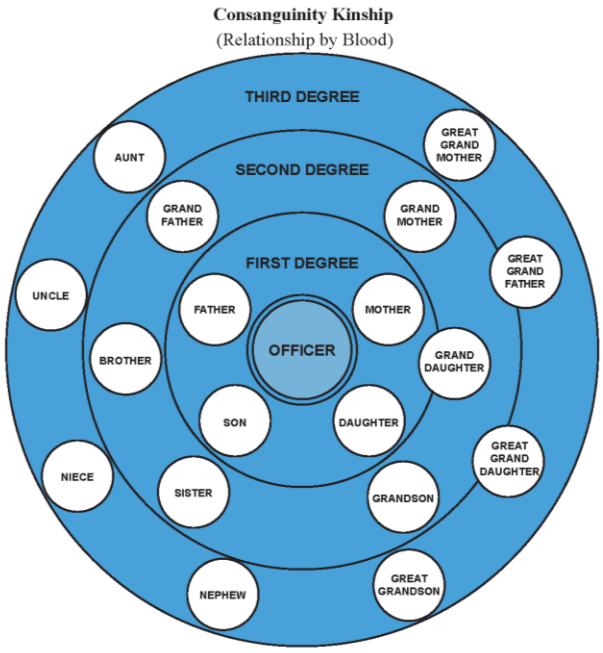
An employee's actions and demeanor must reflect positively upon the reputation of the State of Texas and the Red River Authority of Texas. The Authority strives for excellence in all facets of operation. The emphasis is on the employee's responsibility for attendance, behavior, and performance. The following conditions may be just cause for termination, suspension, or demotion:

a. Conviction of a felony or misdemeanor, whether on or off duty;
b. Violation of any official regulation, order, or failure to obey any proper direction made or given by a supervisor;
c. Inability to perform the assigned duties enumerated on an official job description at the expected level or a temporary duty assignment so ordered by the supervisor;
d. Being guilty of unethical conduct or any conduct unbecoming of an employee of the state while on duty;
e. Being under the influence of or use of intoxicants, illegal drugs, or other stimulants while on duty;
f. Being incompetent or inefficient in the performance of, or dereliction of, assigned duties;
g. Being careless or negligent with funds or property of the Authority;

h. Failure to pay or make reasonable provisions for payment of personal debts;
i. Using, threatening to use, or attempting to use, personal or political influence in securing a promotion, leave of absence, transfer, or change in the character of work;
j. Threatening or abusive language or actions while on duty;
k. Malingering or abuse of any leave privileges;
l. Willfully making or signing a false statement, or falsifying an Authority document in the performance of duties;
m. Inability to work harmoniously with the public and other employees, or consistently projecting a negative or hostile attitude in the performance of duties;
n. Adverse publicity as a result of gross immorality;
o. A direct violation of any section of the Authority's General Policy, now in effect or hereinafter adopted.
p. Excessive absenteeism, tardiness, or job abandonment.
q. Sexual harassment of an employee or customer of the Authority
r. Unauthorized use of Authority equipment

1.3.43 Consanguinity

Consanguinity as used in this Chapter shall be interpreted using the following charts:



CHAPTER 2

RESEARCH AND DEVELOPMENT DIVISION

RESEARCH AND DEVELOPMENT DIVISION

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GENERAL POLICY

CHAPTER 2

2.1 RESEARCH AND DEVELOPMENT DIVISION

2.1.1 INTRODUCTION

The Authority is empowered under Article 8280-228, §14, VATCS with the responsibility of pursuing the full development and beneficial use of the natural resources within the entire watershed of the Red River Basin in Texas. This is to include, but not be limited to, pollution control, flood control, water supply development, conservation and distribution, stream bank stabilization and navigation, development of public parks and recreation, and treatment and disposal of municipal and industrial waste.

The Authority is further empowered under Article 8280-228, §19, VATCS to include investigation, planning, construction, operating, and maintaining all necessary properties, lands, rights, tenements, easements, reservoirs, dams, canals, and associated facilities which may be deemed proper for the accomplishment of the Authority's purpose. It is further authorized to enter into contracts with municipalities, districts, corporations, the United States and its agencies, the State of Texas and its agencies, the States of Oklahoma, Arkansas, and Louisiana, the confines of which are adjacent to the Red River.

2.1.2 PURPOSE

The Research and Development Division shall be an integral part of the Authority with the principal purpose of fulfilling the legislative acts as previously described.

The Research and Development Division shall initially begin any type development project to which the Authority may be engaged, including but not limited to, other divisions within the Authority's structure, and will conduct its activities in accordance with the guidelines set out in this chapter of the general policy.

The General Manager shall be responsible for accomplishment of the basic objectives as outlined herein and solely responsible to the Board of Directors for its administration.

2.1.3 FUNDING AND FINANCING

The Research and Development Division shall be funded through annual budgetary appropriations through the General Division sufficient to complete any preliminary reconnaissance reports detailing the specific requirements of an entity's request and recommendations as to how the Authority proposes to assist.

Any additional involvement on the part of the Authority shall be subject to approval of the Board of Directors and consummation of a contract between the entity requesting assistance and the Authority.

2.1.4 PROJECT INITIATION

Any entity within the legal jurisdiction of the Authority may request assistance within the scope of the Enabling Legislation (Article 8280-228, VATCS). A request for assistance must be made in writing by the governing board, commission, or council stating the specific need or problem that requires assistance on the part of the Authority. The Authority shall respond to the entity's request by conducting a reconnaissance study to determine alternative solutions and report its findings to the Board of Directors and the entity's governing body.

2.2 SCOPE OF SERVICES

2.2.1 COMPUTER-AIDED DESIGN AND DRAFTING

The Authority may employ computer-aided design and drafting (CADD) facilities for any other division within the Authority. The CADD services shall be limited to the preparation of facility plans and drawings, lot plans and plats, and digital mapping as may be necessary to meet the general planning and development needs of the Authority or any public entities within the basin.

All charges for services shall be based on actual time and will be charged in compliance with the Authority's currently approved Indirect Cost Accounting Plan, including personnel time, computer time, and any materials utilized to complete an assigned task. Any outside consultant charges will be the responsibility of the contracting entity in accordance with Section 2.3.3. Each task shall be detailed on a work order approved by the General Manager.

2.2.2 GRAPHIC INFORMATION SYSTEM

A graphic information system shall be developed and maintained for the Authority to provide data management and analysis of facilities within the Utility Division and water quality monitoring and planning within the Environmental Services Division.

2.2.3 PROJECT PLANNING

The Authority may engage in planning efforts as prescribed in Article 8280-228, §14 (a-k), VATCS for the study, protection, conservation, management, and development of the water resources of the Red River Basin. All formal plans prepared by the Authority shall be for the benefit of the public within its legal jurisdiction and conform to all state, regional, and area-wide planning efforts.

CHAPTER 2

2.2.4 PROJECT DEVELOPMENT

The Authority shall endeavor to promote the organized development and management of the water resources of the watershed within the framework of the Master Plan for the Red River Basin prepared under Article 8280-228 §14 (k), VATCS. Any project considered for development shall comply with the following objectives:

a. Be required by the public in order to promote or improve the quality of life;

b. Determined to be economically feasible and beneficial to the needs of the public who may be designated as participants to provide financial support for the debt, operation, and maintenance of the project over its useful life;

c. Be determined to be technically feasible and environmentally sound to support an equitable balance between mankind and the natural habitat;

d. Utilize, conserve, protect, or reclaim the water resources within the confines of the Red River Basin.

2.2.5 PROJECT MANAGEMENT

The Authority may act as a management agency under a specific contract agreement on behalf of the State of Texas, the adjacent states of Oklahoma, Arkansas, and Louisiana, or any local public entity desiring services to be provided by the Authority for the purpose of project planning, development, permitting, or operations and maintenance of facilities as designated under Article 8280-228, §16, VATCS.

2.3 CONSULTANTS

2.3.1 REQUEST FOR PROPOSALS

The Authority may request the services of professional consultants to assist the Authority with the design, development, and construction phases of a project or to conduct studies relevant to a plan or project. Consultant Services shall be selected based on qualifications and expertise required for the obligation and conducted pursuant to the Professional Services Procurement Act as defined in Chapter 2254 of the Texas Government Code or TCEQ Rule 292.13.

A request for proposals (RFP) shall be prepared for each project, plan, or study that will require the services of a professional consultant and is estimated to cost in excess of $25,000. The RFP shall be distributed among qualified consultants having experience in the particular field of expertise or discipline required and licensed to practice in the State of Texas.

The request for proposals shall contain, as a minimum, the following general information:

a. Description of the proposed project requiring the services of a professional consultant;

b. Definitive goals and objectives of the project;

c. A general task outline describing the actual work plan to be accomplished for the project; and

d. Critical elements of the project, such as time frame, budgetary limitations, environmental, and permitting.

2.3.2 CONSULTANT SERVICES

The Authority shall at all times maintain a pre-qualified list of competent professional consultants with a current qualifications statement and experience record for each within the following disciplines. Refer to the Consultant List contained in Appendix G for details.

a. Civil Engineering with experience in water resource protection, planning, development, design, and management;

b. Environmental Engineering with experience in water quality planning, monitoring, analysis, and environmental sciences;

c. Legal Practice with experience in public law, environmental law, water rights permitting, and public bond financing; and

d. Public Finance with experience in governmental accounting, investment management, bond issuance, and financial auditing and reporting.

2.3.3 SERVICE CONTRACTS

For the purpose of the Research and Development Division, there are five (5) basic contractual shells to be used in conjunction with a consultant, local entity, or contractor. They are as follows:

a. Contract Agreement designating the Authority as the Management Agency for the local entity;

b. Contract Agreement for Operation and Maintenance of a local entity's water or wastewater facilities;

c. Contract Agreement for using the Authority's bonding power to finance the development of a public works project;

d. Contract Agreement for Professional Consultants; and

e. Contract Agreement for Contractors.

All contracts are to be executed by the Authority and any other public body or professional consultant, or contractor and shall bear approval from the Authority's Board of Directors.

The General Manager or his/her designee shall supervise the services performed under any contract which constitutes the periodical disbursement of Authority funds and his/her designee shall review and report to the Board of Directors and local entity the progress of the work being performed, associated costs, and overall compliance with the terms and conditions of the approved contract.

2.4 TECHNICAL STUDIES AND REPORTS

2.4.1 MASTER PLAN MAINTENANCE

Pursuant to Article 8280-228, §14 (k), VATCS, the Authority has prepared a Master Plan for the Red River Basin and may periodically update the same to evaluate the specific water resource needs of all entities and communities within the confines of the Authority's boundaries.

The Research and Development Division shall be responsible for the perpetuation of the Master Plan and periodical survey of entity needs throughout the legal jurisdiction of the Authority.

2.4.2 RECONNAISSANCE STUDIES

The Authority may conduct a reconnaissance study to ascertain specific data for evaluating ambient problems surrounding the proper development or management of any type of public works facilities which may impact the water resources within the basin.

Alternatives must then be developed, which might be sought by the Authority or municipality as to the most economical and expeditious course of action.

The objective of the reconnaissance shall be to develop a report of findings as expeditiously as possible. The report must be addressed to the subject entity under investigation, approved by the Authority's Board of Directors, and filed with the local governing agency relevant to jurisdiction.

The report shall include, but not be limited to, a detailed description of the following subject matter:

a. Applicant's request for assistance or reason for the study;

b. Investigative report describing the specific need or problem encountered or observed;

c. Technical evaluation of the proposed project;

d. A preliminary financial analysis of the entity;

e. Proposed recommendation with alternatives, if possible, for a long-range solution to the identified problems; and

f. Suggested course of action to take on the part of the entity's governing body.

The Reconnaissance Study shall be made without charge to the applicant providing no consultant or legal fees are incurred while in the performance of said investigation.

Any further study or involvement shall require a specific contract agreement between the Authority and the local entity, subject to the approval of the Authority's Board of Directors.

2.4.3 FEASIBILITY STUDIES

A Feasibility Study shall be a prerequisite to any type of project development that would involve the use of federal, state, or Authority funds. The Authority may commission a feasibility study for any worthwhile project within the scope of Article 8280-228, §14, VATCS under the following general conditions:

a. In the event a feasibility study is required and is so performed, the entire cost to prepare the report and presentation shall be borne by the entity requesting the report.

b. The report, when completed and presented, shall be the property of the Authority and any participating entity.

c. The Authority's Board of Directors shall provide final approval to any feasibility study prior to official release or proceeding further with project development.

d. Should the project be determined not to be feasible, the project shall be terminated and considered final. Any participating entities will be required to pay the agreed-upon fees for the completed report.

e. Should the project be determined to be feasible, an application shall be completed, together with the plans and specifications, to seek funding as outlined in the recommendation section of the report.

CHAPTER 2

2.4.4 ENGINEERING STUDIES

The Authority may engage the services of a consultant engineer for the preparation of facility plans and specifications of a project considered technical and economically feasible. The engineering report shall be supplemental to a feasibility study and provide the detailed plans and specifications for construction. Among other things, the engineering report shall include:

a. A detailed site evaluation enumerating all anticipated conflicts with estimated cost impacts;

b. Any supplemental analysis specific to the project, such as geotechnical evaluations, environmental impact assessments, and structural analysis;

c. Any modeling routines required for the specific project;

d. A detailed estimate of cost for each phase or segment of the proposed project;

e. A complete set of draft plans and specifications; and

f. A final set of approved plans and specifications.

2.4.5 SUMMARY REPORTS

The Authority shall produce a summary report for each study, project development plan, or ongoing program that requires longer than three (3) consecutive years for completion. The summary report shall be made to the Board of Directors and shall include, as a minimum:

a. Historical background of the project, plan, or program;

b. Scope of the project's objectives;

c. Description of the project;

d. Projected costs associated with each phase or option; and

e. Conclusions of the report with recommendations for additional Board action.

CHAPTER 3

UTILITY DIVISION

UTILITY DIVISION

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GENERAL POLICY

CHAPTER 3

3.1 UTILITY DIVISION

3.1.1 INTRODUCTION

The Authority is empowered by law (Article 8280-228, Section 19, VATCS) to develop, operate, and maintain water supply treatment and distribution systems for the beneficial use of the public within the territorial confines of the Red River Basin in Texas.

The Utility Division was established as an integral component of the Authority's operations to effectively manage and account for all utility-related activities within its legal jurisdiction. The Enabling Legislation and each bond ordinance require that uniform rules and regulations be adopted and adhered to in an effort to assure the successful operation of each water or wastewater system. The rules and regulations as set forth herein are designed to provide general operating practices that are fair, equitable, and non-discriminatory to all participants of any utility system within the Utility Division.

The General Manager shall be responsible for administering this policy in a fair and equitable manner without deviation, except as expressly provided herein.

The Assistant General Manager shall be responsible for the day-to-day operations of all facilities, provide policy interpretation or guidance, and technical assistance to all personnel engaged with system operations.

Regional Managers may be assigned to each designated region within the Utility Division to provide oversight and ensure that all personnel perform their assigned duties consistent with the professional and ethical standards of the Authority, and within the scope of the guidelines and procedures of the general policy.

Utility Operators shall be responsible for the uniform administration and maintenance of an assigned geographical area within the framework of this policy. The Utility Operator is required to reside within the boundaries of the assigned district in an area as centrally located as practical, or as approved by the General Manager. Maintenance Division personnel shall assist the Utility Operators with all planned system improvements, scheduled repairs, and emergency repairs. Utility Division Personnel are required to live within an approved response time area as determined by the General Manager.

3.1.2 PURPOSE

Since the Utility Division encompasses a fifteen (15) county service area, it is necessary that uniform rules and regulations be adopted that are consistent with the requirements of the Authority's Enabling Legislation and other regulatory agencies.

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The context of this policy shall conform to the TCEQ Rules and Regulations, TAC Chapters 281 and 290 – 293 for public water supply systems, TAC Chapters 305, 309, 317, and 319 for public wastewater treatment facilities, TAC Title 16 Chapter 24 Substantive Water Rules and the Uniform Plumbing Code.

These rules and regulations shall be a part of every contract for service, and in each application for service, the applicant or customer shall agree to be bound by the provisions of this policy and the service contract. No representative, agent, or employee shall have the right to change or modify any portion of this policy without the express written approval of the Board of Directors. The failure of the Board to enforce any provision of this policy shall not be a waiver of its right to do so. Should a circumstance arise that is contrary or not covered under this policy, the General Manager may provide an interim rule governing the situation until an amendment or new rule can be formally adopted by the Board of Directors.

3.1.3 FUNDING

The Authority may provide all capital necessary to design, develop, and construct any public facilities necessary to meet utility service demand not provided by a local entity.

Revenues to service the Utility Division's debt and to pay all operating expenses shall be generated from user rates, fees, and charges as set by the Board of Directors. Each system within the Utility Division shall levy the uniform user rate base designed to provide for the cost of operations and adequate operational reserves, to fund system enhancements, and to recover the Authority's capital debt.

3.1.4 RATE METHODOLOGY, CUSTOMER NOTIFICATION, AND APPEAL PROCESS

The Board of Directors of the Authority is charged under Article 8280-228, §26 (e), VATCS with the responsibility of setting the rates for all water sold and services rendered. These rates, fees, and charges must be sufficient to pay the expenses of operations and total debt services of the Authority. The rate shall be computed on a cash basis, based on the most current audited financial model in determining the cost of service. The rate base within the Utility Division shall be of the inverted demand block type and evaluated for its financial equity and water conservation effectiveness at least annually. A Comprehensive Rate Analysis will be performed before adopting rates. The adopted rate methodology shall apply to all retail and commercial customers of water systems within the Utility Division.

The Process to change rates or charges will comply with the State of Texas Water Code, Title 2, Subtitle B, Chapter 13 – Water Rates and Services, and Special Districts Local Laws Code Title 6. Water and Wastewater Subtitle G. River Authorities Chapter 8510. Red River Authority of Texas, by Acts 2021, 87th Legislature, R.S., Chapter 914 (H.B. 3530), Sec. 103, effective April 1, 2023.

Specifically, to ensure that before the Authority makes a significant rate change (adopted by the Board as >20%) to a rate or charge for the sale and use of water, affected persons are provided with an opportunity for public input. Public input must be requested with each proposed rate change based on a Comprehensive Rate analysis. The Authority will notify customers of proposed rate changes by post on the Authority's website, in an affected person's utility bills, by mail to the address of record on the utility account, and by public meetings at a minimum of three locations in the Authority's geographical service area. The notices will enable the Authority to get customer feedback on proposed rates, and help generate customer buy-in for necessary rate increases. The Authority shall comply with the provisions of the State of Texas's Water Code, Title 2, Subtitle B, Chapter 13 – Water Rates and Services, and Special Districts Local Laws Code Title 6. Water and Wastewater Subtitle G. River Authorities Chapter 8510, Red River Authority of Texas, by Acts 2021, 87th Legislature, R.S., Chapter 914 (H.B. 3530), Sec. 103, effective April 1, 2023, concerning notification of utility rate changes to rate payers.

3.1.4.1 NOTICE OF RIGHT TO APPEAL CHANGES TO RATES

The Authority shall notify affected persons of their right to appeal changes to rates:

1. In written notices related to the change of rates,
2. In utility bills sent out before the deadline for initiating an appeal under Chapter 13, Water Code, and
3. On the Authority's website

The notice required by Subsection 3.1.4.1 must include descriptions of:

1. The appeal process,
2. The requirements for an appeal, including the number of signatures needed on a petition, and
3. The methods available for obtaining additional information related to rates.

The Authority shall comply with the provisions of the State of Texas Water Code, Title 2, Subtitle B, Chapter 13 – Water Rates and Services, and Special Districts Local Laws Code Title 6, Water and Wastewater Subtitle G. River Authorities Chapter 8510, Red River Authority of Texas, by Acts 2021, 87th Legislature, R.S., Chapter 914 (H.B. 3530), Sec. 103, effective April 1, 2023 concerning notification of utility rate changes to rate payers.

3.1.5 SCOPE OF SERVICES

The Utility Division was designed to provide potable water supply or sewerage disposal services to anyone residing within the immediate service area of an existing distribution or collection system. The new service is contingent upon the existing system having the extra capacity to support the additional demand proposed, and the applicant paying all costs associated with the connection of service.

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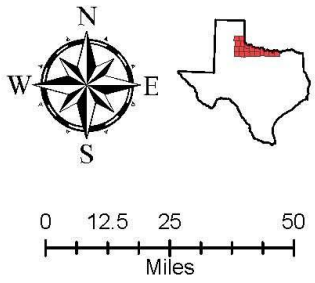
3.1.6 UTILITY SERVICE AREA

The Utility Division's service area shall be defined as all or part of fifteen (15) designated counties included in the Certificate of Convenience and Necessity Number 10202 as issued by the Public Utilities Commission on November 1, 1979, which is now under the jurisdiction of the Texas Commission on Environmental Quality, and more specifically described on maps filed with the Commission. Refer to the Utility Division Service Area Map, **Figure 2**, for details.

Red River Authority of Texas
Regional Water Supply Facilities



Dist 11	1.	100	Estelline	Estelline
	2.	100	Estelline WWTP	
	3.	110	Parnell	
	4.	110	Ed House	Turkey/Estelline
	5.	110	Reece	
	6.	110	Rodriquez	
	7.	111	Newlin	
	8.	112	Harrels Chapel	
	9.	113	LA Tucker	
	10.	113	Smith	Northfield
	11.	113	Nimmo	
	12.	113	Taylor	
	14.	213	Quanah SW	
	17.	231	Quanah NE	
	36.	510	Foard City	
	37.	510	Johnson	
	38.	510	Potts	Foard County
	39.	510	Self	
Dist 12	40.	510	Smith	
	41.	520	Gilliland	
	42.	520	Truscott	Truscott/Gilliland
	43.	520	Alexander	
	44.	520	Lowrance	
	16.	230	Medicine Mound	
	20.	300	Lockett	Lockett
	21.	300	Vernon W.	
Dist 13	22.	311	Box	
	23.	312	Hinds	
	24.	313	Farmers Valley	

Dist 14	13.	211	N. Goodlett	
	15.	221	O. Goodlett	
	18.	235	Kirkland	Kirkland / Lazare
	19.	235	Lazare	
	28.	411	Childress NE	
	29.	412	Said	
	30.	413	Garden Valley	
Dist 15	31.	500	Guthrie	
	32.	500	Pitchfork	
	33.	500	McAdoo WF	Guthrie/Dumont
	34.	500	Dumont WF	
	35.	500	Dumont	
	25.	410	Airport	
	26.	410	Tell	Tell / Cee Vee
	27.	410	Cee Vee	
Dist 16	45.	600	Clark	
	46.	600	Lone Mound	
	47.	600	Abria	Samnorwood
	48.	600	Samnorwood	
	49.	600	Lutie	
	50.	600	Panfork	
	51.	610	Patterson	Dodson
	52.	610	Kesler	
	56.	612	Montgomery Tank	Club Lake
Dist 18	53.	611	Hill	
	54.	611	Montgomery	Plaska-Friendship
	55.	611	Hedley	
	57.	800	Howardwick	
	58.	811	Greenbelt Lake	
Dist19	59.	900	Arrowhead Plant	
	60.	900	West OH	
	61.	900	East OH	Laake Arrowhead
	62.	900	ARE Plant	
	63.	900	ARE WWTP	
	64.	902	Ringgold	
Dist 22	65.	722	Preston Plant	Preston Shores
	66.	722	Preston OH	

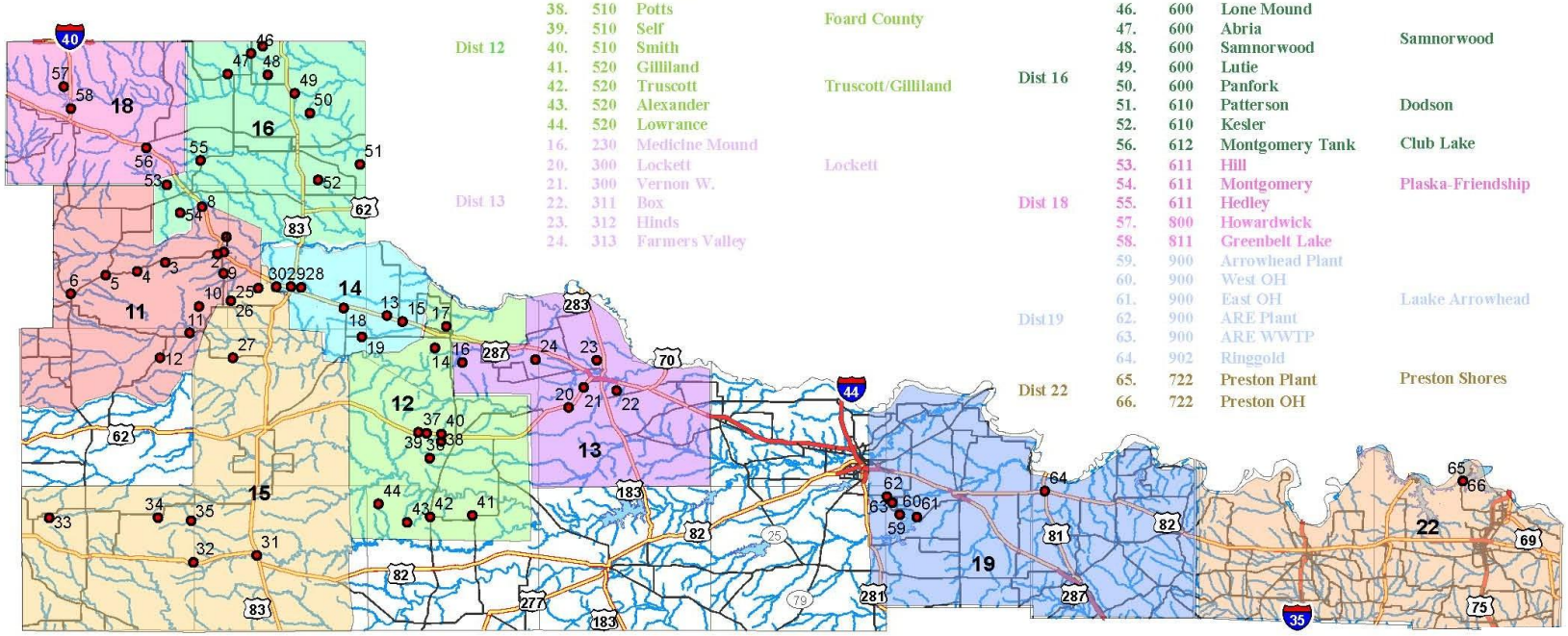


Figure 2

CHAPTER 3

3.2 GENERAL ADMINISTRATIVE PROCEDURES

3.2.1 APPLICATION FOR SERVICE

The Utility Division shall provide any person desiring a service connection to an existing system contingent upon the following general conditions being met:

a. The system must be capable of supporting the estimated added consumptive demand of the proposed connection.

b. Applicant agrees to all terms of the Domestic or Commercial Service Contract and executes the same with a completed application for service form.

c. Commercial Applications are subject to the approval of the Assistant General Manager.

d. Applicant agrees to pay the required connection fees in advance.

e. Applicant agrees to provide a standard 20-foot property easement, if required for the service line.

f. Applicant's structural plumbing, as determined by a Customer Service Inspection, complies with the Authority's current plumbing codes as adopted by the Board of Directors.

3.2.2 SERVICE CONTRACT SHELLS

A **domestic service connection** shall consist of a standard 5/8" tap made to an existing 2" main line or larger and owned by the Authority.

a[1]. The Authority shall service and maintain said connection up to and including an installed registered service meter.

b[1]. Guaranteed discharge shall meet TCEQ standards at a minimum and shall not exceed 20 gallons per minute (GPM), and shall not exceed 3,000 gallons in any one 24-hour period.

c[1]. Minimum static pressure shall be 35 psi. The minimum flow rate shall be 2 gallons per minute at the meter.

d[1]. A connection shall not be made to an existing system without a prior test to substantiate the expected additional consumption.

e[1]. Applicant shall agree to all terms and conditions of the Domestic Service Contract. See the attachment for details.

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f[1]. If domestic sewer service is available, it will be added to the Domestic Service Contract.

A **standard commercial service connection** (Restricted Demand) shall consist of a standard type connection with a meter no larger than a full 3/4" bore.

a[2]. Guaranteed discharge shall meet TCEQ standards at a minimum and shall not exceed 30 GPM.

b[2]. Maximum consumption shall not exceed the agreed-upon calculated peak demand in gallons in any one 24-hour period.

c[2]. The Standard Commercial Rate shall be periodically adopted by the Board of Directors and indicated in the contract.

d[2]. No commercial connection shall be made without a prior test of the existing system to substantiate the additional consumption.

e[2]. No commercial connection shall serve more than 10 individual services or exceed the demand criteria in this section.

f[2]. If commercial sewer is available, it may be added to the contract with rates based on the Authority Utility Division Rate Schedule.

g[2]. Proper backflow prevention devices are installed if necessary.

h[2]. If a commercial sewer customer requires a connection with sewer access to more than one occupied structure, the base sewer rate shall be determined by the General Manager with a special contract.

A **special wholesale commercial connection** shall consist of a connection sufficient to supply a specified volume and pressure required for the intended use.

a[3]. Maximum and average daily consumption shall be predetermined and so agreed upon before entering into a special contract, in order to be certain that the affected system or systems can support the added demand.

b[3]. The wholesale rate shall be determined in each contract for service by the General Manager using TCEQ and PUC guidelines.

c[3]. A minimum charge shall be applied based on the calculated reserve capacity necessary to meet the average monthly demand, proportional to the amortized capital cost of the treatment, storage, and transmission facilities, and equated in thousands of gallons. The minimum charge shall be paid monthly, whether water is consumed or not.

d[3]. All new capital costs of any facilities required as a result of the new special wholesale commercial connection shall be borne by the applicant and conveyed to the Authority without charge up to and including the metering device and backflow prevention devices.

e[3]. No special wholesale commercial connection shall be added to an existing system without tests to substantiate the additional consumption.

3.2.3 SERVICE TRANSFERS

Transfer of an existing customer's meter may be accomplished in the following manner:

a. Existing customers must own the property where the meter is to be transferred, or the property owner must agree, if it is a rental transfer.

b. The existing customer's account must be current.

c. The transfer customer must agree to all items in Section 3.2.1.

3.2.4 SERVICE EXTENSIONS

It shall be the policy of the Authority that all extensions or improvements to facilities required as a result of an application or applications for service, except those of a new major capital expansion program, shall be paid for in full by the applicant or applicants prior to the start of construction.

All payments received by the Authority for an extension project shall be in addition to the standard tap fee and other requirements.

No extension shall be made without regard to overall planning, pressure, volume, and other general design considerations, and approval from the Assistant General.

3.2.5 SERVICE INTERRUPTIONS

The Authority cannot guarantee continuous and uninterrupted service, and will not be liable for loss or damage to any customer caused by the failure to supply water or interruption of service, if such interruption is due to a cause beyond the reasonable control of the Authority.

Whenever service is interrupted for work on lines or equipment, such work shall, as far as practical, be done at a time that will cause the least inconvenience to the customer. The customers to be out of service by such planned interruptions shall be notified in advance if practical to do so.

Service may be interrupted from time to time due to the implementation of the Utility Division's Drought Contingency Plan, at which time the customer shall be notified of the prevailing alert criteria and required to follow the enumerated instructions for water curtailment and rationing until the prevailing emergency condition has been alleviated. Failure of a customer to comply with a Mandatory Curtailment Order or a Mandatory Rationing Order may result in an immediate service disconnection. Reinstatement of the customer's service shall be subject to approval of the Assistant General Manager and payment of reconnection fees.

In areas of frequent interruptions, or if customers maintain pressure-sensitive equipment, Authority personnel should encourage these customers to install check valves or other back-flow devices. All out-of-service reports shall be prepared by the Utility Operator monthly, and submitted to the Assistant General Manager.

3.2.6 RATES, FEES, AND CHARGES

Rates, fees, and charges are posted in the Utility Division Rate Schedule, and the Maintenance and Utility Division Schedule of Fees and Charges, as adopted annually by the Board of Directors with the annual budget. The rates are adopted in accordance with the Special Districts Local Laws Code Title 6, Water and Wastewater Subtitle G, River Authorities Chapter 8510, Red River Authority of Texas, by Acts 2021, 87th Legislature, R.S., Chapter 914 (H.B) 3530), Sec. 103, effective April 1, 2023.

3.2.7 METER READING

All service meters shall be read by Authority personnel on a monthly basis according to a detailed schedule provided to each Utility Operator, corresponding with the district's billing cycle.

a. All service meters shall be read between the first (1st) and fourteenth (14th) day of the individual district's billing cycle, and submitted to the Accounting Department on or before the eighteenth (18th) day of the same cycle.

b. Master meters shall be read by Authority personnel at least once each week, and if possible, on the same date as service meters are read, and shall be submitted to the Assistant General Manager on the appropriate forms.

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3.2.8 METER ACCURACY

The Utility Division shall maintain a routine meter accuracy testing program to ensure proper accounting for all water produced, processed, purchased, or sold. All meter testing and accuracy limits shall conform to the AWWA Specification Manual M-6.

a. Accuracy of all water service meters must be within ± 1.5%.

b. Accuracy of all other meters must be within ± 2.0%.

c. All meters may be tested once annually by utility personnel and results recorded, together with date, time, and meter serial number at no charge to the customer.

d. All customer service meters having reached maximum register shall be tested and reconditioned, if deemed necessary by the Utility Operator.

e. All unscheduled meter accuracy tests shall be at the customer's expense.

f. All special commercial or wholesale meters with a bore diameter of 2 inches or greater shall be tested for accuracy at the customer's expense, and at intervals stipulated in the service contract, with certified results of the testing being submitted to the Assistant General Manager within twenty-four (24) hours of the results being received.

3.2.9 METER REMOVAL

Any service meter removal shall be recorded by the Utility Operator on an approved Work Order through the Customer Service Representative at the Wichita Falls office. The Utility Operator shall have fully completed the Work Order within twenty-four (24) hours from meter removal. A meter shall not be removed without prior authorization, based on one or more of the following reasons:

a. Request of the customer;

b. Repair or replacement;

c. Delinquent account;

d. Unoccupied property or rental property;

e. Illegal or unauthorized connection, cross connections, or plumbing practice;

f. Noncompliance of conservation request or Mandatory Curtailment Order; or

g. Unauthorized tampering or abuse.

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3.2.10 METER REINSTATEMENT

Should a customer's service be terminated for any reason, the following conditions must be met for reinstatement:

a. Payment of all unbilled metered water, and previous bill;

b. Payment of the reconnect fee, if the same customer;

c. Execution of new Service Contract;

d. Correction of any cited illegal connections or plumbing practice as determined by a Certified Customer Service Inspector; and

e. Installation of an approved customer cut-off valve, and a backflow prevention device if required, within one foot of the meter box.

Should a new customer desire to reinstate an existing but inactive connection, the new customer must make an application, execute a Service Contract, and pay the required fees. No charge shall be made to a new customer for the previous owner's metered water or bad debt. All applications for service will be checked against a Bad Debt list maintained by the Authority prior to being approved. A prior Authority customer with a bad debt balance must pay all bad debt arrears before receiving new service.

3.2.11 UTILITY BILLING STATEMENTS

All utility billing statements shall be mailed from the Authority's main office on the last working day of the assigned monthly billing cycle. The bill is due and payable on or before the 16th day after issuance of the bill. All accounts will be considered delinquent if not paid by 5:00 PM on the 16th day after issuance, subject to rule (holiday or weekend). Delinquent accounts will be assessed a 10% late charge against the monthly charges. Delinquent accounts are subject to a service disconnect on the 27th day after bills have been issued of same billing cycle. Not receiving a bill does not exempt a customer from his or her obligation to keep the account current.

A Termination Notice shall be mailed from the Authority's main office on the 17th day after issuance of the monthly billing statement of the same billing cycle, unless prior payment is received in full; a copy of the notice shall also be provided to the Utility Operator. This notice shall indicate the date the meter is subject to removal, plus the delinquent account balance. The Utility Operator may make a reasonable attempt to contact the customer prior to meter removal, only when the customer has a good payment history, as reported by the Customer Service Representative. A service charge may be added to delinquent accounts for collection by utility personnel in the field.

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A customer shall be responsible to pay on a monthly basis the minimum charge whether water is used or not. Partial payments will only be accepted with the approval of the General Manager or Assistant General Manager. Payments will only be accepted from a current account holder, or persons authorized in writing by the account holder.

The customer is responsible to pay for all water registered through the meter, whether or not the water was used. The Authority is not responsible for water loss of any kind on the customer's side of the meter, including water loss due to leaks. The Authority may attempt to notify a customer if consumption irregularities are noted on the account as a courtesy. The customer is responsible for monitoring their consumption and the condition of the customer's side plumbing.

Advanced payments of up to $100.00 per account may be accepted on a routine basis. Any request to accept advanced payment for more than $100.00 must receive approval from the Assistant General Manager or the General Manager.

Payments are to be made by one of the following methods:

a. By mail to: Red River Authority of Texas, P.O. Box 240, Wichita Falls, Texas 76307

b. Online at https://www.rra.texas.gov

c. By phone at 833-243-3380

d. By draft (a draft form will be attached to each contract)

No payments are to be taken in the field unless authorized by the Assistant General Manager, and then only by check, cashier's check, or money order.

3.2.12 BILLING ADJUSTMENTS

From time to time, posting errors or equipment malfunction shall be just cause for an adjustment to a customer's account, either as a debit or credit. No adjustments shall be made to an account without prior approval from management, and issuance of a Work Order or Status Change Order if required.

All direct adjustments such as overcharges, double charges, or incorrect meter readings shall be taken at face value, and credit or a refund issued within the same accounting period, subject to management approval.

All indirect adjustments, such as erroneous meter readings, shall be adjusted after the Utility Operator has supplied a corrected reading, and a corrected bill has been issued.

Any water that passes through the water meter shall be the customer's responsibility, unless the water loss is determined to have resulted from a leak at the meter gasket attributable to an Authority error.

Customers requesting a billing adjustment due to suspected excessive water usage shall be required to have a data log performed on the meter before any bill reduction will be considered. The cost of the data log shall be the customer's responsibility.

A customer may also request a meter accuracy test to verify proper meter operation. The cost of the meter accuracy test shall be the responsibility of the customer.

The costs associated with the data log or meter accuracy test may be reimbursed only if the results indicate that the meter was not functioning properly.

The status of any account shall not be changed without authorization of management.

3.2.13 PUBLIC NOTIFICATIONS

The Assistant General Manager shall promptly notify any utility customers of contaminants that may pose a health threat when identified in the course of analysis. Regular notifications shall be made in writing on a quarterly basis where a contaminant has been identified and so ordered by the Texas Commission on Environmental Quality. All other notices (e.g. Boil Water Notice, Consumer Confidence Report) shall be issued in compliance with TCEQ rules and regulations.

3.2.14 CROSS CONNECTION CONTROL AND BACKFLOW PREVENTION

The production and delivery of safe drinking water is the Utility Division's highest priority. After potable water has been produced, precautions must be taken to protect the public water supply from contamination through cross-connections and backflow. The Authority shall administer a Cross Connection Control and Backflow Prevention Program in accordance with applicable Federal and State regulations.

a. Customer Service Inspections

1. Customer Service Inspections (CSI) will be conducted by a Certified Customer Service Inspector for:
   - All new service connections;
   - Existing service connections where plumbing has been modified or replaced;
   - Any service connection where a potential contamination hazard is identified by the Utility Operator
2. The purpose of the inspection is to identify actual or potential cross-connections and determine whether backflow prevention is required to adequately protect the public water system.

b. Backflow Prevention Requirements

1. Backflow prevention is the responsibility of the customer.
2. When required by the Authority or applicable regulatory requirements, the customer will install an approved backflow prevention assembly on the customer side of the water meter at the customer's expense.
3. Service connections determined to present a high health hazard, including commercial, industrial, wholesale, or other connections identified by the Authority, will be required to install, maintain, and annually test an approved Reduced Pressure Zone (RPZ) Backflow Prevention Assembly or other approved backflow prevention device, as determined by the Authority.
4. Annual testing must be performed by a certified Backflow Prevention Assembly Tester. Test results must be submitted to the Authority within twenty-four (24) hours of testing.
5. Authority employees will not install, replace, or maintain customer backflow prevention devices or double-check valves on either side of the water meter. Existing Authority-installed devices that have failed will be removed by Authority personnel.

c. Pressure Regulators

1. Pressure regulators are the responsibility of the customer.
2. Customers choosing to install or replace a pressure regulator must install and maintain the device on the customer side of the water meter at their own expense.
3. Authority employees will not install, replace, or maintain customer pressure regulators on either side of the water meter. Existing Authority-installed customer pressure regulators that have failed will be removed by Authority personnel.

d. Identification of Potential Backflow Hazards

1. Office staff will generate a service order documenting that the meter and pressure test were initiated due to a reading less than the previous meter reading.
2. Field staff will:
   - Verify meter operation by flowing water through a customer-side outlet and confirming the meter reading increases;
   - Measure water pressure at the meter;
   - Document the verification with pre-test and post-test photographs; and
   - Report all findings, including pressure readings and photographs, to the office.
3. Office staff will document the completed field verification in the service order.
4. If the Authority determines that backflow protection is required based on the inspection, testing results, or other identified hazards, the customer will be notified in writing to install an approved Reduced Pressure Zone (RPZ) Backflow Prevention Assembly or other approved backflow prevention device, as determined by the Authority.

