PLEDGE OF ALLEGIANCE

CONSENT AGENDA
1. Approval of Agenda 03/27/18
2. Approval of Minutes 03/13/18 Commission Meeting
3. Ratification of Vouchers 03/20/18
4. Approval of Vouchers 03/27/18
5. Project Acceptance:
   Skagit River Diversion Pump Station Pump 2017 Pump and Motor Assessment Project

TREASURER’S REPORT – February 2018

AUDIENCE COMMENTS

OLD BUSINESS
6. Manager’s Report
7. Quarterly Report – Customer Service

NEW BUSINESS
8. Policy #1008 Discrimination, Harassment and Bullying Prevention – Discussion and Potential Action

MISCELLANEOUS

COMMISSIONER COMMENTS

CLOSED SESSION – Collective Bargaining Agreement Planning Strategy
Per RCW 42.30.140(4)(b)

ADJOURNMENT

JUDY RESERVOIR ELEVATION
MINUTES OF THE REGULAR MEETING OF THE COMMISSION
PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON

March 13, 2018

The regular meeting of the Commission of Public Utility District No. 1 was held in the Aqua Room of the utility located at 1415 Freeway Drive, Mount Vernon, Washington, on March 13, 2018.

The meeting was called to order at 4:30 PM. Those Commissioners in attendance were: Robbie Robertson, President; Eron Berg, Vice President; and Al Littlefield Secretary. Also in attendance were: George Sidhu, General Manager; Mark Handzlik, Engineering Manager, Sally Saxton, Treasurer, Peter Gilbert, Attorney; and Kim Carpenter, Clerk of the Board; Audience: Judy Littlefield, Diane Robertson, Curt Tronsdal, Bill Swanson, and District Employees: Gary Chrysler, Kathy White, Mike Fox, Mark Semrau, Kevin Tate, and Luis Gonzalez.

Commissioner Littlefield led the Pledge of Allegiance.

Commissioner Littlefield moved to approve the Consent Agenda for March 13, 2018:

1. Approval of Agenda 03/13/18
2. Approval of Minutes 02/27/18 Commission Meeting
3. Ratification of Vouchers 03/06/18
   No. 2783 – Voucher Nos. 11827-11901, Payroll Check Nos. 21742-21820 ($650,185.18)
4. Approval of Vouchers 03/13/18
   No. 2784 – Voucher Nos. 11902-11965, Payroll Check Nos. M00546-M00548 ($432,342.02)
   No. 2785 – Voucher No. 11966 ($1,346.76)
5. Project Acceptance
   Josh Wilson Road, Higgins Airport Way to Walker Road (Burlington)

The motion passed.

Treasurer Saxton presented the Treasurer’s Report for the month of January 2018.

Treasurer Saxton presented the Status of Budget for the 4th Quarter of 2017.

There were no Audience Comments.

Under Old Business:

6. Manager’s Report - Manager Sidhu reported on the following:

   • The coffee session with Commissioner Berg was held at the Senior Center in Sedro-Woolley on March 2 and went well with limited attendance. Coffee with Commissioner Robertson will be held at the Co-op in downtown Mount Vernon on March 28 beginning at 10:30 AM.
   • Strategic Plan – BERK Consulting conducted an employee survey and interviewed the Commission last week. The first work session with the Strategic Planning Committee is scheduled for March 20 at 2:00 PM in the
Aqua Room.

- Distributed the next round of IT Department AP&P’s for Commission review. Manager Sidhu requested that the Commission contact him with any questions or comments. The plan is for one additional set of AP&P’s next month and move toward adoption of the policy by the Commission in May and completion of the AP&P’s.

7. Quarterly Report – Engineering
Engineering Manager Handzlik presented the quarterly report for the Engineering Department, including updates for the Division Street Tank & Booster Pump Station; Judy to Mount Vernon Transmission Pipeline; Francis Road Roundabout; I-5 Conway Crossing; Best Road Project; McLean Road Project; Township Road Project; GIS Network; Skagit River Diversion (SRD) Pump Rehabilitation; Real Estate Services Contract; Mailroom and Walkway Conversion Project; and Wendy LaRocque, new Environmental Services Coordinator.

Discussion ensued regarding the various updates presented.

Under New Business:

8. Application for Water Service-Charge in Lieu of Assessment
Manager Sidhu presented a request from a property owner outside of the Skagit View Village Local Utility District (LUD) No. 27 boundary for connection to the water service. Manager Sidhu presented the background information regarding the LUD and requirements and charges for connection. Manager Sidhu recommended allowing the property owner to connect subject to a charge-in-lieu of assessment and service installation and plant portion of System Development Fees (SDF). Discussion ensued over various aspects of the request.
Commissioner Berg moved to allow the owner of Parcel P123265 to obtain domestic water service from the District subject to a charge-in-lieu of assessment in the amount of $8,208.85 for connection to Skagit View Village LUD No. 27, not including service installation and System Development Fees. The motion passed.

Under Commissioner Comments, Commissioner Berg reported that he and his wife are expecting a new baby within the next two weeks and he will do his best to be on time for upcoming meetings. Congratulations were extended.