5. Staff will complete any additional procedures necessary to ensure compliance with this policy and all applicable regulatory requirements.

e. Records

1. CSI reports, backflow prevention assembly test reports, enforcement documentation, and related records will be maintained by the Authority and in the customer's account file for a minimum of ten (10) years.

3.2.15 DEFINITIONS

Tap: Connection to the Authority's distribution line. The size of which is determined by the estimated amount of water to be required, and shall not exceed a 3/4" diameter bore to mainline without approval of the Assistant or General Manager.

Short Tap: A standard tap including all materials necessary (saddle, corporate stop, service extension, meter stop, meter, meter box, dual check valve, and a pressure regulator if required) to install a service meter within ten (10) feet of the distribution line.

Long Tap: Same as the above-described short tap with the exception of a predetermined length of service line between the existing distribution line and the proposed service meter that is greater than ten (10) feet from the distribution line. All costs associated with the extended line must be paid in advance by the person or persons requesting the tap.

Meter: A device installed at the end of a tap to record the flow of water. This device, and the piping from the tap to the meter, are owned and maintained by the Authority.

Deposits: Monies paid, prior to service connections, to guarantee the intent of payment. No deposits will be collected by the Authority.

Customer Service Line: The service line is that portion of a water line beginning at the Authority's meter and continuing to the point of the intended use. This line, along with all metered water, becomes the responsibility of the customer. The customer must provide an approved cut-off valve within one (1) foot of the Authority's meter box.

Commercial Connection: A connection to the Authority's distribution system that will require larger quantities of water and more frequent service than that of a domestic connection. The Authority shall service and maintain said connection up to and including an installed registered service meter. The consumer must agree to all conditions of the "Commercial Service Contract", and assumes responsibility for all metered water (whether used or not), monthly minimums, and billed water.

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Rate: The dollar value assigned to the volume of water flowing through the meter or to treat unmetered sewerage. Rates are used to calculate the monthly bill for water consumed or wastewater treated. The Authority's water and sewer rates are computed according to the necessary funds needed to retire the existing indebtedness, recover the cost of operation and maintenance, and provide for system enhancements and adequate operational reserves. The rates shall be computed from audited financial data on a cash basis in accordance with a conservation-type rate structure relevant to the Authority's historical data.

Domestic Connection: An authorized standard 5/8" tap to an existing main owned and operated by the Authority. The Authority shall service and maintain said connection up to and including an installed registered service meter. The consumer must agree to all conditions of the "Domestic Service Contract" and assume responsibility for all metered water (whether used or not), monthly minimums, and billed water.

Billing Cycle: The period of time averaging approximately thirty (30) days in length during which customers are billed for service. Each billing cycle's beginning date shall constitute a complete accounting period, and therefore is subject to normal payment and disconnect terms described in Paragraph 3.2.7. The cycle may be referred to as monthly, but it does not equate to a calendar month.

Habitual Delinquent Customer: Any customer who appears on the delinquent list more than three times in a 12-month period.

Gravity Sewer Tap: Standard municipal 4" free-flow sewer line installed to the customer's property line. Short tap is less than 20', and long tap is over 20'.

Pressure Sewer Tap: Sewer connection to a pressurized system in areas where gravity flow lines are not suitable. Authority will furnish and maintain an approved pump pit, grinder pump, and discharge line from the pump to the main line. The customer is responsible for providing and maintaining power to the pump and private collection system and the initial septic tank for solids collection.

Commercial Sewer Tap: Any non-domestic or single-family dwelling sewer connection. Rates will be determined by a specific contract.

3.3 TECHNICAL SUPPORT SERVICES

3.3.1 WATER QUALITY MONITORING

Water samples shall be collected from each distribution system the Authority operates, and a bacteriological analysis performed on a monthly basis or more often as required by the Texas Commission on Environmental Quality (TCEQ) to ensure quality water for human consumption.

A chemical and other periodic or special analysis shall be performed at the source of each water supply prior to any treatment or distribution on a schedule determined by the TCEQ.

3.3.2 WATER USE AUDIT

The Assistant General Manager shall prepare and maintain a water use audit for the purpose of determining the best utility management practices and conservative use of the water resources within the Utility Division. The audit shall include, but not be limited to, the following general criteria:

a. Prepare a balanced uniform accounting by category of all surface and ground water utilized by the Utility Division during the preceding fiscal year.

b. Evaluate the meter accuracy and exchange program with details of the meters tested and changed out.

c. Randomly select at least ten percent (10%) of all utility accounts not previously selected, and evaluate the rate computation and billing statement accuracy for each.

d. Conduct a random assessment of at least ten percent (10%) of all utility accounts to which transactions were conducted within the fiscal year, noting any errors observed in work order preparation, data file input/output, account maintenance, and account histories.

e. Prepare a summary report of findings with conclusions for submission to the General Manager within 120 days of the fiscal year end.

3.3.3 WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

The Board of Directors approved a Comprehensive Water Conservation and Drought Contingency Plan on January 26, 1988, and charged the Utility Division with the responsibility to perpetuate the plan. Pursuant to the enactment of Senate Bill 1 by the 75th Legislature, the Board of Directors shall authorize by resolution a revision to the Water Conservation and Drought Contingency Plan to reflect the requirements enumerated in the act every five (5) years to be submitted to the TCEQ. An annual report of the plan's effectiveness shall be prepared and submitted to the Texas Water Development Board.

3.3.4 EMERGENCY MANAGEMENT PLAN

The Utility Division shall maintain an emergency management plan for implementation during critical situations calling for extraordinary management practices. The plan shall be compiled into a separate manual format and made available to all personnel engaged in the operations of the Utility Division.

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3.3.5 FACILITY MAINTENANCE PROGRAM

The Assistant General Manager shall prepare and require each Utility Operator to implement a continuing facility maintenance program with the primary objective of preventing premature failure of mechanical or electrical equipment employed in all utility operations. The program shall consist of and direct attention to:

a. Identification of areas presenting a material weakness in any component of the utility operations;

b. Developing cost-effective measures to prevent unscheduled failures of integral components to a pressure plane;

c. Preparing schedules of minor capital improvements to incorporate into the updating of facility plans and specifications;

d. Implementing a cycled meter test, calibration, or change-out program for all classes of service and master meters utilized within the Utility Division; and

e. Itemizing major capital needs to be included with the planned expansion or improvement to existing facilities.

3.3.6 CAPITAL IMPROVEMENTS

All capital improvements made to the Utility Division shall be planned and so designed to enhance the existing systems or extend their useful life, utilizing the best available technology to:

a. Provide the best available service to the public at the most economical cost.

b. Maintain statutory compliance with all regulations pertaining to public drinking water supplies.

c. Improve the effectiveness of maintaining a regional water supply in the most efficient manner possible for the benefit of the participating public.

3.4 RED FLAG IDENTITY THEFT PREVENTION PROGRAM

3.4.1 PROGRAM ADOPTION

The Red River Authority of Texas ("Authority") developed this Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule ("Rule"), which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003, 16 CFR. §681.2. This Program was developed for the Utility Division of the Authority ("Utility") with oversight and approval of the Board of Directors. After consideration of the size and

complexity of the Utility's operations and account systems, and the nature and scope of the Utility's activities, the Board of Directors determined that this Program was appropriate for the Authority's Utility Division, and therefore approved this Program on April 15, 2009.

3.4.2 PURPOSE AND DEFINITIONS

a. Establish an Identity Theft Prevention Program - To establish an Identity Theft Prevention Program designed to detect, prevent and mitigate identity theft in connection with the opening of a covered account or an existing covered account and to provide for continued administration of the Program in compliance with Part 681 of Title 16 of the Code of Federal Regulations implementing Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003.

b. Establishing and Fulfilling Requirements of the Red Flags Rule - The Red Flags Rule ("Rule") defines "Identity Theft" as "fraud committed using the identifying information of another person" and a "Red Flag" ("Red Flag") as a pattern, practice, or specific activity that indicates the possible existence of Identity Theft. Under the Rule, every financial institution and creditor is required to establish an "Identity Theft Prevention Program" tailored to its size, complexity, and the nature of its operation. The Program must contain reasonable policies and procedures to:

1. Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the Program;

2. Detect Red Flags that have been incorporated into the Program;

3. Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and

4. Ensure the Program is updated periodically, to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

c. Red Flags Rule definitions used in this Program

Entity: The Red River Authority of Texas.

Covered Account: Under the Rule, a "covered account" is:

1. Any account the Utility offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the Utility offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the Utility from Identity Theft.

Creditors: The Rule defines creditors as "to include finance companies, automobile dealers, mortgage brokers, utility companies, and telecommunications companies. Where non-profit and government entities defer payment for goods or services, they, too, are to be considered creditors."

Identifying Information is defined under the Rule as "any name or number that may be used, alone or in conjunction with any other information, to identify a specific person," including: name, address, telephone number, social security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol address, or routing code.

Program: The Identity Theft Prevention Program for the Authority.

Program Administrator: The Controller is the Program Administrator for the Program.

Utility: The Utility is the Utility Division for the Authority.

3.4.3 IDENTIFICATION OF RED FLAGS

In order to identify relevant Red Flags, the Utility considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with Identity Theft. The Utility identifies the following red flags in each of the listed categories:

a. Notifications and Warnings from Consumer Credit Reporting Agencies

Red Flags

1. Report of fraud accompanying a consumer credit report;
2. Notice or report from a consumer credit agency of a credit freeze on a customer or applicant;
3. Notice or report from a consumer credit agency of an active duty alert for an applicant; and
4. Indication from a consumer credit report of activity that is inconsistent with a customer's usual pattern or activity, including but not limited to:
    - Recent and significant increase in volume of inquiries
    - Unusual number of recent credit applications
    - A material change in use of credit
    - Accounts closed for cause or abuse

b. Suspicious Documents

Red Flags

1. Identification document or card that appears to be forged, altered or inauthentic;
2. Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document;
3. Other documents with information that is not consistent with existing customer information (such as if a person's signature on a check appears forged); and
4. Application for service that appears to have been altered or forged.

c. Suspicious Personal Identifying Information

Red Flags

1. Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates);
2. Identifying information presented that is inconsistent with other sources of information (for instance, Social Security number or an address not matching an address on a credit report);
3. Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. An address or phone number presented that is the same as that of another person;
6. A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law, social security numbers must not be required) or an applicant cannot provide information requested beyond what could commonly be found in a purse or wallet; and
7. A person's identifying information is not consistent with the information that is on file for the customer.

d. Suspicious Account Activity or Unusual Use of Account

Red Flags

1. Change of address for an account followed by a request to change the account holder's name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use (example: very high activity);
4. Mail sent to the account holder is repeatedly returned as undeliverable;

5. Notice to the Utility that a customer is not receiving mail sent by the Utility;
6. Notice to the Utility that an account has unauthorized activity;
7. Breach in the Utility's computer system security; and
8. Unauthorized access to or use of customer account information.

e. Alerts from Others

Red Flag

1. Notice to the Utility from a customer, identity theft victim, fraud detection service, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

3.4.4 DETECTING RED FLAGS

a. New Accounts

In order to detect any of the Red Flags identified above associated with the opening of a **new account**, Utility personnel will take the following steps to obtain and verify the identity of the person opening the account:

Detect

1. Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
2. Verify the customer's identity (for instance, review a driver's license or other identification card);
3. Review documentation showing the existence of a business entity;
4. Request additional documentation to establish identity; and
5. Independently contact the customer or business.

b. Existing Accounts

In order to detect any of the Red Flags identified above for an **existing account**, Utility personnel will take the following steps to monitor transactions with an account:

Detect

1. Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
2. Verify the validity of requests to close accounts or change billing addresses; and
3. Verify changes in banking information given for billing and payment purposes.

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3.4.5 PREVENTING AND MITIGATING IDENTITY THEFT

In the event Utility personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

Prevent and Mitigate

a. Continue to monitor an account for evidence of Identity Theft;
b. Contact the customer, sometimes through multiple methods;
c. Change any passwords or other security devices that permit access to accounts;
d. Not open a new account;
e. Close an existing account;
f. Do not close the account, but monitor or contact authorities;
g. Reopen an account with a new number;
h. Notify the Program Administrator for determination of the appropriate step(s) to take;
i. Notify law enforcement; or
j. Determine that no response is warranted under the particular circumstances.

Protect customer identifying information

In order to further prevent the likelihood of identity theft occurring with respect to Utility accounts, the Utility will take the following steps with respect to its internal operating procedures to protect customer identifying information:

a. Ensure that its website is secure or provide a clear notice that the website is not secure;
b. Where and when allowed, ensure complete and secure destruction of paper documents and computer files containing customer information;
c. Ensure that office computers are password protected and that computer screens lock after a set period of time;
d. Change passwords on office computers on a regular basis;
e. Ensure all computers are backed up properly and any backup information is secured;
f. Keep offices clear of papers containing customer information;
g. Request only the last 4 digits of social security numbers (if any);
h. Ensure computer virus protection is up to date; and
i. Require and keep only the kinds of customer information that are necessary for utility purposes.

3.4.6 PROGRAM UPDATES

This Program will be periodically reviewed and updated to reflect changes in risks to customers and the soundness of the Utility from Identity Theft. At least annually, the Program Administrator will consider the Utility's experiences with Identity Theft situation, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, changes in types of accounts the Utility maintains and changes in the Utility's business arrangements with other entities, consult with law enforcement authorities, and consult with other Authority

personnel. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted, the Program Administrator will update the Program or present the Board of Directors with his or her recommended changes and the Board of Directors will make a determination of whether to accept, modify or reject those changes to the Program.

3.4.7 PROGRAM ADMINISTRATION

a. Oversight

Responsibility for developing, implementing and updating this Program lies with an Identity Theft Committee for the Utility. The Committee consists of the Program Administrator, the General Manager and the Assistant General Manager.

The Program Administrator will be responsible for the Program administration, for ensuring appropriate training of Utility staff on the Program, for reviewing any staff reports regarding the detection of Red Flags and the steps for preventing and mitigating Identity Theft, determining which steps of prevention and mitigation should be taken in particular circumstances and considering periodic changes to the Program.

b. Staff Training and Reports

Initially, all Utility staff shall be trained either by or under the direction of the Program Administrator in the detection of Red Flags, and the responsive steps to be taken when a Red Flag is detected. Thereafter, all Utility staff shall undergo update training not less than annually. Additionally, all new Utility employees shall undergo training.

Regional Managers and the Customer Service Representative shall submit reports quarterly concerning the Utility's compliance with the program, the training that has been given, and the effectiveness of the policies and procedures in addressing the risk of Identity Theft, including recommendations for changes to the Program. While incidents of Identity Theft are to be reported immediately to the Program Administrator, the quarterly reports shall contain a recap of the incident and include the steps taken to assist with the resolution of the incident.

c. Service Provider Arrangements

In the event the Utility engages a service provider to perform an activity in connection with one or more accounts, including but not limited to franchise utility providers, the Utility will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft.

1. Require, by contract or contract amendment, that service providers have such policies and procedures in place; and

2. Require, by contract or contract amendment, that service providers review the Utility's Program and report any Red Flags to the Program Administrator.

d. Specific Program Elements and Confidentiality

For the effectiveness of Identity Theft Prevention Programs, the Red Flag Rule envisions a degree of confidentiality regarding the Utility's specific practices relating to Identity Theft detection, prevention and mitigation. Therefore, under this Program, knowledge of such specific practices is to be limited to the Identity Theft Committee and those employees who need to know them for purposes of preventing Identity Theft. Because this Program is to be adopted by a public body and thus publicly available, it would be counterproductive to list these specific practices here. Therefore, only the Program's general red flag detection, implementation and prevention practices are listed in this document.

CHAPTER 4

ENVIRONMENTAL SERVICES DIVISION

ENVIRONMENTAL SERVICES DIVISION

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GENERAL POLICY

CHAPTER 4

4.1 ENVIRONMENTAL SERVICES DIVISION

4.1.1 INTRODUCTION

The Authority was created by Acts of the 56th Legislature in 1959 as a conservation and reclamation district. Among its duties is the control and abatement of pollution to the water resources of the Red River watershed in Texas.

Early studies in 1960 revealed that much of the water resources within the Red River Basin were contaminated with excessive amounts of chloride, sulfate, and total dissolved solids, rendering it virtually useless for municipal, industrial, and most agricultural purposes. The principal sources of pollution were categorized as naturally occurring and anthropogenic. The Authority launched efforts toward reclaiming the water resources for a beneficial purpose in 1961.

The Texas Legislature granted the Authority policing powers (Article 8280-228, §14) and authorized it to promulgate rules and regulations to enforce the control of anthropogenic pollution within the basin. The Board of Directors adopted such rules and properly publicized the same throughout the basin on July 1, 1960. The Board of Directors commissioned peace officers to conduct orderly investigations to identify the sources and recommend proper control or abatement measures.

Primary anthropogenic point source pollution was found to originate from oil-field brine disposal (59%), municipal and industrial wastewater discharges (31%), and various types of unauthorized industrial waste disposal (10%). The sum of which was determined to be about 1,700 tons per day, or 33% of the total chloride loading (5,000 tons per day) to the Red River. Naturally occurring chloride brine emissions from 10 springs, 9 of which are located in Texas, account for the remaining 3,300 tons per day or 66% of the total chloride loading to the Red River.

In 1966, Congress Authorized the Chloride Control Project under Public Law 89-789, and the Texas Commission on Environmental Quality appointed the Authority as the designated local sponsor to aid the U.S. Army Corps of Engineers in the continuance of pollution prevention.

4.1.2 Purpose

Since the Red River Basin is deficient in usable surface water supplies and the demand for new source supplies is on the increase, the Authority and other state and federal agencies have jointly agreed to adopt the common objective of reclaiming the waters of the Red River for the beneficial uses of the public.

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The principal purpose of the Environmental Services Division of the Red River Authority of Texas is to investigate, control, and abate any possible sources of pollution found to be contaminating the receiving waters of the Red River or its tributaries.

Under Article 8280-228, Section 14, the Authority is vested with the powers of investigation, enforcement, control, planning, and special provisions for contractually financing certain facilities relevant to preventing the pollution of water resources of the basin.

The Authority shall maintain an adequate complement of Special Investigators for the purpose of investigating complaints, performing investigative water quality surveys, and promoting water quality protection of the natural resources within the Red River Basin. Each officer shall be commissioned by the Board of Directors and function under the direct supervision of the General Manager or his designee.

In addition, each planned investigative study or pollution control project must be authorized by the Board of Directors. The Authority shall pursue each assigned objective as a local sponsor or management agency under the direct supervision of the General Manager and in accordance with all general laws of the State of Texas and the Texas Water Code. However, each special study or project shall be authorized by a conditional contract of acceptance and adopted by the Board of Directors of the Authority, prior to the commencement of such a study or pollution control project.

4.1.3 FUNDING AND FINANCING

Funds for the operation and maintenance of the Environmental Services Division are supplied from one or more of the following sources:

a. Funds shall be provided by direct budget appropriations from the Authority's General Funds on an annual basis. Each fiscal year, sufficient funds shall be made available to provide the means of responding to general complaints received from the public and performing the necessary investigations to identify the problem, recommend an appropriate solution, and provide reasonable follow-up to ensure regulatory compliance.

b. Funds may be provided through direct appropriations of the Texas Water Development Board, the Texas Commission on Environmental Quality, or the U.S. Army Corps of Engineers on an individual contract basis. Each contract study or investigation is subject to approval of the Authority's Board of Directors prior to an official commitment to the contracting agency.

c. Other funds are provided through contract agreements between the Authority and other entities for water quality management services rendered as a result of a formal request to aid an entity with statutory compliance, water quality management, or maintenance. Any contract shall be based on charges for services and subject to approval of the Authority's Board of Directors prior to execution.

d. Funds for the Environmental Services Laboratory are provided through charges for services and analytical fees as adopted annually by the Board of Directors during the Budget approval process.

4.1.4 SCOPE OF SERVICES

Water Quality or Environmental Complaints. Complaints received by the Authority shall be investigated by an authorized officer to the extent necessary to provide the following basic information in report form:

a[1]. Name of the person or persons filing the complaint;

b[1]. Nature and general description of the complaint;

c[1]. Detailed report of the investigation identifying the suspected source(s) of pollution; and

d[1]. Recommendations as to the appropriate action to be taken by the Authority.

Water Quality Management Studies. Studies performed by the Authority shall be accomplished through separate contract agreements between the Authority and the Texas Water Development Board or the Texas Commission on Environmental Quality. Each contract shall be subject to approval of the Authority's Board and the State Department or Commission (TWDB or TCEQ) prior to commitment of funds or personnel. A specific scope of service shall be prepared and submitted to the Board with a detailed proposal to include, but not limited to, the following data:

a[2]. General description of the project;

b[2]. Purpose of the study;

c[2]. Description of each task or segment necessary to complete the study;

d[2]. Detailed description of the estimated cost to complete the report, including the proposed source(s) of funding; and

e[2]. Description of the results to be expected.

Environmental Services Laboratory. The Authority shall maintain adequate laboratory facilities accredited under the National Environmental Laboratory Accreditation Program, as administered by the Texas Commission on Environmental Quality. In addition to providing chemical and bacteriological analysis of water, wastewater, and soil in support of the Authority's environmental services and utility activities, the Environmental Services Laboratory will provide analytical services to other federal and state agencies, cities, industry, and individuals throughout the Red River watershed in Texas and Oklahoma.

Due to the exacting standards that must be applied to analytical methods, the ESD shall prepare and maintain a Laboratory Procedures Manual applicable to each parameter or constituent tested and for service provided either internally to other divisions or externally to public entities. Summaries of all laboratory activities shall be provided to the Administration Manager on a monthly basis. Charges for laboratory services are listed in the annual fee schedule, as approved by the Board of Directors. Records shall be kept and maintained subsidiary to the general accounting system with a register of all invoices originating in the ESD provided to the Controller on a monthly basis.

Water Quality Assessments or Environmental Services. Services may be provided to municipalities and industries under mutual contract agreements, which, with consent of the Authority's Board of Directors, are viewed as necessary measures to improve the quality of receiving waters of the Red River Basin or its tributaries. Subject to a formal request from the entity desiring assistance, and the results of a preliminary investigation, the Board may authorize the execution of a contract with the subject entity under the following general conditions:

a[3]. The Board's review and approval of a Study or Work Plan prepared, and presented by the General Manager with appropriate recommendations for the Authority's participation and course of action;

b[3]. An entity's willingness to reimburse the Authority for all charges directly related to the proposed project under terms and conditions to be set forth by a contract;

c[3]. All services rendered shall be performed by authorized representatives of the Authority or designated agents thereof, and certified competent by the State of Texas for the particular field of expertise that may be required; and

d[3]. That no services rendered shall be construed as a waiver of the Authority's right to fulfill any of its obligations to enforce any general laws of the state, the Texas Water Code, or any federal statute administered through the U.S. Environmental Protection Agency.

The Authority may issue Pollution Control Revenue Bonds for the purpose of controlling or preventing pollution of the environment under special contract provisions with municipalities and industry. Such financing arrangements shall be limited to a specific contract sale agreement between the Authority and the entity requesting assistance, and further limited to only those facilities necessary to prevent or control pollution of the environment. The Authority's Bond Counsel or Financial Advisor shall be responsible for the qualifications of each applicant prior to the Board of Directors considering an Inducement Resolution. The following general categories shall be used as a guide in considering an applicant's request for financial assistance:

a[4]. The construction of any type of waste disposal or treatment facilities that discharges an effluent to a tributary of the Red River or any receiving waters within the Red River Basin;

b[4]. The construction of any type of water treatment facilities, which utilize water for municipal, industrial, agricultural, or mining purposes in accordance with the Texas Commission on Environmental Quality; and

c[4]. The construction of any type of air or water pollution control and prevention facilities mandated under the Clean Air Act (PL -92-4921), the Safe Drinking Water Act (PL-93-523), and the Federal Pollution Control Act of 1972.

4.2 POLLUTION INVESTIGATION PROCEDURES

4.2.1 GENERAL RULES AND REGULATIONS

The Authority is empowered by law (Article 8280-228, §14, (a), (c), (d), and (k), VATCS and Sections 12, 16, and 26 of the Texas Water Code) to enforce the general pollution control laws of the state and as such, commission officers as Special Investigators to carry out this purpose under the Enabling Legislation.

Pursuant to the provisions of Section 59, Article XVI of the Texas Constitution, the following general pollution rules and regulations were adopted by the Board of Directors, properly publicized throughout the basin, and made effective July 1, 1960.

These rules and regulations are intended to serve as a definitive guide in order to protect, preserve, and, where necessary, restore the purity and sanitary conditions of the surface and ground waters of the Red River and its tributaries.

a. It shall be unlawful for any person, firm, corporation, association, town, city, or other political subdivision of this state, or any agent, officer, employee, or representative of such person, firm, corporation, association, town, city, or other political subdivision of this state to pollute any surface water within any tributary within the area comprising the Red River watershed.

b. Any person, firm, corporation, association, town, city, or other political subdivision of this state, or any agent, officer, employee, or representative of any such person, firm, corporation, association, town, city, or other political subdivision of this state who violates any provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined a sum not more than one thousand ($1,000) dollars, or by confinement in the county jail for not more than thirty (30) days, or by both such fine and imprisonment.

c. These rules and regulations shall not be applicable to the Texas Parks and Wildlife Department in connection with the administration of their lawful activities, any municipal corporation which discharges its sewage into any surface water provided that such discharge does not render such water harmful to public health as may be determined by the Texas Commission on Environmental Quality, and wildlife as may be determined by the Texas Parks and Wildlife Department.

d. Definitions:

i. ***Tributaries*** shall mean all rivers, creeks, streams, bayous, lagoons, canals, laterals, public drainage ditches, and ravines within the Texas watershed of the Red River.

ii. ***Surface Water*** is that water within such tributaries, as defined in Section 4.2.1d, including all storm and flood waters thereof and the run-off there from and shall extend to and include all lakes, reservoirs, ponds, bayous, lagoons, and other bodies of surface water whether artificial or natural including all such bodies of surface water that are subject to overflow from or into a tributary as hereinabove defined in Section 4.2.1d.

iii. ***Beneficial Purposes*** means the use of water described in the preceding Section 4.2.1e, for human consumption, agriculture, irrigation, gardening, domestic stock raising, municipal, manufacturing, industrial, commercial, mining, recreational, or other pleasure purposes that are useful and beneficial to the user thereof.

iv. ***Pollute*** is hereby defined to be the throwing, discharging, or otherwise permitting to reach or to be injected or introduced into any surface water as defined in Section 4.2.1e, of any substance, material, or thing including but not limited to the carcass of any dead animal, cans, discarded buckets or pails, garbage, ashes, wire, earth, offal, oil, or any of its by-products or waste therefrom by the manufacturing or production thereof, including oil field brine, oil-slick or basic sediment from oil, regardless of the quantity thereof, which renders such surface water unfit for one or more of the beneficial purposes, or contributes to rendering such surface water unfit for one or more of such beneficial purposes.

v. ***Savings Clause***: If any section, sentence, paragraph, clause, or part of these rules and regulations should be held or declared invalid for any reason by a final judgment of the courts of this state or of the United States, such decision or holding shall not affect the validity of the remaining portions of these rules, and the Board does hereby declare that it would have adopted and promulgated such remaining portions of such rules irrespective of the fact that any other sentence, section, paragraph, clause, or part thereof may be declared invalid.

vi. ***Publication***: These rules shall be published once a week for two (2) consecutive weeks in one or more newspapers having general circulation within the Authority and shall become effective fourteen (14) days after the date of the first publication. The effective date is July 1, 1960.

CHAPTER 4

4.2.2 RESPONDING TO COMPLAINTS

The Environmental Services Division shall respond to any written complaint filed by the general public that is believed to pose a threat to the receiving waters of the Red River and its tributaries in accordance with Article 8280-228, §14 (a), VATCS. An investigation of a written complaint shall be responded to within fifteen (15) days of official receipt.

4.2.3 FIELD INVESTIGATIONS

A field investigation may be conducted for any meaningful purpose within the scope of service defined in Policy Section 4.1.4. All investigations and resultant progress reports shall be conducted under the supervision of the General Manager. Any field investigation must be in cooperation with any other agency having common jurisdiction in the matter. The investigating officer shall be responsible for notifications of the appropriate officials prior to completing and filing a report. Where possible, a copy of reports from any other attending agencies participating in the investigation should be included and referred to in the investigating officer's final report.

4.2.4 REPORTING

All officers and authorized personnel functioning through the Environmental Services Division shall be required to log their time and mileage with respect to each task or project assigned. The log shall be filed in report form, together with the signature of the investigating officer and the chief executive officer.

All summarized activity reports shall be filed with the Authority's main office on the first day of the month following the activity period.

All investigative reports shall be filed with the Authority's main office upon completion of each assignment. The reports will then be filed with the appropriate agency having jurisdiction thereof.

All water quality investigations authorized by a contract with another state agency or entity shall be submitted to the Authority's main office at the completion of each assigned task, and in accordance with the allotted time for each portion thereof. A periodical report of the progress shall be prepared and submitted to the Board of Directors, depicting the expenditures for the period, results of the investigations or analysis, and recommendations as may be appropriate.

4.2.5 PERMITS

The Authority shall review all permit applications relating to water quality filed with the Texas Commission on Environmental Quality (TCEQ) within the Red River Basin for general conformity with the Master Plan of the basin and demonstrating appropriate measures to improve the general water quality of the watershed segment.

The Texas Commission on Environmental Quality shall provide the Authority a copy of each Permit Application Notice when filed, together with relevant supporting data for the Authority's review and comment. The Authority shall file a written response to the Commission within thirty (30) days, should the application not be in conformity with the Master Plan of the basin or the state's Water Quality Management Plan.

All permit applications filed with the Commission shall be within one or more of the following categories:

a. Applications to appropriate state waters for municipal, industrial, agricultural, or mining purposes;

b. Applications to discharge treated municipal or industrial waste to a tributary of the Red River or impounded receiving waters within the Red River Basin; and

c. A renewal or modification of an existing permit as classified in 4.2.5 (a) or (b) above.

All permit applications not in conformity to with Master Plan of the basin and subsequently requiring a formal response on the part of the Authority shall be reviewed by the General Counsel and submitted to the Board of Directors for authorization to initiate any type of formal permit intervention.

4.2.6 CITATIONS

All complaints or charges resulting from a violation of any state pollution prevention statute, rule, or regulation must be filed with the County Judge of the county where the offense occurred, contingent upon:

a. Completion of a thorough investigative report citing the statute(s) in violation with sufficient background data to substantiate the charge(s);

b. Recommendation to the General Manager from the Investigating Officer for appropriate action to be taken by the Authority with alternatives, if applicable;

c. Listing any other agencies involved in the investigation or having jurisdiction in the matter; and

d. Receiving approval from the Authority's General Counsel prior to the filing of any charges by the Authority.

Any violation of the Pollution Control Laws encountered during the course of investigation shall be directed to the proper agency or agencies having senior jurisdiction over each violation.

CHAPTER 4

4.3 WATER QUALITY MANAGEMENT PROGRAM

4.3.1 CHLORIDE CONTROL PROJECT

The Authority was designated as the Local Sponsor of the Red River Basin Chloride Control Project on March 8, 1976, and is responsible for obtaining all permits, easements, and properties required to comply with the terms and conditions of the Memorandum of Understanding executed by the U.S. Secretary of the Army. The Authority is charged with coordinating the anthropogenic pollution control efforts of the state, while the U.S. Army Corps of Engineers implements controls of natural pollution sources within the Red River Basin.

4.3.2 WATER QUALITY MONITORING PROGRAM

The Environmental Services Division shall be responsible for cooperating with the Texas Commission on Environmental Quality, Texas Water Development Board, the U.S. Geological Survey, the Texas Railroad Commission, and the Texas Parks and Wildlife Department in a joint effort to monitor the general water quality conditions of the Red River and its tributaries. Results of the monitoring program shall be maintained in a database format, and periodical reports provided to the Board of Directors and other participating agencies to evaluate the progress of the anthropogenic and natural pollution control programs.

4.3.3 CONTRACT SERVICES

The Environmental Services Division may contract with outside entities in the conduct of regional water quality studies or pollution control programs. Subcontracts may be executed with professional consulting firms to assist the Authority with any study that falls within the scope of the Authority's Enabling Legislation. All contracts shall be approved by the Board of Directors prior to the commencement of any pollution control projects or water quality studies.

4.4 OIL AND HAZARDOUS SUBSTANCE SPILLS

4.4.1 LEAD AGENCY

Section 26.127 of the Texas Water Code establishes the Texas Commission on Environmental Quality (TCEQ) as the principal authority in the State of Texas on matters relating to the quality of water in the state. In addition, Chapter 26, the Texas Hazardous Substances Spill Prevention and Control Act (Chapter 26, Sub-chapter G, Texas Water Code) stipulates that it is the policy of this state to prevent the spill or discharge of hazardous substances into the waters in the state and to cause the removal of any spills and discharges without undue delay. The TCEQ shall be the state's lead agency in spill response, shall conduct spill response for the state, and shall otherwise administer the provisions of the Act.

In accordance with the State of Texas Oil and Hazardous Substances Spill Contingency Plan, the following agencies shall work with the TCEQ to protect the public during the occurrence and cleanup of a hazardous spill:

a. Railroad Commission of Texas (RRC)
b. Texas Department of Health (TDH)
c. Texas Parks and Wildlife Department (TPWD)
d. Texas Department of Public Safety (DPS)
e. Texas General Land Office (GLO)
f. Texas Department of Agriculture (TDA)
g. Texas Department of Transportation (TXDOT)
h. All Local Governmental Agencies

4.4.2 ESD's Participation

The Red River Authority of Texas shall participate and be listed with the Texas Commission on Environmental Quality (TCEQ) to be contacted in case of a spill entering the stream flow or major tributaries of the Red River. Once notified, the Authority will respond and assist in monitoring the cleanup activities.

Upon discovery by Authority personnel of any spill of a harmful quantity of oil and hazardous substances or other substances or threatened release, an immediate telephone or radio report must be made to the Assistant General Manager. Upon confirmation of the report, notification of the TCEQ will be made by calling the appropriate district or regional office during business hours or by calling the Texas Emergency Response Center (TERC) at (512) 463-7727.

4.4.3 Initial Contacts

If the spill is obviously endangering the public health or welfare through traffic hazard, explosion, fire, noxious gas, water contamination, or other means, immediately notify the local fire department, law enforcement authority, or health authority as appropriate. When making these initial notifications, one should attempt to provide, as a minimum, the following information:

a. Name of caller and call back number;

b. The exact location and nature of the incident;

c. The extent of personal injuries and damage;

d. The extent of fire;

e. The wind direction and approximate velocity; and

f. The material involved is easily identifiable through a warning placard or warning label information. It is cautioned that only trained personnel should approach a fire or spill.

4.4.4 REPORTING

When making a telephone report to the TERC, the caller should be prepared to provide the following information, if at all possible:

a. The date and time of the spill or release;

b. The identity or chemical name of material released or spilled, as well as whether the substance is an extremely hazardous substance;

c. An estimate of the quantity of material released or spilled and the time or duration of the event;

d. The exact location of the spill, including the name of the waters involved or threatened, or other medium or media affected by the release or spill;

e. The source of the release or spill;

f. The name, address, and telephone number of the party in charge of, or responsible for, the facility or activity associated with the release or spill;

g. The extent of actual and potential water pollution;

h. The party at the release or spill site who is in charge of cleanup operations at the site, and the telephone number of this party;

i. The steps being taken or proposed to contain and clean up the released or spilled material and any precautions taken to minimize impacts, including evacuation;

j. The extent of injuries, if any;

k. Any known or anticipated health risks associated with the incident and, where appropriate, advice regarding medical attention necessary for exposed individuals;

l. Possible hazards to the environment (air, soil, water, wildlife, etc.). This assessment may include references to accepted chemical databases, Safety Data Sheets (SDS), and health advisories. Estimated or measured concentrations of a contaminant may be requested by the TCEQ for the state's hazard assessment; and

m. Identity of governmental or private sector representatives responding on-scene.

CHAPTER 5

MAINTENANCE DIVISION

MAINTENANCE DIVISION

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GENERAL POLICY

CHAPTER 5

5.1 MAINTENANCE DIVISION

5.1.1 INTRODUCTION

The Authority owns and operates thirty-three (33) rural water systems over a fifteen (15) county service area and has a combined distribution network of over 1,202 miles of pipe. All of the systems are classified in the Utility Division and grouped in separate geographical service areas called districts. Each system is managed and operated by a Area Supervisor and overseen by a Regional Manager under the direct supervision of the Assistant General Manager.

To assist the Utility Division with its general repair, replacement, and expansion requirements, and provide emergency service on a 24-hour basis, the Authority's Board of Directors established the Maintenance Division in 1982 as an internal utility service contractor.

The Board further authorized the Maintenance Division to function as an integral part of the Authority's operations under the administration of the General Manager and provide equipment, materials, and personnel to perform its services to any division or district within the Authority, subject to the guidelines as set forth herein. The Assistant General Manager shall function as the immediate supervisor with oversight of all operations and construction-related projects. Maintenance Division Personnel are required to live within an approved response time area as determined by the General Manager.

5.1.2 PURPOSE

The Maintenance Division shall provide competent repair, replacement, and expansion service at a reasonable cost to any division of the Authority under the direction of the Regional Manager, or the Area Supervisor having jurisdiction over the area where the service is to be performed.

By providing equipment and personnel available to other divisions on a 24-hour basis, the Maintenance Division can effectively reduce the overall maintenance cost and downtime of each division it serves.

The Authority is responsible for providing the most efficient and economical service possible to the public, especially in the area of maintenance. Therefore, the Maintenance Division is likewise charged with fulfilling this purpose, and on a priority basis.

CHAPTER 5

5.1.3 FUNDING

The Authority shall provide the necessary capital to operate and maintain the Maintenance Division. However, the Maintenance Division is expected to be a self-sustaining, internal service fund of the Authority's overall operations.

The Board of Directors authorized the Maintenance Division to generate its own revenue through user fees and charges for services rendered and materials sold.

All fees and charges shall be fair, equitable, and competitive in structure to the current market of a similar type of business.

5.2 GENERAL ADMINISTRATIVE PROCEDURES

5.2.1 SCOPE OF SERVICES

The Maintenance Division shall be responsible for performing acceptable work in accordance with the scheduled specifications provided in the following general categories:

a. Routine and emergency repairs to transmission and distribution lines of any entity under contract for maintenance with the Authority;

b. Repair or replacement of any Authority-owned lines, valves, pumps, controls, connections, and associated facilities;

c. Installation of new lines, meters, taps, or associated facilities to be owned by the Authority; and

d. Determination of repairs for electrical or control equipment owned by the Authority.

5.2.2 PREPARATION OF WORK PLAN

A detailed work plan shall be prepared by the Regional Manager, in conjunction with the Area Supervisors, on all capital improvements, describing all work-related tasks to be conducted by the Maintenance Division and submitted to the Assistant General Manager for review and approval. The work plan shall include, but not be limited to, the following information:

a. Prepare a brief narrative description of the work to be performed, including geographical location.

b. If work is to be done on an existing pressure plane, perform a hydraulic test to substantiate the projected additional consumption or demand.

c. Prepare an Estimate of Cost for the extension and verify that the materials to be used comply with the Authority's general design specifications.

d. Verify and acknowledge that all easements or full right-of-way has been properly obtained and notify all property owners prior to access for construction.

e. Verify and acknowledge that all other utilities have been located and proper notification provided.

f. Verify and acknowledge that the applicant(s) or customer(s) have executed the proper service contract and paid the total extension cost, together with the tap fee(s) and deposit(s).