Commissioner Robertson presented an update regarding topics of discussion at the quarterly DOH Water Advisory Committee meeting in Olympia and legislative issues.
Having no further business to come before the Board, Commissioner Littlefield moved for adjournment. The motion passed and the meeting of March 13, 2018 was adjourned at 5:42 PM.

Respectfully submitted:

______________________________
Kim Carpenter
Clerk of the Board
March 27, 2018

Board of Commissioners
Public Utility District No. 1 of Skagit County
Post Office Box 1436
1415 Freeway Drive
Mount Vernon, WA 98273-1436

RE: Project Acceptance

Name of Project: Skagit River Diversion Pump Station
2017 Pump and Motor Assessment Project
Reference: C.O. # 4870, Project No. 3567
Location: Skagit County
Developer: Skagit PUD
Contractor: Beckwith & Kuffel, Inc.

Gentlemen:

This is the first of three projects to rehabilitate all five pumps at the Skagit River Diversion (SRD) pump station. In this first phase, the removal and assessment of three pumps and motors were completed. The District has received the Assessment Report for these pumps and motors. All documentation for this project has been completed.

I recommend that the Commission of the District accept this project.

Respectfully submitted,

Mark Handzlik, P.E.
Engineering Manager

kac

cc: George Sidhu, P.E., General Manager
    Mike Fox, Operations Manager
    Mark Semrau, Capital Projects Coordinator
PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
TREASURER REPORT
AS OF FEBRUARY 28, 2018

<table>
<thead>
<tr>
<th>District Fund Segments</th>
<th>Investment of District Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue Fund</td>
<td>$4,952,948</td>
</tr>
<tr>
<td>Capital Project Fund</td>
<td>0</td>
</tr>
<tr>
<td>Construction Fund</td>
<td>$8,387,917</td>
</tr>
<tr>
<td>System Development Fund</td>
<td>$2,535,926</td>
</tr>
<tr>
<td>Debt Service Fund</td>
<td>$1,979,182</td>
</tr>
<tr>
<td>Bond Funds</td>
<td>$517,265</td>
</tr>
<tr>
<td>Rate Stabilization Funds</td>
<td>0</td>
</tr>
<tr>
<td>Total Funds</td>
<td>$18,373,238</td>
</tr>
</tbody>
</table>

- Local Govt Investment Pool $13,475,359 (72%)
- Cash $1,397,880 (8%)
- Govt Agencies/Securities $3,500,000 (19%)

District Fund Segments:
- General Revenue Fund
- Bond Funds
- Debt Service Fund
- System Development Fund
- Construction Fund
- Local Govt Investment Pool
- Cash

Market Value vs. Face Value of Government Securities:
- Fed Farm Credit Bank (mat 2/18)
- Fed Home Loan Mtg Corp (mat 7/18)
- Fed Natl Mtg Assn (mat 10/19)
- Resolution Funding Corp (mat 7/20)
- Face Value
- Fed Natl Mtg Assn (mat 2/19) $500,000
## Public Utility District No. 1 of Skagit County

### Treasurer Report

**For the month ending February 28, 2018**

<table>
<thead>
<tr>
<th>Resources:</th>
<th>Feb 2017</th>
<th>Feb 2016</th>
<th>Feb 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Revenue:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Customer Receipts</td>
<td>1,750,114</td>
<td>1,750,114</td>
<td>1,619,182</td>
</tr>
<tr>
<td>System Development Fees</td>
<td>128,326</td>
<td>128,326</td>
<td>106,103</td>
</tr>
<tr>
<td>Capital Contributions</td>
<td>97,929</td>
<td>97,929</td>
<td>87,194</td>
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<tr>
<td>Grants</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>LUD Assessments, Interest, Penalties</td>
<td>7,954</td>
<td>4,707</td>
<td>6,580</td>
</tr>
<tr>
<td>Investment Income</td>
<td>7,954</td>
<td>4,707</td>
<td>2,694</td>
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<tr>
<td>Non-Operating Revenues</td>
<td>3,337</td>
<td>4,707</td>
<td>11,287</td>
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<tr>
<td><strong>Total External Revenue</strong></td>
<td>1,859,334</td>
<td>1,892,179</td>
<td>1,919,364</td>
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<tr>
<td>Debt Proceeds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Proceeds - DWSRF Loan Draws</td>
<td>1,962,004</td>
<td>1,962,004</td>
<td>1,289,730</td>
</tr>
<tr>
<td>Debt Proceeds - Dept. of Ecology Loan</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Debt Proceeds - Bonds</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Debt Proceeds</strong></td>
<td>0</td>
<td>0</td>
<td>1,289,730</td>
</tr>
<tr>
<td>Transfers from Other Funds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To Debt Reserve Fund</td>
<td>281,179</td>
<td>281,179</td>
<td>200,133</td>
</tr>
<tr>
<td>To Revenue Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Transfers to Other Funds</strong></td>
<td>281,179</td>
<td>281,179</td>
<td>285,904</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>1,859,334</td>
<td>0</td>
<td>2,389,703</td>
</tr>
<tr>
<td>Uses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenditures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>960,094</td>
<td>829,345</td>
<td>524,589</td>
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<tr>
<td>Utility and Excise Taxes</td>
<td>81,209</td>
<td>78,769</td>
<td>62,107</td>
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<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>1,041,303</td>
<td>908,114</td>
<td>626,696</td>
</tr>
<tr>
<td>Capital Expenditures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>261,886</td>
<td>274,697</td>
<td>536,583</td>
</tr>
<tr>
<td><strong>Total Capital Expenditures</strong></td>
<td>261,886</td>
<td>274,697</td>
<td>536,583</td>
</tr>
<tr>
<td>Debt Service Payments:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Federal Tax Credit for 2009B Bonds</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Principal Payments</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Debt Service Payments</strong></td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Transfers to Other Funds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From Revenue Fund</td>
<td>281,179</td>
<td>281,179</td>
<td>200,133</td>
</tr>
<tr>
<td>From Debt Reserve Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>From Bond Sinking Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>From System Development Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>From Revenue Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>From Capital Project Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Transfers to Other Funds</strong></td>
<td>281,179</td>
<td>281,179</td>
<td>285,904</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>1,584,368</td>
<td>274,857</td>
<td>1,246,127</td>
</tr>
<tr>
<td>Increase (Decrease) in Fund Balance</td>
<td>0</td>
<td>0</td>
<td>2,389,703</td>
</tr>
<tr>
<td>Services sold:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERU's</td>
<td>24, 24, 27</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>24, 24, 27</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Re-Activations (under 10 years)</td>
<td>3, 3, 4</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Re-Activations (over 10 years)</td>
<td>0, 0, 0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
### PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY
TREASURER REPORT

For the two months ending February 28, 2018

<table>
<thead>
<tr>
<th>REVENUE FUND</th>
<th>CAPITAL PROJECT FUND</th>
<th>SYSTEM DEVELOPMENT FUND</th>
<th>DEBT SERVICE FUND</th>
<th>COMBINED</th>
<th>ANNUAL BUDGET</th>
<th>PERCENTAGE OF BUDGET REALIZED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Capital Projects</td>
<td>Realized</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Increase (Decrease) in Fund Balance**

<table>
<thead>
<tr>
<th>Services sold:</th>
<th>ERUs's</th>
<th>Services (under 10 years)</th>
<th>Re-Activations (under 10 years)</th>
<th>Re-Activations (over 10 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>506,071</td>
<td>30</td>
<td>26</td>
<td>26</td>
<td>0</td>
</tr>
</tbody>
</table>

### Resources:

- **External Revenues:**
  - Water Customer Receipts
  - System Development Fees
  - Capital Contributions
  - Grants
  - LUD Assessments, Interest, Penalties
  - Investment Income
  - Non-Operating Revenues

  **Total External Revenue:**

<table>
<thead>
<tr>
<th>YTD 2017</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Uses:**

- **Operating Expenditures:**
  - Operations and Maintenance
  - Utility and Excise Taxes

  **Total Operating Expenditures:**

<table>
<thead>
<tr>
<th>YTD 2017</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,804,154</td>
<td>1,804,154</td>
<td>1,804,154</td>
</tr>
</tbody>
</table>

**Capital Expenditures:**

<table>
<thead>
<tr>
<th>YTD 2017</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>592,660</td>
<td>592,660</td>
<td>592,660</td>
</tr>
</tbody>
</table>

**Debt Service Payments:**

<table>
<thead>
<tr>
<th>YTD 2017</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>91,474</td>
<td>91,474</td>
<td>91,474</td>
</tr>
</tbody>
</table>

**Transfers to Other Funds:**

- From Revenue Fund = To Capital Projects Fund
- From Revenue Fund = To Debt Reserve Fund
- From Revenue Fund = To Bond Reserve Fund
- From System Development Fund = To Debt Reserve Fund
- From Revenue Fund = To Capital Projects Fund

**Total Transfers to Other Funds**

<table>
<thead>
<tr>
<th>YTD 2017</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,251,206</td>
<td>3,251,206</td>
<td>3,251,206</td>
</tr>
</tbody>
</table>

**Increase (Decrease) in Fund Balance**

<table>
<thead>
<tr>
<th>YTD 2017</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>506,071</td>
<td>506,071</td>
<td>506,071</td>
</tr>
</tbody>
</table>

**Services sold:**

<table>
<thead>
<tr>
<th>Services</th>
<th>ERUs's</th>
<th>Services (under 10 years)</th>
<th>Re-Activations (under 10 years)</th>
<th>Re-Activations (over 10 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>26</td>
<td>26</td>
<td>15</td>
<td>18</td>
</tr>
</tbody>
</table>

**Services (under 10 years)**

<table>
<thead>
<tr>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
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**Re-Activations (under 10 years)**

<table>
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<tr>
<th>Services</th>
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<tbody>
<tr>
<td>10</td>
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</table>

**Re-Activations (over 10 years)**

<table>
<thead>
<tr>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
</tr>
</tbody>
</table>
### SKAGIT PUD DEBT REPAYMENT AMOUNTS
#### AS OF FEBRUARY 28, 2018