5.2.3 WORK ORDER APPROVALS

The Assistant General Manager shall be in charge of all activities of the Maintenance Division and shall provide final approval for any scheduled work to be performed prior to commencement.

5.2.4 CONSTRUCTION

Refer to the Contractor Specification Manual for details concerning all construction and safety procedures.

5.2.5 WARRANTIES

The Maintenance Division shall warranty all workmanship for a period of one (1) full year from the date of completion.

a. All in-warranty work shall be performed without charge for labor or equipment used.

b. All materials provided by the Maintenance Division shall be warranted in accordance with the manufacturer's warranty or one (1) year, whichever is less.

5.2.6 INVOICES

All Maintenance Division personnel shall record all materials and labor on an approved invoice and file it with the Regional Manager by the fifth (5^{th}) day of the month following the date the work was completed.

All invoices must bear the signature of the Maintenance Division personnel performing the work and the person or persons authorizing payment.

The invoice must be filled out with all the information necessary and signed by the proper officials as soon as the work has been completed.

A schedule of examples is provided for instruction in completing the invoices properly. Should questions arise on a particular project, the Regional Manager or the Assistant General Manager should be contacted.

5.2.7 INVENTORY

The Maintenance Division shall maintain an adequate stock of commonly used repair or replacement parts to be used within the Utility Division. An inventory of all materials shall be kept and recorded on an approved invoice as used. All materials maintained in inventory stock shall be invoiced out at 1.4 times the highest quantity purchase price.

Since most of the systems within the Utility Division are not capable of producing enough working capital to inventory materials, the Maintenance Division is authorized to provide the most commonly used materials or an adequate inventory.

Revenue generated through the Maintenance Division may be used to provide this inventory and charged to the system at the time materials are actually consumed.

The inventory shall be established by taking competitive bids on the commonly used materials periodically to maintain an adequate stock. All bid proposals in excess of $5,000.00 shall be approved by the General Manager prior to acceptance. Bid proposals in excess of $100,000.00 shall be approved by the Board of Directors.

All materials shall be physically inventoried by the Regional Managers and a report supplied to the main office within thirty (30) days after the close of each fiscal year.

5.2.8 EQUIPMENT MAINTENANCE

All Maintenance Division personnel shall be held personally responsible for the proper care and use of all assigned equipment.

All equipment assigned to the Maintenance Division shall be serviced in accordance with the manufacturer's operating manual or more often if subjected to adverse working conditions. A routine maintenance schedule and log shall be provided to each employee who operates any equipment. The log must be maintained current and available for inspection at all times.

Any employee found to be negligent in the proper care and use of any type of equipment shall be subject to termination.

The Authority provides all personnel with the essential tools and supplies necessary for the accomplishment of his or her duties. It is the responsibility of each employee to care for

these tools and keep an adequate supply of replacement parts on hand to expedite emergency repairs.

5.2.9 SCHEDULE OF FEES AND CHARGES

A schedule of fees and charges shall be provided to all Maintenance Division personnel and published for each division utilizing its services. All fees and charges established for the Maintenance Division shall be subject to the approval of the Board of Directors annually during the budget process. Fees and charges are posted in the Utility Division Rate Schedule, and the Maintenance and Utility Division Schedule of Fees and Charges, as adopted by the Board of Directors in the Annual Operating Budget of the Authority.

Materials charges shall be assessed at the following rates:

Prepaid Inventory	Cost plus 40%
All Other Purchases	Cost plus 40%

All time and mileage expended by maintenance personnel while assisting Utility Operators will be charged to the utility system receiving the service. In cases where maintenance equipment is utilized by utility personnel, only equipment time rates and mileage will apply.

5.3 GENERAL SPECIFICATION MANUAL

5.3.1 OVERVIEW OF SPECIFICATIONS

A general specifications manual is provided as a guide relevant to the type of work to be performed by the Maintenance Division.

The manual should be considered a minimum standard of performance for the Maintenance Division and the quality of work expected by the Authority.

No exception shall be made to these specifications without the express approval of the Project Engineer or General Manager, and then, based only upon the recommendation of the Assistant General Manager.

The manual is also provided as basic instruction and reference for all maintenance personnel and is intended to be utilized in the performance of all related repair, replacement, or expansion duties.

5.3.2 CONTRACT SERVICES

The Maintenance Division may, under certain circumstances, contract operations for utility-related services outside the Authority. The intent shall be limited to assisting other publicly owned utilities operating within the Utility Division's service area experiencing emergency conditions and shall be subject to approval of the Assistant General Manager.

CHAPTER 6

COMMUNICATIONS DIVISION

COMMUNICATIONS DIVISION

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GENERAL POLICY

CHAPTER 6

6.1 COMMUNICATIONS DIVISION

6.1.1 INTRODUCTION

The Authority is licensed by the Federal Communications Commission (FCC) to operate a complex voice and telemetry radio system in the conduct of its overall business activities.

The system is designed to allow all personnel to perform their duties more efficiently while conserving both time and energy.

The central control station is located in Wichita Falls, Texas, with repeater stations situated in key geographical positions to allow constant voice contact with the main office and other personnel throughout the active service area of the Authority.

The master design plan is constantly being upgraded to meet the communications needs of all personnel throughout the basin as an internal service agency to each division of the Authority.

A Customer Service Representative is provided to monitor and dispatch all of the Authority's communications traffic and is responsible for the proper operation of the radio equipment under the direct supervision of the Assistant General Manager or the General Manager.

6.1.2 PURPOSE

The principal purpose of the Communications Division is to provide all Authority personnel with the necessary means of obtaining voice contact with the main office and each other during the course of conducting various business activities and for safety purposes.

The Authority utilizes issued work cellular phones as the primary means of communication between field personnel and the main office.

A secondary purpose of the Communications Division is to provide a means to alert the key management personnel within the Utility Division of any malfunctions of facilities within their service area.

Since operational records are kept and maintained at the main office in Wichita Falls, it is imperative that all field personnel maintain reliable communication with the office. Communication technologies and electronic systems allow field personnel to obtain immediate information concerning records or accounts relevant to the accomplishment of their assigned duties, enabling employees to efficiently manage their respective service areas.

6.1.3 FUNDING

The Authority shall provide the capital outlay necessary to purchase all communication-related infrastructure and equipment. The Communications Division shall recover the cost of operating through the leases of communications equipment to the various divisions that utilize it.

Each division shall pay an amount proportional to the type and quantity of equipment utilized in the course of its business activities.

In addition, the Communications Division may lease the use of its stationary equipment to other public or private business enterprises which operate within designated portions of the Authority's service area on a limited use basis.

Any excess revenues gained through the lease of the Communications Division's equipment or service to outside parties shall be used to reduce or defray the overall cost of operating the division.

6.1.4 AREA OF COVERAGE

The specified area of coverage shall be all of the Authority's legal jurisdiction or 43 counties in Texas. Refer to the Communications Vicinity Map, Figure 3, on Page 6-3 for details.

6.2 SCOPE OF SERVICES

6.2.1 GENERAL SYSTEM DESIGN

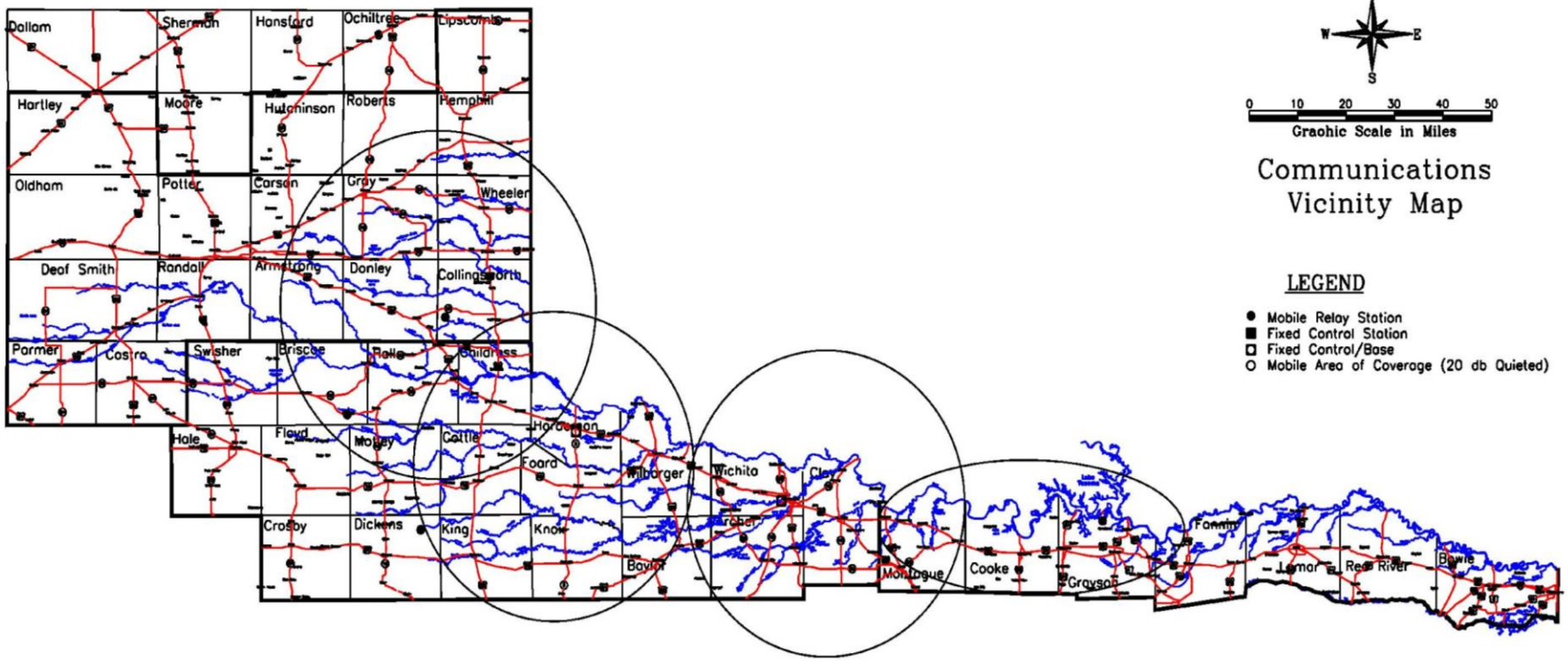
The Authority's communications system was originally designed in 1975 with three (3) phases to be completed as the need dictated. The master plan of operation included the entire active service area within the Red River Basin, with the provision for expansion to the full service area as needed. See the attached Master Diagram and Area Map for details.

The system utilizes strategically placed communication towers and relay facilities to support telemetry, monitoring systems, and other operational communications across the Authority's service area.

Through the use of fixed communication facilities, and modern telecommunications technology, Authority personnel are able to communicate with the main office and access operational information from anywhere within the service area.

Red River Basin

Communications Vicinity Map



RED RIVER AUTHORITY OF TEXAS

N
W E
S

0 10 20 30 40 50

Graphic Scale in Miles

Communications Vicinity Map

LEGEND

- ● Mobile Relay Station
- ■ Fixed Control Station
- □ Fixed Control/Base
- ○ Mobile Area of Coverage (20 db Quieted)

Figure 3

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6.2.2 STANDARD VOICE COMMUNICATIONS

Authority personnel primarily utilize issued cellular phones and other modern communication technologies to conduct day-to-day business communications.

The Authority's communications infrastructure also supports data transmission and telemetry communications necessary for monitoring operational facilities and infrastructure through the service areas

All communications infrastructure operated by the Authority shall comply with applicable Federal Communications Commission (FCC) rules and regulations.

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6.2.3 TELEMETRY CONTROL COMMUNICATIONS

The use of supervised control and data acquisition (SCADA) telemetry provides early warning of equipment malfunctions and can allow the operator to interrogate the station for diagnostic purposes to determine the cause of the malfunction and the proposed method of repair.

Telemetry systems provide other data such as tank levels, flow, and pressure to the mobile operator, and remote points of control upon request.

6.2.4 EQUIPMENT LEASE PROGRAM

The Communications Division may lease any communications-related equipment to other divisions within the Authority on an actual cost basis.

Communications equipment may also be leased to outside public or private entities. A separate lease agreement shall be prepared and executed by the Authority and the leasing entity for a term not less than one year with yearly options for renewal.

All leases shall be executed by the General Manager upon an agreement approved by the Authority's General Counsel. The terms and conditions of which may be subject to change or modification based upon General Counsel's approval.

6.3 GENERAL OPERATING PROCEDURES

6.3.1 RADIO STATION LICENSE

The Authority maintains communications infrastructure licensed under applicable FCC rules and regulations. The Federal Communications Commission requires that all stations licensed under Part 90 of the FCC Rules and Regulations and operated in the Local Government Radio Service be operated solely for the licensee's business activities.

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All personnel shall observe the following basic operating procedures for compliance with the FCC Rules and Regulations.

6.3.2 PROFESSIONAL COMMUNICATION STANDARDS

All communications conducted using Authority-issued devices or systems shall be professional in nature and related to official business.

Personnel should use common courtesy and maintain clear and professional communication when conducting Authority business.

Communications transmitted through Authority-operated systems shall comply with applicable FCC regulations and all other applicable laws.

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6.3.3 UNAUTHORIZED COMMUNICATIONS

Authority communications systems and devices shall not be used to communicate with unauthorized systems or entities except in emergency situations involving the protection of life or property.

Any emergency communications shall be documented with the date, time, individuals involved, and the nature of the emergency when appropriate.

6.3.4 CELLULAR PHONE USE Authority employees are issued work cellular phones to support communication with customers, utilities, contractors, suppliers, and other employees in the performance of their duties.

Authority-issued cellular phones are intended primarily for business use. Limited personal use may be permitted in accordance with Authority policies.

Employees should exercise appropriate judgment when using cellular phones during work hours and comply with all safety requirements, including restrictions on phone use while operating vehicles or equipment.

Personal cellular phone can be used during breaks or lunch periods unless an emergency arises.

6.3.5 INTERAGENCY COMMUNICATIONS

The Authority is licensed to operate on the Intercity Law Enforcement channel for communications with local law enforcement agencies. All interagency communications with law enforcement officials shall be limited to emergency contact for support activities or under a joint use agreement for investigative purposes, with the consent of the cooperating agency.

CHAPTER 7

FISCAL SERVICES DIVISION

FISCAL SERVICES DIVISION

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GENERAL POLICY

CHAPTER 7

7.1 FISCAL SERVICES DIVISION

7.1.1 INTRODUCTION AND PURPOSE

The Authority has been charged by Acts of the Texas Legislature (Article 8280-228, §1-31, VATCS) to fulfill the purpose for which it was created. In order to fulfill this purpose, the Authority was vested with the power and capabilities of incurring debt, expenses, and generating revenue.

The Authority must conduct its affairs in accordance with all applicable state statutes and sound business practices. Therefore, the proper accounting of all financial transactions in the course of its business activities becomes the most important element in sustaining the Authority's existence and maintaining its integrity as an agency of the state.

In discharging its primary customer and public service responsibilities, the Authority recognizes the importance of maintaining its financial integrity and accountability to the public it serves. The Authority's primary goal is to provide its services at the lowest possible cost consistent with high standards of reliability and ethical conduct.

To maintain accountability and compliance with the statutes (Article 8280-228, §9, VATCS and Texas Water Code, §50.371 — 50.379), a separate computer network and software, Tyler Technologies Incode Version 9 (Incode), shall be used to account for each fund type as a separate fiscal entity which the Authority controls.

The Authority has been divided into eight (8) proprietary funds in accordance with the guidelines set by the Governmental Accounting Standards Board to properly govern and manage each segment of its various activities. The proprietary funds are further divided into two (2) major and two (2) minor enterprise funds and four (4) internal service funds.

Each fund type is categorized according to its specific function relevant to the guidelines set forth by Generally Accepted Accounting Principles (GAAP) for governmental entities. The objective of this method is to account for all transactions and provide an accurate record for the individual fund in order to report each on separate, but interactive, financial statements.

7.1.2 OBJECTIVES

The primary financial objectives of the Authority shall be to maintain a high level of financial stability, not to compromise its long-term financial integrity to achieve short-term benefits, and to provide the most effective and efficient public service possible within the scope of Article 8280-228, §1-31, VATCS.

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7.1.3 REVENUES

The Board of Directors shall establish rates, charges, and fees in accordance with Article 8280-228, §26 (e), VATCS for all services it renders that are adequate to support the conduct of its activities in a fair and equitable manner, including funds which are dedicated to support its ongoing programs and maintain its debt service requirements.

The Fiscal Services Division will endeavor to maintain actual debt service ratios in accordance with the minimum coverage requirement of the bond ordinances to provide a margin of safety and financial stability. Revenue levels will be evaluated and adjusted periodically and consistently, with sound financial management practices and the ordinances authorizing the debt.

The rates, fees, and charges shall be set by the Board of Directors to provide the required revenue base for its services based upon an equitable allocation of costs. All rates and charges shall be based on actual costs with respect to the types of service provided, with a reasonable return on investment (ROI). In cases of water or environmental services, where the value of service often differs from the allocated cost method, the Fiscal Services Division may employ other appropriate pricing and costing methods in accordance with guidelines set forth by the Public Utility Commission rules and regulations.

7.1.4 RESPONSIBILITY AND ACCOUNTABILITY

The Fiscal Services Division shall be headed by an accountant in the position of Controller, who shall be responsible for all the fiscal administration of the Authority. The Controller may be assisted by accounting clerks and an independent external auditor in the competent maintenance of all funds and the preservation of the Authority's financial integrity. The Controller will perform the duties in accordance with a detailed job description under the direct supervision of the General Manager.

a. All personnel associated with the Fiscal Services Division shall conduct the Authority's business activities in a manner in which adequate internal controls are observed to protect and preserve the fiduciary trust and financial integrity of the Authority in accordance with Generally Accepted Accounting Principles (GAAP) for units of government.

b. The Executive Committee of the Board, the General Manager, the and Controller shall comprise the standing committee for audit and budgetary review prior to submission to the Board of Directors for adoption, and shall, from time to time, review this policy and make recommendations to the Board for appropriate revisions to ensure the highest level of professional financial integrity and accountability.

c. The Fiscal Services Division shall prepare and file budgetary reports relevant to the services rendered by the Authority, with an opportunity to review and comment prior to inclusion into the overall operating budget.

This policy section shall provide the essential guidelines and procedures of operation for the Fiscal Services Division, and shall provide compliance objectives of the Authority's Bylaws, Enabling Legislation Article 8280-228, §1-31, and TWC 50.381, as amended.

7.2 DIRECT FINANCING

7.2.1 GENERAL LONG-TERM DEBT

The Authority has utilized a combination of equity and long-term revenue bonds to finance capital projects and subsequent additions or expansions in accordance with Article 8280-228, §26a–g, VATCS.

Long-term revenue bonds are particularly appropriate in situations where it is desirable to spread the cost of capital assets over their useful lives. In this method, both current and future beneficiaries of the projects are allocated an equitable portion of the cost of the facilities used to provide their service.

Capital market considerations require an equitable base to support long-term financing. Therefore, the Fiscal Services Division shall attempt to balance its long-term debt financing from sufficient funds of operations to protect the Authority's financial integrity and maintain its access to the bond market. Typical amortization periods range from 20 to 50 years.

7.2.2 CAPITALIZATION

The Fiscal Services Division may capitalize interest from bond proceeds for an appropriate period of time to partially defer the rate impact of debt service requirements until the asset being financed is placed into service. Additionally, interest earned during the period of construction from the bond issuance will be utilized to reduce the size of the bond issue.

7.3 INVESTMENT POLICY

7.3.1 GENERAL INVESTMENT POLICY

The investment policy of the Authority shall be to provide for the proper administration of funds and the prudent investment of those funds to ensure the public trust is maintained.

Investments shall be made and monitored in a manner that will provide maximum security and preservation of principal invested through limitations and diversification while meeting the daily cash flow needs of the Authority.

The receipt of reasonable market rate of return on invested funds shall be secondary to the objective of safety and liquidity. It shall be the intent of the Authority to maintain full compliance with the Public Funds Investment Act, Chapter 2256, the Collateral for Public Funds Act, Chapter 2257 of the Texas Government Code, and provisions of bond ordinances or resolutions concerning the authorized investment of debt service funds.

7.3.2 INVESTMENT OFFICER

The investment officer(s) of the Authority shall be the General Manager and the Controller. It shall be the responsibility of the Authority's investment officer(s) to invest, reinvest, and monitor all invested funds of the Authority in accordance with this policy to meet the fiscal requirements of the Authority.

The investment officer(s) shall be responsible for all transactions undertaken, and shall establish a system of internal controls to ensure that no officer or staff member may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board of Directors.

The internal controls shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by the officers and staff. The internal controls shall be reviewed annually by the Authority's independent auditor to ensure compliance and adequacy.

7.3.3 INVESTMENT COMMITTEE

An investment committee shall consist of the Executive Committee of the Board of Directors, the General Manager, and the Controller. The investment committee may elect to include the Authority's Financial Advisor and external auditor, or other members of staff or consultants as deemed necessary to achieve the best professional judgment for the administration of the Investment Portfolio. The investment committee shall review and approve the Investment Policy, strategy, and annual investment activity reports prior to submission to the Board of Directors.

7.3.4 INVESTMENT OBJECTIVES

The Authority's investment portfolio shall be designed, managed, and monitored in a manner consistent with the Authority's responsibilities as a steward of public trust. In addition, the portfolio shall be managed in accordance with Texas Government Code, Chapter 2256 (the Public Funds Investment Act), any procedures set forth in bond resolutions or orders, and resolutions of the governing board. It shall be the policy of the Authority that all funds shall be managed and invested with four primary objectives, listed in order of their priority:

a. ***Safety and preservation of principal***: Safety of principal shall be the foremost objective of the Authority. Investments of the Authority shall be undertaken in a

manner that seeks to ensure the preservation of capital in the overall portfolio. To obtain and maintain this objective, diversification is required in the portfolio's composition. The suitability of each investment decision shall be made on the basis of this objective.

b. ***Liquidity***: The Authority shall maintain sufficient liquidity to provide for adequate and timely availability of funds necessary to pay all debt obligations as they become due and meet all operating requirements which might be reasonably anticipated.

c. ***Diversification***: Diversification of the portfolio shall be accomplished by segregating categories of maturity and market sector and shall include the use of more than one but less than twelve (12) broker/dealers or depositories for diversification and market coverage.

d. ***Yield***: The Authority's portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Authority's risk constraints and cash flow of the portfolio. A baseline market rate of return shall be defined as the average yield of the current three-month United States Treasury Bill or such other index that more closely matches the average maturity of the portfolio.

Effective cash management is recognized as essential to good fiscal management. Cash management shall be defined as the process of managing money in order to ensure maximum cash availability. The Authority shall maintain a comprehensive cash management program that includes the collection of accounts receivable, the prudent investment of idle cash, the disbursement of payments in accordance with invoice terms, and the management and oversight of banking services.

To the extent that the principal is protected, the Authority's funds shall be invested to yield the highest possible rate of return, taking into consideration the strength of the financial institution, and any Internal Revenue Code regulations and procedures set forth in any bond resolutions or orders requiring yield restrictions.

The Authority's investments shall be made with the exercise of good judgment and standards of care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived. The investment officer(s) shall ensure that reasonable internal controls are established and maintained to protect the portfolio from unauthorized or erroneous transactions.

7.3.5 TYPES OF AUTHORIZED INVESTMENTS

Authorized investments under this policy shall be limited to the selection of instruments meeting portfolio qualifications as listed below. The investments shall be chosen in a

manner which promotes diversity of market sector and conservative maturity. The choice of only high-grade government securities and high-grade money market funds is designed to assure optimum marketability of those investments should liquidity needs arise.

Authority funds shall be invested and reinvested by the Authority's investment officer(s) only in the following types of investment securities:

a. United States Treasuries and securities guaranteed by the United States Government not to exceed three years to stated maturity and with an investment limitation of up to 50% of the Authority's average monthly cash balance;

b. Obligations of the United States Government, its agencies and instrumentalities, and government sponsoring enterprises as defined in the Public Funds Investment Act, Chapter 2256.009, not to exceed three years to stated maturity and with an investment limitation of up to 50% of the Authority's monthly average cash balance;

c. Fully insured or collateralized certificates of deposits from a bank domiciled in the State of Texas and under the terms of a written depository agreement with that bank having a maturity not to exceed the term of the depository agreement (three years) and up to 60% of the Authority's average monthly cash balance;

d. Repurchase agreements and reverse repurchase agreements as defined in the Public Funds Investment Act, Chapter 2256.01,1 not to exceed 90 days to stated maturity and fully collateralized by obligations of the United States Government or its principalities with an investment limitation of up to 50% of the Authority's average monthly cash balance;

e. No-load SEC-regulated money market funds having a dollar-weighted average portfolio maturity of 90 days or less with an investment limitation of up to 80% of the Authority's monthly average cash balance.

f. Texas local government investment liquidity pools as defined by the Public Funds Investment Act, having a dollar-weighted average maturity of 90 days or less with an investment limitation of up to 80% of the Authority's average monthly cash balance.

Investment instruments purchased by the investment officer(s) shall have remaining maturities, at time of purchase, less than or equal to three (3) years, except funds restricted to the Debt Service Reserve Fund, which may be extended to a maximum maturity of six (6) years or less and not to exceed the fund limit as set by resolution.

It shall be the policy of the Authority that all funds not invested in eligible securities as described in this section shall be deposited in an account insured by the FDIC, or by collateral pledged to, and at all times having a minimum market value equivalent to one

hundred two percent (102%) of the principal amount is not insured.

There shall be no sharing, splitting, or co-tenancy of collateral with other parties or entities. The investment officer shall ensure that the custodian of the collateral shall be an independent third-party Texas financial institution, to which the collateral shall be pledged only to the Authority, and shall obtain safekeeping receipts from the financial institution clearly identifying that the collateral is held in the name of and on behalf of the Authority.

7.3.6 PERFORMANCE EVALUATION AND REPORTING

The Controller shall monitor all invested funds by sector and type at least monthly, with prevailing market conditions monitored on a daily basis. A written report shall be submitted to the Board of Directors quarterly and annually concerning the Authority's investment transactions for the preceding periods and containing sufficient information to permit the reader to be informed and evaluate the performance of the investment activities. The investment activity report shall contain, as a minimum:

a[1]. Beginning and ending book value by market sector type;

b[1]. Beginning and ending market value by market sector;

c[1]. A transactions inventory which changed market and book value detailing each asset by purchase date, CUSIP number, security type, par, coupon, and maturity date;

d[1]. Purchase price, purchase yield, purchase principal, current book value, market price; and

e[1]. Unrealized gains or losses, and the current days to maturity.

A monthly investment summary report shall be prepared by the Controller and provided as a subsidiary statement to be included with the Authority's monthly financial statements to the Board of Directors, containing, as a minimum:

a[2]. Present book value by market sector type;

b[2]. Present market value by market sector type;

c[2]. Earnings for the period ending by market sector type;

d[2]. Yield at maturity by market sector type;

e[2]. Percent of portfolio by market sector type;

f[2]. A graphic trend analysis of the monthly average yield of the portfolio as compared to the previous twelve months;

g[2]. A graphic comparative analysis between the average monthly yield of the portfolio to a representative baseline market index; and

h[2]. A monthly transactions report detailing the purchases and sales by settlement date, CUSIP number, security type, par, coupon, maturity date, purchase price, purchase yield, purchase principal, settlement total, and gain or loss.

7.3.7 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Funds of the Authority shall be invested by the Authority's investment officer in strict accordance with this policy. All investments made by the Authority will be conducted through either the Authority's banking services trading desk, a primary dealer, or the Authority's Financial Advisor.

The Authority shall establish and maintain a list of no more than twelve (12) financial institutions that are authorized to provide investment services. The Authority shall conduct an evaluation of the institution's creditworthiness at least annually or more often as deemed necessary.

Each financial institution with which the Authority transacts business will be provided a copy of this policy to ensure that a clear understanding of the goals and objectives of the Authority's investment program is obtained. Each participating institution, including brokers or dealers, will be required to return an affidavit acknowledging receipt of the policy, their review and general understanding, and their implementation and use of adequate internal controls.

7.3.8 SAFEKEEPING AND COLLATERALIZATION

Chapter 2257, Texas Government Code (Collateral for Public Funds Act), and prudent fiscal management require that all purchased securities be bought on a delivery versus payment basis and held in safekeeping by either the Authority, an independent third-party financial institution, or the Authority's designated depository.

All safekeeping arrangements shall be designated by the investment officer, and an agreement of the terms shall be executed in writing. The third-party custodian shall be required to issue safekeeping receipts to the Authority listing each specific security, rating, description, maturity date, CUSIP number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the Authority or pledged to the Authority.

All securities pledged to the Authority for certificates of deposit or demand deposits shall be held by an independent third-party bank domiciled or having a branch in Texas.

The safekeeping bank may be within the same holding company as the bank from which the securities are pledged.

Collateralization shall be required on two types of investments:

a. Certificates of deposits over the FDIC insurance coverage of $100,000; and

b. Repurchase agreements.

In order to anticipate market changes and provide a reasonable level of additional security for all funds, the collateralization level required shall be 102% of the market value of the principal and accrued interest.

7.4 DEPOSITORY RESTRICTIONS AND SECURITY OF FUNDS

7.4.1 STATUTORY OBLIGATIONS

In accordance with Article 8280-228, §23, VATCS, all funds of the Authority, except that of petty cash, shall be deposited within 24-hours of receipt to the credit of the Authority in banks as the Board may from time to time designate, and upon such terms and conditions as shall be fixed by the Board or the Executive Committee of the Board, unless otherwise stipulated by resolutions authorizing the issuance of the Authority's bonds or notes.

7.4.2 TYPES OF DEPOSITORY

The Authority shall utilize as depositories only federal or state chartered banking institutions within the territorial jurisdiction of the Authority (Article 8280-228, §23, VATCS). The only exception shall be those depositories utilized for paying agent purposes.

a. All funds held by the depository shall be collateralized at all times in accordance with Chapter 2257, Texas Government Code (Collateral for Public Funds Act) either by investment securities which have been approved by the Board of Directors to the extent not covered by the FDIC. Investment securities pledged as collateral shall at all times be equal in market value to the amount of funds on deposit plus interest accrued and to accrue thereon, to the extent not covered by the FDIC.

The Board of Directors approved by resolution on October 17, 1990, the use of the State Treasurer's Texas Local Government Investment Pool (TexPool) as a depository of the Authority's restricted and non-restricted cash reserves. All transactions with TexPool accounts shall be for investment purposes and conducted in accordance with the terms and conditions of Section 7.3.

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7.4.3 DISBURSEMENT OF FUNDS

All checks, drafts, vouchers, or other orders for payment of funds shall be disbursed in numerical order and bear two signature authorizations; one of which shall be the General Manager's and the other a designated employee, as approved by the Board of Directors. Additionally, ePayment methods, such as Electronic Funds Transfer (EFT), which includes Automated Clearing House (ACH) and wire transfers, must be authorized by the General Manager.

7.4.4 PERSONNEL SURETY BONDS

Each officer or employee who bears the responsibility of disbursing the Authority's funds shall be bonded by a reputable surety company in an amount not less than $100,000.

7.5 FINANCIAL STATEMENTS

7.5.1 PERIOD OF REPORTING

Financial statements shall be generated from Incode to produce an accurate disclosure of all transactions performed during each accounting period. The accounting period shall be scheduled on an end-of-month basis within forty-five (45) working days after the close of books to each period for submission to the General Manager and presentation to the Board of Directors.

7.5.2 TYPE OF STATEMENTS PRESENTED

A complete set of financial statements shall be prepared and submitted to the Board of Directors for each fund type, including budget versus actual (if applicable). The financial statements shall include, but not be limited to, a statement of:

a. Combined income and expense;

b. A combined balance sheet;

c. Cash receipts and disbursements;

d. A comparative statement of cash as reconciled to the depository; and

e. A summary statement of all invested funds;

7.5.3 CERTIFICATION OF STATEMENTS

All financial statements, subsidiary ledgers, journals, or work papers shall be compiled and certified by the Controller on a monthly basis, subject to the approval and acceptance of the General Manager prior to the release of any documents.

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7.6 ANNUAL AUDIT REPORT

7.6.1 AUDIT FILING CRITERIA

The Authority shall be responsible to the Texas Commission on Environmental Quality, the State Auditor, other state and federal agencies, and all holders of the Authority's debt for the prompt filing of a Comprehensive Annual Financial Audit Report in accordance with Article 8280-228, §9, VATCS and Texas Water Code, §50.374.

The annual report shall be filed within one hundred thirty-five (135) days from the close of books on September 30 of each fiscal year. Sufficient reports shall be prepared and distributed to an approved list of recipients, with one (1) copy retained at the Authority's Library as permanent records and available for public viewing.

7.6.2 EXTERNAL AUDITOR SELECTION

The Board of Directors shall approve and retain, with due consideration of advice and recommendations of the General Manager and Controller, an independent Certified Public Accounting firm that shall be experienced and qualified in the accounting and auditing of governmental agencies. The accounting firm selected by the Board of Directors may also provide consulting services for the Authority in addition to their duties in connection with the annual audit.

7.6.3 AUDIT REPORT CONTENTS

The preparation of the annual audit report shall be conducted in accordance with generally accepted auditing standards for governmental entities and shall satisfy all requirements imposed by Article 8280-228, §9, VATCS, and other applicable statutes relating to material content. The General Manager and Controller shall ensure that all Authority records are made available to the auditors. The report shall contain additional information concerning the status of all programs in which the Authority is engaged. The report shall include the following general criteria:

a. The status of the Authority's programs to develop, preserve, and protect the water resources within its boundaries;

b. The consistency of operation within the scope of the Authority's Enabling Legislation;

c. The financial report reviewed and approved by the Executive Committee of the Board, including a report on the performance and security of the Authority's funds and investments;

d. A report on the status of any capital development or improvement projects of the Authority;

e. A narrative overview of the goals and objectives for the ensuing year; and

f. A complete financial disclosure of the Red River Industrial Development Authority, including outstanding debt.

7.6.4 AUDITOR'S MANAGEMENT REPORT

A Management Report shall be prepared by the external auditors for submission to the Executive Committee during its review process and the Board of Directors. The external auditor shall provide oral comments regarding the management letter to the Board of Directors in a regular meeting at which time the annual audit report is presented.

The General Manager and Controller shall be provided an opportunity to review the proposed report as to content, and comment as may be appropriate. The Management Report shall not be subject to management's approval or edification.

7.6.5 ADMINISTRATIVE AUDIT

Pursuant to the Texas Water Code, §12.081, §§292.13(6); an independent management audit of the Authority's general administration shall be conducted once every five (5) years or more often as the Board of Directors may require.

The administrative audit shall include, but not be limited to, the following criteria:

a. A random examination of the methods and procedures employed in the course of administering the Authority's business activities;

b. A review of the overall effectiveness of the general policy, noting any material weaknesses that may be observed concerning its interpretation, implementation, and compliance;

c. A review of personnel management practices at all levels with respect to unit effectiveness, performance efficiency, productivity, and discrimination; and

d. A report shall be prepared of the findings and submitted to the Board of Directors for review within 135 days after initiation of the administrative audit.

APPENDICES

APPENDIX – A

ENABLING LEGISLATION

Red River Authority of Texas
Article 8280-228 VATCS
(As Amended)

Section 1. Pursuant to and as expressly authorized by Article XVI, Section 59 of the Constitution of the State of Texas, there is hereby created within the State of Texas, in addition to the conservation and reclamation districts into which the state has heretofore been divided, a conservation and reclamation district to be known as "**Red River Authority of Texas**" (*hereinafter referred to as the "Authority*"), which shall be a governmental agency of the State of Texas, a body politic and corporate.

Section 2. The area of the Authority is hereby established to comprise the whole of all counties in Texas lying wholly or in part within the watershed of the Red River and its Texas tributaries whose confluences with the Red River are upstream from the Northeast corner of Bowie County, Texas, as the same is made certain by contour maps now on file in the office of the Texas Department of Water Resources. Reference is hereby made to said records and maps in aid hereof. In addition to the counties lying wholly or in part within the watershed, the area of the Authority shall also comprise the whole of the following Texas Counties: Hutchinson, Hartley, Lamar, Lipscomb, and Red River Counties. For the limited purpose stated in Section 14d of this Act, the Authority shall include Bowie County. No defect or irregularity in the boundary, overlap, or conflict of the boundary with other Authorities or districts shall in any manner affect the validity of the Authority hereby created. It is hereby found and determined that all of the territory comprising said Authority will be benefited by the exercise of the powers, rights, privileges, and functions conferred by this Act. Except as provided by Section 14d of this Act, none of the provisions of this Act shall apply to the following Counties: Delta County, Hopkins County, Franklin County, Titus County, Morris County, Cass County, Marion County, and Bowie County.

(Amended by Acts 1975, 64th Legislature, Page 550, Chapter 217, Section 1, Effective May 19, 1975; Acts 1977, 65th Legislature, Page 1,331, Chapter 529, Section 1, Effective August 29, 1977, Acts 1981, 67th Legislature, Page 3,321, Chapter 870, Section 1, Effective June 18, 1981; Acts 1983 68th Legislature, Page 1,046, Chapter 235, Section 1, Effective September 1, 1983.)

Section 3. In the event of any overlapping of the territory of this Authority with the territories or watershed of any other district or authority, such overlapping shall not interfere with or affect the powers, affairs, duties, or functions of the Canadian River Municipal Water Authority or any other district or authority. Provided further, that at any time hereafter, additional districts or authorities of a local nature, peculiar to a defined area, may be created either entirely or partly within this Authority. It shall be the duty of the Authority to cooperate in every practical manner with the sponsors of such existing or proposed districts or authorities in the prosecution of its proposed improvements.

(Amended by Acts 1977, 65th Legislature, Page 1,331, Chapter 529, Section 2, Effective August 29, 1977.)

Section 4. (a) All powers of the Authority shall be exercised by a Board consisting of nine (9) directors.

(b) Directors shall be freehold property taxpayers and legal voters of the State of Texas, and each director shall be a resident of the director region that he is appointed to represent.

(c) The Authority is divided into three regions for appointment and representation of directors as follows:

(1) Director region number 1 includes Roberts, Hemphill, Oldham, Potter, Carson, Gray, Wheeler, Deaf Smith, Randall, Armstrong, Donley,

Collingsworth, Parmer, and Castro counties;

(2) Director region number 2 includes Swisher, Briscoe, Hall, Childress, Hale, Floyd, Motley, Cottle, Hardeman, Foard, Wilbarger, Wichita, Crosby, Dickens, King, Knox, Baylor, Archer, and Clay counties; and

(3) Director region number 3 includes Montague, Cooke, Grayson, Fannin, Lamar, Red River, and Bowie counties.

(d) Three directors shall be appointed from each of these director regions to the Board of the Authority.

(e) Each director shall be appointed by the Governor of the state and such appointment shall be confirmed by the Senate.

(f) Directors shall serve for staggered terms of six (6) years. The directors shall hold office after their appointment and qualification until their successors are appointed and qualify. Should any vacancy occur in the Board of Directors, the same shall be filled in like manner by the Governor for the unexpired term.

(g) The directors appointed shall within fifteen (15) days after their appointment qualify by taking the official oath and filing with the Secretary of the State of Texas and obtaining his approval thereon, a good and sufficient bond in the sum of Five Thousand ($5,000) Dollars each, payable to the Authority and conditioned upon the faithful performance of duties as a director.

(Amended by Acts 1969, 61st Legislature, Page 2, 564, Chapter 856, Section 3, Effective June 18, 1969, Acts 1981, 67th Legislature, Page 3,321, Chapter 870, Section 1, Effective June 19, 1981.)