#### Senior Lien Bond Debt

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Interest Rate Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,324,982</td>
<td>248,495</td>
<td>2.65% - 4.25%</td>
</tr>
<tr>
<td>2019</td>
<td>660,997</td>
<td>383,541</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2020</td>
<td>681,615</td>
<td>365,842</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2021</td>
<td>703,905</td>
<td>344,087</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2022</td>
<td>720,832</td>
<td>322,318</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2023</td>
<td>748,079</td>
<td>300,038</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2024</td>
<td>770,094</td>
<td>277,424</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2025</td>
<td>793,555</td>
<td>252,985</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2026</td>
<td>816,816</td>
<td>228,368</td>
<td>2.65% - 3.79%</td>
</tr>
<tr>
<td>2027</td>
<td>747,285</td>
<td>468,705</td>
<td>3.79% - 10.00%</td>
</tr>
<tr>
<td>2028</td>
<td>789,236</td>
<td>429,640</td>
<td>3.79% - 10.00%</td>
</tr>
<tr>
<td>2029</td>
<td>830,730</td>
<td>385,464</td>
<td>3.79% - 10.00%</td>
</tr>
<tr>
<td>2030</td>
<td>518,879</td>
<td>339,255</td>
<td>10.00%</td>
</tr>
<tr>
<td>2031</td>
<td>554,957</td>
<td>303,176</td>
<td>10.00%</td>
</tr>
<tr>
<td>2032</td>
<td>593,525</td>
<td>264,609</td>
<td>10.00%</td>
</tr>
<tr>
<td>2033</td>
<td>637,002</td>
<td>221,132</td>
<td>10.00%</td>
</tr>
<tr>
<td>2034</td>
<td>683,688</td>
<td>174,446</td>
<td>10.00%</td>
</tr>
<tr>
<td>2035</td>
<td>734,626</td>
<td>123,508</td>
<td>10.00%</td>
</tr>
<tr>
<td>2036</td>
<td>790,051</td>
<td>68,086</td>
<td>10.00%</td>
</tr>
</tbody>
</table>

**$14,367,917**  
**$5,508,297**  
**7,525,123**  
**116,332**  
**$1,179,794**  
**$48,585**  
**$28,471,809**

#### Public Works Trust Fund Loan Debt

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal</th>
<th>Interest</th>
<th>Interest Rate Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2,156,201</td>
<td>31,831</td>
<td>0.25% - 1.00%</td>
</tr>
<tr>
<td>2019</td>
<td>2,181,201</td>
<td>31,831</td>
<td>0.25% - 1.00%</td>
</tr>
<tr>
<td>2020</td>
<td>2,181,201</td>
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**$5,508,297**  
**7,525,123**  
**116,332**  
**$1,179,794**  
**$48,585**  
**$28,471,809**

#### Drinking Water State Revolving Fund Loan Debt

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<td>2020</td>
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<tr>
<td>2021</td>
<td>266,022</td>
<td>17,697</td>
<td>0.25% - 1.00%</td>
</tr>
</tbody>
</table>

**$1,962,004**  

**$5,508,297**  
**7,525,123**  
**116,332**  
**$1,179,794**  
**$48,585**  
**$28,471,809**

$ Change from previous month:  $1,962,004

DWSRF Loan draw for Division St Tank project

Total Principal Outstanding:  $23,072,834
Total Interest Outstanding:  $5,673,214
Total Debt Repayment:  $28,746,048

2017 Weighted Interest Rate:  2.12%
March 21, 2018

TO: George Sidhu, P.E. General Manager

FROM: Kathy White, HR Manager

SUBJECT: Revised Discrimination/Harassment Policy

Requested Action:
Approve and authorize General Manager to sign Policy #1008 Discrimination, Harassment and Bullying Prevention.

Background:
As you are aware, we last updated our Discrimination and Harassment procedures in 2015. Prior to that, it was outlined in Policy #1008 Anti-Discrimination and Anti-Harassment. In 2015 the General Manager at the time decided it should be changed to an Administrative Practice and Procedure, #2040 Discrimination, Harassment and Bullying.

After extensive research on what should be updated and revised to reflect changes to federal, state and local laws, in addition to consulting with counsel to determine best practices for the District, I have made the appropriate revisions. Please find the draft policy attached.

As you and I have discussed, considering the importance of this policy and the potential liability impacts to the District, I believe it should be a Policy subject to Board approval again instead of an Administrative Practice & Procedure. Although the Policy gives specific administrative processes that would normally be more appropriate in an AP&P, the overall Policy and the District’s goal of preventing unlawful and problematic behavior in the workplace should be supported from the top down.

The newly updated Policy provides more clarity and cleans up the language, which should be helpful for employees. It simplifies the reporting process and adds the Board President as one of three reporting options in order to add one more avenue for employees to report and seek assistance, but clearly outlines what employees need to do to report objectionable conduct. This is important because recent case law has made it clear that to limit liability, policies and processes must be well-defined, unambiguous and clear for employees to follow.