Section 5. The directors of the Authority shall be organize by electing one of their members' president, one vice president, one secretary, and one treasurer. Five (5) directors shall constitute a quorum at any meeting and a concurrence of a majority of those present shall be sufficient in all matters pertaining to the business of the district, except the letting of construction contracts and the authorization of issuance of warrants paying therefore, which shall require the concurrence of seven (7) directors. Warrants for the payment of money may be drawn and signed by two (2) officers or employees designated by standing order entered in the minutes of the Authority when such accounts have been contracted and ordered paid by the Board of Directors.

Section 6. The directors of the Authority shall require each officer and employee who shall be charged with the collection, paying, or handling of any funds of the Authority to furnish a good and sufficient bond, payable to the Authority, conditioned upon the faithful performance of duties and the accounting for all funds and property of the Authority.

Section 7. The president shall preside at all meetings of the Board and shall be the chief executive officer of the Authority. The vice president shall act as president in case of the absence or disability of the president. The secretary shall act as secretary of the Board and shall be charged with the duty of keeping a record of all proceedings and all other matters of the Board. The treasurer shall receive and receipt for all moneys received and expended. In case of the absence or inability of the secretary to act, a secretary protem shall be selected by the directors.

Section 7a. The Authority's Board of Directors or a Board committee may hold a meeting by telephone conference call, by video conference call, or through communications over the Internet, in accordance with procedures provided by Subchapter F, Chapter 551, Government Code, if holding the meeting in that way is determined to be necessary or convenient by the Board president or any three Board members.

(Amended by Acts 2013, 83rd Legislature, Chapter 1156, Section 1, Effective September 1, 2013.)

Section 8. All records of the Authority shall be kept in a fireproof vault or safe. The same shall be the property of the Authority and subject to public inspection during regular office hours. A regular office shall be established and maintained for the conduct of the Authority's business within the Authority at such place as may be determined by the Board of Directors.

Section 9. A complete book of accounts shall be kept. The account books and records of the Authority and of the depository of the Authority shall be audited by a Certified Public Accountant annually as soon as practicable after the end of the district's fiscal year, such audit to cover a fiscal year ending September 30 of each year, and a report thereon shall be submitted to the first regular meeting of the Board of Directors thereafter. Said report shall be in quadruplicate, one copy being filed in the office of the Authority, one with the depository of the Authority, one in the office of the auditor, and one with the Texas Department of Water Resources, all of which shall be open to public inspection.

(Amended by Acts 1981, 67th Legislature, Page 186, Chapter 86, Section 1, Effective April 20, 1981.)

Section 10. The directors shall receive as fees of office the sum not to exceed Twenty-Five ($25) Dollars per day for each day of service necessary to the discharge of their duties, in addition to all traveling expenses, provided the same is authorized by vote of the Board of Directors, they shall file with the secretary on the last day of each month, or as soon thereafter as practicable, a verified statement showing the actual amount due and warrants shall be issued therefor.

Section 11. The directors may employ a general manager for the Authority and may give him or her full authority in the management and operation of the Authority's affairs (*subject only to the orders of the Board of Directors).* The term of office and compensation to be paid such manager and all employees shall be fixed by the Board of Directors, and all employees may be removed by the Board. A director may be employed as general manager and at such compensation as may be fixed by a majority of the other directors, and when so employed, he shall continue to perform the duties of a director, but shall receive no compensation as such director.

Section 12. All bonds required to be given by directors, officers, and employees of the Authority shall be executed by a surety company authorized to do business in the state, as surety thereon; and the premiums on such bonds shall be paid by the Authority.

Section 13. No director, engineer, or employee of the Authority shall be, directly or indirectly, interested either for themselves or as agents for anyone else, in any contract for the purchase of materials or construction of work by said Authority and if any such person shall, directly or indirectly, become interested in any such contract, he shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in any sum not to exceed One Thousand ($1,000) Dollars, or by confinement in the county jail for not less than six months nor more than one year, or both such fine and imprisonment.

Section 14. The Authority is hereby invested with all of the powers of the state under Article XVI, Section 59 of the Constitution to effectuate flood control and the conservation and use, for all beneficial purposes, of the storm, flood and unappropriated water of the Red River watershed and its Texas tributaries, subject only: (i) declarations of policy by the Legislature as to use of water; (ii) continuing supervision and control by the State Board of Water Engineers and any board or agency which may thereafter succeed to its duties; (iii) the provisions of Article 7471 prescribing the priorities of uses of water; and (iv) the rights heretofore or hereafter legally acquired in water by municipalities and other users. It shall be the duty of the Authority to exercise for the greatest practicable measure of the conservation and beneficial utilization of storm, flood and unappropriated waters of the Red River watershed and its Texas tributaries in the manner and for the particular purposes specified hereinafter in this Section and elsewhere in this Act, powers including those:

(a) To provide for the study, correction, and control of both artificial and natural pollution of the Red River and its tributaries. In this connection, such Authority is given the power to promulgate rules and regulations with regard to such pollution, both artificial and natural, with the right of policing by said Authority to enforce such rules and regulations; providing for penalties consisting of fines for violation of such pollution rules not to exceed One Thousand ($1,000) Dollars, or by confinement in the county jail for not more than thirty (30) days or both such fine and imprisonment. In this connection, the provisions of the general law pertaining to water improvement regions herein shall govern, except as expressly provided herein.

(b) To provide, through all practical and legal means, for the control, conservation, and orderly development of the watershed and water of the Red River and its Texas tributaries.

(c) To provide for the preservation of the equitable rights and beneficial use of the water for the people of the different sections of the Authority.

(d) For storing, controlling and conserving the waters of the Red River and its Texas tributaries, and the prevention of the escape of any such waters without the maximum of public service, for the prevention of devastation of lands from recurrent overflows, and the protection of life and property in such watershed areas from uncontrolled flood waters.

(e) For the conservation of storm, flood, and unappropriated water of the Red River watershed and its Texas tributaries, essential for the beneficial uses of the people of the watersheds of the Red River and its Texas tributaries.

(f) For the better encouragement and development of drainage systems and provision for drainage of lands needing drainage for profitable agricultural production.

(g) For the purpose of conserving of all soils against destructive erosion and thereby preventing the increased flood menace incident thereto.

(h) To control and make available for employment such waters in the development of commercial, industrial, and agricultural enterprises in all sections of the Authority.

(i) And for each and every purpose for which water, when controlled and conserved, may be utilized in the performance of a useful service as contemplated and authorized by the provisions of the constitution and the public policy therein declared.

(j) Such Authority shall have the right to sue and be sued in its own name.

(k) It shall be the duty of the Authority to prepare a master plan, for the maximum development of the soil and water resources of the entire Red River watershed within the Authority, including plans for the complete utilization, for all economically beneficial purposes, of the water resources of the watershed. That portion of the master plan and any amendments thereto relating to soil conservation and upstream flood prevention and watershed protection works in aid thereof shall be prepared by the soil conservation districts on the Red River watershed, subject to approval by the State Soil Conservation Board. The master plan shall be filed with and approved by the State Board of Water Engineers.

Section 14a. (1) In addition to other purposes heretofore authorized by law, the Authority shall have, and is vested with all of the powers of the State of Texas under Section 59, Article XVI, Constitution of the State of Texas, and shall likewise have and is vested with all powers, rights, privileges, and functions conferred upon navigation districts by General Law.

Without limitation of generality of the foregoing, the Authority shall have and is hereby authorized to exercise the following powers, rights and privileges, and functions;

(2) to promote, construct, maintain and operate or aid and encourage, the construction, maintenance and operation of navigable canals or waterways and all navigational systems or facilities auxiliary thereto using the natural bed and banks of the Red River, where practicable, and thence traversing such route as may be found by the Authority to be more feasible and practicable to connect Red River in Texas with any new navigation canals to be constructed in the lower reaches of Red River or to connect Red River with the intercostal canal. The Authority is empowered to construct or cause to be constructed a system of artificial waterways and canals, together with all locks and other works, structures, and artificial facilities as may be necessary and convenient for the constructions, maintenance, and operation of navigation canals or waterways and all navigational systems and facilities auxiliary thereto;

(3) the right, power, and authority to acquire, purchase, improve, extend, take over, construct, maintain, repair, operate, develop and regulate ports, levees, wharves, docks, locks, warehouses, grain elevators, dumping facilities, belt railways, lands, and all other facilities or aids to navigation or aids necessary to the operation or development of ports or waterways within the Red River Basin in Texas, provided, the powers conferred on the Authority under the provisions of this subdivision extend to a facility or aid authorized under this subdivision only if the facility or aid is situated in a county or counties included as part of said Authority.

(4) to acquire by gift or purchase any and all properties of any kind, including lighters, tugs, barges and other floating equipment of any nature, real, personal, or mixed, or any interest therein within or outside of the boundaries of the Authority necessary to the exercise of the powers, rights, privileges and functions conferred upon it by this Act and by condemnation in the manner provided in Section 18 of the Act creating the Authority, provided that the Authority shall not be required to give bond for appeal or bond for costs in any judicial proceedings;

(5) to control, develop, store and use the natural flow and floodwaters of the Red River and its tributaries for the purpose of operating and maintaining said navigable canals or waterways and all navigational systems or facilities auxiliary thereto, provided, however, that such navigational use shall be subordinate to consumptive use of water, and navigation shall be incidental thereto;

(6) to effectuate the construction, maintenance and operation of bank stabilization facilities, channel rectification or alignment, to prevent and aid in preventing devastation of lands from recurrent overflows and the protection of life and property in the Red River in Texas or any tributaries thereof within the Authority from uncontrolled flood waters; to store and conserve to the greatest beneficial use the storm, flood and unappropriated waters of the Red River in Texas or any tributaries thereof within the Authority, so as to prevent the escape of any water without maximum beneficial use either within or without the boundaries of the authority;

(7) in the event the construction of maintenance and operation of navigable canals or waterways and all navigational systems or facilities auxiliary thereto on the Red River in Texas is taken over or performed by the Federal Government or any agency of the Federal Government, then and in such event the Authority shall be fully authorized to make and enter into any such contracts as may be lawfully required by the Federal Government, including such assignments and transfers of property and rights of property and easements and privileges and any and all other lawful things and acts may be necessary and required in order to meet the requirements of the Federal Government or any agency of the Federal Government in taking over the constructions

or maintenance and operation of said navigable canals or waterways and all navigational systems or facilities auxiliary thereto;

(8) the Authority shall have the power to acquire additional land adjacent to any permanent improvement heretofore or hereafter constructed within the Authority for the purpose of developing public parks and recreational facilities; the power to acquire necessary right-of-way for public ingress and egress to such areas. The Authority may provide recreational facilities and services, and may enter into contracts and agreements with the Federal Government or any agency thereof; the Parks and Wildlife Department of the State of Texas, any county, municipality, municipal corporation, person, firm or nonprofit organization for the construction, operation and maintenance of such park, or recreational facility. It is legislative intent that the Authority will coordinate the development of any public parks and recreational facilities with the Parks and Wildlife Department for conformity with the "State Comprehensive Outdoor Recreation Plan". The Authority may perform all functions necessary to qualify for state or federal recreational grants and loans;

(9) in addition to other purposes heretofore authorized by law and as necessary aid to the conservation, control, preservations, and distribution of such water for beneficial use, the Authority is authorized to purchase, construct, improve, repair, operate and maintain works and facilities necessary for the collection, transportation, treatment and disposal of sewage and industrial waste and effluent and to issue negotiable bonds for such purposes, and the Authority may make contracts with cities and others under which the Authority will collect, transport, treat and dispose of sewage from such cities or other entities. The Authority may also make contracts with any city for the use of any collection, transportation, treatment or disposal facilities owned by such city or by the Authority;

(10) the bonds which may be issued under this Section shall be payable from revenues under any contract or contracts described herein or from other income of the Authority. Such bonds shall be in the form and shall be issued in the manner prescribed by law for other revenue bonds and as provided in Sections 26, 27, 28, and 29, Article 8280-228.

(Amended by Acts 1967, 60th Legislature, Page 1,278, Chapter 570, Section 1, Effective August 28, 1967, Acts 1969, 61st Legislature, Page 2,564, Chapter 856, Section 1, Effective June 18, 1969.)

Section 14b. (a) As used in this section:

(1) 'Person' means:

(a) an individual, partnership, corporation, or other private entity; and

(b) a public agency

(2) 'Public agency' means an authority, district, city, town, other political subdivision, joint board, or other public agency created and operating under the laws of this state.

(b) The Authority and all persons may contract, on terms and conditions to which the parties may agree, with respect to any power, function, or duty of the Authority, and the Authority and all persons may execute all appropriate documents and instruments in connection therewith. The Authority may issue bonds with respect to any of its powers in the manner provided by Section 26 of this Act, including those powers granted in this section for the purpose of providing funds:

(1) to enable the Authority to pay for the costs of engineering design and studies, surveys, title research, appraisals, options on real or personal property, and other

related matters and activities in connection with planning and implementing various proposed projects or improvements; and

(2) to operate and maintain any facilities.

(c) The Authority may invest any of its funds, including bond proceeds, in any manner or in any securities determined by its Board of Directors.

(d) Notwithstanding any provisions of this Act and in Addition to all other powers granted by this Act or by any other law, the Authority may:

(1) undertake and carry out any activities;

(2) enter into loan agreements, leases, or installment sales agreements; and

(3) acquire, purchase, construct, own, operate, maintain, repair, improve, or extend and loan, lease, sell or otherwise dispose of, on terms and conditions including rentals, sale price, or installment sale payments as the parties may agree, at any place or location in the boundaries of the Authority, any and all money or bond proceeds, works, improvements, facilities, plants, buildings, structures, equipment, and appliances, and all property or any interest in property, that are incident, helpful, or necessary.

(e) The Authority may exercise the powers in Subsection (*d*) of this section, to:

(1) provide for the control, storage, preservation, transmission, treatment, distribution, and use of water, including storm water, flood water, and the water of rivers and streams, for irrigation, electric energy or power, flood control, municipal, domestic, industrial, agricultural, and commercial uses and purposes, and for all other beneficial uses and purposes;

(2) supply water for municipal, domestic, electric energy or power, industrial, irrigation, oil flooding, mining, agricultural, and commercial uses and purposes and for all other beneficial uses and purposes;

(3) generate, produce, distribute, and sell electric energy or power; and

(4) facilitate the carrying out of any power, duty, or function of the Authority.

(f) It is found and determined by the legislature that all of the purposes stated in Subsection (*e*) of this section are for the conservation and development of the natural resources of this state within the meaning of Article XVI, Section 59, of the Texas Constitution.

(g) Each public agency may fix, charge, and collect fees, rates, charges, rentals, and other amounts for any services or facilities provided by a utility operated by it, or provided pursuant to or in connection with any contract with the Authority. The fees, rates, charges, rentals, and other amounts may be charged to and collected from inhabitants or from any users or beneficiaries of that utility, service, or facility. These may include specifically water charges, sewage charges, solid waste disposal system fees, and charges including garbage collection or handling fees, and other fees or charges.

(h) Those fees, rates, charges, rentals, and other amounts may be used or pledged to make payments to the Authority required under the contract and may be pledged in amounts sufficient to make all or any part of those payments to the Authority when due. Those payments if the parties agree in the contract, constitute an expense of operation of any

facilities or utility operated by the public agency; provided that an agreement may not be made that would violate the United States or Texas Constitutions.

(i) This section is wholly sufficient authority for the issuance of the bonds, the execution of contracts, and the performance of the other acts and procedures authorized in this Act by the Authority and persons, including public agencies, without reference to any other law or any restrictions or limitations included in any other law. To the extent of any conflict or inconsistency between this subsection and any other law including a home-rule city charter, this section prevails and controls; provided that the Authority and persons, including public agencies, may use any other law, not in conflict with this subsection, to the extent convenient or necessary to carry out any power or authority granted by this section.

(j) This section does not compel any person, including any public agency, to secure water, sewer service, or any other service from the Authority, except voluntarily executed contracts.

(*Amended by Acts 1981, 67th Legislature, Page 186, Chapter 86, Section 3, Effective April 30, 1981, Acts 1983, Legislature, Page 4,344, Chapter 696, Section 3, Effective June 19, 1983.)*

Section 14c. (a) On Acquisition of any necessary authorization as provided by law, the Authority may engage in the manufacture and production of gasohol only for use in operating equipment of the Authority in an emergency as determined by the General Manager of the Authority.

(b) The Authority is eligible for a local industrial alcohol manufacturer's permit under chapter 47, Alcoholic Beverage Code, as amended, as if it were an eligible Texas corporation, but its authority under the permit is limited as provided by Subsection (*a*) of this section.

(Amended by Acts 1981, 67th Legislature, Page 186, Chapter 86, Section 3, Effective April 30, 1981.)

Section 14d. (a) Bowie County is added to the Red River Authority for the limited purpose of participating in the U.S. Army Corps of Engineers' Red River Bank Stabilization and Navigation Project, from Index, Arkansas, to Denison Dam, and this Act shall apply to Bowie County to the extent necessary to accomplish the Red River Bank Stabilization and Navigation Project.

(b) Bowie County is liable only for debt incurred by the Authority directly in connection with the Red River Bank Stabilization and Navigation Project, and the Board may exercise the duties and powers, including the power of eminent domain, under this Act, with relation to Bowie County only to the extent necessary to accomplish the Red River Bank Stabilization and Navigation Project.

(Amended by Acts 1981, 67th Legislature, Page 3,321, Chapter 870, Section 2, Effective June 18, 1981, Acts 1983, Legislature, Page 4,344, Chapter 696, Section 2, Effective June 19, 1983.)

Section 15. The powers and duties herein granted to the Authority are recognized to be taken subject to all legislative declarations of public policy in the maximum utilization of the waters of the Authority's watersheds for the purposes for which the Authority is created. The Authority in the exercise of its powers and duties shall be subject to the continuing supervision by the state, which shall be exercised through the State Board of Water Engineers, or any board or agency which may succeed to its duties, which agency shall be charged with the authority and duty to approve, or to refuse to approve, the adequacy and feasibility of any plan or plans for flood control or conservation devised for the achievement of the purposes intended in the creation of the Authority.

Section 16. The Authority is granted the power to execute such contracts and enter into such agreements as may be necessary to accomplish the purpose for which it is created. In keeping with this provision, the Authority is authorized to enter into contracts with cities, corporations, districts, the United States and it agencies, the State of Texas and agencies thereof, or the States of Oklahoma, Arkansas, and Louisiana, the confines of which are contiguous or adjacent to Red River.

(Amended by Acts 1969, 61st Legislature, Page 2,564, Chapter 856, Section 2, Effective June 18, 1969.)

Section 16a. The Authority is expressly authorized to contract with cities, towns or villages located within its boundaries for the purchase, lease, use, management, control of operation of water distribution plants or systems owned by said cities, towns or villages, in accordance with such terms and conditions as may be mutually agreed upon by and between the governing bodies of the Authority and such city, town or village. In this connection the Authority is empowered to acquire by any such contract surface or underground water rights belonging to any such city, town or village; provided, however, that the Authority shall devote any such water rights so acquired to only such uses as the city, town or village from which they were acquired would be authorized to make of them; and, provided further, that the Authority shall use any such water rights so acquired only for the purposes of the water distribution plant or system of the city, town or village from which such water rights were acquired, and not otherwise.

(Amended by Acts 1961, 57th, Legislature, Page 1,116, Chapter 504, Section 2, Effective August 27, 1961.)

Section 16b. The Authority may enter into any contracts necessary to provide for the sale and delivery of water to the City of Eldorado, Oklahoma.

(Amended by Acts 1969, 61st Legislature, Page 2,077, Chapter 715, Section 1, Effective June 12, 1969.)

Section 17. For the purpose of providing funds requisite to secure the necessary studies, engineering and others services which may be necessary, the collection and computation of the data respecting regional and general conditions influencing the character and extent of the improvements necessary to effect the purposes of the creation of this Authority to the greatest public advantage, it is hereby provided that it may solicit, seed and accept contributions to its funds from any other district, authority or municipality, the Federal Government or the State of Texas, or from any other source. Any and all grants and gratuities shall be strictly accounted for and shall be subject to the same rules, regulations, and orders as are other funds handled or disbursed by the Authority.

Section 18. The Authority is hereby vested with the right of eminent domain in the manner provided by the general law pertaining to water control and improvement districts. In the event that the Authority, in the exercise of the power of eminent domain or power of relocation, or any other power granted hereunder, makes necessary the relocation, raising, rerouting or changing the grade of, or altering the construction of any highway, railroad, electric transmission line, telephone or telegraph properties and facilities, or pipeline, all such necessary relocation, raising, rerouting, changing of grade or alteration of construction shall be accomplished at the sole expense of the Authority.

Section 19. Said Authority shall have and may exercise such functions, powers, authority, rights and duties as may permit the accomplishment of the purposes for which it is created, including investigating and planning, acquiring, construction, maintaining and operating of all necessary properties, lands, rights, tenements, easements, improvements, reservoirs, dams, canals, laterals, plants, works and facilities which it may deem necessary or proper for the accomplishment of said purposes, including the acquisition within and/or without said Authority of lands, rights-of-way, surface water rights, groundwater rights, if purchased, as provided by Section 19a, and all other properties, tenements, easements and all other rights incident, helpful to, or in aid of carrying out the purposes of said Authority as herein defined; provided, however, that Authority shall not engage in the generation or distribution of electric power except as provided by Section 14b of

this Act. The right of eminent domain shall not be exercised or extended beyond the boundaries of this Region.

(Amended by Acts 1961, 57th Legislature, Page 1,116, Chapter 504, Section 1, Effective August 27, 1961; Acts 1981, 67th Legislature, Page 186, Chapter 86, Section 1, Effective April 20, 1981; Acts 2013, 83rd Legislature, Chapter 1156, Section 2, Effective September 1, 2013.)

Section 19a. The Authority may purchase groundwater rights in a county in the Authority's territory only if:

(1) there is a groundwater conservation district that has jurisdiction over water wells located in the county; or

(2) in the case where a county is not in the jurisdiction of a groundwater conservation district, the commissioners court of the county approves the purchase of groundwater rights by the Authority in the county.

(Amended by Acts 2013, 83rd Legislature, Chapter 1156, Section 3, Effective September 1, 2013.)

Section 20. The Authority shall establish and collect rates and other charges for the sale or use of water or for it services sold, furnished or supplied which fees and charges shall be reasonable and nondiscriminatory but sufficient to produce revenues adequate to pay the expenses of the Authority in carrying out its functions for which it is created and to fulfill the terms of any agreements made with the holders of any of its obligations. Provided, however, that the rates and charges for the sale or use of water shall be subject to review by the State Board of Water Engineers, as provided by general law.

Section 21. While the power is expressly given to the Authority to issue its obligations or warrants for furnishing of funds, before such obligations or warrants shall be issued, the same shall bear the approval of the State of Texas, acting through the Attorney General of Texas.

Section 22. The Authority shall make by-laws for the management and regulation of its affairs; to adopt and us a corporate seal; to appoint officers, attorneys, agents and employees, and to prescribe their duties and fix their compensation; to make such other contracts and execute instruments necessary or convenient to the exercise of its powers, rights, privileges and functions conferred upon it by this Act and the general laws of the state pertaining to water control and improvement districts; to borrow money and accept grants from the United States of America, or the State of Texas, or any other source, and in connection with any such loan or grant; to enter into such agreements and assume such obligations as may be required.

Section 23. The Board of Directors shall designate one or more banks within the Authority to serve as depositories for the funds of the Authority. All funds of the Authority shall be deposited in such depository bank or banks, except that funds pledged to pay bonds may be deposited with the trustee bank named in the trust agreement, and except that funds shall be remitted to the bank of payment for the payment of principal of and interest on bonds. To the extent that funds in the depository banks and the trustee bank are not insured by the F.D.I.C., they shall be secured in the manner provided by law for the security of county funds.

Section 24. Nothing in this Act shall be construed as authorizing the Authority to levy or collect any form of tax within said Authority.

Section 25. Nothing in this Act shall be construed as authorizing the Authority to acquire or regulate underground water or underground water rights by condemnation or regulate the use of underground water resources in any manner.

(Amended by Acts 2013, 83rd Legislature, Chapter 1156, Section 4, Effective September 1, 2013.)

Section 26. (a) For the purpose of providing funds for any purpose authorized by this Act, the Authority shall have the power and is hereby authorized to issue bonds from time to time as authorized by this Act. The Authority is hereby empowered, without the necessity of an election, to issue such bonds to be payable from such revenues of the district as are pledged by resolution of the Board of Directors.

(Amended by Acts 1981, 67th Legislature, Page 186, Chapter 86, Section 2, Effective April 30, 1981.)

(b) Such bonds shall be authorized by resolution of the Board of Directors and shall be issued in the name of the Authority, signed by the president or vice president, attested by the secretary, and has the seal of the Authority impressed thereon. They shall mature serially or otherwise in not to exceed 50 years and may be sold at a price and under terms determined by the Board of Directors to be the most advantageous reasonably obtainable, provided that the interest rate on the bonds may not exceed the maximum net effective interest rate, as that term is defined by Chapter 3, Acts of the 61st Legislature, Regular Session, 1969, as amended (*Article 717K-2, Vernon's Texas Civil Statues),* that is legally authorized at the time the bonds are issued, and within the discretion of the Board, may be made callable prior to maturity at such times, and prices as may be prescribed in the resolution authorizing the bonds, and may be made registrable as to principal or as to both principal and interest.

(Amended by Acts 1981, 67th Legislature, Page 186, Chapter 86, Section 2, Effective April 30, 1981, Acts 1983, Legislature Page 4,344, Chapter 696, Section 4, Effective June 19, 1983.)

(c) Bonds may be issued in more than one series and from time to time as required for carrying out the purposes of this Act.

(d) The bonds may be secured by a pledge of all or part of the net revenues of the Authority, or by the net revenues of any one or more contracts theretofore or thereafter made or other revenues specified by resolution of the Board of Directors. Any such pledge may reserve the right, under conditions therein specified, to issue additional bonds which will be on a parity with or subordinate to the bonds then being issued. The term "net revenues" as used in this Section shall mean the gross revenues of the Authority after deduction of the amount necessary to pay the cost of maintaining and operating the Authority and its properties.

(e) It shall be the duty of the Board of Directors to fix, and from time to time to revise, the rates of compensation for water sold and services rendered by the Authority which will be sufficient to pay the expense of operating and maintaining the facilities of the Authority and to pay the bonds as they mature and the interest as it accrues and to maintain the reserve and other funds as provided in the resolution authorizing the bonds.

(f) From the proceeds of the sale of the bonds, the Authority may set aside an amount for the payment of interest expected to accrue during construction and a reserve interest and sinking fund, and such provision may be made in the resolution authorizing the bonds. Proceeds from the sale of the bonds may also be used for the payment of all expenses necessarily incurred in accomplishing the purposes for which the Authority is created.

(g) In the event of a default or a threatened default in the payment of principal or of interest on any of the bonds any court of competent jurisdiction may, upon petition of the holders of twenty-five percent (25%) of the outstanding bonds of the issue thus in default or threatened with default, appoint a receiver with authority to collect and receive all income of the Authority, employ and discharge agents and employees of affairs of the Authority without consent or hindrance by the directors. Such a receiver may also be authorized to sell or make contracts for the sale of water or renew such

contracts with the approval of the court appointing him or her. The court may vest the receiver with such other powers and duties as the court may find necessary for the protection of the holders of the bonds.

Section 27. The Authority is authorized to issue refunding bonds for the purpose of refunding any outstanding bonds authorized by this Act and interest thereon. Such refunding bonds may be issued to refund more than one series of outstanding bonds and combine the pledges for the outstanding bonds for the security of the refunding bonds, and may be secured by other or additional revenues. The provisions of this law with reference to the issuance of other bonds and their approval by the Attorney General and the remedies of the holders shall be applicable to refunding bonds. Refunding bonds shall be registered by the Comptroller upon surrender and cancellation of the bonds to be refunded, but in lieu thereof, the resolution authorizing their issuance may provide that they shall be sold and the proceeds thereof deposited in the bank where the original bonds are payable, in which case the refunding bonds may be issued in an amount sufficient to pay the interest on the original bonds to their option date or maturity date, and the Comptroller shall register them without concurrent surrender and cancellation of the original bonds.

Section 28. Any bonds (*including refunding bonds)* authorized by this law may be additionally secured by a deed of trust lien upon physical properties of the Authority and all franchises, easements, water rights and appropriation permits, leases and contracts and all rights appurtenant to such properties, vesting in the trustee power to see the properties for payment of the indebtedness, power to operate the properties, and all other powers and authority for the further security of the bonds. Such deed of trust may contain any provisions prescribed by the Board of Directors for the security of the bonds and the preservation of the trust estate, and may make provision for amendment or modification thereof and the issuance of bonds to replace lost or mutilated bonds. Any purchaser under a sale under such deed of trust shall be the owner of the dam or dams and the other properties and facilities so purchased and shall have the right to maintain and operate the same, in the event of forfeiture or default on the part of the Authority.

Section 29. After any bonds are authorized by the district, such bonds and the record relating to their issuance shall be submitted to the Attorney General for his examination as to the validity thereof. Where such bonds recite that they are secured by a pledge of the proceeds of a contract theretofore made between the district and any city or other governmental agency or district, a copy of such contract and the proceedings of the city or other governmental agency or district authorizing such contract shall also be submitted to the Attorney General. If such bonds have been authorized and if such contracts have been made in accordance with the Constitution and laws of the State of Texas, he shall approve the bonds and such contracts, and the bonds then shall be registered by the Comptroller of Public Accounts. Thereafter, the bonds and the contracts, if any, shall be valid and binding and shall be incontestable for any cause.

Section 30. The Legislature hereby declares that the enactment hereof is in fulfillment of a duty conferred upon it by Section 59 of Article XVI of the Constitution of Texas, wherein it is empowered to pass such laws as may be appropriate in the preservation and conservation of the natural resources of the state; that the Authority herein created is essential to the accomplishment of the purposes of said constitutional provision; and that this Act operates on a subject in which the state at large is interested. It is hereby found and determined that all of the lands and other property included within the boundaries of the Authority will be benefited and that the Authority is created to serve a public use and benefit. All the terms and provisions of this Act are to be liberally construed to effectuate the purposes herein set forth.

Section 31. Except as otherwise provided herein, the Authority is hereby vested with all of the rights, powers, and privileges conferred by the laws of this state now in effect or hereinafter enacted, applicable to water control and improvement districts created under the authority of Section 59, Article XVI of the Constitution. Acts 1959, 56th Legislature, page 604, Chapter 279.

APPENDIX – B

SPECIAL DISTRICT LOCAL LAWS CODE, CHAPTER 8510

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 6. WATER AND WASTEWATER
SUBTITLE G. RIVER AUTHORITIES
CHAPTER 8510. RED RIVER AUTHORITY OF TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Text of section effective on April 01, 2023

Sec. 8510.0101. DEFINITIONS.

In this chapter:

(1) "Authority" means the Red River Authority of Texas.
(2) "Board" means the authority's board of directors.
(3) "Commission" means the Texas Commission on Environmental Quality.
(4) "Director" means a board member.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0102. NATURE OF AUTHORITY.

The authority is a conservation and reclamation district created under Section 59, Article XVI, Texas Constitution.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) The authority is:
  (1) essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution; and
  (2) created to serve a public use and benefit.
(b) All land and other property inside the authority's boundaries will benefit from the authority.
(c) All of the authority's territory will benefit by the exercise of the powers, rights, privileges, and functions conferred by this chapter.
(d) This chapter addresses a subject in which this state is interested.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0104. REVIEW SCHEDULE UNDER SUNSET ACT.

A review of the authority under Section 325.025, Government Code, shall be conducted as if the authority were a state agency scheduled to be abolished September 1, 2031, and every 12th year after that year.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

For expiration of this section, see Subsection (d).

Text of section effective on April 01, 2023

Sec. 8510.01045. SUNSET REPORT AUDIT.

(a) The state auditor shall conduct an audit of the authority to evaluate whether the authority has addressed the operational challenges identified in the report on the authority by the Sunset Advisory Commission presented to the 86th Legislature.

(b) The state auditor may not begin the audit required by Subsection (a) before December 1, 2021, and shall prepare and submit a report of the findings of the audit to the chairman and executive director of the Sunset Advisory Commission not later than December 1, 2022.

(c) The state auditor shall include the auditor's duties under this section in each audit plan under Section 321.013, Government Code, that governs the auditor's duties for the period specified by Subsection (b).

(d) This section expires January 1, 2023.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0105. TERRITORY.

(a) The authority is composed of the territory described by Subsection (b) as that territory may have been modified under:

(1) Subchapter J, Chapter 49, Water Code;

(2) Subchapter O, Chapter 51, Water Code;

(3) Subchapter H, Chapter 62, Water Code; or

(4) other law.

(b) The authority is composed of:

(1) the whole of each county in this state located wholly or partly in the watershed of the Red River and its tributaries in this state whose confluences with the Red River are upstream from the northeast corner of Bowie County, as shown by contour maps on file with the Texas Water Development Board; and

(2) the whole of Hartley, Hutchinson, Lamar, Lipscomb, and Red River Counties.

(c) A defect or irregularity in the boundary or an overlap or conflict of the boundary with another authority or district does not affect the authority's validity.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0106. EFFECT OF OVERLAPPING TERRITORY.

(a) An overlap of the authority's territory with another district's or authority's territory or watershed does not affect the powers, affairs, duties, or functions of another district or authority, including the Canadian River Municipal Water Authority.

(b) A district or authority of a local nature, peculiar to a defined area, may be created wholly or partly inside the authority.

(c) The authority shall cooperate in every practical manner with the sponsor of an existing or proposed district or authority described by this section in the prosecution of its proposed improvements.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0107. APPLICABILITY OF CHAPTER TO CERTAIN COUNTIES.

Except as provided by Section 8510.0108, this chapter does not apply to Bowie, Cass, Delta, Franklin, Hopkins, Marion, Morris, or Titus County.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0108. APPLICABILITY OF CHAPTER TO BOWIE COUNTY.

(a) In this section, "project" means the United States Army Corps of Engineers' Red River Bank Stabilization and Navigation Project, from Index, Arkansas, to Denison Dam.

(b) Bowie County is included in the authority for the limited purpose of participating in the project. This chapter applies to Bowie County to the extent necessary to accomplish the project.

(c) Bowie County is liable only for debt incurred by the authority directly in connection with the project. The board may exercise the powers and duties, including the power of eminent domain, under this chapter with relation to Bowie County only to the extent necessary to accomplish the project.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0109. LIBERAL CONSTRUCTION OF CHAPTER.

This chapter shall be liberally construed to effectuate its purposes.
Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Text of section effective on April 01, 2023

Sec. 8510.0201. MEMBERSHIP OF BOARD.

(a) The board consists of nine directors appointed by the governor with the advice and consent of the senate.

(b) Each director must be:

(1) a freehold property taxpayer and a qualified voter of this state; and

(2) a resident of the director district that the director is appointed to represent.

(c) The governor shall appoint three directors to represent each of the following districts:

(1) director district no. 1 includes Armstrong, Carson, Castro, Collingsworth, Deaf Smith, Donley, Gray, Hemphill, Oldham, Parmer, Potter, Randall, Roberts, and Wheeler Counties;

(2) director district no. 2 includes Archer, Baylor, Briscoe, Childress, Clay, Cottle, Crosby, Dickens, Floyd, Foard, Hale, Hall, Hardeman, King, Knox, Motley, Swisher, Wichita, and Wilbarger Counties; and

(3) director district no. 3 includes Bowie, Cooke, Fannin, Grayson, Lamar, Montague, and Red River Counties.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0202. TERMS.

Directors serve staggered six-year terms.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0203. REMOVAL.

(a) It is a ground for removal from the board that a director:

(1) does not have at the time of taking office the qualifications required by Sections 8510.0201 and 8510.0205;

(2) does not maintain during service on the board the qualifications required by Sections 8510.0201 and 8510.0205;

(3) ineligible for directorship under Chapter 171, Local Government Code;

(4) cannot, because of illness or disability, discharge the director's duties for a substantial part of the director 's term; or

(5) is absent from more than half of the regularly scheduled board meetings that the director is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

(b) The validity of a board action is not affected by the fact that it is taken when a ground for removal of a director exists.

(c) If the general manager has knowledge that a potential ground for removal exists, the general manager shall notify the board president of the potential ground. The president shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the president, the general manager shall notify the next highest ranking director, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03,
eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0204. VACANCY.

The governor fills a board vacancy for the unexpired part of the term in the manner provided by Section 8510.0201.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0205. OATH AND BOND REQUIREMENT FOR DIRECTORS.

(a) Not later than the 15th day after the date of appointment, a director shall qualify by:

(1) taking the constitutional oath of office; and

(2) filing a good and sufficient bond with the secretary of state and obtaining the secretary of state's approval on the bond.

(b) The bond must be:

(1) in the amount of $5,000;

(2) payable to the authority; and

(3) conditioned on the faithful performance of duties as a director.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0206. COMPENSATION OF DIRECTORS.

(a) Unless the board by resolution increases the fee to an amount authorized by Section 49.060, Water Code, a director shall receive as a fee of office an amount not to exceed $25 for each day of service necessary to discharge the director's duties if the board authorizes the same.

(b) Not later than the last day of each month or as soon as practicable after that date, a director shall file with the secretary a verified statement showing the amount due under Subsection (a).

(c) The authority shall issue a warrant for the amount shown in the verified statement filed under Subsection (b).

(d) In all areas of conflict with this section, Section 49.060, Water Code, takes precedence.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0207. VOTING REQUIREMENT.

(a) Except as provided by Subsection (b), a concurrence of a majority of the directors present is sufficient in any matter relating to authority business.

(b) The concurrence of seven directors is required to award a construction contract or to authorize the issuance of a warrant to pay for a construction contract.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0208. OFFICERS.

(a) The governor shall designate a director as the board president to serve as the authority's chief executive officer at the pleasure of the governor.

(b) The board shall elect one director as vice president, one director as secretary, and one director as treasurer.

(c) The vice president shall act as president if the president is absent or disabled.

(d) The secretary shall act as board secretary. The board shall select a secretary pro tem if the secretary is absent or unable to act.

(e) The authority may appoint officers, prescribe their duties, and set their compensation.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0209. DIRECTOR TRAINING PROGRAM.

(a) A person who is appointed to and qualifies for office as a director may not vote, deliberate, or be counted as a director in attendance at a board meeting until the person completes a training program that complies with this section.

(b) The training program must provide the person with information regarding:

(1) the law governing the authority's operations;

(2) the authority's programs, functions, rules, and budget;

(3) the results of the authority's most recent formal audit;

(4) the requirements of:

(A) laws relating to open meetings, public information, administrative procedure, and disclosure of conflicts of interest; and

(B) other laws applicable to members of the governing body of a river authority in performing their duties; and

(5) any applicable ethics policies adopted by the authority or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

(d) The general manager shall create a training manual that includes the information required by Subsection (b). The general manager shall distribute a copy of the training manual annually to each director. Each director shall sign and submit to the general manager a statement acknowledging that the director has received and reviewed the training manual.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0210. MEETINGS.

(a) The president shall preside at all board meetings.

(b) At each regular board meeting, the board shall:

(1) include public testimony as a meeting agenda item; and

(2) allow the public to comment on all meeting agenda items and other matters under the authority's jurisdiction.

(c) At a regular board meeting, the board may not deliberate on or decide a matter not included in the meeting agenda, except that the board may discuss including the matter on the agenda for a subsequent meeting.

(d) The board or a board committee may hold a meeting by telephone conference call, by video conference call, or through communications over the Internet, in accordance with procedures provided by Subchapter F, Chapter 551, Government Code, if the board president or any three board members determine that holding the meeting in that manner is necessary or convenient.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0211. SEPARATION OF POLICYMAKING AND MANAGEMENT FUNCTIONS.

The board shall develop and implement policies that clearly separate the board's policymaking responsibilities and the general manager 's and staff 's management responsibilities.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0212. ATTORNEYS, AGENTS, AND EMPLOYEES.

(a) The authority may appoint attorneys, agents, and employees, prescribe their duties, and set their compensation.

(b) The board may remove an authority employee.

(c) The board shall set the term of office and the compensation to be paid to authority employees.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0213. GENERAL MANAGER.

(a) The board may employ a general manager.

(b) The board shall set the term of office and the compensation to be paid to the general manager.

(c) The board may not employ a director as general manager.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0214. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY BOND.

(a) A bond required of an authority director, officer, or employee must be executed by a surety company authorized to do business in this state, as surety on the bond.