Language has also been added to make it clear that the District’s right to assign work tasks, conduct investigations, impose discipline, and other appropriate workplace activity should not be confused with prohibited conduct, which is an important distinction for us to make.

Fiscal Impact:
Other than tightening up an important area of potential liability for the District, which will ultimately be a benefit both from a time and financial perspective, there will be no immediate fiscal impact to the District.
Discrimination, Harassment and Bullying Prevention
Policy #1008

In accordance with the authority granted by Board Resolution #2160-09, the Discrimination, Harassment and Bullying Prevention Policy, as described below, is hereby established for Public Utility District No.1 of Skagit County.

POLICY STATEMENT
Public Utility District of No. 1 of Skagit County (“District”) prohibits any form of unlawful harassment, discrimination or retaliation in the workplace. The District is committed to providing a workplace where people are treated with dignity, decency, respect and professionalism. The District therefore expects employees to conduct themselves in a manner that demonstrates mutual respect and is free from hostile or bullying conduct, or conduct that otherwise violates this Policy or the law. Through enforcement of this Policy and by education of employees, the District seeks to prevent and correct conduct that violates this Policy in order to make the workplace safe and productive for everyone.

All employees, regardless of their positions, are covered by and are expected to comply with this Policy and to take appropriate measures to ensure that prohibited behavior does not occur. Outside parties are also expected to comply with the expectations of this Policy, and if an employee believes that this Policy is being violated by an outside party, that employee should report the conduct as outlined below. Employees found to have engaged in conduct in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

PROHIBITED CONDUCT UNDER THIS POLICY
Pursuant to this Policy, it is the District’s intent to comply with applicable federal, state and local unlawful harassment and discrimination laws, including but not limited to: Title VII of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Americans with Disabilities Act of 1990; and Washington’s Law Against Discrimination.

Harassment or discrimination based on an individual’s sex, race, creed, color, national origin, religion, age, marital status, sexual orientation, veteran’s status, the presence of a physical mental or sensory disability, or any other status that is protected by federal, state, or local law is unacceptable and will not be tolerated by the District. The following guidelines apply:

A. Discrimination
It is the District’s policy to treat all employees equally and without regard to sex, race, creed, color, national origin, religion, age, marital status, sexual orientation, veteran’s status, the presence of a physical mental or sensory disability, or any other status that is protected by federal, state, or local law. This means that the District prohibits conduct that unlawfully interferes with the employment terms or conditions of an employee’s employment because of an employee’s protected status.
Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

B. **Sexual Harassment**

It is the District’s policy that all employees should be able to work in an environment free from all forms of discrimination and unlawful harassment, including sexual harassment. Sexual harassment is one form of unlawful harassment. Sexual harassment can be, but does not have to be, “sexual” in nature. Rather, sexual harassment is harassment that would not occur but for the gender of the person to whom it is directed. There are two types of unlawful sexual harassment:

- **“Quid Pro Quo” harassment** occurs when: (1) a supervisor makes job benefits, including employment, promotion, salary increases, shift or work assignments, performance expectations and other terms and conditions of employment contingent on the provision of sexual favors; or (2) the rejection of a sexual advance or request for sexual favors by a supervisor results in a tangible employment detriment, a loss of a job benefit of the kind described above. Quid pro quo harassment can only be created by someone in a supervisory capacity.

- **“Hostile work environment”** – when sexual harassment is so severe or pervasive that it alters the working conditions for the employee, creating an abusive, hostile or intimidating work environment. A hostile work environment can be created by anyone in the work environment, including supervisors, other employees, or third parties involved with the District.

Examples of conduct that may constitute sexual harassment and that violate this policy include, but are not limited to, the following:

- Innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks or threats;

- Requests for any type of sexual favor (which includes repeated, unwelcome requests for dates), persistent, unwelcome flirtation, advances and/or propositions of a sexual nature;

- Verbal abuse, insults or “kidding” that is sexual in nature and unwelcome. Repeated, unwelcome comments of a sexual nature about an individual’s body or clothing;

- Unwanted physical contact, including deliberate and unwelcome touching, such as patting, pinching, hugging or repeated brushing against an individual’s body, cornering, kissing, fondling and forced sexual contact or assault;

- Distribution, display or discussion of any written or graphic material, including calendars, posters, magazines or cartoons that are sexually suggestive or show hostility toward an individual or group because of sex;

- Suggestive or insulting sounds, leering, staring, whistling, obscene gestures, photos, internet postings, or other forms of communication (electronic or otherwise) that are sexual in nature and offensive;

- Stating or implying to an applicant that they will be hired with sexual relations as a condition of employment;

- Harming the reputation of an employee in front of others by implying sexual involvement;
• Intimidating or derogatory remarks that are directed at a person because of that person’s gender whether or not the comments are sexual in nature, where the remarks cause discomfort or humiliation and interfere with the performance of the employee’s duties.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

C. Other Types of Unlawful Harassment

It is the District’s policy that all employees should be able to work in an environment free from all forms of discrimination and unlawful harassment, including sexual harassment. Sexual harassment is not the only form of unlawful harassment. Unlawful harassment can also occur because of an employee’s race, creed, color, national origin, religion, age, marital status, sexual orientation, veteran’s status, the presence of a physical, mental or sensory disability, or any other status that is protected by federal, state, or local law. Unlawful harassment because an employee’s protected status can occur where:

• Enduring the offensive conduct becomes a term or condition of employment; or

• The conduct is so severe or pervasive that it alters the working conditions for the employee, creating an abusive, hostile or intimidating work environment.