(b) The authority shall pay the premium on the bond.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0215. AUTHORITY'S OFFICE.

A regular office shall be established and maintained to conduct the authority's business inside the authority's territory at a place determined by the board.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0216. RECORDS.

The secretary shall maintain a record of all board proceedings and orders.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0217. COMPLAINTS.

(a) The authority shall maintain a system to promptly and efficiently act on complaints filed with the authority.

(b) The authority shall maintain:

(1) information about the subject matter of the complaint;

(2) information about the parties to the complaint;

(3) a summary of the results of the review or investigation of the complaint; and

(4) the disposition of the complaint.

(c) Periodically, the authority shall notify the parties to the complaint of the complaint's status until final disposition.

(d) The authority shall make information available describing its procedures for complaint investigation and resolution.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0218. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.

(a) The board shall develop a policy to encourage the use of appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under the authority's jurisdiction.

(b) The authority's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The authority shall:

(1) coordinate the implementation of the policy adopted under Subsection (a);

(2) provide training as needed to implement the procedures for alternative dispute resolution;

(3) collect data concerning the effectiveness of those procedures.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0219. PUBLIC TESTIMONY.

The board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the authority's jurisdiction.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

SUBCHAPTER C. POWERS AND DUTIES

Text of section effective on April 01, 2023

Sec. 8510.0301. GENERAL POWERS.

(a) The authority has:

(1) the functions, powers, rights, and duties as may permit the authority to accomplish the purposes for which it is created;

(2) the powers of this state under Section 59, Article XVI, Texas Constitution; and

(3) all powers, rights, privileges, and functions conferred on navigation districts by general law.

(b) Except as otherwise provided by this chapter, the authority has the rights, power, and privileges conferred by the general law applicable to a water control and improvement district created under Section 59, Article XVI, Texas Constitution, including Chapter 51, Water Code.

(c) The authority is governed by Chapters 49, 60, and 62, Water Code, but in all areas of conflict, Chapter 62 takes precedence.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0302. POWERS RELATING TO CONSERVATION AND BENEFICIAL USE OF WATER.

(a) The authority has the powers of this state under Section 59, Article XVI, Texas Constitution, to effectuate flood control and the conservation and use of the storm, flood, and unappropriated waters of the watershed of the Red River and its tributaries in this state for all beneficial purposes, subject only to:

(1) the legislature's policy declarations as to water use;

(2) the commission's continuing supervision and control;

(3) the provisions of Section 11.024, Water Code, prescribing the priorities of water uses;

(4) the water rights acquired by municipalities and other users.

(b) The authority shall exercise its powers for the greatest practicable measure of the conservation and beneficial use of the storm, flood, and unappropriated waters of the watershed of the Red River and its tributaries in this state in the manner and for the particular purposes specified by this chapter, including the exercise of its powers to provide for:

(1) the study, correction, and control of both artificial and natural pollution of the Red River and its tributaries;

(2) the control, conservation, and orderly development of the watershed and water of the Red River and its tributaries in this state through all practical and legal means;

(3) the preservation of the equitable rights and beneficial use of the waters for the people of the different sections of the authority;

(4) the storage, control, and conservation of the waters of the Red River and its tributaries in this state and the prevention of the escape of any of those waters without the maximum of public service;

(5) the prevention of the devastation of lands from recurrent overflows;

(6) the protection of life and property in the watershed of the Red River and its tributaries from uncontrolled flood waters;

(7) the conservation of storm, flood, and unappropriated waters of the watershed of the Red River and its tributaries in this state essential for the beneficial uses of the people of that watershed;

(8) the better encouragement and development of drainage systems and drainage of lands that need drainage for profitable agricultural production;

(9) the conservation of soil to prevent destructive erosion and the increased threat of flooding incident to that erosion;

(10) the control of those waters and making them available for use in the development of commercial, industrial, and agricultural enterprises in all sections of the authority; and

(11) any purpose for which waters when controlled and conserved may be used in the performance of a useful service as authorized by the constitution of this state.

(c) For purposes of Subsection (b)(1), the authority may:

(1) adopt rules with regard to the pollution described by that subdivision;

(2) engage in policing to enforce those rules; and

(3) provide for penalties for violating those rules consisting of:

(A) fines not to exceed $1,000;

(B) confinement in the county jail for a period not to exceed 30 days; or

(C) both the fine and confinement.

(d) The general law pertaining to a water control and improvement district, including Chapters 49 and 51, Water Code, applies to Subsection (b)(1).

(e) The authority may store and conserve to the greatest beneficial use the storm, flood, and unappropriated waters of the Red River in this state or any tributary of that river in the authority to prevent the escape of water without maximum beneficial use inside or outside the authority's boundaries.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0303. POWERS REGARDING CANALS, WATERWAYS, AND RELATED FACILITIES.

(a) The authority may:

(1) promote, construct, maintain and operate, or aid and encourage, the construction, maintenance, and operation of navigable canals or waterways and all navigational systems or facilities auxiliary to navigable canals or waterways using the natural bed and banks of the Red River, where practicable, and then traversing a route the authority may find to be more feasible and practicable to connect the Red River in this state with any new navigation canals to be constructed in the lower reaches of the Red River or to connect the Red River with the Gulf Intracoastal Waterway;

(2) construct a system of artificial waterways and canals, together with all locks and other works, structures, and artificial facilities as may be necessary and convenient for the construction, maintenance, and operation of:

(A) navigation canals or waterways; and

(B) all navigational systems and facilities auxiliary to navigation canals or waterways;

(3) acquire, improve, extend, take over, construct, maintain, repair, operate, develop, and regulate ports, levees, wharves, docks, locks, warehouses, grain elevators, dumping facilities, belt railways, lands, and all other facilities or aids to navigation or aids necessary to the operation or development of ports or waterways in the Red River basin in this state.

(b) A power described by Subsection (a)(3) applies with respect to a facility or aid described by that subdivision only if the facility or aid is in a county located inside the authority.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0304. FEDERALLY CONSTRUCTED OR MAINTAINED CANALS, WATERWAYS, AND FACILITIES.

If the construction or maintenance and operation of navigable canals or waterways and all navigational systems or facilities auxiliary to navigable canals or waterways on the Red River in this state is taken over or performed by the federal government or an agency of the federal government, then the authority may:

(1) enter into contracts that may be required by the federal government, including assignments and transfers of property, property rights, easements, and privileges; and

(2) take any other action required by the federal government or an agency of the federal government.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0305. POWER TO CONTROL, DEVELOP, STORE, AND USE WATER FOR NAVIGATIONAL USE.

(a) The authority may control, develop, store, and use the natural flow and floodwaters of the Red River and its tributaries for the purpose of operating and maintaining:
  (1) navigable canals or waterways; and
  (2) navigational systems or facilities auxiliary to navigable canals or waterways.

(b) The navigational use of water authorized by Subsection (a) is subordinate and incidental to consumptive use of water.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0306. POWERS RELATING TO FLOODING.

The authority may effectuate channel rectification or alignment and the construction, maintenance, and operation of bank stabilization facilities to:

(1) prevent and aid in preventing devastation of lands from recurrent overflows; and

(2) protect life and property in the watershed of the Red River in this state or any tributaries of that river in the authority from uncontrolled floodwaters.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0307. MASTER PLAN FOR DEVELOPMENT OF SOIL AND WATER RESOURCES.

(a) The authority shall prepare a master plan for the maximum development of the soil and water resources of the Red River watershed inside the authority.

(b) The master plan must include plans for the complete use of the water resources of the watershed for all economically beneficial purposes.

(c) A soil and water conservation district in the Red River watershed shall prepare the portion of the master plan and amendments to the plan relating to soil conservation, upstream flood prevention, and watershed protection works in aid of soil conservation and upstream flood prevention, subject to the approval of the State Soil and Water Conservation Board.

(d) The master plan must be filed with and approved by the commission.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0308. POWERS RELATING TO PARKS AND RECREATIONAL FACILITIES.

(a) The authority may acquire:

(1) additional land adjacent to a permanent improvement constructed inside the authority for the purpose of developing public parks and recreational facilities; and

(2) necessary right-of-way for public ingress and egress to an area described by Subdivision (1).

(b) The authority may provide recreational facilities and services and may enter into a contract or agreement with any person for the construction, operation, or maintenance of a park or recreational facility.

(c) The authority may perform a function necessary to qualify for a state or federal recreational grant or loan.

(d) The legislature intends that the authority coordinate the development of any public parks or recreational facilities with the Parks and Wildlife Department for conformity with the land and water resources conservation and recreation plan.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0309. POWERS RELATING TO WASTE FACILITIES; BONDS.

(a) As a necessary aid to the conservation, control, preservation, and distribution of the water of the Red River and its tributaries for beneficial use, the authority may:

(1) purchase, construct, improve, repair, operate, and maintain works and facilities necessary for the collection, transportation, treatment, and disposal of sewage and industrial waste and effluent; and

(2) issue bonds for a purpose described by Subdivision (1).

(b) The authority may contract with:

(1) a municipality or other entity to collect, transport, treat, and dispose of sewage from the municipality or entity; and

(2) a municipality for the use of collection, transportation, treatment, or disposal facilities owned by the municipality or by the authority.

(c) A bond issued under this section must be:

(1) payable from revenue under a contract described by this section or from other authority income;

(2) in the form and issued in the manner prescribed by law for other revenue bonds and as provided by Sections 8510.0504, 8510.0505, 8510.0506, 8510.0507, 8510.0508, 8510.0509, 8510.0510, 8510.0511, and 8510.0512.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0310. ADDITIONAL POWERS OF AUTHORITY AND OTHER PERSONS; BONDS.

(a) In this section, "public agency" means an authority, district, municipality, other political subdivision, joint board, or other public agency created and operating under the laws of this state.

(b) The authority and a person may:

(1) contract, on terms to which the parties may agree, with respect to an authority power, function, or duty;

(2) execute appropriate documents and instruments in connection with a contract described by Subdivision (1).

(c) The authority may issue bonds in the manner provided by Sections 8510.0504, 8510.0505, 8510.0506, 8510.0507, 8510.0508, 8510.0510, and 8510.0511 with respect to its powers, including the powers granted by this section, for the purpose of providing money:

(1) to enable the authority to pay for the costs of engineering design and studies, surveys, title research, appraisals, options on property, and other related matters and activities in connection with planning and implementing various proposed projects or improvements;

(2) to operate and maintain a facility.

(d) Notwithstanding any other provision of this chapter, the authority may undertake and carry out any activities, enter into loan agreements, leases, or installment sales agreements, and acquire, construct, own, operate, maintain, repair, improve, or extend and loan, lease, sell, or otherwise dispose of, on terms including rentals, sale price, or installment sale payments as the parties may agree, at any place or location inside the authority's boundaries, any and all money or bond proceeds, works, improvements, facilities, plants, buildings, structures, equipment, and appliances, and all property or any property interest, that is incident, helpful, or necessary.

(e) The authority may exercise the powers provided by Subsection (d) to:

(1) provide for the control, storage, preservation, transmission, treatment, distribution, and use of water, including storm water, floodwater, and the water of rivers and streams, for irrigation, electric energy, flood control, municipal, domestic, industrial, agricultural, and commercial uses and purposes and for all other beneficial purposes;

(2) supply water for municipal, domestic, electric energy, industrial, irrigation, oil flooding, mining, agricultural, and commercial uses and purposes and for all other beneficial uses and purposes;

(3) generate, produce, distribute, and sell electric energy; and

(4) facilitate the carrying out of an authority power, duty, or function.

(f) The purposes stated by Subsection (e) are for the conservation and development of the natural resources of this state within the meaning of Section 59, Article XVI, Texas Constitution.

(g) A public agency may:

(1) impose a fee, rate, charge, rental, or other amount, including a water charge, a sewage charge, a solid waste disposal system fee and a charge including garbage collection or handling fee, or another charge or fee, for a service or facility provided by a utility operated by the public agency, or provided pursuant to or in connection with a contract with the authority;

(2) impose an amount described by Subdivision (1) on inhabitants, users, or beneficiaries of the utility, service, or facility described by that subdivision;

(3) use or pledge an amount described by Subdivision (1) to make a payment to the authority required under the contract and may pledge that amount in an amount sufficient to make all or any part of the payment to the authority when due.

(h) If a public agency and the authority agree in a contract, the payment made by the public agency to the authority under the contract is an expense of operation of a facility or utility operated by the public agency.

(i) This section does not compel a person or public agency to secure water, sewer service, or another service from the authority, except under a voluntarily executed contract.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0311. POWERS RELATING TO CONTRACTS.

(a) The authority may execute any contract and enter into any agreement necessary to accomplish the purpose for which it was created, including a contract with a municipality, corporation, or district, the United States, this state or an agency of this state, or the state of Oklahoma, Arkansas, or Louisiana, the confines of which are contiguous or adjacent to the Red River.

(b) The authority may enter into a contract or execute an instrument necessary or convenient to the exercise of the authority's powers, rights, privileges, and functions granted by this chapter and general law pertaining to a water control and improvement district.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0312. POWERS RELATING TO WATER DISTRIBUTION PLANTS OR SYSTEMS.

(a) The authority may contract with a municipality located inside its boundaries for the purchase, lease, use, management, control, or operation of a water distribution plant or system owned by the municipality in accordance with the terms mutually agreed on by the governing bodies of the authority and the municipality.

(b) The authority may acquire by a contract described by Subsection (a) rights in surface water or groundwater belonging to the municipality.

(c) The authority may use water rights acquired from a municipality under Subsection (b) only for:

(1) a purpose for which the municipality would be authorized to use them; and

(2) the purposes of the municipality 's water distribution plant or system.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0313. CONTRACTS FOR SALE AND DELIVERY OF WATER TO CERTAIN MUNICIPALITIES.

The authority may enter into a contract necessary to provide for the sale and delivery of water to the City of Eldorado, Oklahoma.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0314. ACQUISITION OF PROPERTY BY GIFT, PURCHASE, OR EMINENT DOMAIN.

(a) In this section, "property" means property of any kind, including a lighter, tug, barge, or other floating equipment of any nature.

(b) The authority may acquire by gift or purchase property or a property interest located inside or outside the authority's boundaries necessary to the exercise of the powers, rights, privileges, and functions conferred on the authority by this chapter and by the exercise of the power of eminent domain in the manner provided by Subsection (c), provided that the authority is not required to give bond for appeal or bond for costs in a judicial proceeding.

(c) The authority may exercise the power of eminent domain in the manner provided by the general law applicable to a water control and improvement district.

(d) The authority may not exercise the power of eminent domain outside the authority's boundaries.

(e) The authority's authority under this section to exercise the power of eminent domain expired on September 1, 2013, unless the authority submitted a letter to the comptroller in accordance with Section 2206.101(b), Government Code, not later than December 31, 2012.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0315. COST OF RELOCATING OR ALTERING PROPERTY.

If the authority's exercise of the power of eminent domain, the power of relocation, or any other power granted by this chapter makes necessary relocating, raising, rerouting, changing the grade of, or altering the construction of a highway, railroad, electric transmission line, telephone or telegraph property or facility, or pipeline, the necessary action shall be accomplished at the authority's sole expense.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0316. ACQUISITION OR OPERATION OF PROPERTY.

(a) In this section, "property" includes:

(1) rights, including surface water rights and groundwater rights; and

(2) land, tenements, easements, rights-of-way, improvements, reservoirs, dams, canals, laterals, plants, works, and facilities.

(b) The authority may investigate, plan, acquire, construct, maintain, or operate any property the authority considers necessary or proper to accomplish the purposes for which the authority is created.

(c) The power described by Subsection (b) includes the power to acquire, inside or outside the authority, property and all other rights that are incidental or helpful to carrying out the purposes for which the authority is created.

(d) The authority may purchase groundwater rights only as provided by Section 8510.0317.

(e) Notwithstanding the other provisions of this section, the authority may engage in the generation or distribution of electric energy only as provided by Section 8510.0310.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0317. LIMITATION ON PURCHASE OF GROUNDWATER RIGHTS.

The authority may purchase groundwater rights in a county inside the authority's territory only if:

(1) there is a groundwater conservation district that has jurisdiction over water wells located in the county; or

(2) in a county that is not in the jurisdiction of a groundwater conservation district, the commissioners court of the county approves the purchase of groundwater rights by the authority in the county.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0318. LIMITATION ON POWERS OF AUTHORITY REGARDING GROUNDWATER.

This chapter does not authorize the authority to:

(1) acquire or regulate groundwater or groundwater rights by the exercise of the power of eminent domain; or

(2) regulate the use of groundwater resources.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0319. LIMITATION ON POWERS AND DUTIES OF AUTHORITY; COMMISSION APPROVAL OF CERTAIN PLANS.

(a) The authority's powers and duties under this chapter are subject to all legislative declarations of public policy in the maximum use of the waters of the authority's watersheds for the purposes for which the authority was created.

(b) The commission shall consider the adequacy and feasibility of, and approve or refuse to approve, each flood control or conservation plan that is devised to achieve a purpose for which the authority was created.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0320. LIMITATION ON POWER TO MANUFACTURE AND PRODUCE GASOHOL.

The authority may manufacture and produce gasohol only:

(1) to operate the authority's equipment in an emergency as determined by the authority's general manager;

(2) on obtaining any necessary authorization required by law.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0321. SEAL.

The authority may use a corporate seal.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Text of section effective on April 01, 2023

Sec. 8510.0401. PROCEDURE FOR PAYMENT.

A warrant for the payment of money by the authority may be drawn and signed by two authority officers or employees, as designated by a standing order entered in the authority's minutes, if the account has been contracted and ordered paid by the board.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0402. RECEIPT OF MONEY.

The treasurer shall receive and give a receipt for all money received and spent by the authority.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0403. FISCAL YEAR.

The authority's fiscal year ends September 30 of each year.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0404. FILING OF AUDIT REPORT.

A copy of the audit report prepared under Subchapter G, Chapter 49, Water Code, shall be filed:

(1) as required by Section 49.194, Water Code; and

(2) in the office of the auditor.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0405. ASSET MANAGEMENT PLAN.

(a) In this section, "system" means a system for the:

(1) provision of water to the public for human consumption; or

(2) collection and treatment of wastewater.

(b) The authority shall adopt an asset management plan by:

(1) preparing an asset inventory that identifies the assets of each system and the condition of the assets;

(2) developing criteria to prioritize assets for repair or replacement, including:

(A) the date by which the asset will need to be repaired or replaced;

(B) the importance of the asset in providing safe drinking water and complying with regulatory standards;

(C) the importance of the asset to the effective operation of the system; and

(D) other criteria as determined by the authority;

(3) estimating asset repair and replacement costs;

(4) identifying and evaluating potential financing options; and

(5) prioritizing systems that are not in compliance with federal or state regulatory standards, including water quality standards.

(c) The authority shall review and revise the plan as necessary to account for regulatory changes and other developments.

(d) The board shall approve the plan annually as part of its budgeting process.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0406. RATES AND CHARGES.

(a) The authority shall impose rates and other charges for the sale or use of water or for services sold, provided, or supplied by the authority.

(b) The rates and other charges must be reasonable and nondiscriminatory but sufficient to provide revenue adequate to:

(1) pay the authority's expenses in carrying out the functions for which it is created; and

(2) fulfill the terms of any agreements made with the holders of any of the authority's obligations.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0407. CHANGES TO RATES AND CHARGES.

(a) In this section, "affected person" has the meaning assigned by Section 13.002, Water Code.

(b) The board shall establish a process to ensure that, before the authority makes a significant change to a rate or charge for the sale and use of water, affected persons are provided:

(1) notice of the proposed change; and

(2) an opportunity to provide to the board comments regarding the proposed change.

(c) The process established under Subsection (b) must include:

(1) the provision of notice of a proposed change:

(A) on the authority's website; and

(B) in an affected person 's utility bills; and

(2) appropriate informational meetings or rate hearings that provide affected persons the opportunity to provide public comments about the proposed change to be held:

(A) before sending a statement of intent required under Chapter 13, Water Code;

(B) in locations as necessary to enable affected persons to attend; and

(C) after the provision of notice under Subdivision (1).

(d) The board by rule shall establish a percentage change in a rate or charge such that a change greater than or equal to that percentage is considered significant for purposes of Subsection (b).

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0408. NOTICE OF RIGHT TO APPEAL CHANGES TO RATES.

(a) In this section, "affected person" has the meaning assigned by Section 13.002, Water Code.

(b) The authority shall notify affected persons of their right to appeal changes to rates:

(1) in notices related to changes to rates;

(2) in utility bills sent before the deadline for initiating an appeal under Chapter 13, Water Code;

(3) on the authority's website.

(c) The notice required by Subsection (b) must include descriptions of:

(1) the appeals process;

(2) the requirements for an appeal, including the number of signatures needed on a petition;

(3) the methods available for obtaining additional information related to rates.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0409. DEPOSITORY.

(a) The board shall designate one or more banks in the authority to serve as depository for the authority's money.

(b) Authority money shall be deposited in a depository, except that:

(1) money pledged to pay bonds may be deposited with the trustee bank named in the trust agreement;

(2) money shall be remitted to the bank of payment for the payment of the principal of and interest on bonds.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0410. TAX NOT AUTHORIZED BY CHAPTER.

This chapter does not authorize the authority to impose any form of tax inside the authority.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

SUBCHAPTER E. BORROWED MONEY OR GRANTS

Text of section effective on April 01, 2023

Sec. 8510.0501. POWER TO ISSUE OBLIGATIONS OR WARRANTS.

The authority may issue obligations or warrants to obtain money.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0502. LOANS AND GRANTS.

The authority may:

(1) borrow money for its corporate purposes; and

(2) borrow money or accept a grant from the United States, this state, or any other source, and in connection with the loan or grant, enter into any agreement or assume any obligation as may be required.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0503. POWER TO SEEK AND ACCEPT CONTRIBUTIONS.

(a) The authority may seek and accept from any source a contribution to an authority fund for the purpose of funding:

(1) necessary studies;

(2) engineering and other services; and

(3) the collection and computation of data respecting regional and general conditions that influence the character and extent of the improvements necessary to effect the authority's purposes to the greatest public advantage.

(b) A grant or gratuity shall be strictly accounted for and is subject to the same rules and orders applicable to other money the authority handles or disburses.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0504. POWER TO ISSUE BONDS.

(a) The authority may issue bonds as authorized by this chapter for the purpose of providing money for any purpose authorized by this chapter.

(b) The authority, without an election, may issue bonds payable from the authority's revenue pledged by board resolution.

(c) The bonds must be authorized by a board resolution.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0505. FORM OF BONDS.

Authority bonds must be:

(1) issued in the authority's name;

(2) signed by the president or vice president; and

(3) attested by the secretary.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0506. MATURITY.

Authority bonds must mature not later than 50 years after the date of their issuance.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0507. BONDS PAYABLE FROM REVENUE.

(a) In this section, "net revenue" means the authority's gross revenue less the amount necessary to pay the cost of maintaining and operating the authority and the authority's property.

(b) Authority bonds may be secured by a pledge of:

(1) all or part of the authority's net revenue;

(2) the net revenue of a contract entered into at any time; or

(3) other revenue specified by board resolution.

(c) The pledge may reserve the right to issue additional bonds on a parity with or subordinate to the bonds being issued, subject to conditions specified by the pledge.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0508. COMPENSATION RATES.

(a) The board shall set and revise the rates of compensation for:

(1) water the authority sells; and

(2) services the authority renders.

(b) The rates of compensation must be sufficient to:

(1) pay the expense of operating and maintaining the authority's facilities;

(2) pay the bonds as they mature and the interest as it accrues; and

(3) maintain the reserve and other funds as provided in the resolution authorizing the bonds.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0509. ADDITIONAL SECURITY.

(a) Authority bonds, including refunding bonds, may be additionally secured by a deed of trust lien on the authority's physical property and all franchises, easements, water rights and appropriation permits, leases, and contracts, and all rights related to the property, vesting in the trustee power to:

(1) sell the property for payment of the debt;

(2) operate the property; and

(3) take other action to further secure the bonds.

(b) The deed of trust may:

(1) contain any provision the board prescribes to secure the bonds and preserve the trust estate;

(2) provide for amendment or modification of the deed of trust; and

(3) provide for the issuance of bonds to replace lost or mutilated bonds.

(c) A purchaser under a sale under the deed of trust is the owner of the dam and other property and facilities purchased and is entitled to maintain and operate the property and facilities, if the authority forfeits or defaults.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0510. USE OF BOND PROCEEDS.

(a) The authority may set aside an amount of proceeds from the sale of authority bonds for the payment of interest expected to accrue during construction and a reserve interest and sinking fund. The resolution authorizing the bonds may provide for setting aside and using the proceeds as provided by this subsection.

(b) The authority may use proceeds from the sale of the bonds to pay any expense necessarily incurred in accomplishing the authority's purposes.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0511. APPOINTMENT OF RECEIVER.

(a) On default or threatened default in the payment of the principal of or interest on authority bonds, a court may appoint a receiver for the authority on petition of the holders of 25 percent of the outstanding bonds of the issue in default or threatened with default.

(b) The receiver may collect and receive all authority income, employ and discharge authority agents and employees, take charge of money on hand, and manage the authority's proprietary affairs without the board 's consent or hindrance.

(c) The receiver may be authorized to sell or contract for the sale of water or to renew those contracts with the approval of the court that appointed the receiver.

(d) The court may vest the receiver with any other power or duty the court finds necessary to protect the bondholders.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

Text of section effective on April 01, 2023

Sec. 8510.0512. REFUNDING BONDS.

(a) The authority may issue refunding bonds to refund outstanding authority bonds and interest on those bonds.

(b) Refunding bonds may:

(1) be issued to refund bonds of more than one series;

(2) combine the pledges for the outstanding bonds for the security of the refunding bonds; or

(3) be secured by a pledge of other or additional revenue.

(c) The provisions of this subchapter regarding the issuance of other bonds and the remedies of the holders apply to refunding bonds.

(d) The comptroller shall register the refunding bonds on surrender and cancellation of the bonds to be refunded.

(e) Instead of issuing bonds to be registered on the surrender and cancellation of the bonds to be refunded, the authority, in the resolution authorizing the issuance of the refunding bonds, may provide for the sale of the refunding bonds and the deposit of the proceeds in a bank at which the bonds to be refunded are payable. In that case, the refunding bonds may be issued in an amount sufficient to pay the interest on the bonds to be refunded to their option date or maturity date, and the comptroller shall register the refunding bonds without the concurrent surrender and cancellation of the bonds to be refunded.

Added by Acts 2021, 87th Leg., R.S., Ch. 914 (H.B. 3530), Sec. 1.03, eff. April 1, 2023.

APPENDIX – C

BYLAWS

BYLAWS
OF

RED RIVER AUTHORITY OF TEXAS
EFFECTIVE JANUARY 23, 1990
AMENDED: JULY 15, 2009, APRIL 7, 2020, APRIL 19, 2023, JULY 19, 2023, JANUAURY 21, 2026

Section 1. The purpose of these Bylaws is to provide for the conduct of the affairs of the Red River Authority of Texas, in conformity with and pursuant to the Act creating the conservation and reclamation district known as "Red River Authority of Texas", appearing as Chapter 279 of the General and Special Laws of the Fifty-Sixth Legislature of the State of Texas, at its Regular Session.

Section 2. The principal office of the Authority shall be in the City of Wichita Falls, Wichita County, Texas, at which office the records of the Authority will be maintained.

Section 3. Red River Authority of Texas shall have a seal, to be used in attesting all the official acts of the Board of Directors, or otherwise, as said Board may direct, such seal to be formed of two circles, one within the other, with the words, "Red River Authority of Texas" between the two circles, with two five-pointed stars between the two circles, which seal shall be known as the official seal of the Red River Authority of Texas, and which seal shall be kept by the Secretary of the Authority in the principal office of the Authority.

Section 4.

a) The Board of Directors of the Red River Authority of Texas shall have a regular meeting in January, April, July, and September of each calendar year at such time and place as the President of the Board may direct for the transaction of the business of the Authority.

b) Special meetings of the Board of Directors may be called by the President to convene at such times and at such places within the District as the President may direct. The Secretary of the Board shall call special meetings at such times and places as may be requested by any three members of the Board, such three members to file written requests for such special meeting with the Secretary. Notice of such special meeting shall be given by the Secretary or Assistant Secretary to each member of the Board of Directors at least five days prior to the scheduled meeting and posted in accordance with the Texas Open Meeting Act.

c) An emergency meeting of the Board of Directors may be called by the President or Vice President by giving notice of such emergency meeting to all of the members of the Board of Directors of such emergency meeting, stating in such notice the time and place of such meeting, and posted in accordance with the Texas Open Meeting Act

Section 5. The principal officers of the District shall be a President appointed by the Governor, and a Vice President, Secretary, and a Treasurer, all of whom shall be members of the Board of Directors and elected by the Board of Directors.; a General Manager, a General Counsel, and such other officers as the Board of Directors may from time to time by order

of the Board name and all of such officers shall at all times have and perform such duties as may be assigned to them by the Board of Directors; provided further that the Board of Directors by proper order may select and appoint an Assistant Secretary or Secretaries, an Assistant Treasurer or Treasurers, an Assistant General Manager and such other officers as the Board may deem necessary.

Section 6. The term of office of all of the officers other than the President shall be for the next fiscal year after they are elected. New officers shall be chosen at the September meeting of the Board of Directors in each fiscal year, so as to be in office for the beginning of the fiscal year starting October 1. All officers shall continue in office until their successors are elected and qualified, except in the event of removal as hereinafter provided.

Section 7. a) Not later than the 15th day after the date of appointment, a director shall qualify by:
1) taking the constitutional oath of office; and
2) filing a good and sufficient bond with the Secretary of State and obtaining the Secretary of State's approval on the bond.

b) The bond must be:
1) in the amount of $5,000;
2) payable to the authority; and
3) conditioned on the faithful performance of duties as a director.

Section 8. The President shall preside at all meetings of the Board of Directors and shall execute all contracts, obligations, and undertakings of the Board in his official capacity. The Vice President shall, in the case of the absence or inability of the President to act, perform all of the duties of the President. The Secretary shall keep the minutes of all meetings of the Board and shall attest those contracts and documents that may appoint some member of the Board or some other officer of the District to act as Secretary Pro-Tem and a simple designation in writing by the President or the Vice President shall be sufficient to authorize any such person to act as Secretary Pro-Tem and perform all duties herein provided to be performed by the Secretary. In the absence of the President and the Vice President of the Board, the Board may elect from its membership a President Pro-Tem who shall thereupon be fully empowered to do and perform all of the duties of the President. The Treasurer shall keep all books and other records of the District and shall account for all the funds of the District. The General Manager shall have full authority in the management and operation of the Authority's affairs (subject only to the orders of the Board of Directors). The General Counsel shall have charge of all legal affairs of the District and be the legal advisor of the Board and the officers and employees of the District. The officers shall perform such further duties and shall be controlled in the discharge of their duties by such policies as the Board of Directors may from time to time adopt.

Section 9. Any officer other than President may be removed at any time by affirmative vote of five of the Board of Directors.

Section 10. a) It is a ground for removal from the board that a director:
1) does not have at the time of taking office the qualifications required by Sections 8510.0201 and 8510.0205;
2) does not maintain during service on the board the qualifications required

by Sections 8510.0201 and 8510.0205;

3) ineligible for directorship under Chapter 171, Local Government Code;

4) cannot, because of illness or disability, discharge the director's duties for a substantial part of the director 's term; or

(5) is absent from more than half of the regularly scheduled board meetings that the director is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

b) The validity of a board action is not affected by the fact that it is taken when a ground for removal of a director exists.

(c) If the general manager has knowledge that a potential ground for removal exists, the general manager shall notify the board president of the potential ground. The president shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the president, the general manager shall notify the next highest ranking director, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Section 11. All vacancies caused by death, resignation, or removal of officers except for the office of President and except members of the Board of Directors shall be filled by appointment by the Board of Directors.

Section 12. The Board may authorize the employment of such agents, servants, or employees as may, from time to time, be deemed necessary for the conduct of the business of the District.

Section 13. a) Each member of the Board of Directors shall receive the sum of $150.00 for each day of service necessary to discharge his duties plus actual expenses and in the event that the amount of authorized compensation is changed by the Legislature of the State of Texas, then the Board of Directors shall have the authority to amend the amount covered under this section as fees for Directors.

b) The officers, agents, servants, and employees of the District other than members of the Board shall receive such compensation as the General Manager may from time to time set subject to budget limitations adopted by the Board of Directors and subject to guidelines that may be adopted by the Board of Directors. The salary of the General Manager shall be set by the Board at the first regular meeting of the calendar year.

Section 14. The funds of the Red River Authority of Texas shall be disbursed only upon checks or vouchers signed by such persons as the Board of Directors may from time to time approve. The funds of the Red River Authority of Texas shall be deposited only in such bank or banks as the Board of Directors shall select as depositories of the Red River Authority of Texas funds.

Section 15. It is a policy of the Red River Authority of Texas to prohibit the Authority from granting money or other valuable property to individual citizens, associations, or corporations.

Section 16. a) Except as provided by Subsection (b), a concurrence of a majority of the directors present is sufficient in any matter relating to Authority business.

b) The concurrence of seven directors is required to award a construction contract or to authorize the issuance of a warrant to pay for a construction contract.

Section 17. a) The president shall preside at all board meetings.

b) At each regular board meeting, the board shall:
1) include public testimony as a meeting agenda item; and
2) allow the public to comment on all meeting agenda items and other matters under the authority's jurisdiction.

c) At a regular board meeting, the board may not deliberate on or decide a matter not included in the meeting agenda, except that the board may discuss including the matter on the agenda for a subsequent meeting.

d) The board or a board committee may hold a meeting by telephone conference call, by video conference call, or through communications over the Internet, in accordance with procedures provided by Subchapter F, Chapter 551, Government Code, if the board president or any three board members determine that holding the meeting in that manner is necessary or convenient.

Section 18. The board shall develop and implement policies that clearly separate the board's policymaking responsibilities and the general manager's and staff's management responsibilities.

Section 19. All contracts on behalf of the Red River Authority of Texas shall first be authorized by the Board of Directors by an affirmative vote of a majority of those present except where a different number is required by law; provided that the Board may authorize the President and/or General Manager without board approval to make contracts in the name of the Red River Authority of Texas from time to time where the amounts of money involved do not exceed $100,000.

Section 20. It is the policy of the Red River Authority of Texas to encourage the use of appropriate alternative dispute resolution (ADR) procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under RRA's jurisdiction. All contracts of the Red River Authority of Texas meeting the requirements of the act will include ADR Contract Language:

Section 21. It is the policy of the Red River Authority of Texas to solicit for pre-qualified professional services vendors for contracts expected to exceed $25,000 at least every five years and to maintain that ranked record in the office of the Executive Assistant, as needed.

Section 22. The President may, with the approval of the Board of Directors, appoint an executive committee comprised of 3 or more members of the Board of Directors. Such Executive Committee shall possess such powers and duties that may be granted by the Board of Directors that are not in conflict with the Laws of the State of Texas or these Bylaws.

Section 23. Any provision of these Bylaws in conflict with the Act creating the Red River Authority of Texas or any act or law amendatory thereof shall be of no force or effect.

Section 24. These Bylaws may be amended by affirmative vote of the Board of Directors, provided, however, that such amendment shall not be adopted unless it shall have been first read at a regular meeting preceding its adoption or unless it is adopted by affirmative vote of all of the Directors present.

APPENDIX – D

BOARD OF DIRECTORS
SEPARATION OF POLICYMAKING AND MANAGEMENT FUNCTIONS POLICY

RED RIVER AUTHORITY OF TEXAS

BOARD OF DIRECTOR
SEPARATION OF POLICYMAKING AND MANAGEMENT FUNCTIONS POLICY

Section D-1 Purpose

This policy defines the relationship between the Authority's Board of Directors and the management of the Authority. This policy further describes the respective responsibilities and expectations of the Board and management functions of the Authority, as well as the delegation of certain powers and duties to effectuate those responsibilities.

Section D-2 Board of Directors Training

Each member of the Authority's Board of Directors will participate in training to expand their knowledge of responsibilities and legal parameters related to their membership on the Board. Training may include relevant topics such as open meetings, open records, public information, administrative procedures, conflicts of interest, pension matters, ethics, and employee benefits. Training may also include topics specific to the Authority, such as governing laws, bylaws, budget matters, and audit requirements. The General Manager/CEO shall facilitate training of the Board of Directors by maintaining a list of all required training and completed training courses, as well as provide an orientation related to the Authority-specific matters to all newly appointed Board of Directors.

Section D-3 Responsibilities of the Board of Directors

The Board of Directors will establish the overall goals and objectives of the Authority, review them on a periodic basis, and adopt Board policies guiding the managerial direction and actions to pursue such goals and objectives. The Board shall also adopt an annual budget that provides funding for the pursuit of those goals and objectives.

Section D-4 Public Interest and Trust

The Board will consider and establish policies in the public interest and retain management personnel with the capabilities to accomplish related policy goals. The Board will faithfully perform its responsibilities by conducting its affairs in a highly moral, ethical, and sound business manner. The Board, collectively and severally, will not direct the policies and actions of the Authority from perspectives of private gain or personal advantage. To the extent the Authority management is deemed to be capable and effective in the execution of Board policies, the Board shall leave management to the managers.

Section D-5 Delegations to the General Manager/CEO

Pursuant to the Authority's Enabling Act and Bylaws, the Board of Directors shall employ a General Manager/CEO who will be the chief executive officer of the Authority. As authorized by Texas Water Code Section 49.056(a), the Board of Directors delegates to the General Manager/CEO all general powers and duties necessary to accomplish the Authority's purpose, plans and objectives, as approved by the Board and the Board shall periodically review the performance of that individual in fulfilling those plans and objectives. Notable powers and duties reserved by the Board and which cannot be delegated to the General Manager/CEO include:

- Selection of Board Officers.
- Establishing and amending the Authority's Bylaws and Board Policies.
- Authorization to borrow money or approve bond resolutions.
- Approval of agreements related to joint ownership of operating facilities.
- Establishment of rates and charges for water, power, and other services.
- Approval of the sale of any real property.

- Approval of contracts for professional and other consulting services in excess of $100,000 in accordance with related Board Policies.
- Approval of contracts for materials, supplies, equipment, and related services, valued in excess of $100,000, in accordance with related Board Policies.
- Initiation of litigation on behalf of the Authority.
- Approval of a bank(s) as a depository of Authority funds.
- Establish the compensation and benefits of the General Manager/CEO.
- Adoption of an annual budget.
- Engagement of an auditor to perform an annual financial audit. The Board of Directors will exercise reasonable diligence to ensure that the delegations to the General Manager/CEO provided for in this policy statement are properly implemented. The Board will articulate clear and coherent goals and statements of its expectations through its policies and the adoption of work plans and budgets. The General Manager/CEO is responsible for fulfilling these commitments and managing the organization.

Section D-6 Board Approval

Regardless of delegated authority in this or any other Authority policy, Board approval is required for all decisions where Board policy or direction has not been clearly established.

Section D-7 Board Consideration

The Board shall devote prompt, analytic, and critical attention to matters and information presented by management for Board consideration and thereafter appropriately respond to such matters. This shall include the annual budget and the development and prioritization of policies, long-range goals and objectives, as provided in the Bylaws, and other matters requiring direction and decisions by the Board.

Section D-8 Responsibilities of the General Manager/CEO

The General Manager is the Chief Executive Officer of the Authority and is responsible for carrying out the business and activities of the Authority. The General Manager/CEO will issue appropriate management procedures setting forth the desired direction(s) of management staff and other employee actions to fulfill the policies, goals, objectives, and directions of the Board. The General Manager/CEO may delegate any of his/her general powers, duties, and related authorities, as deemed appropriate, to officers and management staff members. Such delegations shall typically be in writing unless an emergency or similar circumstance prevents it.

Section D-9 General Manager/CEO Communications with the Board

The General Manager/CEO shall recognize and respect the obligations of the Board of Directors to direct the policies of the Authority. Such recognition demands:

- Forthrightness in communications.
- Candor in the evaluation of the conduct of the business and operations of the Authority.
- Aggressiveness in the exploration and presentation of business and operational activities and alternatives of the Authority, and
- Promptness in bringing to the attention of the Board matters pertaining to the discharge of Board responsibilities.