Examples of harassment may include, but are not limited to, the following:

• Epithets, slurs, negative stereotyping or threatening, intimidating or hostile acts that are related to a protected status;

• Comments that are offensive or unwelcome regarding a person’s protected status;

• Nonverbal harassment which may include display or discussion or any written or graphic material displayed, possessed or circulated in the District workplace or property that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group based on any protected status;

• Intimidating, hostile, derogatory, contemptuous or otherwise offensive conduct or remarks that are directed at a person because of that person’s protected status.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

Please Note: Sexual or other unlawful harassment under this Policy does not refer to courteous and mutually respectful interactions or conversations between employees.

D. Workplace Bullying

It is the District’s policy that all employees should be free from bullying in the workplace. Under this Policy, the District defines “bullying” as repeated inappropriate behavior, direct or indirect, verbal, physical or otherwise, conducted by one or more employees against another employee or employees, at the place of work and/or in the course of employment, that unreasonably interferes with work performance and creates a hostile, intimidating or offensive work environment.

Examples of conduct that may violate this Policy, in the District’s sole discretion, include, but are not limited to, the following:

• Verbal Bullying: Ridiculing or belittling a person or their family; persistent name calling that is insulting or belittling; directing insulting or belittling jokes at employees or making an employee the basis of an insulting or belittling joke; abusive and offensive remarks; shouting
or raising a voice at an individual in public or in private; using verbal or obscene gestures; use of offensive nicknames; character assassination; spreading gossip or rumors regarding individuals; encouraging others to disregard a supervisor’s instructions;

- **Physical Bullying**: Pushing, shoving, kicking, poking, tripping, assault or threat of assault, damage to a person’s work area or property;

- **Gesture Bullying**: Nonverbal threatening gestures; hostile glaring or staring that conveys threatening messages;

- **Exclusion**: Socially or physically excluding or disregarding an employee in work-related activities; deliberately excluding an individual or isolating them from work-related activities, such as meetings; and/or withholding required information or supplies.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

**E. Retaliation**

It is the District’s policy that all employees should be free from unlawful retaliation in the workplace. Employees who in good faith report discrimination or harassment, participate in an investigation of discrimination, or who otherwise lawfully oppose discrimination or harassment, will not be retaliated against for engaging in that protected conduct.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

**Please Note**: The District’s right to assign tasks, reprimand employees, conduct investigations, impose discipline and other appropriate workplace employer activity and should not be confused with the conduct prohibited by this Policy. The District reserves the right to conduct appropriate workplace activities at its discretion.

**F. Reporting Harassment, Discrimination, Retaliation or Bullying:**

1. Any employee who believes that he or she has been subjected to objectionable conduct prohibited by this Policy is encouraged (but not required) to let the offending person know immediately and firmly that the behavior is offensive.

2. Any employee who believes that he or she has been subjected to objectionable conduct prohibited by this Policy must report it immediately to the Human Resources Manager, the General Manager, or the Board President.

3. Each reported incident of harassment, discrimination, retaliation, or bullying will be investigated. Although the District cannot guarantee confidentiality, reasonable efforts will be made to disclose information only as needed to investigate and resolve a complaint. If it is determined that a complaint is valid, appropriate remedial action will be taken promptly. When appropriate, the employee will be informed that remedial action has been taken but may not be told information that the District deems to be confidential.

4. Individuals reporting complaints or providing information in good faith in connection with an investigation will not be retaliated against for their participation in this procedure.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.
G. **Consensual Romantic or Sexual Relationships**

- **Non-Supervisory Employees**
  Employees are encouraged to socialize and develop mutually respectful professional relationships in the workplace provided these relationships do not interfere with the work performance of either individual or with the effective functioning of the workplace.

  Employees who engage in personal relationships (including romantic and sexual relationships) should be aware of their professional responsibilities at all times, and will be responsible for ensuring that the relationship does not raise concerns about favoritism, bias, ethics and/or conflict of interest, or does not otherwise violate this Policy as outlined above. If an employee enters into a consensual relationship with another employee or a supervisor, the employee(s) must disclose the relationship to the Human Resources Manager or the General Manager.

- **Supervisory Employees**
  Romantic or sexual relationships between employees where one individual has influence or control over the other’s terms or conditions of employment are inappropriate and discouraged by the District. These relationships, even if consensual, can create conflicts of interest or the appearance of such conflicts, and may create the perception of favoritism or bias. If any supervisory employee of the District enters into a romantic or sexual relationship with another employee of the District, the supervisor must disclose the relationship to the Human Resources Manager or the General Manager.

  Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

- **Procedure Regarding Workplace Relationships**
  The District will review the circumstances of each situation, and when necessary, the District may transfer one of the employees to a different manager, supervisor or department if feasible. Transfers will be consistent with the provisions of any applicable collective bargaining agreement. If arrangements for transfer or reassignment are not feasible, the employees may be granted by the District, in its sole discretion, up to thirty (30) calendar days (the “Review Period”) to determine which of them will resign, although the District, in its sole discretion, may immediately change the reporting relationship, up to and including placing one of the employees on administrative leave, terminating the employment of one or both of the employees, or taking other action it deems necessary. If no decision is made during the Review Period, the District reserves the right to make and implement the decision it deems is appropriate.

  Regardless of position, if any working relationship violates this Policy, is deemed to be inappropriate in the sole discretion of the District, or is in any way disruptive to the work environment in the sole discretion of the District, the District reserves the right, in its sole discretion, to take appropriate action, which may include, but is not limited to: a transfer or change in reporting structure, counseling or a performance improvement process, disciplinary action up to and including termination of employment, or any other action that it deems is appropriate.

**POLICY ENFORCEMENT**

All employees, regardless of their positions, are covered by and are expected to comply with this Policy and must familiarize themselves with this Policy, including the types of conduct prohibited by this Policy.
and the reporting procedures under this Policy. In addition, employees who witness conduct that they
believe violations this Policy should report those violations to the Human Resources Manager, the
General Manager and/or the Board President.

In addition, supervisors must:

- Monitor their work areas for violations of this Policy and immediately report those violations to
  the Human Resources Manager, the General Manager and/or the Board President;
- Listen to employee concerns raised under this Policy and report those concerns to the Human
  Resources Manager, the General Manager and/or the Board President;
- When reasonable and necessary, deescalate any inappropriate interaction between employees that
  they believe may be violating this Policy by separating the employees and immediately reporting
  the interaction to the Human Resources Manager, the General Manager and/or the Board
  President.

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<td>Revision Date(s):</td>
<td>March 27, 2018</td>
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<td>General Manager Signature:</td>
<td></td>
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Discrimination, Harassment and Bullying
Administrative Practice and Procedure #2040

In accordance with the authority granted by Board Resolution #2160-09, the Discrimination, Harassment and Bullying Administrative Practice and Procedure Prevention Policy, as described below, is hereby established for Public Utility District No.1 of Skagit County.

STATEMENT OF PURPOSE

POLICY STATEMENT:

Public Utility District of No. 1 of Skagit County ("District") prohibits any form of unlawful harassment, discrimination or retaliation in the workplace. The District is committed to providing a workplace where people are treated with dignity, decency, respect and professionalism. The District therefore expects employees to conduct themselves in a manner that demonstrates mutual respect and is free from hostile or bullying conduct, or conduct that otherwise violates this Policy or the law. For this reason, the District will not tolerate unlawful discrimination, harassment or workplace bullying of any kind. Through enforcement of this Administrative Practice and Procedure and by education of employees, the District will seek to prevent, and correct conduct that violates this AP&P in order to make the workplace safe and productive for everyone.

All employees and third parties involved with the District, regardless of their positions, are covered by and are expected to comply with this AP&P and to take appropriate measures to ensure that prohibited behavior does not occur. Outside parties are also expected to comply with the expectations of this Policy, and if an employee believes that this Policy is being violated by an outside party, that employee should report the conduct as outlined below. Employees found to have engaged in conduct in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

Appropriate disciplinary action will be taken against any employee who violates this AP&P and will be based on the seriousness of the offense (described further in Enforcement of AP&P section).

PROHIBITED CONDUCT UNDER THIS AP&P POLICY

In compliance with this Policy, it is the District’s intent to comply with all applicable federal, state and local anti-unlawful harassment and discrimination laws and regulations, including but not limited to, Title VII of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Washington’s Law Against Discrimination, and all other laws and regulations, the District enforces this AP&P in accordance with the following definitions and guidelines.

Harassment or discrimination based on an individual’s sex, race, creed, color, national origin, religion, age, marital status, sexual orientation, veteran’s status, the presence of a physical mental or sensory
disability, or any other status that is protected by federal, state, or local law is unacceptable and will not be tolerated by the District. The following guidelines apply:

A. Discrimination

It is the District’s policy to treat all employees equally and without regard to sex, race, creed, color, national origin, religion, age, marital status, sexual orientation, veteran’s status, the presence of a physical, mental or sensory disability, or any other status that is protected by federal, state, or local law. This means that the District prohibits conduct that unlawfully interferes with the employment terms or conditions of an employee’s employment because of an employee’s protected status.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

B. Sexual Harassment

It is the District’s policy that all employees should be able to work in an environment free from all forms of discrimination and unlawful harassment, including sexual harassment. Sexual harassment is one form of unlawful harassment. Sexual harassment can be, but does not have to be, “sexual” in nature. Rather, sexual harassment is harassment that would not occur but for the gender of the person to whom it is directed. There are two types of unlawful sexual harassment:

- “Quid Pro Quo” harassment occurs when: (1) a supervisor makes job benefits, including employment, promotion, salary increases, shift or work assignments, performance expectations and other terms and conditions of employment contingent on the provision of sexual favors; or (2) the rejection of a sexual advance or request for sexual favors by a supervisor results in a tangible employment detriment, a loss of a job benefit of the kind described above. Quid pro quo harassment can only be created by someone in a supervisory capacity.
- “Hostile work environment” – when sexual harassment is so severe or pervasive that it alters the working conditions for the employee, creating an abusive, hostile or intimidating work environment. A hostile work environment can be created by anyone in the work environment, including supervisors, other employees, or third parties involved with the District.