Section D-10 Thorough and Timely Information

The General Manager/CEO, in recognition of the responsibility of the Board to be prompt and prepared in respect of matters upon which it must act, shall be thorough and timely in the presentation and organization of information upon which the Board must act, or which management expects policy guidance from the Board. This shall include the development of the annual budget and the development and prioritization of policies, long-range goals, and objectives.

Section D-11 General Manager/CEO Commitment to the Board

The General Manager/CEO shall fulfill his/her responsibilities to the Authority and to the public through a commitment to the entire Board of Directors as the body politic, ultimately responsible,

under the Act, to the public and its interests. Such commitment shall be to the policies, plans, and goals established by the entire Board rather than the initiatives of individual Board members.

Section D-12 Responsibilities

The General Manager/CEO shall prepare a Strategic Plan at least once every five years and include in such Plan the long-term goals and objectives of the Authority. The Board of Directors shall provide its input into the development of the Strategic Plan and subsequently adopt the Plan. The Board and management of the Authority shall review the current Plan to determine if any updates or changes need to be made. Following the initial adoption and after each five-year update, the Plan shall be posted to the Authority's website.

The General Manager/CEO will also annually prepare management's short-term objectives, goals, and priorities, which facilitate the pursuit of the Strategic Plan. These goals and objectives will similarly be provided to the Board of Directors for input and adoption.

Section D-13 Annual Budget

An integral component in the establishment of the Authority's goals and priorities is the compilation and adoption of an annual budget. It is the responsibility of the General Manager/CEO to prepare a budget that includes all Authority activities and present it to the Board for their consideration each year. Such a budget shall include sufficient financial and operational information, assumptions, and estimates so that the Board may undertake its consideration and thereafter establish the Authority's final budgeted objectives, goals, and priorities for the following year(s). Unless the Board provides otherwise in a resolution or other action, the Board's approval of an annual budget shall be construed to:

- Authorize the General Manager/CEO to expend funds pursuant to the budget, and
- Approve the General Manager/CEO's negotiation and execution of expenditures provided for in the budget, up to the amounts listed in Section D-5 above. However, if conditions materially change subsequent to the Board's budget adoption, the General Manager/CEO will promptly report such changes to the Board.

Adoption of the budget authorizes the General Manager/CEO to complete the budget in accordance with Board policies. The General Manager/CEO will provide periodic reports that include performance measurements, actual revenues and expenditures compared to budget, status of financial reserves, and status of major capital projects.

Effective: April 19, 2023

APPENDIX – E

STANDARDS OF EXCELLENCE

RED RIVER AUTHORITY OF TEXAS

STANDARDS OF EXCELLENCE

The Authority's administrative standards are designed to provide the supervisor and the employee with a uniform method of evaluating performance strengths and weaknesses observed over a given period of time.

The performance evaluation is divided into three-dimensional categories of Results and Methods, Personal Qualities, and Interpersonal Skills, believed to be essential to the successful accomplishment of the Authority's goals and objectives.

Each category exhibits ten character traits that model the Authority's required work ethic. Scoring is achieved on a five-point (5) rating scale over each trait and based on individual performance as follows:

1 = Unsatisfactory 2 = Below Average 3 = Good 4 = Very Good 5 = Outstanding

The performance of each classified employee will be evaluated pursuant to Section 1.2.2 of the General Policy with respect to these administrative standards.

It is suggested that each employee become familiar with the standards and personally evaluate their position periodically to ensure that personal career goals are being met and the Authority's expectations are maintained.

RESULTS AND METHODS

JOB KNOWLEDGE — The employee's use of basic skills, fundamentals, techniques, and procedures relevant to the specific duty assignment; the ability to apply current level of education, and experience towards accomplishment of assigned tasks; consider the length of time or service at this duty assignment.

ATTITUDE — The employee's mental expression, behavior, and approach to the Authority, co-workers, and the general public, the general constructiveness regarding normal duty assignments and related tasks as it impacts others and the level of productivity.

PLANNING AND ORGANIZATION — The employee's ability to effectively and efficiently manage their time and resources regarding normal duty assignments or special tasks. Must the employee be prompted or reminded of scheduled completion dates, work area clean up, or to proof their work?

COOPERATION — The employee's willingness to work harmoniously with co-workers or the public in attaining established objectives. Does the employee consistently contribute to the "team effort" and work well with others?

COMMUNICATIONS — The employee's ability to express him or herself clearly, confidently, accurately, and in an organized manner, both verbally and in writing. Is dialogue generally constructive in nature?

QUALITY OF WORK — The employee's ability to achieve and consistently maintain standard requirements for thoroughness, accuracy, neatness, and professional presentation. Does completed tasks meet the established standards for the position?

QUANTITY OF WORK — The employee's ability to meet production requirements of the position and assigned work at rate consistent with that of similarly trained contemporaries. Are tasks completed in a timely manner without prompting?

PROBLEM SOLVING — The employee's ability to resolve problems encountered in the normal course of duty; the methodical use of abstract reasoning, researching, evaluating, and reaching sound conclusions within the framework of the policy; personal discernment, involvement, and resourcefulness in successfully concluding a problem without forfeiting objectivity.

LEARNING ABILITY — The employee's ability and willingness to meet new challenges; the ability to adequately function in novel situations; the expressed desire to expand one's capacity in an effort to build value in self and the Authority.

FOLLOW THROUGH — The employee's ability to see a program, plan, or project through to a logical conclusion; maintaining consistent momentum towards completion of assigned duties and special tasks without compromise.

PERSONAL QUALITIES

PERSONALITY — The employee's impact or effect on other people as a result of his or her general disposition, tact, mood swings, enthusiasm, appearance, and basic attitude toward the overall work plan or platform.

STABILITY — The employee's mental and emotional self-control (balance) under stressful working conditions; the ability to maintain a satisfactory level of productivity under less than desirable working conditions.

JUDGMENT — The employee's ability to reach sound, logical conclusions on the basis of available data and within the framework of policy; the ability to distinguish between practical and impractical alternatives or solutions while maintaining sight of established goals and objectives.

INITIATIVE / MOTIVATION — The employee's ability to act independently without specific instructions in an assertive, self-confident, and eager manner within the scope of assigned duties and governing policy.

PERSONAL INSIGHT — The employee's ability to objectively identify and acknowledge his or her strengths and weaknesses, then initiate corrective actions; the ability to accept constructive criticism in a non-defensive manner.

EMOTIONAL MATURITY — The employee's ability to maintain objectivity, rationality, and emotional self-control in both personally and interpersonally demanding situations.

LEADERSHIP — The employee's willingness to seek and accept increased levels of responsibility; the inspiration of others by conveying ideas and plans and influencing them to greater unity of purpose toward the accomplishment of established goals and objectives.

DEPENDABILITY — The employee's ability to work consistently, conscientiously, and predictably, with or without constant supervision; the employee's overall commitment to assigned duties, goals of the organization, and team efforts.

PROFESSIONALISM — The employee's ability to conduct him or herself in a congenial but task oriented, businesslike manner, maintaining high ethical standards at all times, dedicated to the support of the Authority's standards of conduct.

TIMELINESS / ATTENDANCE — The employee's consistent practice of arriving to work on time, mentally prepared for work, and work diligently on job related assignments. Does the employee strive to minimize absences, wasted time?

INTERPERSONAL SKILLS

RELATIONSHIP SKILLS — The employee's universal ability to deal smoothly and effectively with people at all levels of interaction. This trait includes the general conversational skills of effective expression, active listening, and positive interaction with co-workers, associates, and the public.

INFORMAL LEADERSHIP — The employee's capability to gain respect and support from co-workers or subordinates; the ability to maintain sight of goals and objectives while performing tasks in support of the overall team effort; generally supportive in nature while in the course of normal duty assignments.

FLEXIBILITY — The employee's ability to objectively consider alternate explanations, methodologies, and plans as presented; the ability to implement a course change or alternate plan as instructed without overreacting or becoming defensive in nature to the variation.

EMPATHY — The employee's ability and willingness to perceive situations from another person's viewpoint without losing objectivity or sight of the goal; the ability to establish and maintain a positive interaction with others without being degrading, demeaning, or intimidating; expressing personal consideration and respect for others at all times.

PERSONAL COURTESY — The employee's tendency to act in a civil, mature, and friendly manner regarding all levels of personal interaction; the ability to maintain a constructive and positive emotional attitude even in the face of disagreement.

TELEPHONE COURTESY — The employee's ability to present a positive, pleasant, businesslike tone of voice; the use of appropriate salutations and the demonstration of tolerance throughout the course of any conversation; thorough, factual, and prompt response to inquiries.

APPEARANCE AND PERSONAL HYGIENE — The employee's consistent compliance to the published dress codes relevant to the position's requirements; cleanliness and neatness regarding body hygiene; the presentation of a wholesome image and work ethic.

CONGENIALITY — The employee's tendency to project an overall friendly and cheerful approach in dealing with the duty assignments or other persons at any level; putting aside personal feelings, opinions, or personality conflicts in the successful accomplishment of Authority goals or objectives.

GENUINENESS — The employee's ability to convey a sincere and honest attitude when dealing with co-workers, associates, or the public; the ability to express either positive or negative feedback in a constructive and cooperative manner.

PARTICIPATION — The employee's personal willingness to contribute their time and skills to the team effort of achieving established goals; unselfishly taking part in group projects, programs, or special tasks with the intent of providing meaningful assistance to the group.

APPENDIX – F

SAFETY POLICY AND LOSS CONTROL PROGRAM MANUAL SUMMARY

SAFETY PROGRAM

MANUAL SUMMARY

PURPOSE

It shall be the policy of the Red River Authority of Texas to achieve the greatest practical degree of freedom from accidents and to ensure that every employee is provided safe and healthful working conditions, free from recognized hazards. To accomplish this, a separate Safety Policy Manual is provided each employee when hired and safety training is conducted monthly.

The basic objective of this policy is that accidents and injuries will be significantly reduced or eliminated with the use of every reasonable safety precaution and through detailed safety information, instructional training, and aggressive promotion of safe work practices for the protection of both employees and the general public.

SCOPE OF EMPLOYEE RESPONSIBILITY

- Adhering to all Authority safety procedures and rules
- Performing his or her duties in a safe and healthful manner
- Attending safety training meetings when requested to do so
- Reporting all accidents and illnesses to supervisor, regardless of how slight
- Reporting to work free from effects of drugs or alcohol
- Recognizing that observance of safety procedures is a condition of employment
- Not taking chances
- Immediately reporting all unsafe conditions encountered to the supervisor
- Using equipment and safety devices specified for employee protection
- Keeping work areas and vehicles clean and orderly
- Reminding a co-worker, who may overlook a safety procedure rule
- Performing pre-job surveys and inspections to identify work conditions

COMPLIANCE

In the performance of their duties, all classified personnel of the Authority are expected to observe safety practices, rules, and operating procedures, as well as instructions relating to the efficient performance of their work.

The Authority shall enforce safe working procedures and methods to ensure compliance by all employees. Any acts by employees to deliberately disregard adopted safety practices and procedures of the Authority will result in disciplinary action. Disciplinary action, up to and including termination of employment, will be enforced as necessary to assure compliance.

APPENDIX – G

CONSULTANT LIST

RED RIVER AUTHORITY OF TEXAS

CONSULTANT LIST

PROFESSIONAL ENGINEERING SERVICES

FIRM	CONTACT	ADDRESS	CITY / STATE / ZIP	TELEPHONE
Biggs and Mathews, Inc.	Kerry D. Maroney, P.E.	2500 Brook Street	Wichita Falls, TX 76301	(940) 766-0156
Corlett, Probst & Boyd, PLLC	Devin G. Smith, P.E. R.P.L.S.	4605 Old Jacksboro Highway	Wichita Falls, TX 76302	(940) 723-1455
Dunham Engineering	Jeff Leubner	3102 Imperial Loop	College Station, TX 77845	(979) 676-0270

PROFESSIONAL ENVIRONMENTAL SERVICES

FIRM	CONTACT	ADDRESS	CITY / STATE / ZIP	TELEPHONE
Water Monitoring Solutions	Randy Rushin	P.O. Box 1132	Sulphur Springs, TX 75483	(903) 439-4741
Biggs and Mathews, Inc.	Kerry D. Maroney, P.E.	2500 Brook Street	Wichita Falls, TX 76301	(940) 766-0156
Corlett, Probst & Boyd, PLLC	Devin G. Smith, P.E. R.P.L.S.	4605 Old Jacksboro Highway	Wichita Falls, TX 76302	(940) 723-1455

FINANCIAL AUDITOR

FIRM	CONTACT	ADDRESS	CITY / STATE / ZIP	TELEPHONE
Edgin, Parkman, Fleming and Fleming, P.C.	Josh Harman	P.O. Box 750	Wichita Falls, TX 76307	(940) 766-5550

MUNICIPAL ADVISORY SERVICES

FIRM	CONTACT	ADDRESS	CITY / STATE / ZIP	TELEPHONE
Hilltop Securities	Nick Bulaich	777 Main St, Ste 1525	Fort Worth, TX 76102	(817) 332-9710

LEGAL SERVICES

FIRM	CONTACT	ADDRESS	CITY / STATE / ZIP	TELEPHONE
Bickerstaff Heath Delgado Acosta LLP	Emily W. Rogers	1601 S. MoPac Expressway Suite C400	Austin, TX 78746	(512) 472-8021

APPENDIX – H

APPROVED FORMS SECTION

RED RIVER AUTHORITY OF TEXAS
Forms

Employees should contact their immediate supervisor or the Administration Manager for the appropriate forms to be used in the course of their job duties.

RED RIVER AUTHORITY OF TEXAS

SAFETY PROGRAM

AS AMENDED

July 2026

RED RIVER AUTHORITY OF TEXAS

MANAGEMENT STATEMENT OF SAFETY POLICY

Dear Employee:

The success of the Red River Authority of Texas depends upon our efficient use of resources to provide a high-quality service to the public. Our most important resource is our employees. To protect this resource, we are committed to providing a safe and healthful workplace for all employees by establishing and maintaining an effective program. We consider safety and health to be a fundamental part of our organization's operations.

The responsibility for safety resides within each of us. We are each challenged to stay informed and to take responsibility for our own safety and the safety of our co-workers. To ensure the success of our safety and health program, we must all give our full participation and support to the safety policies and procedures that have been developed to protect us. Working safely in accordance with established safety policies is an absolute requirement for all employees, supervisors, and managers.

Fabian Heaney
General Manager

Date

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SECTION I

ACCIDENT PREVENTION PLAN COMPONENTS

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CHAPTER 1
SAFETY RESPONSIBILITIES

1.1 General

1.1.1 The General Manager has the responsibility to implement this Accident Prevention Plan, assigning tasks to staff members as defined in the individual components.

1.2 Management Safety Responsibilities

1.2.1 Management is responsible for providing a place of employment that is free from recognized hazards that could result in injuries or accidents. Since it is impossible for managers to personally observe all employee activities, management must assure that all supervisors are trained and are aware of their safety responsibilities. Other safety responsibilities for managers include:

a. Provide leadership and direction concerning safety activities;

b. Participate actively in the continuous evaluation of the safety program;

c. Set goals concerning safety performance within your department;

d. Review losses for potential trends on a regular basis;

e. Enforce all safety rules;

f. Participate in facility and work site audits;

g. Participate and support all accident investigation activities; and

h. Review accident reports and recommend corrective actions.

1.3 Supervisor Safety Responsibilities

1.3.1 Safety is as much a part of the supervisor's responsibility as getting the job done efficiently. The important safety responsibilities of each and every supervisor include:

a. Familiarize yourself with and enforce the safety rules and regulations that have been established by applicable local, state, and federal organizations. These regulations are intended to set minimum safety standards, and the

contents of the regulations should be enforced as minimum safety requirements for all activities at work sites.

b. Correct or have corrected all reported hazards. Operating under known hazardous conditions will not be tolerated.

c. Do not permit new or inexperienced employees under your supervision to work with power tools, machinery, or complex equipment without proper instruction and training.

d. Give adequate instructions. Do not assume that an employee knows how to do a job unless you personally have knowledge that the person can perform the task correctly.

e. Ensure tools, equipment, and machinery being used in the workplace are in proper working condition.

f. Ensure that proper personal protective equipment is available and used by employees when necessary or required.

g. Always set a good example in safety, such as wearing the proper safety equipment (safety glasses, hard hats, etc.), following policies and procedures, using seat belts, etc.

h. Do not allow the use of unsafe tools or equipment.

i. Consistently enforce the requirements of the Authority's safety program and any associated rules or policies.

j. Ensure that all employees have access to a copy of the Authority's safety program.

k. Encourage safety suggestions from employees under your supervision.

l. Obtain prompt first aid for injured employees.

m. Participate in accident or incident investigations involving your employees.

n. Conduct audits of all work areas and facilities on a regular basis in an effort to improve housekeeping, eliminate unsafe conditions, and encourage safe work practices.

o. Periodically review operator vehicle inspection records.

p. Conduct new employee safety orientations.

1.4 Employee Safety Responsibilities

1.4.1 All employees bear a certain amount of responsibility in any safety program. You must be aware that your actions, mental state, physical condition, and attitude directly affect the safety of yourself and your fellow employees. All employees will:

a. Know your job, follow instructions, and think before you act.

b. Use your protective equipment (eye protection, hard hats, gloves, and etc.) as the job requires.

c. Work according to good safety practices as posted, instructed, and/or discussed.

d. Refrain from any unsafe act that might endanger you or your fellow workers.

e. Use all safety devices provided for your protection.

f. Report any unsafe situation or act to your supervisor immediately.

g. Assume responsibility for thoughtless or deliberate acts that may cause injury to yourself or your fellow workers.

h. Abide by all policies, procedures, rules, etc. associated with the Authority's Safety Program.

i. Never operate equipment that you are unfamiliar with or not trained to use. Also, equipment that is defective or in need of repair will not be used and must be reported to your supervisor.

j. Report all accidents and incidents to your supervisor as soon as they occur.

k. Inspect equipment prior to use and maintain equipment safety inspection records.

CHAPTER 2
ACCIDENT AND INCIDENT ANALYSIS POLICY

2.1 General

2.1.1 Twice a year during the months of May and November, all injuries, mishaps, near misses, property damage, accident investigation reports, unsafe condition reports, and work site inspection reports that have occurred or been completed over the previous six months will be reviewed to determine if injury or hazardous trends are developing. Where potential trends are identified, the cause(s) will be determined to assist in implementing corrective actions for the trend(s).

2.1.2 Based on findings of the Safety Committee review, the Department Supervisors will recommend and initiate prompt corrective action as needed to eliminate or reduce hazardous exposures to employees.

2.1.3 The Assistant General Manager will follow up on the effectiveness of the corrective actions to assure the situations have been abated or are in the process of being corrected.

2.1.4 If there were no reported injuries or incidents during the analysis period, a report will be generated stating such. Other items addressed during the analysis, which may include progress on previous corrective actions, trends, safety meetings, and inspection reports, etc.

2.1.5 All documentation will be kept on file in the Executive Offices for a period of at least five years.

CHAPTER 3
RECORD-KEEPING POLICY

3.1 General

3.1.1 It is the policy of Red River Authority of Texas to maintain records of all safety and health documents for a minimum of five years, unless otherwise specified in the plan. The Administration Manager will ensure that records are maintained and on file.

a. The following Injury Loss Records will be maintained and on file in the Executive Offices and may be used for trend analysis:

a. Texas Workers' Compensation Form TWCC-1 (Employer's First Report of Injury);

b. Texas Workers' Compensation Form TWCC-6 (Supplemental Report of Occupational Injury or Illness); and

c. Claim or loss information from TML-IRP, insurance carriers, and etc.

b. Accident Investigation Reports: The Assistant General Manager or the Administration Manager will ensure that an accident investigation report is completed for each reported accident or incident. A copy of all completed accident investigation reports will be maintained in the Executive Offices. Only Authority-approved accident investigation report forms will be used to document accident investigation data.

c. Inspection Reports: A file will be maintained in the Executive Offices for all inspection reports required by the Safety Program.

(1) The Assistant General Manager will ensure that all required inspection reports are completed in a timely manner.

(2) The work site inspection reports will be completed by the Regional Managers using Authority-approved inspection forms.

(3) The Regional Manager will document corrective action on any deficiencies noted on the inspection reports.

d. Safety Meeting and Training Records: Documentation of monthly safety meetings and other training records will be maintained in the Executive Offices on Authority-approved safety meeting forms. When safety meetings are used as training activities, it should be duly noted on the form. The individual conducting the safety or training meeting will provide a copy of the safety meeting form to the Administration Manager.

e. Accident and Incident Analysis: A file containing Accident and Incident Analysis Reports will be maintained in the Executive Offices.

f. Reviews of the Safety Program: The Review of the Safety Program Reports forms will be maintained at the Executive Offices.

3.1.2 The Administration Manager will perform annual checks of the records for inclusion of all required safety documentation as described in this policy.

CHAPTER 4
SAFETY EDUCATION AND TRAINING POLICY

4.1 Safety Meetings and Training

4.1.1 Safety meetings for all Departments will be held on a monthly basis. The Assistant General Manager will provide information to be used in the meetings and will attend and participate in the meetings when possible. Monthly safety meetings for Utility Division personnel will normally be conducted by Regional Managers. Safety meetings for Office and Laboratory personnel will be conducted by the Assistant General Manager or Laboratory Manager.

4.1.2 Discussions of safety rules, possible hazards to be encountered in future job duties, or changes in procedures or equipment are topics that should be covered on a regular basis. Other subjects to be addressed during the safety meetings will include, but not be limited to, the following:

a. Hazards associated with the workplace

b. Hazards of particular jobs or tasks

c. Emergency procedures

d. Hazard communication

e. Specific equipment operation training

f. Employee reporting requirements

g. Office safety

h. Driving safety

i. Machinery safety

j. Contractor safety requirements

k. Back injury prevention

l. Housekeeping

m. First Aid

4.1.3 All safety meetings will be documented with the date, attendees, and topic discussed. The Authority's Training Record form will be used to document the safety meetings.

4.2 Documentation of Safety Meetings and Training

4.2.1 Documentation from any safety meeting and training courses attended by employees, supervisors, or managers will also be kept for record-keeping purposes.

4.2.2 Documentation associated with safety meetings and training will be kept in the Executive Offices.

4.2.3 Employees who do not attend regularly scheduled safety meetings or training activities will be identified and scheduled to attend makeup training. Documentation will be available for employees who attend makeup training.

4.3 Ongoing Training

4.3.1 The Regional Managers will provide ongoing safety training in the following areas as the need arises:

a. New equipment purchases,

b. New or changes in operations,

c. Identified areas of increased accidents, and

d. Newly identified areas of exposure.

4.4 New Employee Safety Orientation

4.4.1 The Department Supervisor will provide an orientation to all new employees to address the hazards of their position. This will include a review of all safety rules, policies, and procedures, equipment, etc. that are applicable to the new employee's assignment area. The new employees will be given an opportunity to ask any relevant questions that may pertain to their assigned duties.

4.4.2 Documentation on the Authority's Employee Safety Orientation Acknowledgment form will be maintained in Executive Offices.

4.5 Reporting Unsafe Acts and Unsafe Conditions

4.5.1 All employees are encouraged and required to report any unsafe acts or unsafe conditions. This report will be made using the Authority's Employees Report of Unsafe Act / Unsafe Condition Form. Upon completion, the form will be submitted to the Regional Manager or Department Supervisor for submittal to the Assistant General Manager.

CHAPTER 5
SAFETY AUDIT AND INSPECTION POLICY

5.1 General

5.1.1 A monthly self-inspection of random facilities and job sites will be conducted by Regional Managers and/or Department Supervisors in an effort to detect unsafe acts or unsafe conditions and initiate corrective action(s) as soon as possible. An employee may be requested to assist the Regional Manager or Department Supervisor in conducting the inspections. A copy of the General Safety Inspection form will be completed for each work site inspected and maintained at the Authority's Executive Offices.

5.1.2 Individual employees are responsible for inspecting their work areas for possible hazards on a continual basis. Any potential hazards will be reported to supervisory personnel immediately and may also be reported using the Employee Report of Unsafe Act or Unsafe Condition form.

5.1.3 Employees assigned to drive the Authority's vehicles will complete vehicle inspections on a weekly basis. The completed vehicle inspection reports will be maintained in the vehicle.

a. Corrective actions should be documented on the reports for any identified deficiencies.

b. Audit or inspection records should be maintained for at least two years. Additionally, all maintenance records should be kept for the life of the vehicle.

CHAPTER 6
ACCIDENT AND INCIDENT INVESTIGATION POLICY

6.1 General

6.1.1 It is the policy of Red River Authority of Texas to investigate all work-related accidents or incidents that result in or could potentially have resulted in injury or property damage. As nearly all accidents and incidents have their own unique characteristics, they must be investigated on an individual basis.

6.1.2 The Authority's standard Accident and Incident Investigation Report will be used for both initial and final investigations.

6.2 Responsibilities

6.2.1 Employees must immediately report any on-the-job injury or illness they sustain, or suspect they have sustained, no matter how minor, to their supervisor. They must also report any incidents that had the potential for injury to employees or third parties and any instances where property damage occurred.

6.2.2 Supervisors will first respond to the immediate medical needs of any injured persons. Then, they should begin reporting and investigating activities as described in this policy.

6.2.3 Witnesses to the event that resulted in an accident or incident will provide statements about what they observed. The witnesses may also be asked to participate in the initial and/or final investigations.

6.2.4 The Administration Manager is responsible for receiving the initial reports of injury or property damage and forwarding them to the appropriate insurance representatives in a timely manner.

6.2.5 The Assistant General Manager is responsible for reviewing the initial accident or incident report, and then setting the time and place for the final investigation.

6.3 Procedures

6.3.1 ***Initial Notification:*** B Employees are responsible for reporting all injuries, illnesses, or incidents as described earlier in this policy. Failure to report any injury or incident may be cause for disciplinary action. In the event of a serious or disabling injury, fellow employees must assume this reporting responsibility.

6.3.2 ***Initial Treatment*** B Any injury will be treated by the supervisor or other available personnel in accordance with their individual abilities and the severity of the injury. Injuries that require professional treatment will be provided at the nearest established medical facility.

a. Medical treatment is mandatory for any of the following:

(1) Severe chest pains,

(2) Traumatic injuries, or

(3) Loss of consciousness or severe dizziness.

b. The first responders to any incident scene will be responsible for securing the area to prevent further damage or injury and for protecting the integrity of the incident scene until an investigation can be initiated.

c. Injured employees are to be transported for medical treatment either by ambulance or another person, depending on the severity of the injury. Injured employees should never be allowed to transport themselves for initial medical treatment, but they may transport themselves for follow-up visits if the injury does not impair their driving abilities.

d. If an employee refuses medical treatment for an on-the-job injury, the investigation report should be completed and the employee's signature used to document the event.

6.3.3 ***Further Notification*** The Assistant General Manager or the Administration Manager must be contacted following the occurrence of an accident or incident with all required information to assure an initial report is completed and forwarded to the appropriate insurance representative. A copy of the report should also be sent to the Regional Managers or the Department Supervisors in which the accident occurred.

6.3.4 ***Drug and Alcohol Policy Requirements*** Any employee involved in an accident where alcohol or drugs are believed to be a contributing factor will be subject to a special performance review and drug testing by their supervisor in addition to any other accident investigation activities.

6.3.5 ***Initial Investigation*** B The supervisor will immediately protect all other persons from the hazards that caused the initial problem and also preserve the area where the incident occurred for investigation. After the injured persons have been attended to and the site is secure, the supervisor should begin the initial investigation. The initial investigation will include:

a. Statement from the injured employee,

b. Statement(s) from witnesses,

c. Photographs or sketches of the area if deemed necessary,

d. Completion of the Accident or Incident Report in its entirety, and

e. Immediate corrective actions to prevent recurrence.

6.3.6 ***Initial Report*** B An initial report will be completed for all accidents and incidents within twenty-four (24) hours of the occurrence. The immediate supervisor of the employee will complete the initial investigation and report as soon as possible after the occurrence. The initial report will be submitted to the Assistant General Manager.

6.3.7 ***Final Investigation*** B Within four working days of the original accident or incident, the Assistant General Manager will hold a final investigation meeting. Attendance at the investigation meeting will, as a minimum, include the following personnel: the injured employee, the injured employee's supervisor, witnesses, and the safety officer.

a. The final investigation will include:

(1) Description of the event by the involved persons,

(2) Accounts of witnesses,

(3) Input from supervision,

(4) Listing of causes, and

(5) Development of corrective actions.

b. Basically, the investigation must answer the following questions:

(1) Who was injured or what was damaged?

(2) When did the accident/incident occur?

(3) Where did the accident/incident occur?

(4) Why did the accident/incident occur?

(5) What caused the accident/incident to occur?

(6) How can it be prevented from occurring again?

6.3.8 The Assistant General Manager will take responsibility for issuing the final report.

a. The final investigation report will reflect all changes from the initial report and must include:

(1) Finalized corrective actions.

(2) Assigned completion dates for all corrective actions.

(3) Assigned persons to complete the corrective actions. The persons assigned the corrective actions will also be required to sign and approve the final report when the corrective actions have been completed.

b. Copies of the final report should be supplied to:

(1) General Manager,

(2) Administration Manager, and

(3) Department Supervisor.

CHAPTER 7
SAFETY PROGRAM REVIEW AND REVISION POLICY

7.1 General

7.1.1 The Assistant General Manager will review the entire Safety Program for revisions to meet exposures within the current operations annually. Normally, the review will take place during the month of November. Areas that will be evaluated include:

a. Operations added,
b. Equipment added or changed,
c. Changes in environmental conditions,
d. Adequacy of personal protective equipment, and etc.

Additionally, all procedures will be reviewed to ensure their applicability.

7.1.2 All employees will be informed of changes in the Safety Policy and provided the proper training as needed. The Assistant General Manager will ensure that changes or revisions are added to the written Safety Program in a timely manner.

7.1.3 Annual reviews will be documented on the approved form and maintained in the Executive Offices. A five-year history of completed forms will be maintained.

SECTION II

GENERAL ADMINISTRATIVE POLICIES AND PROGRAM

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CHAPTER I
WRITTEN HAZARD COMMUNICATION PROGRAM

1.1 General

1.1.1 The Texas Hazard Communication Act (THCA), codified as Chapter 502 of the Texas Health and Safety Code (HSC), requires all public employers in Texas to provide their employees with information regarding hazardous chemicals to which employees may be exposed in their workplace. In order to comply with Section 502.009(b) of the THCA and Section 295.7(a) of the THCA Rules (Title 25 of the Texas Administrative Code (TAC), Section 295.1 B 295.12), the following written Hazard Communication Program has been established for the Red River Authority of Texas.

1.1.2 The master copy of the written hazard communication program will be maintained in the Executive Offices. The written program is presented to all employees as part of the Authority's Safety Policy and Loss Control Program Manual.

1.1.3 To facilitate administration of and compliance with this program, the following levels of responsibility have been established:

a. The Assistant General Manager will have overall responsibility for administering and maintaining this program and ensuring that it meets all requirements of the THCA.

b. Supervisors will be responsible for ensuring that the policy is followed by all employees.

c. Individual employees will be responsible for following the policy as presented and /or amended.

1.2 Exemptions

1.2.1 The following chemicals are exempt from the requirements of the THCA and are outside the scope of this written program:

a. Hazardous waste that is subject to regulation by the Texas Commission on Environmental Quality (TCEQ) and/or the U.S. Environmental Protection Agency (EPA).

b. A chemical in a laboratory under the direct supervision or guidance of a technically qualified individual if:

(1) Labels on incoming containers of chemicals are not removed or

defaced.

(2) This employer complies with Sections 502.006 and 502.009 of the THCA with respect to laboratory employees.

(3) The laboratory is not used primarily to produce hazardous chemicals in bulk for commercial purposes.

c. Tobacco or tobacco products.

d. Wood or wood products.

e. Articles formed to a specific shape or design during manufacture and that do not release or otherwise result in exposure to a hazardous chemical under normal conditions of use.

f. Food, drugs, cosmetics.

g. Consumer products or hazardous substances used in the workplace in the same manner as normal consumer use and if the use results in a duration and frequency of exposure that is not greater than exposures experienced by a consumer.

h. Radioactive waste.

1.3 Workplace Chemical List

1.3.1 The Authority will develop and maintain a list of hazardous chemicals normally present in the workplace in excess of 55 gallons or 500 pounds. This Workplace Chemical List will be developed for each workplace where such quantities of hazardous chemicals are used or stored and will be available for review by employees.

1.3.2 The Assistant General Manager and Department Supervisors will be responsible for reviewing and updating the Workplace Chemical List(s) for all of the Authority=s Departments by December 31 of each year.

1.3.3 The Workplace Chemical List will be maintained for at least 30 years.

1.3.4 Further information on each noted chemical can be obtained by reviewing Safety Data Sheets (SDSs) located in each workplace where these hazardous chemicals are used or stored.

1.4 Safety Data Sheets

1.4.1 The Authority will maintain a current and appropriate Safety Data Sheet (SDS) for each hazardous chemical purchased.

1.4.2 The Assistant General Manager will be responsible for the SDS system for the Authority and will ensure that:

i. Incoming SDSs are reviewed for new and significant health and safety information and that any new information is passed on to the affected employees.

j. Hazardous chemicals received without an SDS are withheld from use until a current SDS is obtained.

k. Missing SDSs are requested from an appropriate source (e.g., chemical manufacturer, distributor, or electronic database) within 30 days from receipt of the hazardous chemical.

l. Affected employees are provided a description of any alternative system (such as electronic databases) being used in lieu of actual SDSs.

e. Emergency responders are provided SDSs as soon as practical upon request.

1.4.3 SDS files for the Authority will be maintained at the Main Offices and at each Treatment Plant Site and/or on each Utility Vehicle.

1.4.4 SDSs will be readily available for review by employees upon request.

1.5 Chemical Container Labels

1.5.1 All containers of hazardous chemicals used or stored by the Authority will be appropriately labeled.

1.5.2 Each Department Supervisor will be responsible for the hazardous chemical labeling system and will verify that:

a. All primary containers of hazardous chemicals are clearly labeled to include:

(1) The identity of the chemical as it appears on the SDS,

(2) The appropriate hazard warnings, and

(3) The name and address of the manufacturer.

a. All secondary containers of hazardous chemicals are clearly labeled to include:

(1) The identity of the chemical as it appears on the SDS, and

(2) The appropriate hazard warnings.

b. Every effort will be made to label pipes that carry materials that could be hazardous. Labeling can be specific markings identifying the contents of the pipes. If hazardous chemicals run through the pipes, the potential hazards and necessary safety precautions related to the chemicals must be obtained and given to the employees working in the area.

c. Any empty container being considered for reuse must be fully cleaned and all labels removed prior to its use.

1.5.3 The Authority will rely on the chemical manufacturers or distributors to provide labels which meet the above requirements for primary containers of all hazardous chemicals purchased, and will re-label containers only when the label is illegible or otherwise does not meet the above requirements.

1.6 Employee Training Program

1.6.1 The Authority will provide an education and training program to all employees who routinely use or handle hazardous chemicals in their workplace.

1.6.2 The Assistant General Manager will be responsible for the employee training program and will ensure that:

a. Appropriate training is provided to all covered employees and includes:

(1) The use of information provided on SDSs and chemical container labels.

(2) The location of hazardous chemicals present in the employees= work areas.

(3) The physical and health effects of exposure.

(4) Proper use of personal protective equipment.

(5) Safe handling of hazardous chemicals.

(6) First aid treatment for exposure to hazardous chemicals.

(7) Safety instruction on clean up and disposal of hazardous chemicals.

a. Required training records are maintained and include:

(1) The date of the training session.

(2) A legible list of all employees attending the training session.

(3) The subjects covered.

(4) The name of the instructors.

b. All covered employees are identified and incorporated into the training program.

c. Employees are provided information concerning the hazardous chemicals to which they may be exposed during the performance of non-routine tasks.

d. New employees are trained prior to their being required to use or handle a hazardous chemical.

e. The need and frequency for periodic or refresher training is assessed. Employees subject to these training requirements will sign an attendance roster for each training session attended, verifying that they received and understood the information.

1.7 Reporting Employee Deaths and Injuries

1.7.1 The Authority will notify the Texas Department of Health, Hazard Communication Branch, of any employee accident that involves a hazardous chemical exposure or asphyxiation, and that is fatal to one or more employees, or results in the hospitalization of five or more employees.

1.7.2 The Administration Manager will be responsible for reporting all such accidents to the Texas Department of Health, Hazard Communication Branch, within 48 hours after their occurrence. Notifications will be made either orally or in writing.

1.7.3 Employees will be responsible for reporting all accidents involving a hazardous chemical to their supervisor.

1.7.4 Supervisors will be responsible for reporting all accidents involving a hazardous chemical to the Assistant General Manager or the Administration Manager.

1.8 Posting Employee Notice

1.8.1 The Authority will post and maintain in all workplaces where hazardous chemicals are used or stored the most current version of the TDH Notice to Employees, informing employees of their rights under the THCA.

1.8.2 The notice will be clearly posted and unobstructed at all locations in the workplace where notices are normally posted.

1.8.3 When necessary, a copy of the notice printed in Spanish will be posted together with the English version of the notice.

1.8.4 Additional copies of the notice, in both English and Spanish, are available from the Hazard Communication Branch.

1.9 Personal Protective Equipment

1.9.1 The Authority will provide appropriate personal protective equipment (PPE) to all employees who use or handle hazardous chemicals.

1.9.2 The Assistant General Manager will assume overall responsibility for the PPE program and will ensure that appropriate equipment and training are provided, to include:

a. Proper selection of PPE based on:

(1) Routes of entry,

(2) Permeability of PPE material,

(3) Duties being performed by the employee, and

(4) Hazardous chemicals present.

b. Proper fit and functionality of PPE as described by the manufacturer's specifications.

c. Appropriate maintenance and storage of PPE.

1.10 Maintaining Employee Rights

1.10.1 The Authority will not discipline, harass, or discriminate against any employee for filing complaints, assisting inspectors of the Texas Department of Health, participating in proceedings related to the Texas Hazard Communication Act, or exercising any rights under the Act.

1.10.2 Employees cannot waive their rights under the Texas Hazard Communication Act. A request or requirement for such a waiver by an employer violates the Act.

1.11 Informing Contractors

1.11.1 Before a contractor commences work at an Authority workplace, the Department coordinator and/or Supervisor who controls the work area will be responsible for:

a. Informing the contractor of his rights under the Act;

b. Providing a copy of the Workplace Chemical List;

c. Providing copies of all SDSs for the hazardous chemicals that they may be exposed to in the workplace; and

d. Having the contractor provide SDSs for any hazardous chemicals they will be bringing into the Authority's workplace in which the Authority's employees will have an exposure.

CHAPTER 2
ALCOHOL AND CONTROLLED SUBSTANCES POLICY

2.1 Policy Statement

The Red River Authority of Texas has adopted an alcohol and controlled substances policy to ensure the safety and well-being of all employees. Authority policy forbids the possession or consumption of alcoholic beverages or controlled substances while on the premises of Authority property, or while conducting Authority business.

2.2 Definitions

- "Controlled substance" is any drug, narcotic, hallucinogen, barbiturate, amphetamine, inhalant, mixture, or compound prescribed by a licensed physician for the legitimate treatment of a specific employee's medical condition. (Controlled substances are listed in Schedules I-V of 21 C.F.R. Part 1308, and in Chapter 481 of the Texas Controlled Substances Act)

- "Illegal drug" means a controlled substance whose use or possession is controlled by federal law, but that is not being used or possessed under the supervision of a licensed health care professional.

- "Under the influence of alcohol" means an alcohol concentration equal to or greater than .08, or actions, appearance, speech or bodily odors that reasonably cause a supervisor to conclude that an employee is impaired because of alcohol use.

- "Under the influence of a controlled substance, illegal drugs, or drugs" means a confirmed positive test result for illegal drug use per this policy, or the misuse of drugs when there is not a valid prescription from a physician for the lawful use of a drug in the course of medical treatment (containers must include the patient's name, the name of the substance, quantity or amount to be taken, and the period of authorization), or the misuse of any over the counter drug that impairs the employees ability to work.

2.3 General

Employees taking prescription drugs for an illness or other legitimate medical need must notify their direct supervisor in writing of the possible effects of the medication which may impair the individual's physical or mental capabilities, or impair their ability to perform their job functions. The notification should also include the length of time expected to take the medication.

Users of illegal drugs, mixtures, compounds, or alcohol present a serious danger not only to themselves, but to all other employees with whom they work or come in contact. Lack of mental alertness, slow reactions, and other effects of alcohol and drugs lead to poor judgment and errors that place the safety of workers and facilities in grave danger. Management cannot and will not allow the safety of our workers and facilities to be compromised.

2.4 Violations

Violation of any of the following rules may subject an employee to disciplinary action, including immediate termination:

2.4.1 No alcoholic beverages may be brought onto or consumed on company property, or consumed while on company business or while operating a company vehicle.

2.4.2 No controlled substance may be brought onto or used on company property, or used while on company business or while operating a company vehicle.

2.4.3 Employees taking drugs prescribed by a physician must advise their direct supervisor in writing of the possible effects of such medication, which may impair their physical or mental capabilities or impair their ability to perform their job functions. This notification must include the length of time the employee is expected to take the medication. This written information must be given to their direct supervisor before the employee starts work. All medical information will be kept confidential, and any breach of privacy or confidentiality is also subject to disciplinary action.

2.4.4 No employee may give, sell, or otherwise transfer any controlled substance or prescription drug to any other employee. To do so is in violation of federal law and the employees involved will be reported to law enforcement authorities immediately.

As stated above, any violation of the above rules may lead to disciplinary action, up to and including suspension or termination.

CHAPTER 3
SAFETY COMMITTEE FORMATION

3.1 Safety Committee Organization

3.1.1 A safety committee has been established for the Red River Authority of Texas to recommend improvements to the workplace Safety Program and also to help in the identification of corrective measures needed to eliminate or control recognized safety and health hazards. The safety committee will consist of the following classified positions:

Safety Program Coordinator:	**Assistant General Manager**
Supervisory/Management Members:	**Controller** **ESD Laboratory Manager** **Regional Managers**

3.2 Responsibilities

3.2.1 The safety committee will continuously assist in evaluating the effectiveness of control measures used to protect employees from safety and health hazards in the workplace. The committee will also make recommendations as to any adjustments needed to improve any components of the Safety Program.

3.2.2 The safety committee will be responsible for assisting management in reviewing and updating workplace safety rules based on accident investigation findings, inspection findings, employee reports of unsafe acts or unsafe conditions, and employee suggestions or complaints. These reviews will be conducted on an ongoing basis during monthly meetings and will focus on hazard and injury analysis and possible developing trends. Resources used during these analyses will include TWCC-1 Forms, Accident Investigation Reports, First Aid Logs, TML-IRP Loss Runs, Other Insurance Carrier Loss Runs, etc. The Safety Program Coordinator will maintain a copy of these records for reference as needed. The committee will provide a written notification of any identified trends to the General Manager.

3.2.3 The safety committee will assist management in continually evaluating employee accident prevention programs in an effort to promote safety awareness and employee participation in the Safety Program. This evaluation will involve conducting periodic safety inspections, observing work practices, reviewing accident causes, suggesting recommendations for corrective measures, and etc. Responsibilities may also include updating or rewriting of policies or procedures as evaluations identify possible deficiencies.

3.2.4 Safety committee members will regularly participate in safety training activities and be responsible for assisting management in monitoring the effectiveness of workplace safety education and training sessions. Members of the committee will participate in the development of improvements for identified deficiencies in the education and training programs.

3.3 Meetings

3.3.1 Safety committee meetings will be held at least quarterly and more often as needed.

3.3.2 A Secretary will be elected or appointed by the committee and that person will be responsible for recording the minutes of each meeting.

3.3.3 A copy of the finalized minutes will be forwarded to each member of the committee and the General Manager.

CHAPTER 4
VEHICLE OPERATOR STANDARDS

4.1 Policy

4.1.1 All employees authorized to operate Red River Authority of Texas vehicles and motorized equipment, or who operate personal vehicles on Authority-related business, will be subject to the standards established in this policy.

4.2 Purpose

4.2.1 This policy establishes minimum standards for the qualification of employees and applicants to operate Authority vehicles and motorized equipment.

4.3 Scope

4.3.1 This policy will apply to:

a. Employees driving Authority-owned, leased, or rented vehicles, or motorized equipment.

b. Employees receiving a monthly car allowance, or who use personal vehicles for Authority-related business.

c. Applicants for positions which require the operation of Authority vehicles or equipment.

4.4 Definitions

4.4.1 ***Authority Vehicles*** B Any passenger car, pickup, truck, or other similar vehicle that is owned, leased, rented, or otherwise under the care, custody, or control of the Authority. An Authority vehicle will also include vehicles driven by employees receiving a car allowance and personal vehicles.

4.4.2 ***Motorized Equipment***: This category includes, but is not limited to:

a. Backhoes,

b. Ditchers,

c. Loaders, and

d. Other similar operational equipment.

4.4.3 ***Preventable Accident***: Any accident involving an Authority vehicle or piece of motorized equipment which results in property damage and/or personal injury in which the driver in question failed to exercise every reasonable precaution to prevent the accident. The preventability of an accident will be determined from the investigative results of the appropriate law enforcement agency.

4.4.4 ***Personal Vehicles***: Privately owned vehicles used to conduct Authority business and for the use of which the driver is eligible to claim mileage reimbursement.

4.4.5 ***Driving Records***: The complete driving history of an employee as discerned from official records.

4.5 Responsibilities

4.5.1 Employees who drive Authority vehicles or operate motorized equipment in the course of their employment will be required to meet the following minimum conditions of eligibility for driving or operating privileges:

a. Have reached the age of 18 years.

b. Are physically qualified to hold a driver's license and to safely operate a vehicle or motorized equipment.

c. Have a valid Texas driver's license in the appropriate class as established on the official description for the position.

d. Wear seat belts and other relevant safety equipment when operating Authority vehicles or motorized equipment, when appropriate.

e. Observe all Authority vehicle and traffic-related policies.

f. Observe all laws and ordinances relating to the operation of Authority vehicles or motorized equipment.

g. Be responsible for the proper care and use of Authority vehicles or motorized equipment, which includes maintaining vehicle or motorized equipment interiors and exteriors, regularly servicing these items and reporting maintenance needs to the supervisor, and operating all Authority vehicles or motorized equipment in a manner that conserves fuel and reduces depreciation; and

h. Employees receiving a car allowance will fulfill all current legal regulations such as insurance, inspection, and registration.

4.6 Operator Standards

4.6.1 Applicants for positions requiring the operation of Authority vehicles or motorized equipment will be required to furnish a copy of their Motor Vehicle Driving Record. If the total points assigned to their driving record is ten or more, the applicant may be denied employment.

4.6.2 Employees currently in a position requiring them to operate Authority vehicles or motorized equipment may periodically be required to furnish a copy of their Motor Vehicle Driving Record. If the total points assigned to their driving record is ten or more, their driving privileges will be revoked and/or termination of employment may occur.

4.6.3 All Motor Vehicle Driving Records will be scored based on the following:

	Violations	**Points**
a	License suspension, revocation	10
b	Driving while intoxicated or under the influence or narcotics	10
c	Any serious violation, e.g., reckless driving, endangering lives of others, racing	10
d	Any speeding violation	3
e	Any standard moving violation, i.e., careless driving, stop sign, lane crossover, failure to signal, failure to keep right, following too close, and etc.	2
f	Any chargeable bodily injury accident	3
g	Any chargeable property damage accident	3

4.7 Procedures

4.7.1 The following procedures will be observed under this policy:

a. Employees operating Authority vehicles or motorized equipment must report any accident involving said vehicles as soon as possible and no later than 24 hours after the occurrence to their supervisor.

b. Employees who are in jobs that require the driving or operating of Authority vehicles or motorized equipment will report any driver's license suspensions to their immediate supervisor within 24 hours of the suspension.

c. Failure to report license suspensions, maintain the required driver's license,

or failure to meet minimum driving record criteria will be sufficient grounds for removal from driving privileges and may subject the employee to disciplinary action including termination.

d. In October of each year, the Personnel Department will make a list of all personnel who have driven or have responsibilities for operating motorized equipment. This list will include the employee's name, date of birth, and current driver's license number. All such employees may be subject to providing the Authority with a current Motor Vehicle Driving Record for review. The General Manager and appropriate department head will be notified of any employee whose driving record fails the criteria set forth in this policy.

e. Employees who have been ruled ineligible (except for offenses listed under 7.2 of this policy) for driving privileges may have their privileges reinstated provided the employee successfully completes a Defensive Driver Training Program approved by the Assistant General Manager and submits evidence of satisfactory completion to the Assistant General Manager. An employee who has been ruled ineligible for driving privileges may use the defensive driving course option only once every three years in order to have his/her eligibility status reinstated.

f. At the Authority's sole discretion, employees who have been ruled ineligible to drive Authority vehicles or equipment due to their driving record may be:

(1) Assigned non-driving responsibilities within their current department, if available.

(2) Transferred to another department and assigned non-driving responsibilities, if available.

(3) Dismissed, if neither of the above alternatives can be achieved within 20 working days. All non-driving responsibilities must have prior approval of the General Manager.

g. Employees who receive a car allowance and become ineligible for driving privileges will have their car allowance revoked and will not be permitted to drive on Authority-related business. Mileage reimbursement recipients who become ineligible for driving privileges will be forbidden to drive their personal vehicles on Authority-related business.

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SECTION 3-A:
GENERAL SAFETY PROGRAMS

CHAPTER 1 GENERAL SAFETY

1.1 General Rules

1.1.1 Each employee will be required to comprehend and abide by the contents of this Safety Program.

1.1.2 All accidents, no matter how minor, will be reported immediately to your supervisor.

1.1.3 All hazardous conditions, actions and/or practices will be reported to your supervisor.

1.1.4 Work areas, including the inside and outside of vehicles and buildings, will be kept clean and orderly at all times.

1.1.5 Employees will only operate equipment or tools that they are trained and authorized to operate.

1.1.6 Smoking will be prohibited in areas where there is a danger to equipment, materials, co-workers, or buildings, or where ***No Smoking*** signs are posted.

1.1.7 Employees will use all safety devices and personal protective equipment provided for their protection.

1.1.8 Employees will wear clothing and shoes suitable for the particular work they are doing.

1.1.9 Employees will use assisted lifting devices or obtain assistance from a co-worker when lifting heavy objects.

1.1.10 Guards will never be removed except when authorized to make repairs or adjustments. Replace the guard immediately upon completion of work.

1.1.11 Before starting work on any machine or equipment that is out of service, employees will render the equipment or machine inoperative and attach a lockout device to the equipment control.

1.1.12 The use of drugs and alcohol during working hours is prohibited. Any employee reporting for work under the influence of alcohol or controlled substances will be subject to disciplinary action.

1.1.13 Any employee taking prescription drugs or over-the-counter drugs that could impair assigned work will report this fact to the supervisor as required by the Alcohol and Controlled Substances Policy.

1.1.14 Employees will not engage in practical jokes or horseplay.

1.2 Personal Protective Clothing and Equipment

1.2.1 All employees will wear clothing suitable for their particular type of work. Loose clothing will not be worn while working around or near moving machinery or equipment.

1.2.2 All department-approved special protective clothing or protective devices will be used by employees when departmental supervisors require their use.

1.2.3 Clothing that is soiled by oil or chemicals should be avoided to prevent skin irritations.

1.2.4 When work is performed in the vicinity of exposed energized parts of equipment, employees will remove all exposed conductive articles, such as key or watch chains, rings, wrist watches, or bands, if such articles increase the hazards associated with inadvertent contact with the energized parts.

1.2.5 Rings or jewelry will not be worn while climbing on or off structures or vehicles while performing any task where the ring might get caught under or snagged by a projecting item. In addition, rings, metal-cased wristwatches, and watchbands will not be worn while working on or near energized equipment or lines.

1.2.6 Department-approved gloves will be provided to and worn by all employees when work site operations could cause injury to the hands.

1.2.7 Gloves and long sleeves will be worn to protect hands and arms when handling cement, brush, sharp objects, hot materials, acids, and other chemicals, or when there is a possible exposure to poison ivy.

1.2.8 Department-approved head protection will be provided to and worn by employees when working in areas where possible danger or head injury exists from impact, falling or flying objects, or from electrical shock and burns.

1.2.9 Employees will wear department-approved eye and face protection where injury

exists from flying objects, glare, liquid splashes, weed eaters, edgers, chemicals, grinding, sandblasting, and welding. Eye protection will be kept in a sanitary, usable condition and replaced when it becomes warped, scratched, or pitted.

1.2.10 Department-approved face shield will be worn when working within 10 feet (10') of a hydro-vac pressure wand, when operating a grinder-type or high=speed tool, an impact-type hammer or chisel, or a cutting torch.

1.2.10 Department-approved hearing conservation devices will be provided to and worn by all employees working in areas where a danger of noise exposure exceeds acceptable levels. Hearing protection will also be worn when working within twenty-five feet (25') of a hydro-vac or zero-turn or ride-on mower; when operating a grinder or other high-speed tool; when operating an impact-type hammer or chisel; or when operating a pneumatic, electric, or battery-powered impact wrench with a drive size larger than one-quarter inch (1/4").

1.2.11 Employees will wear footwear suitable for the type of work being performed. Safety boots or shoes will be worn when required. The wearing of sandals, thongs, tennis shoes, loafers, or similar footwear will not be acceptable during working hours for employees serving in labor, maintenance, construction, or inspection positions.

1.2.12 Department-approved life jackets or buoyant work vests will be worn by all employees when working over water and floating life rings with nylon rope should be installed at areas where the danger of drowning exists.

1.2.13 Department-approved respiratory protection will be worn in areas where dangerous air contamination, chlorine, gases, vapors, fumes, dust, or other hazardous contaminants exist.

1.2.14 Employees required to work in or near the roadway will wear high-visibility clothing, garments, or reflective vests.

1.2.15 Department-approved fall protection devices, such as harnesses, lanyards, etc., will be used by all employees when working in an overhead position which may require use of both hands and when there is a danger of falling.

1.2.16 Protective clothing and equipment will be used and maintained in accordance with the manufacturer's recommendations.

CHAPTER 2
LADDER SAFETY

2.1 General

2.1.1 Wooden ladders will not be painted so as to obscure a defect in the wood; only a clear, nonconductive finish will be used.

2.1.2 All ladders will be inspected regularly. Ladders with weakened, broken, or missing steps, broken side rails, or other defects will be tagged and removed from service.

2.1.3 Ladders and scaffolds will be sufficiently strong for their intended use. All ladders will be capable of supporting at least 22 times the maximum intended load without failure.

2.1.4 Ladders will not be placed in front of doors opening toward the ladder unless the door is open, locked, or guarded.

2.1.5 When ascending or descending ladders, employees will have both hands free and face the ladder.

2.1.6 Only one employee will work from a ladder at one time (except for hook-type ladders). If two employees are required, a second ladder will be used.

2.1.7 Only Authority-supplied ladders will be used by employees.

2.1.8 Ladders will not be used as scaffold platforms unless specifically designed for that purpose.

2.1.9 Boxes, chairs, etc. will not be used as ladders.

2.1.10 Portable metal ladders and other portable conductive ladders may not be used near exposed energized lines or equipment except in very specialized situations.

2.1.11 The use of stepladders above 20 feet is prohibited, and the use of extension ladders above 24 feet is strongly discouraged.

2.2 Straight Ladders

2.2.1 Portable straight ladders will be equipped with nonskid bases or shoes.

2.2.2 The ladder will be placed so that the distance between the bottom of the ladder and the supporting point is approximately 3 of the ladder length between the foot of the ladder and the upper support.

2.2.3 Straight ladders will not be climbed beyond the third step from the top.

2.2.4 When working from a portable ladder, the ladder must be securely placed, held, tied, or otherwise made secure to prevent slipping or falling.

2.2.5 When dismounting from a ladder at an elevated position (such as a roof) the employee will ensure that the ladder side rails extend at least three feet above the dismount position, or that grab bars are present.

2.2.6 Employees will belt off to a ladder whenever both hands must be used for the job or a possibility of the employee falling from an elevated position exists.

2.2.7 Ladders will not be spliced together to form a longer ladder, unless specifically designed to be used as a section ladder.

2.2.8 A ladder will not be placed against an unsafe support.

2.3 Step Ladders

2.3.1 The top step will not be used, except for platform ladders.

2.3.2 Stepladder legs will be fully spread and the spreading bars locked in place.

2.3.3 Stepladders will not be used as straight ladders.

2.3.4 When an employee is working on a stepladder more than ten feet high (except a platform ladder), another person will hold the ladder, or it should be tied to a support to prevent it from falling.

2.4 Elevated Tank Ladders or Stairs

2.4.1 Use Authority-approved safety belts or harnesses securely attached to the safety cable when climbing.

2.4.2 Before climbing, check footgear and ladder rungs for oil, grease, mud, or other slippery material.

2.4.3 Only one person will be on the ladder at a time. Always face the ladder and use both hands when climbing.

2.4.4 Do not climb tank ladders in high wind.

2.4.5 Do not climb tanks if taking prescription medications.

CHAPTER 3
FIRE SAFETY

3.1 General

3.1.1 Police and Fire Department telephone numbers should be posted at each phone station.

3.1.2 Fire emergency exit procedures should be reviewed and instructions provided periodically.

3.2 Fire Extinguisher Awareness

3.2.1 Employees will be familiar with both the location and the operation of all fire protection equipment in the vicinity of their work area.

3.2.2 Fire extinguishers should be wall-mounted in an easily accessible location not more than five feet above floor level. If an extinguisher cannot be easily seen, a sign indicating the extinguisher's location should also be posted. Except for actual use or inspection, employees will not move or remove such equipment without proper authorization.

3.2.3 Fire extinguishers will not be blocked or hidden behind material or machines.

3.2.4 Fire extinguishers will be visually inspected at least once a month and serviced annually.

3.2.5 Employees will know the classes of fires and the proper extinguishing agent to be used. Employees will be trained on the primary fire exposures in their immediate work area.

Class A	B	Fires in paper, wood, or cloth
Class B	B	Flammable liquid fires
Class C	B	Electrical fires
Class D	B	Combustible metal fires

3.2.6 A multipurpose ABC fire extinguisher will extinguish most types of fires.

3.2.7 Remember how to operate most extinguishers:

PULL	B	The pin
AIM	B	At the base of the fire
SQUEEZE	B	The handle
SWEEP	B	From side to side

CHAPTER 4
WORKPLACE VIOLENCE

4.1 General

4.1.1 Recognize signs that may precede violence in your co-workers or customers and report them to your supervisor. Be cautious when you deal with a person who:

a. Makes verbal threats on the job about getting even with co-workers or with your employer for disciplinary action or dismissal;

b. Regularly threatens or intimidates others;

c. Claims people are out to get him or her;

d. Talks a lot about weapons, and may own them;

e. Holds grudges;

f. Blames others for problems or setbacks;

g. Gets angry very easily and often; and

h. Is defensive when criticized.

4.1.2 Report the following behavior to your supervisor:

a. A customer that becomes unusually angry with you because of perceived slow service, perceived poor product quality, or lack of information;

b. A customer who talks abusively when making a telephone complaint; and

c. A customer who threatens you or co-workers.

4.1.3 Respond effectively to a threatening or violent situation:

a. Take all threats seriously;

b. Stay calm and be polite, look the person in the eye and do not argue or threaten them;

c. Address each customer with a friendly greeting when you are on the phone or meeting the customer in person;

d. Be courteous at all times; and

e. Notify the police if you are frightened, or use a warning signal to alert co-workers.

4.1.4 Protect yourself and co-workers on the job:

a. Keep security and police department numbers near your phone;

b. Know how to use an alarm or alert staff to possible danger;

c. Develop a danger signal you can use to alert others to possible danger;

d. Meet visitors in the lobby and escort them to your work area;

e. Report any unusual packages to appropriate personnel; do not open them;

f. Lock purses and personal belongings in a desk or locker; and

g. Report signs of a break-in and missing items immediately.

4.1.5 Follow security policies and procedures:

a. Keep locked doors locked; do not prop them open;

b. Wear name tags or badges when required;

c. Do not share access cards or entry codes.

d. Do not allow non-employees (including ex-employees) to avoid signing in and other visitor entry procedures;

e. Do not engage in fistfights or other aggressive behavior at work;

f. Do not bring a weapon to work or leave one in your car;

g. Do not drink or use drugs at work, or work under the influence; and

h. Report all threats and security violations.

4.1.6 Take special precautions when working late or alone:

a. Inform someone that you are working late;

b. Lock the door to your work area if you are alone;

c. Work near a phone;

d. Work with lights on;

e. Avoid using dark stairways or halls;

f. If working with others, try to leave and walk to transportation together;

g. Have your car keys ready as you leave the building;

h. Check under and inside your car before unlocking it;

i. Lock your car as soon as you are seated in it;

j. Walk confidently and quickly to show that you know where you are going and what you are doing

k. Try to run away from an attacker, if possible;

l. Yell if you are being attacked to alert others; and

m. Give an attacker money or jewelry on demand.

CHAPTER 5
FIRST AID

5.1 General

5.1.1 All injuries, regardless of how minor, will be reported to your supervisor.

5.1.2 Preplanning for a potential emergency situation is most valuable. All employees will be aware of the medical services available and how to obtain them. Emergency phone numbers will be posted in all work areas.

5.1.3 Where first aid kits are supplied, employees will be familiar with the location, contents, and the instructions given with the first aid kit. Each employee will learn how to use this equipment so they can render treatment when needed.

5.1.4 The contents of the first aid kits will be inspected quarterly, and expended items will be replaced. Personal medication will not be kept in first aid kits.

5.1.5 Where the eyes or body may be exposed to injurious corrosive materials, suitable facilities for quick drenching or flushing of the eyes and body will be provided for emergency use.

CHAPTER 6
COLD AND HEAT-RELATED ILLNESSES AWARENESS

6.1 Cold-Related Illnesses

6.1.1 Hypothermia is when the body's temperature drops below normal, causing uncontrollable shivering, weakness, drowsiness, disorientation, unconsciousness, and even death. Persons working outdoors during the winter months should follow the guidelines listed:

a. Dress in layers;

b. Keep dry; and

c. Work with co-workers when possible.

6.2 Heat-Related Illnesses

6.2.1 Heat stroke, heat exhaustion, heat cramps, and heat rash are heat-related problems associated with working in hot environments. Heat-related illnesses can be caused by prolonged exposure to high temperatures, limited fluid intake, or failure of the brain's temperature-regulation mechanisms.

a. The most serious health disorder associated with working in a hot environment is heat stroke. Symptoms of heat stroke include hot, dry skin, no sweating, high body temperature, rapid heartbeat, mental confusion, or loss of consciousness. While medical help is being called, the victim should be moved to a cool area and his or her clothing soaked with cool water. Vigorous fanning of the body will increase cooling. Death can occur if prompt first aid and medical help is not given.

b. Heat exhaustion occurs as a result of excess fluid loss and failure to replace the minerals and fluid lost during sweating. Signs of heat exhaustion include extreme weakness or fatigue, giddiness, nausea, or headaches. The skin is clammy and moist, and the body temperature is relatively normal. The best treatment for heat exhaustion involves resting in a cool place and drinking plenty of fluids.

c. Heat cramps are painful muscle spasms, which are caused by excessive fluid and salt loss. Such cramps can be treated by consuming fluid replacement beverages.

d. Heat rash is likely to occur in hot and humid environments where sweat cannot be easily evaporated from the skin surface. It can be prevented by resting in a cool place and allowing the skin to dry.

6.2.2 By following a few basic precautions, health problems associated with working in hot environments can be prevented:

a. Those unaccustomed to working in the heat should be given time to adjust to working in a hot environment.

b. Wear light, loose-fitting clothing, and protect yourself by wearing a hat. Sunscreen should also be used when prolonged exposure to sunlight is possible.

c. Drink plenty of fluids to help prevent dehydration. Eight to ten ounces of fluid are recommended every ten to 15 minutes when working in extremely hot or humid conditions. Beverages containing alcohol or caffeine should be avoided.

d. Alternate work and rest periods. Heavy work should be scheduled for the cooler parts of the day if possible.

CHAPTER 7
ANIMAL SAFETY

7.1 Snakes, Insects, Spiders, Etc.

7.1.1 Always be aware of your surroundings.

7.1.2 Dress accordingly for the type of job you are doing to protect against snakes, insects, and spiders.

7.1.3 Always look before stepping, moving an object, or placing your hand into an unknown area.

7.1.4 Make sure the area to be entered is well-lit before entering.

7.1.5 Notify the supervisor or attendant immediately if bitten or stung.

7.1.6 Notify the supervisor of any known allergic conditions to bee stings or other insect bites. If an employee is known to have an allergic condition, he or she will be required to carry the necessary treatment kit.

7.2 Large Animals

7.2.1 Be aware of service locations where large animals such as dogs, livestock, or wild animals may commonly be present.

7.2.2 Do not attempt to sneak up on dogs, livestock, or wild animals. Stay clear if at all possible.

7.2.3 Contact the dog's owner if entry is required into an area where one is present. If the owner disregards an employee's request for assistance with entry, notify the supervisor so that the proper authorities may be contacted.

7.2.4 Stay clear of animals that appear to be sick, injured, or have young.

7.2.5 Work in pairs when extended periods of time are necessary in areas of common livestock or wild animal concentrations.

CHAPTER 8
ELECTRICAL SAFETY

8.1 General Safety Rules

8.1.1 Consider all wires as dangerous and do not permit any object being handled to come in contact with electrical lines. The insulation on the wire is no guarantee that it will not cause instant death.

8.1.2 All electrical tools, equipment, extension cords, etc., will be inspected on a regular basis. All faulty equipment will be reported immediately to your supervisor. Lock out or tag the equipment so that others are aware that the equipment is damaged. The tool, equipment, or cord will not be used if it has any defects, such as bad insulation, missing grounds, loose prongs, etc.

8.1.3 All electrical equipment will be properly grounded.

8.1.4 Extension cords should not be used in wet or damp areas. For adequate protection, a Ground-Fault Circuit Interrupter (GFCI) should be used in wet or damp locations to protect employees.

8.1.5 All circuit breakers will be identified for use. Maintain clear access to electrical panels and main power sources at all times. Electrical panels and boxes should be securely fastened.

8.1.6 All electrical panel boards, boxes, disconnects, switchgear, etc., will be covered or isolated to prevent accidental contact with energized parts and to protect equipment and wiring from potential contamination.

8.1.7 Before work begins at a job site, the location of electrical lines (underground and above) will be determined and precautions taken to prevent accidental contact.

8.1.8 Electrical lockout and tagout procedures will be used when circuits or electrical equipment are being worked on.

8.1.9 Electrical cables passing through work areas will be covered or elevated to protect them from damage, which could create a shock hazard.

8.1.10 Metal ladders will not be used when working near electrical circuits.

8.1.11 Exposed light bulbs or fluorescent tubes will be guarded or recessed in reflectors to prevent accidental breakage.

8.1.12 To aid in the prevention of electrical shock, 120-volt, single-phase, temporary

receptacles used at work sites should be used with a GFCI. If a GFCI is not available, an assured equipment grounding conductor program may be used for added protection. Another option for protection against electric shock is to use double-insulated equipment.

8.1.13 Any victim of electrical shock should be administered CPR immediately after the electrical shock if heart or lung failure is suspected. CPR should continue until the person is revived or medical personnel arrives at the site.

8.2 Lockout and Tagout Procedures

8.2.1 Definitions

y. Lockout and tagout are methods of preventing equipment from being set in motion unexpectedly, which in turn may endanger workers.

b. Lockout is the placement of a lockout device on an energy-isolating device to ensure that the energy-isolating device and the equipment being controlled cannot be operated until the lockout device is removed.

c. A lockout device is a device that utilizes a positive means, such as a lock, either key or combination type, to hold an energy-isolating device in the safe position, thus preventing the energization of a machine or equipment.

d. Tagout is the placement of a prominent warning device, such as a tag, on an energy-isolating device to indicate that the energy-isolating device and the equipment being controlled may not be operated until the tagout device is removed. Tagout does not offer the physical protection of lockout.

e. An energy-isolating device is a mechanical device that physically prevents the transmission or release of energy. These devices can include, but are not limited to, electrical circuit breakers, disconnect switches, block valves, slip blinds, slide gates, etc.

f. Energy source refers to any source of electrical, mechanical, hydraulic, pneumatic, chemical, thermal, or any other energy.

g. An affected employee is an employee whose job requires him or her to operate or use a machine or equipment on which servicing or maintenance is being performed under lockout and tagout, or whose job requires him or her to work in an area in which such servicing or maintenance is being performed.

h. An authorized employee is a person who uses locks and tags on machines

or equipment while performing service or maintenance activities. An authorized employee and an affected employee may be the same person when the affected employee's duties also include performing maintenance or service on a machine or equipment, which must be locked and tagged.

8.2.2 Employee Responsibilities

a. All equipment should be locked out and tagged out to protect against accidental or inadvertent operation when such operation could cause injury to personnel.

b. Employees should never attempt to operate any switch, valve, or other energy-isolating device that is locked and tagged out.

c. Employees should be trained on the importance of lockout and tagout procedures.

d. Only authorized employees who have been trained in the procedures should be allowed to apply lockout and tagout.

8.2.3 Preparations for Lockout and Tagout

a. Obtain the lockout and tagout procedures for the equipment. After reviewing the procedure, determine whether changes may be necessary.

b. Identify all affected employees who may be impacted by the impending lockout or tagout.

c. Obtain necessary supplies, such as locks, tags, etc., that may be needed during the lockout or tagout.

8.2.4 Sequence of Events to Implement Lockout and Tagout

a. Notify all affected employees that servicing or maintenance is required on a machine or piece of equipment, and that the machine or piece of equipment must be shut down and locked out to perform the servicing or maintenance.

b. The authorized employee should refer to the organization's written procedures to identify the type and magnitude of the energy that the machine or equipment utilizes. After identifying the type of energy source, the authorized employee should ensure that he or she understands the hazards of the energy source and knows the methods to control the energy source.

c. If the machine or equipment is operating, shut it down by the normal stopping procedure.

d. Deactivate the energy isolating device(s) so that the machine or equipment is isolated from the energy source(s).

e. Use lock(s) and tag(s) as necessary to prevent the accidental or inadvertent operation of the energy isolating device(s).

f. Any stored or residual energy (such as that in capacitors, springs, elevated machine members, rotating flywheels, hydraulic systems, air pressure, steam pressure, gas pressure, etc.) must be dissipated or restrained by methods such as grounding, repositioning, blocking, bleeding down, etc.

g. To ensure that the equipment is disconnected from the energy source(s), the authorized employee should follow these listed steps:

(1) Check to make sure that no personnel are exposed to possible hazards;

(2) Verify the isolation of the equipment by operating the push button or other normal operating control(s) or by testing to make certain the equipment will not operate; and

(3) Return the operating control(s) to the neutral or off position after verifying the isolation of the equipment.

h. The equipment or machine should now be locked out.

8.2.5 Sequence of Events to Restore Machine or Equipment to Normal Operations

a. Check the machine or equipment and the immediate area around the machine or equipment to ensure that nonessential items have been removed and that the machine or equipment components are operationally intact.

b. Check the work area to ensure that all employees have been safely positioned or removed from the area.

c. Verify that the controls are in the neutral position.

d. Remove the lockout and tagout devices and re-energize the machine or equipment.

e. Notify affected employees that the servicing or maintenance is completed and the machine or equipment is ready for use.

f. Return or file used lockout and tagout devices.

8.2.6 Employee Training Requirements

a. Each authorized employee should receive training in the recognition of applicable hazardous energy sources, the type and magnitude of the energy sources, and the methods and means necessary for energy isolation and control.

b. Each affected employee should be instructed in the purpose and use of the energy control procedures.

c. All other employees whose work areas may or may not be in an area where energy control procedures may be utilized should be instructed about the procedure and the prohibition relating to attempts to restart or re-energize machines or equipment that is locked and tagged out.

SECTION 3-B:
OFFICE SAFETY

CHAPTER 1
OFFICE SAFETY

1.1 General

1.1.1 Employees will walk cautiously on stairs and use handrails whenever possible.

1.1.2 Caution will be exercised when walking around blind corners.

1.1.3 Desk drawers and file cabinets will be kept closed when not in use.

1.1.4 Only one drawer of a file cabinet will be pulled out at a time.

1.1.5 Boxes, chairs, buckets, etc., will not be used in place of ladders.

1.1.6 The floor will be kept clear of tripping hazards such as telephone cords, electrical extension cords, paper cartons, etc.

1.1.7 Warning signs should be placed to alert employees of slippery floors. All liquid spills will be cleaned up immediately, and signs posted until the hazard is mitigated.

1.1.8 Material will be stored on shelves in a manner to prevent falling; heavy objects will be placed on lower shelves.

1.1.9 Hallways and aisles will be kept clear of obstructions.

1.1.10 All emergency exits, electrical panels, fire extinguishers, and emergency equipment will be kept clear of all obstructions.

1.1.11 Solvents and toxic substances will be used with proper PPE or adequate ventilation, and SDSs will be accessible to employees.

1.1.12 Employees will not clean, oil, or adjust operating machinery. Equipment without a lockable off switch will be disconnected from the power source.

1.1.13 Unsafe electrical cords, faulty equipment, or any other hazardous condition will be reported and taken out of service until the repairs are completed.

1.1.14 Broken glass and other sharp objects will not be placed in wastepaper containers.

CHAPTER 2
ERGONOMICS AND WORKSTATION SAFETY

2.1 Ergonomics Awareness

2.1.1 Workstations

a. Chairs should be easily adjustable and provide good lumbar support. If feet cannot rest firmly on the ground, a footrest may be provided. Chairs with a 5-point base are recommended due to the stability that is provided.

b. Sufficient leg room must be allowed for seated operators.

c. Position the monitor directly in front of the operator. The operator's eyes should be level with the top of the screen. Viewing distance between the user's eyes and the screen should be approximately 16 to 22 inches.

d. The equipment or sources of light should be positioned so that glare or bright reflections on the display screen are minimized.

e. Adjust the height of the chair and/or keyboard so that the shoulder-elbow-arm angle is approximately 70 to 90 degrees.

f. Keyboard heights and placement should be adjustable. Use a cushioned palm rest if needed to keep users' hands and fingers in the same plane as the forearm and avoid resting wrists and forearms on sharp table edges.

g. Work surface heights should range from 23 to 28 inches for seated workstations. In addition, your work area should be well organized with routine operations within easy reach and easily accessible.

h. Document holders should be placed adjacent to and at the same height as the display screen.

i. Operators should adjust positions frequently and get up and move around to help avoid fatigue.

2.1.2 Lighting, Noise, and Heat

a. Adequate but not excessive heat should be provided.

b. Windows should be equipped with adjustable blinds.

c. Use task lighting where extra illumination is required.

d. Noise above 85 to 90 decibels (dBA) may be harmful to workers. When exposed to high noise levels, employees will utilize hearing protection equipment to ensure proper working conditions.

e. Whenever possible, isolate noisy machines and equipment in a remote location.

f. Tailor work practices to prevent heat- or cold-related disorders. Employees exposed to hot environments must know the appropriate medical steps to counteract potentially life-threatening situations such as hypothermia, heat stroke, heat exhaustion, and heat cramps.

SECTION 3-C:
LABORATORY SAFETY

CHAPTER 1
LABORATORY SAFETY

1.1 General Safety Rules

1.1.1 Each employee assigned to laboratory duties will be required to comprehend and abide by the contents of this Laboratory Safety Program.

1.1.2 All accidents, no matter how minor, including spills, exposures, injuries, or near misses, will be reported immediately to the supervisor.

1.1.3 All hazardous conditions, actions, and practices will be reported to the supervisor immediately.

1.1.4 Laboratory work areas will be maintained in a clean and orderly condition at all times.

1.1.5 Eating, drinking, smoking, chewing gum, or applying cosmetics will not be permitted in laboratory work areas.

1.1.6 Only authorized personnel will be permitted in laboratory areas where chemicals, biological materials, or testing activities are present.

1.1.7 Employees will only perform laboratory procedures and operate laboratory equipment for which they have received proper instruction and training.

1.1.8 All chemicals, reagents, and laboratory samples will be properly labeled and stored in approved containers.

1.1.9 Safety Data Sheets (SDSs) for hazardous chemicals will be readily accessible to laboratory personnel at all times.

1.1.10 All spills involving chemicals or potentially hazardous materials will be cleaned immediately using approved procedures and materials.

1.1.11 Emergency eyewash stations, safety showers, fire extinguishers, and other emergency equipment will remain unobstructed and readily accessible at all times.

1.1.12 Mouth pipetting is prohibited. Mechanical pipetting devices will be used at all times.

1.1.13 Broken glass will not be picked up with bare hands and will be disposed of in approved containers.

1.1.14 Employees will wash hands thoroughly after handling chemicals, laboratory samples, or contaminated materials and before leaving the laboratory.

1.1.15 Housekeeping deficiencies, chemical leaks, damaged containers, malfunctioning equipment, or unsafe conditions will be corrected immediately or reported to the supervisor.

1.2 Personal Protective Clothing and Equipment

1.1.1 Department-approved eye protection will be worn by employees while handling chemicals, biological materials, compressed gases, or while performing laboratory procedures where splashes or flying particles may occur.

1.1.2 Department-approved gloves appropriate for the hazards involved will be worn when handling chemicals, samples, glassware, or contaminated materials.

1.1.3 Laboratory coats, aprons, or other protective clothing will be worn when exposure to chemicals or biological materials may occur.

1.1.4 Contaminated protective clothing will be removed immediately and properly cleaned or disposed of.

1.1.5 Respiratory protection equipment will be worn when required by the hazard assessment or chemical exposure potential.

1.1.6 Open-toed shoes, sandals, or similar footwear will not be permitted in laboratory work areas.

1.1.7 Long hair, loose clothing, or jewelry that may create a hazard while working around laboratory equipment or chemicals will be secured or removed.

CHAPTER 2
CHEMICAL HANDLING AND STORAGE

2.1 Chemical Handling and Storage

2.1.1 All chemicals will be handled in accordance with manufacturer recommendations and Safety Data Sheets (SDSs).

2.1.2 Chemicals will be stored according to compatibility and hazard classification requirements.

2.1.3 Flammable liquids will be stored in approved flammable storage cabinets when required.

2.1.4 Chemical containers will remain closed except when transferring or using the material.

2.1.5 Unlabeled chemicals or containers will not be used.

2.1.6 Secondary containment will be used where leaks or spills could create hazards to personnel, equipment, or the environment.

2.1.7 Chemicals will not be stored near ignition sources, direct sunlight, or incompatible materials.

2.1.8 Employees will avoid direct skin contact and inhalation of vapors, fumes, mists, or dusts associated with hazardous chemicals.

CHAPTER 3
SAMPLE HANDLING AND CHAIN OF CUSTODY

3.1 Sample Handling and Chain of Custody

3.1.1 All samples collected for laboratory analysis will be properly labeled with the date, time, sample location, and any other required information.

3.1.2 Sample containers and preservation methods will be appropriate for the analytical testing being performed.

3.1.3 Chain of custody documentation will be maintained for all regulatory, compliance, or investigative samples.

3.1.4 Samples requiring refrigeration or temperature control will be stored appropriately to maintain sample integrity.

3.1.5 Holding times associated with sample analysis will be observed in accordance with regulatory and laboratory requirements.

3.1.6 Compromised, leaking, or damaged samples will be reported immediately to the supervisor.

CHAPTER 4
WASTE DISPOSAL

4.1 Waste Disposal Procedures

4.1.1 Hazardous chemical waste will be collected, labeled, stored, and disposed of in accordance with applicable local, state, and federal regulations.

4.1.2 Chemical waste containers will remain closed except when waste is actively being added.

4.1.3 Incompatible chemical waste will not be mixed.

4.1.4 Broken glass, sharps, and contaminated materials will be disposed of in approved containers.

4.1.5 Chemicals or laboratory waste will not be disposed of in sinks, floor drains, or normal trash containers.

4.1.6 Employees handling hazardous waste materials will use appropriate personal protective equipment.

4.1.7 Spill cleanup materials and contaminated absorbents will be disposed of in accordance with applicable waste disposal procedures.

4.1.8 All laboratory waste storage areas will be maintained in a clean and orderly condition.

SECTION 3-D:
CHEMICAL AND HAZARDOUS MATERIAL SAFETY

CHAPTER 1
PESTICIDE AND HERBICIDE SAFETY

1.1 General

1.1.1 When applicable, all employees who apply pesticides or herbicides will be licensed.

1.1.2 Before using any pesticide or herbicide, employees will read the label carefully and follow the directions and precautions.

1.1.3 Pesticides will be stored in properly labeled, tightly sealed containers in a locked storage area clearly marked with pesticide warning signs.

1.1.4 Before handling pesticides or herbicides, employees will review the Safety Data Sheet and product label to determine the required personal protective equipment.

1.1.5 Mix the pesticides or herbicides in a well-ventilated, well-lit area. Mix only at recommended rates and apply only at specified dosages.

1.1.6 Check application equipment for leaking hoses or connections, plugged or worn nozzles, and examine the filter to ascertain that it is free of debris.

1.1.7 Employees will avoid contact with skin or inhalation of mists or spray.

1.1.8 Safety Data Sheets will be maintained and kept near material/storage locations.

1.1.9 Spray equipment will be cleansed daily when using oil-based solutions.

1.1.10 Pesticides or herbicides will not be stored or disposed of where they could contaminate people, property or waterways.

1.1.11 Empty containers will be disposed of in a safe manner.

1.1.12 Pesticides or herbicides should only be applied under favorable time and weather conditions.

1.1.13 Do not eat, drink, or use tobacco products while handling pesticides or herbicides.

CHAPTER 2

COMPRESSED GAS CYLINDER SAFETY

2.1 General

2.1.1 Never attempt to lift compressed gas cylinders with an electromagnet. Extreme care must be exercised to prevent dropping or bumping of the cylinders.

2.1.2 Cylinders, whether full or empty, will be stored in a rack, chained, or otherwise secured to prevent them from falling.

2.1.3 Do not use cylinders as rollers, supports, or for any use other than their designed purpose.

2.1.4 Cylinders will have their contents properly identified. Empty cylinders will be plainly marked **EMPTY@** or **AMT@**, and the valves will be closed.

2.1.5 Oxygen cylinders in storage will not be stored near flammable or highly combustible materials, such as oil, grease, fuel, other fuel gas cylinders, etc. In addition, no cylinders will be stored in areas where there is exposure to direct sunlight.

2.1.6 Welding or cutting of any pipeline, tank, empty container, or piece of equipment will not be performed until it is assured that the object is free from flammable materials or an explosive mixture of gases. Before welding or cutting begins, the hazardous materials will be removed, or it will be vented to the atmosphere to prevent a possible explosion from the expansion of trapped gases.

2.1.7 Cylinders will not be placed where they might become part of an electric current or within five feet of an electrical outlet. Cylinders will not be allowed to come in contact with energized conductors, ground wires from electrical equipment, or welding machines.

2.1.8 Valves of compressed gas cylinders will be opened slowly and with the proper wrench.

2.1.9 Before the regulator is removed from a cylinder, the valve will be closed and all pressure released from the regulator. Use regulators and pressure gauges only with gases for which they are designed and intended. Do not attempt to repair or alter cylinders, valves or attachments. Any changes in the cylinders will only be performed by the supplier or manufacturer.

2.1.10 Leaking cylinders will not be used. Such cylinders will be taken away from sources of ignition and the supervisor notified. Leaking compressed gas cylinders will be taken out of service immediately and handled as follows:

a. Close the valves and take the cylinder outdoors well away from any source of ignition.

b. Properly tag or mark the cylinder.

c. If the leak occurs at a fuse plug or other safety device, take the cylinder outdoors well away from any potential ignition source and open the cylinder valve slightly to allow the contents to escape slowly. Tag the cylinder to warn others. (The environmental and health effects of the contents must be evaluated prior to allowing the cylinder to bleed down)

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d. Post warnings against approaching with lit cigarettes or other potential ignition sources.

e. Promptly notify the supplier and follow their instructions for handling or returning the cylinder.

2.1.11 Do not remove or change the marks and/or numbers stamped on compressed gas cylinders. Additionally, any labels will be left in place for identification purposes.

2.1.12 Cylinders that are heavy or difficult to carry by hand may be rolled on their bottom edge, but they should never be dragged.

2.1.13 Do not tamper with safety devices in valves or on cylinders.

2.1.14 Consult the supplier of the gas or the appropriate Safety Data Sheet (SDS) when there are doubts concerning the proper handling of a compressed gas cylinder or its contents.

2.1.15 When cylinders are transported:

a. Load to allow as little movement as possible.

b. Secure them to prevent violent contact or falling.

c. Remove regulators and put valve protection caps in place.

SECTION 3-E:

FIELD OPERATIONS AND MAINTENANCE SAFETY

CHAPTER 1
MOTOR VEHICLE AND EQUIPMENT OPERATION SAFETY

1.1 General Safety Rules

1.1.1 Employees authorized to operate Authority vehicles or personally owned vehicles on business must have a valid Texas driver's license for the class vehicle they operate and must notify their supervisor immediately should the license be suspended or revoked.

1.1.2 Motor vehicle record reports may periodically be required to be furnished by employees who are responsible for operating motorized equipment.

1.1.3 The certificate of insurance coverage and other required documents, as well as accident forms, should be carried in all Authority-owned vehicles.

1.1.4 All drivers of Authority vehicles must be familiar with and abide by all applicable state, federal, and local traffic regulations.

1.1.5 All drivers or operators will be responsible for the proper care and use of vehicles and motorized equipment. This includes maintaining Authority vehicles or motorized equipment interiors and exteriors, regularly servicing these items, and reporting maintenance needs to the supervisor.

1.1.6 A driver or operator will not permit any unauthorized persons to drive, operate, or ride in or on an Authority vehicle. Riders will not be allowed on running boards, tailgates, fenders, bumpers, atop cabs, on tow bars, or towed equipment. (Exceptions may include operator trainees and mechanics sharing operator positions.)

1.1.7 Every accident involving personal injury or property damage will be reported to the supervisor immediately.

1.1.8 Where seat belts are provided, they will be worn by all occupants. The size of the vehicle or equipment does not excuse the operator from the seat belt requirement.

1.1.9 Equipment on all Authority motor vehicles must conform to state, federal, and Department of Transportation (DOT) regulations.

1.1.10 When possible, park so that backing is not required.

1.1.11 Extreme caution will be exercised when backing any vehicle. If another employee is present, they will act as a spotter to assist the driver in backing safely. Drivers will stop immediately if they lose sight of the spotter.

1.1.12 Back-up alarms are a useful warning device and should be used when possible, especially on larger vehicles and equipment that may severely restrict your view to the rear of the vehicle. If an alarm is not present, the operator should honk his horn to warn others of the moving vehicle.

1.1.13 Unsafe and discourteous driving practices such as road hogging, disregarding the rights of pedestrians, violating traffic regulations, and deliberate recklessness of any kind are prohibited.

1.1.14 Getting in or out of a vehicle or mobile equipment while it is in motion is prohibited, as is riding anywhere on the vehicle or mobile equipment not designed for passengers. Do not get out of a vehicle or mobile equipment and leave the motor running, drive, or operate with a door ajar.

1.1.15 Personnel should maintain three points of contact with mobile equipment when entering and exiting to help in maintaining balance if a slip occurs. The condition of handrails, steps, etc. should be inspected regularly.

1.1.16 Smoking is prohibited in any areas where fueling is being performed.

1.1.17 Except in emergencies, gasoline must not be carried inside passenger cars or the cabs of trucks. Gasoline will be transported in approved safety containers and sealed tight to prevent the leakage of gasoline or gasoline vapors.

1.1.18 Garage doors must be opened for ventilation whenever a motor vehicle engine is running to help prevent the accumulation of carbon monoxide gas.

1.1.19 Keys will be removed from unattended vehicles and equipment. Doors should be locked for security purposes when applicable.

1.1.20 Driving a vehicle under the influence of alcohol or any controlled substance will not be tolerated. Never attempt to perform work or drive a vehicle when impaired by alcohol, medication, or drugs.

1.1.21 Picking up hitchhikers is dangerous and prohibited.

1.1.22 Before starting out in your vehicle in the morning, clear all windows of any frost, ice, or dew. Cleaning only a small part of a windshield does not allow for proper visibility.

1.1.23 Driving is a full-time job. Drivers should not engage in other activities, such as reading a map or updating records, while operating a vehicle. The vehicle should be pulled off the road and stopped before performing these activities.

1.1.24 Driving at the maximum posted speed limit can be too fast for safety in some situations. The drivers of all vehicles must use good judgment and proceed at a pace suitable to the conditions of the vehicle, road, traffic, and weather.

1.1.25 All vehicle cabs should be kept clean to reduce distractions to drivers and interference with the operation of the vehicle or equipment.

1.2 Stopping on Roadways

1.2.1 When it is necessary to stop on the roadway, extreme caution will be used.

1.2.2 A rotating beacon will be used if so equipped.

1.2.3 Taillights and/or emergency flashers will be used.

1.2.4 If work is in progress, traffic control devices will be used. Please see additional information in the Work Zone Traffic Control section of this manual.

1.3 Inspection of Vehicles and Equipment

1.3.1 Drivers or operators will utilize equipment checklists to inspect vehicles and equipment monthly and maintain the Vehicle Inspection Form in the vehicle until submitted at the end of the month. Fluid levels, tires, and safety equipment should be checked prior to operating the vehicle.

1.3.2 The driver or operator will determine that brakes are in good operating condition before using the vehicle or equipment. If brakes are not working properly, they must be corrected before use.

1.3.3 The driver or operator will report all defects promptly. Items that affect safety will be repaired prior to continued use.

CHAPTER 2
MOTORIZED EQUIPMENT SAFETY

2.1 General

2.1.1 Operators will be adequately trained and qualified to operate the equipment. The operators will become thoroughly familiar with the equipment before using it, and they must understand the contents of the operator's manual.

2.1.2 The operator is responsible for inspecting the equipment before it is used. The brakes and controls will also be tested by the operator prior to use. (Needed repairs will be reported immediately.) Observe proper maintenance and repair of all pivot pins, hydraulic cylinders, hoses, snap rings, and main attachment bolts daily.

2.1.3 Seat belts will be worn on all equipment with rollover protection.

2.1.4 Operators should maintain three points of contact with the equipment when entering or exiting. This will allow the operator to regain their balance if they slip.

2.1.5 Back-up alarms are useful warning devices and should be used when possible, especially on larger vehicles and equipment that may severely restrict your view to the rear of the vehicle. If an alarm is not present, the operator should honk their horn to warn others of the moving vehicle. Back-up alarms should be operable at all times.

2.1.6 Only the operator will be allowed on the equipment during operation, unless a seat is provided for another occupant.

2.1.7 Employees will never be allowed to ride in the bucket or use the bucket for an elevated platform.

2.1.8 Walk around the equipment to observe for children and others before starting up. Consider using a spotter when backing the equipment.

2.1.9 Keep bystanders in the clear while operating the equipment. No one is allowed in a ditch while a backhoe is excavating.

2.1.10 Locate underground utility lines and overhead power lines before starting to dig. (Always contact utility companies to physically locate any underground lines.) Do not operate a backhoe within ten feet of an overhead electrical line. Hand-dig in the vicinity of all known underground utility lines and pipelines.

2.1.11 Never attempt to lift loads in excess of the equipment's capacity.

2.1.12 Never allow anyone to get under the equipment or reach through the lift arms while the bucket is raised.

2.1.13 Relieve the pressure in any hydraulic lines before disconnecting them to make repairs. Any hydraulic implements that are not relieved will be physically blocked to protect against mashing injuries during maintenance or repair activities. Physical blocks may include safety stands, timbers, cinder blocks, etc. that can withstand the force.

2.1.14 Use care at all times to maintain proper stability. Drive at safe speeds over rough ground, on slopes, when crossing ditches, and when turning corners.

2.1.15 To prevent upsets when operating on a slope, avoid using the full reach and swinging a loaded bucket to the downhill side.

2.1.16 Always center and raise the boom before moving to a new location.

2.1.17 Do not attempt to exit the equipment while it is still in motion. Apply the parking brake and shut down the engine before leaving the equipment.

2.1.18 Lubrication activities or mechanical adjustments will not be attempted while the equipment is running if there is a possibility of contacting a pulley, belt, shaft, etc. that is in motion.

2.1.19 Park the equipment on ground level when possible. As a minimum, the bucket should be lowered, the brakes set, the transmission engaged, and the engine killed when parking.

2.1.20 Use care in attaching towing lines to the equipment. Pulling from the tractor rear axle of any point above the axle may cause an accident.

2.1.21 Slow-moving placards and other warning devices should be used to help other motorists spot the slow-moving vehicle from a safe distance.

2.1.22 No backhoe or loader will be operated without an attendant being present.

CHAPTER 3
WORK ZONE TRAFFIC CONTROL

3.1 General

3.1.1 Work zone safety is the adequate safeguarding or protecting of pedestrians, motorists, utility workers, and equipment by the use of adequate barriers, warning signs, lights, flags, traffic cones, high-level standards, barricade rope, flaggers, etc. on approaches to work areas, excavations, open manholes, parked equipment, etc.

3.1.2 Work zone traffic control is accomplished by the use of informative and protective devices, keeping in mind that a safe installation requires the use of these devices in relation to the location of the workers and equipment involved. The use of these devices must be coupled with proper planning, design, installation, inspection, maintenance, and the use of good common sense. It is of utmost importance that the work area is properly identified and that warning devices clearly convey the message to the traveling public well in advance of arrival at the work area.

3.1.3 The public must be warned in advance, then regulated and guided through or around the work area. Proper work area protection will be planned to ensure the safety and protection of the public, the worker, and the equipment.

3.2 Procedures

3.2.1 If street construction or repair work is to be done, preparations will be made to ensure vehicle and pedestrian safety before work is allowed to begin.

3.2.2 If traffic is affected by the operation, proper signs must be used in advance of the work area, and the traffic control signs in and around the affected area are to be correctly placed and maintained for the duration of the period when work is being performed, and traffic obstructions exist.

3.2.3 When barricades and signs are used overnight, supervisors will examine the work area for proper placement at the end of the workday.

3.2.4 All employees working in or near the roadway will wear reflective vests or suitable garments marked with or made of reflectorized or high-visibility material while at the work site. Garments worn at night must be made of reflective material.

3.2.5 Lighted barricades will be used whenever possible for overnight protection.

3.2.6 Where traffic must be periodically stopped or obstructed by workers or equipment in a traveled portion of a roadway, a flagger wearing a reflective vest may be stationed. If lack of manpower exists, the roadway must be closed and the traffic detoured.

3.2.7 Flaggers will be used to slow or direct traffic where the approach to the work area does not provide adequate visibility to drivers. The use of sign paddles (Stop/Slow) is preferred and should be used if available.

3.2.8 All plates used to cover holes in the street on a temporary basis are to be spiked in place.

3.2.9 When pedestrian traffic is impeded, barricades, restrictive tape, rope, or other restraint will be used to keep the public from the work site.

3.2.10 Holes in the sidewalk or parkway which must be left open will have perimeter protection. Protection of these areas will be in the form of physical barriers and warning signs.

CHAPTER 4
TRENCHING AND EXCAVATION SAFETY

4.1 General

4.1.1 Before opening an excavation, all interferences such as trees, sidewalks, and foundations will be removed or supported as necessary to protect employees and the public.

4.1.2 The estimated location of utility and other underground installations that may be encountered during excavation work will be determined before opening the excavation.

4.1.3 When excavation operations approach the estimated location of underground installations, the exact location of the installation will be determined by safe and acceptable means.

4.1.4 While the excavation is open, underground installations will be protected, supported, or removed to safeguard employees.

4.1.5 Employees exposed to vehicular traffic will wear high-visibility vests or clothing.

4.1.6 A stairway, ladder, ramp, or other safe means of egress will be located in trench excavations that are four feet or more in depth so as to require no more than 25 feet of lateral travel for employees. Ladders must extend three feet above the surface and be tied off if necessary.

4.1.7 No employee will be permitted underneath loads handled by lifting or digging equipment. Employees will be required to stand clear of any vehicle being loaded or unloaded to avoid being struck by spillage or falling materials.

4.1.8 When mobile equipment is operated adjacent to an excavation, a warning system will be utilized such as barricades, hand or mechanical signals, or stop logs. If possible, the grade should slope away from the excavation.

4.1.9 Daily inspections of the excavations and adjacent areas and protective systems will be made by a competent person for evidence of situations that could result in a possible cave-in, failure of protective systems, hazardous atmospheres, or other hazardous conditions. An inspection will be conducted prior to the start of work when there are changes in weather conditions, if the excavation has been left unattended for a period of time, and as needed.

4.1.10 Employees will not work in excavations in which there is accumulated water or in an excavation in which water is accumulating unless adequate precautions have been taken to protect employees. The precautions necessary to protect employees adequately can include special support or shield systems, water removal, or the use of a body harness and lifeline.

4.1.11 Surface water will be prevented from entering an excavation by utilizing diversion ditches, dikes, or other suitable means.

4.1.12 Excavations subject to runoff from heavy rains will require an inspection by a competent person.

4.1.13 Excavated earth (spoil), materials, tools, and equipment will be placed no closer than two feet from the edge of the excavation.

4.1.14 Where employees or equipment are required or permitted to cross over excavations, walkways, or bridges, standard guardrails will be provided.

4.1.15 When excavations are left open, warning devices, barricades, or guardrails will be placed to adequately protect employees and the public.

4.1.16 At the end of the workday, as much of the excavation as practical will be closed.

4.1.17 Mechanical excavating equipment that is parked or operating on streets or highways will be protected by proper warning devices.

4.1.18 Each employee in an excavation will be protected from cave-ins by an adequate protective system (sloping, benching, shoring, or shielding) unless excavations are made entirely in stable rock, or are less than five feet deep, and examination of the ground by a competent person provides no indication of a potential cave-in.

4.1.19 When choosing a protective system, a competent person will take into consideration soil type, vibration sources, previously disturbed soil, layered soil, presence of water, heavy equipment work adjacent to the excavation, limited work area, and other hazard-increasing conditions.

4.1.20 Sloping, benching, shoring, or shielding for excavations greater than 20 feet deep will be designed by a registered professional engineer.

4.1.21 A competent person as used in this section will mean one who is capable of identifying existing and predictable hazards in the surroundings, or working conditions which are unsanitary, hazardous, or dangerous to employees, and who has the authorization to take prompt corrective measures to eliminate them.

CHAPTER 5
CONFINED SPACE SAFETY

5.1 General

5.1.1 All potential hazards will be evaluated prior to entry into a confined space.

5.1.2 Only employees who have been properly trained on the hazards associated with confined space work will be allowed to enter a confined space.

5.1.3 Before any entrance cover to a confined or enclosed space is removed, it will be determined that there are no temperature or pressure differences, or other hazardous conditions that may injure the employees removing the cover.

5.1.4 No smoking will be permitted in a confined space or near the entrance/exit area.

5.1.5 When covers are removed from confined or enclosed spaces, the opening will be guarded by a railing, temporary cover, or other temporary barrier.

5.1.6 If an oxygen deficiency is suspected, or if flammable or toxic gases or vapors are detected, the space will be continuously tested and forced ventilation will be used to maintain oxygen at a safe level and to prevent a hazardous concentration of flammable or toxic gases and vapors.

5.1.7 Electric welding, gas welding, cutting, or any other hot work will not be performed on the interior, exterior, or near the openings of any confined or enclosed space that may contain flammable or explosive gases or vapors until the space has been properly cleared.

5.1.8 If a hazard-increasing work activity is to take place in a confined or enclosed space (i.e., welding, painting, working with solvents, and coating), forced ventilation will be used.

5.1.9 Before employees are allowed to enter a confined space, all electrical and mechanical energy sources that could affect the employees working in the space will be physically rendered inoperative, locked out, and tagged. If required, the space will be drained, vented, and cleaned.

5.1.10 A properly trained attendant will be stationed outside the confined space. The attendant will maintain continuous communication with the employees authorized to be in the confined space. The attendant will be able to recognize confined-space

hazards and changing conditions in the confined space that could affect employees in the space. In the event of an emergency, the attendant will not enter the confined space, but will be able to summon emergency and rescue services.

5.1.11 All employees required to enter a confined or enclosed space will be equipped with a body harness and lifeline monitored by a properly trained attendant. Other personal protective equipment and rescue devices may also be required depending on the situation.

5.1.12 Compressed gas cylinders, other than breathing air, will not be taken into a confined space.

5.1.13 While work is being performed in an enclosed space, a person with CPR and basic first aid training will be immediately available to render emergency assistance if there is reason to believe that a hazard may exist in the space or if a hazard exists because of traffic patterns in the area of the opening used for entry.

5.1.14 Necessary rescue personnel and equipment will be available in the event of an emergency.

5.1.15 Safe access to the confined space will be maintained at all times. If possible, all cords, hoses, leads, etc. will be routed through an entrance other than the employee access into the confined space.

CHAPTER 6
MATERIAL HANDLING SAFETY

6.1 General

6.1.1 Before starting to lift or carry, check to ensure that the walkway is clear of all obstacles. Cautiously test the object to check its weight and center of gravity.

6.1.2 Before lifting, face the object and get as close as you can with feet slightly apart. Remember, bend at your knees, not at your waist.

6.1.3 Use your legs to bring you to a standing position. Make the lift smooth and under control.

6.1.4 When carrying an object, grip it firmly and hold it as close to your body as possible.

6.1.5 Do not twist your body when lifting or setting an object down.

6.1.6 If necessary, obtain assistance in lifting heavy objects by utilizing additional personnel, power equipment, or other types of assisted lifting devices.

6.1.7 When two or more persons carry a heavy object that is to be lowered or dropped, there will be a prearranged signal for releasing the load.

6.1.8 When two or more persons are carrying an object, each employee, if possible, should face the direction in which the object is being carried. Crouch or squat with the feet close to the object to be lifted, secure good footing, take a firm grip, bend the knees, keep the back vertical, and lift by bending at the knees and using the leg and thigh muscles. Employees will not attempt to lift beyond their capacity. Caution will be taken when lifting or pulling in an awkward position.

6.1.9 Material will not be thrown from place to place or person to person.

6.1.10 A safety line or tag line should be attached to help control loads as they are lifted to elevated work areas.

CHAPTER 7
GROUNDS MAINTENANCE SAFETY

7.1 Power Lawn Mowers and Edgers

7.1.1 All power lawn mowers will be equipped with adequate guards, which will remain in place while the mower is in use.

7.1.2 Prior to making adjustments, inspections, or repairs, the employees will permit the mower to come to a complete stop. A spark plug wire will be removed if necessary for energy control.

7.1.3 When operating a mower or edger, the employee will:

a. Remove any rocks, pieces of wire or other foreign objects from the area.

b. Avoid directing the discharge opening toward themselves or other individuals in the vicinity.

c. When mowing on a slope or incline, mow across the face of the slope.

d. Wear proper personal protective equipment for the task being performed. Necessary personal protective equipment may include safety glasses, goggles, face shields, hearing protection, and work boots.

7.2 Poison Ivy, Oak, or Sumac Awareness

7.2.1 Sensitivity to these plants can vary, and some people who do not appear sensitive may develop a sensitivity on later exposures.

7.2.2 Exposures to poison ivy, poison oak, or sumac are greatest in the spring and summer months when the oil (urushiol) is most abundant.

7.2.3 The onset of the rash is from a few hours to several days after exposure. The skin becomes red, and blisters appear, usually accompanied by itching. As symptoms progress, swelling and fever may develop.

7.2.4 Common poison ivy can be recognized by its three green, glossy leaflets that turn yellow in the fall.

7.2.5 Western poison oak can be recognized by its vine form and three leaflets that are green or brown in color with yellow veins and brownish-yellow stems. In

addition, the leaves are covered with hair on the underside, and there are groups of hairy, yellowish berries.

7.2.6 Poison sumac is recognizable as a woody shrub or small tree, five to 25 feet tall and containing seven to 13 leaflets per stem. The leaves turn red in the fall. Poison sumac has cream-colored berries that hang in loose groups from the branches.

7.2.7 When in areas where poison oak or ivy is likely to grow, wear long pants and long sleeves, and if practical, gloves and boots. The best protection is to identify the plant and avoid contact. For highly sensitive persons, a barrier cream can provide even greater protection.

7.2.8 Be aware that the plant's oily resin sticks to almost all surfaces and can even be carried in the wind (on particles of dust) when there is a fire burning.

7.2.9 If you think you have contacted poison ivy, follow these simple procedures:

a. Wash all exposed areas with cold running water as soon as you can. If this is done within five minutes, the water should neutralize or deactivate the urushiol in the plant's oil before it can bond with your skin and create a rash. Soap is not necessary and may even spread the oil.

b. If possible, change clothes. Wash all clothing outside with a water hose before taking it into the work area or home to prevent the oil from being transferred to furniture or rugs. Resinous oils can last on tools and clothing for months unless properly cleaned or laundered.

c. Mild rashes can be treated with lotions and by soaking in an oatmeal bath or covering the rash with wet compresses. Contact a physician for treatment of severe cases or if the irritation does not clear up within 3 or 4 days.

CHAPTER 8
WATER SAFETY

8.1 General

8.1.1 Personal flotation devices will be worn when working on, above, or near water.

8.1.2 Life rings will be maintained around open tanks or open water work sites.

8.1 3 Never work alone around open water.

8.1.4 Keep open water areas locked off from the public and other non-authorized employees.

8.2 Boating Safety

8.2.1 Follow all Coast Guard recommendations for safety equipment.

8.2.2 Check all emergency gear prior to using a boat.

8.2.3 Follow all rules for proper boat operation.

8.2.4 Wear life jackets in rough water.

8.2.5 Stow life jackets and fire extinguishers in readily accessible locations.

CHAPTER 9
SHOP SAFETY

9.1 General

9.1.1 All rotating pulleys, gears, shafts, and belts on compressors, motors, etc. will be properly guarded. No equipment or machinery will be operated while required guards are not in place.

9.1.2 Drain valves on air compressors should be opened frequently to prevent the accumulation of liquid.

9.1.3 Safety-relief valves will be installed on all compression tanks. These valves will be tested periodically to ensure their proper operation.

9.1.4 Never use compressed air to clean your hands or to blow dirt from clothing or your body.

9.1.5 When using compressed air for cleaning purposes, it must be kept at a level below 30 pounds per square inch (PSI).

9.1.6 If compressed gas cylinders are stored inside a building, the area will be kept dry and well ventilated. Oxygen and fuel gas cylinders must be stored separately.

9.1.7 Cylinder carts, other than those designed to hold cylinders in an upright position, are prohibited. Upright cylinder carts must be equipped with a chain, bar, or other device to stabilize the cylinders. If gauges are not attached to the cylinders, valve caps must be in place.

9.1.8 Signage similar to the following must be posted in any cylinder storage areas. **DANGER NO SMOKING, MATCHES, OR OPEN FLAMES**.

9.1.9 A face shield and safety glasses will be worn while grinding. Any grinding equipment without proper safety features is not allowed in the workplace.

9.1.10 Identify and label all electrical control devices, such as circuit breakers, fuses, disconnects, etc.

9.1.11 All electrical outlets, including wall receptacles, extension cords, etc., must have an independent, third-wire ground system.

9.1.12 All electrical tools and equipment will be effectively grounded unless the tool is an approved double-insulated type.

9.1.13 All electrical junction boxes will have protective covers. All such boxes must have sufficient access space.

9.1.14 Stored materials should be stacked in such a manner that will not create a hazard. Stack containers, boxes, parts, etc. in an orderly fashion to ensure stable stacking heights.

9.1.15 Heavy, bulky materials should be stored on lower shelves to minimize the chances of injury due to falling objects.

9.1.16 Elevated storage platforms more than four feet in height from floor level will have standard handrails (including a mid-rail and a top handrail) and toe boards. The handrails will be constructed of metal or wood sufficient to withstand 200 pounds of top rail pressure.

9.1.17 Proper signage, such as **NO SMOKING** signs, will be installed in all areas where flammable or easily combustible materials are stored.

9.1.18 Only approved containers are to be used for the storage of flammable and combustible materials. Approved containers can be identified by the presence of a label from a certifying organization such as Underwriters Laboratories.

9.1.19 Safety cans will be painted red and clearly marked to identify the contents. Only approved pumps or self-closing faucets are to be used for dispensing flammable or combustible liquids.

9.1.20 No guard will be removed from any machine or piece of equipment except to perform required maintenance. Guards removed to perform maintenance operations will be replaced immediately after the completion of the work.

CHAPTER 10
HAND AND POWER TOOL SAFETY

10.1 General

10.1.1 All tools will be of an approved type and maintained in good condition.

10.1.2 All tools will be examined prior to use to ensure adequate working conditions.

10.1.3 Defective tools will be tagged to prevent their use and removed from the job site.

10.1.4 Employees will always use the proper tools for the job.

10.1.5 Employees will be trained on the correct use, hazards, and limitations of tools used in the workplace.

10.1.6 Gloves should be worn when they provide protection to the employee without increasing the chances of the employee becoming entangled at the point of operation.

10.1.7 Tools will not be left unsecured in elevated places. Tethering is recommended in areas where tools may fall to a lower level.

10.1.8 Impact tools, such as chisels, hammers, and punches that become mushroomed or cracked, will be dressed or replaced.

10.1.9 Chisels, punches, etc., will be held with a safe holding device, such as vice grips or pliers, to avoid injury to the employee's hand.

10.1.10 Wrenches with sprung or damaged jaws will not be used.

10.1.11 Wooden handles that are loose, cracked, or splintered will be replaced, not taped or lashed.

10.1.12 Power tools will be disconnected from any power source while repairs or adjustments are being made.

10.1.13 Carrying and storing tools:

a. Never carry sharp tools in your pockets unless the edges are protected.

b. Do not carry tools in your hands while climbing a ladder. Hoist them with a rope or use an approved utility belt.

c. Protect your tools from falling when working from a scaffold, ladder, or other elevated work areas.

10.1.14 Do not leave tools lying around where they may cause a trip or fall hazard. Tools no longer needed for the job should be returned to their proper location.

CHAPTER 11
WELDING AND CUTTING SAFETY

11.1 General

11.1.1 Welding and cutting will only be performed by experienced and properly trained personnel.

11.1.2 The work area will be inspected for potential fire hazards before any cutting or welding is performed.

11.1.3 When welding or cutting in elevated positions, precautions will be taken to prevent sparks and hot metal from falling onto people or material below.

11.1.4 Suitable fire extinguishing equipment will be immediately available at all locations where welding and cutting equipment are used.

11.1.5 Proper strikers will be used in lighting torches. Matches and cigarette lighters will not be used.

11.1.6 A fire watch will be maintained whenever welding or cutting is performed in locations where combustible materials present a potential fire hazard. A fire check should be made of the entire area after completion of welding or cutting activities.

11.1.7 Machinery, tanks, equipment, shafts, or pipes that could contain explosive or flammable materials will be thoroughly cleared and decontaminated prior to the application of heat.

11.1.8 In dusty or gaseous spaces where there is a possibility of an explosion, welding or cutting equipment will not be used until the space is adequately ventilated.

11.1.9 Adequate ventilation or approved respiratory equipment will be used while welding in confined spaces or while cutting, brazing, or welding zinc, brass, bronze, stainless steel, galvanized, or lead-coated materials.

11.1.10 Welders will wear clothing made of fire-resistant fabrics, gloves, appropriate footwear, sleeves, and a buttoned collar. All protective clothing and equipment should be worn in a manner that provides the most effective protection against slag or other hot material.

11.1.11 When using an arc welder, use number ten or number 12 shade lenses. When using acetylene torches for welding or cutting, use number 5 or 6 shade lenses.

11.1.12 Regular shaded safety glasses do not provide adequate protection for welding or cutting operations.

11.1.13 Proper eye protection in the form of safety glasses and a face shield should be worn during any portable grinding activities. Safety glasses should also be worn during any slag chipping activities.

11.2 Gas Welding

11.2.1 Suitable eye protection, protective gloves, and clothing will be worn during welding or cutting operations or while cleaning scale from welds. Helpers or attendants will wear proper eye protection. Other employees will not observe welding operations unless they use approved eye protection.

11.2.2 Matches will not be used to light a torch. A torch will not be lit on hot work.

11.2.3 When gas-welding equipment is not in use, the cylinder valves will be closed and the pressure in the hose released.

11.2.4 Gas hoses will not be positioned so they create tripping or slipping hazards.

11.2.5 Always inspect oxygen or fuel gas hoses for leaks, burn spots, worn places, or other defects before pressurizing.

11.3 Electric Welding

11.3.1 No electric welding machine, either AC or DC, will be operated until the frame or case of the machine is electrically grounded for protection from potential shock hazards.

11.3.2 All ground and electrode lead cables will be inspected before use for bad or damaged connectors. Only connectors designed for joining or connecting will be used for that purpose.

11.3.3 Welders will wear an approved welding helmet, proper protective gloves, and fire-resistant clothing during welding activities. Proper eye protection in the form of safety glasses and/or a face shield should be worn by the welder and any helpers in the area when chipping slag, grinding, etc. Other employees will not observe electric welding operations unless they use approved eye protection.

11.3.4 Welders will wear proper eye protection to guard against flying particles when the helmet is raised.

11.3.5 Welding screens will be used whenever practical to help control potential ultraviolet light exposures to other personnel in the area.

11.3.6 Welding machines will be placed at least four feet apart.

11.3.7 Firefighting equipment should be placed in the immediate area and a fire watch used as necessary to control any fire potential.

CHAPTER 12
PAINTING SAFETY RULES

12.1 General

12.1.1 Read and follow the manufacturer's directions carefully when applying any finishing materials, such as lacquer, enamel, paint, etc. If questions arise as to the hazards of the substance, refer to the applicable Safety Data Sheet (SDS).

12.1.2 Personal protective equipment, as recommended by the manufacturer, will be used when applying the products.

12.1.3 Any spray painting must be done with an adequate amount of clearance from any potential sources of ignition. When possible, painting should be performed in isolated areas where ignition sources are absent or minimal.

12.1.4 Proper ventilation and/or adequate respiratory protection must be addressed before any application begins.

12.1.5 Any flammable substances, such as paints, thinners, etc., must be stored in proper storage areas or in a UL-listed metal storage cabinet.

12.1.6 Any flammable substances removed from their original containers will be stored in UL-listed storage containers if the original containers do not meet the requirements.

12.1.7 Bond metal containers when transferring flammable liquids, especially those that are known Class I flammable liquids. Refer to Safety Data Sheets (SDS) for flammability information.

12.1.8 Use the proper type of respirator at all times when applying toxic paints. If questions arise as to the toxicity of the paint, refer to the applicable Safety Data Sheet (SDS).

12.1.9 Never have more than one day's supply of flammable substances outside of an approved storage area.

12.1.10 Clean up all spills promptly and in accordance with the requirements on the Safety Data Sheet (SDS).

12.1.11 Dispose of oily, paint, or solvent-soaked rags in metal containers with tight-fitting lids to prevent possible chemical reactions that may result in spontaneous combustion.

12.1.12 Use properly designed and erected ladders, scaffolds, elevated mobile work platforms, etc., when painting above ground level. Do not work or place elevated equipment within ten feet of power lines.

12.1.13 When using spray guns and compressed air:

a. Follow all rules concerning the safe handling of combustible and flammable materials.

b. Exercise caution in the handling of compressed air equipment.

c. Adjust and regulate the air pressure on the spray gun before starting work.

d. Clean the spray gun and other equipment thoroughly after each use.

12.1.14 Read and follow the manufacturer's directions carefully when applying any finishing materials, such as lacquer, enamel, paint, etc. If questions arise as to the hazards of the substance, refer to the applicable Safety Data Sheet (SDS).

12.1.15 Personal protective equipment, as recommended by the manufacturer, will be worn when applying the products.

CHAPTER 13
MATERIAL STORAGE SAFETY

13.1 Bins and Shelves

13.1.1 Material will be stored in such a manner that it will be safe from damage. Special care must be taken to ensure that stored material poses no hazard to anyone working around it. Only lightweight material should be stored on top shelves.

13.1.2 Bins or shelves will never be used as ladders.

13.1.3 Materials will not be stored on the floor, in front of shelving.

13.2 Stacking Material

13.2.1 When material is stacked, all possible precautions must be taken to assure that it will remain stable. The lower level must be blocked or tied to prevent slipping. The height of a stack of material should remain within reasonable limits.

13.2.2 When unloading and/or stacking poles or pipe, great care should be exercised to maintain a safe work environment. Do not stand on poles or pipe. Watch for pinch points and stay out of the path of equipment during unloading. Avoid any contact with creosote while unloading poles.

13.3 Flammable Material

13.3.1 Under no circumstances will flammable materials be stored in an area where heat or potential ignition sources may affect the stability of the material.

13.3.2 All flammable materials will be stored in a location that will not endanger life or property. Containers will be clearly and appropriately marked in accordance with fire safety standards. In addition, storage facilities will have a sign identifying the materials as flammable.

13.3.3 Storage of open containers of flammable materials is prohibited. Container covers must be promptly replaced. Smoking will not be permitted inside any warehouse facility or outside near flammable or combustible materials in the equipment yard.

13.3.4 Flammable liquids will be used only for their designed purposes. Gasoline will not be used for cleaning purposes or for starting or kindling fires.

13.3.5 All solvents should be kept in approved, properly labeled containers. Gasoline and other solvents of this class will be handled and dispensed only in Underwriters Laboratories (UL) approved, properly labeled (yellow letters), red safety cans.

13.3.6 When pouring or pumping gasoline or other flammable liquids from one container to another, metallic contact will be maintained between the pouring and receiving containers. Transferring flammable liquids from one container to another will be performed only in properly ventilated spaces free of ignition sources.

13.3.7 Strict adherence will be paid to **No Smoking** and **Stop your Motor** signs at fuel dispensing locations.

13.4 Housekeeping

13.4.1 Work locations, including vehicles, buildings, shops, yards, offices, cabs, etc., will be kept clean and orderly at all times.

13.4.2 Combustible materials, such as oil-soaked rags, waste, and shavings, will be kept in approved metal containers with metal lids. Containers will be emptied as soon as possible.

134.3 Both clean rags and used rags will be kept in metal or metal-lined bins having metal covers.

13.4.4 Permanent floors and platforms will be kept free of dangerous projections or obstructions and will be maintained reasonably free from oil, grease, or water. Where the type of operation produces slippery conditions, mats, grates, cleats, or other measures will be used to reduce the risk of slipping.

13.4.5 Stairways, aisles, permanent roadways, walkways, and material storage areas in yards will be kept reasonably clear and free from obstructions, depressions, and debris.

13.4.6 Materials and supplies will be stored in an orderly manner to prevent their falling or spreading and to eliminate tripping and stumbling hazards.

13.4.7 Paper and other combustible materials will not be allowed to accumulate, and weeds or other range vegetation will not be permitted to grow in or around storage areas, shops, substations, pole yards, buildings, fuel tanks, or other structures.

13.4.8 Batteries will be stored in a well-ventilated area protected from sparks or open flames.

13.4.9 All personnel will practice good housekeeping. Scrap material will be disposed of properly; the work area should be free of any loose material.

13.5 Smoking

13.5.1 Open flames will not be permitted in areas where flammables or combustibles are present.

13.5.2 Smoking will not be allowed in the vicinity of flammable materials. The absence of **No Smoking** signs does not constitute authorization to smoke in hazardous locations.

13.6 Storage Yard Safety

13.6.1 All vehicles will have the emergency brake set when parked on a slope or downgrade. Consideration should also be given to the use of chocks in these situations.

13.6.2 All vehicles and equipment will be parked in a position that does not require backing whenever possible. When backing a truck or piece of machinery into the yard, use a spotter to assist you into position.

13.6.3 Proper personal protective equipment should be evaluated before performing any work in the yard. It is not possible to identify all the personal protective equipment that may be required due to the various types of assignments in that area.

13.6.4 Miscellaneous tools, equipment, and materials should be stored on pallets instead of being placed on the ground. Pallets should be stacked to ensure stability. Stability may be influenced by many factors, such as ground stability, the height of the stacked material, and the configuration of the stacking.

13.6.5 Always roll pipe from the ends or from behind to avoid placing your body in the pipe's path.

13.6.6 All pipe racks will be fitted with pipe stops to prevent pipe roll-off. Stripping should also be used at the pipe ends as spacers.

13.6.7 A diking system capable of holding the volume of the above-ground storage tank should be constructed to help control potential spills.