Examples of conduct that may constitute sexual harassment and that violate this policy include, but are not limited to, the following:

- Innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks or threats;
- Requests for any type of sexual favor (which includes repeated, unwelcome requests for dates), persistent, unwelcome flirtation, advances and/or propositions of a sexual nature;
- Verbal abuse, insults or “kidding” that is sexual in nature and unwelcome. Repeated, unwelcome comments of a sexual nature about an individual’s body or clothing;
- Unwanted physical contact, including deliberate and unwelcome touching, such as patting, pinching, hugging or repeated brushing against an individual’s body, cornering, kissing, fondling and forced sexual contact or assault;
- Distribution, display or discussion of any written or graphic material, including calendars, posters, magazines or cartoons that are sexually suggestive or show hostility toward an individual or group because of sex;
• Suggestive or insulting sounds, leering, staring, whistling, obscene gestures, photos, internet postings, or other forms of communication (electronic or otherwise) that are sexual in nature and offensive;

• Stating or implying to an applicant that they will be hired with sexual relations as a condition of employment;

• Harming the reputation of an employee in front of others by implying sexual involvement;

• Intimidating or derogatory remarks that are directed at a person because of that person’s gender whether or not the comments are sexual in nature, where the remarks cause discomfort or humiliation and interfere with the performance of the employee’s duties.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

C. Other Types of Unlawful Harassment

It is the District’s policy that all employees should be able to work in an environment free from all forms of discrimination and unlawful harassment, including sexual harassment. Sexual harassment is not the only form of unlawful harassment. Unlawful harassment can also occur because of an employee’s race, creed, color, national origin, religion, age, marital status, sexual orientation, veteran’s status, the presence of a physical, mental or sensory disability, or any other status that is protected by federal, state, or local law. Unlawful harassment because an employee’s protected status can occur where:

• Enduring the offensive conduct becomes a term or condition of employment; or

• The conduct is so severe or pervasive that it alters the working conditions for the employee, creating an abusive, hostile or intimidating work environment.

Examples of harassment may include, but are not limited to, the following:

• Epithets, slurs, negative stereotyping or threatening, intimidating or hostile acts that are related to a protected status;

• Comments that are offensive or unwelcome regarding a person’s protected status;

• Nonverbal harassment which may include display or discussion or any written or graphic material displayed, possessed or circulated in the District workplace or property that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group based on any protected status;

• Intimidating, hostile, derogatory, contemptuous or otherwise offensive conduct or remarks that are directed at a person because of that person’s protected status.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

Please Note: Sexual or other unlawful harassment under this Policy does not refer to courteous and mutually respectful interactions or conversations between employees.

D. Workplace Bullying

It is the District’s policy that all employees should be free from bullying in the workplace. Under this Policy, the District defines “bullying” as repeated inappropriate behavior, direct or indirect, verbal,
physical or otherwise, conducted by one or more employees against another employee or employees, at the place of work and/or in the course of employment, that unreasonably interferes with work performance and creates a hostile, intimidating or offensive work environment.

Examples of conduct that may violate this Policy, in the District’s sole discretion, include, but are not limited to, the following:

- **Verbal Bullying**: Ridiculing or belittling a person or their family; persistent name calling that is insulting or belittling; directing insulting or belittling jokes at employees or making an employee the basis of an insulting or belittling joke; abusive and offensive remarks; shouting or raising a voice at an individual in public or in private; using verbal or obscene gestures; use of offensive nicknames; character assassination; spreading gossip or rumors regarding individuals; encouraging others to disregard a supervisor’s instructions;

- **Physical Bullying**: Pushing, shoving, kicking, poking, tripping, assault or threat of assault, damage to a person’s work area or property;

- **Gesture Bullying**: Nonverbal threatening gestures; hostile glaring or staring that conveys threatening messages;

- **Exclusion**: Socially or physically excluding or disregarding an employee in work-related activities; deliberately excluding an individual or isolating them from work-related activities, such as meetings; and/or withholding required information or supplies.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

**E. Retaliation**

It is the District’s policy that all employees should be free from unlawful retaliation in the workplace. Employees who in good faith report discrimination or harassment, participate in an investigation of discrimination, or who otherwise lawfully oppose discrimination or harassment, will not be retaliated against for engaging in that protected conduct.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

**Please Note:** The District’s right to assign tasks, reprimand employees, conduct investigations, impose discipline, and other appropriate workplace employer activity, should not be confused with the conduct prohibited by this Policy. The District reserves the right to conduct appropriate workplace activities at its discretion.

**F. Reporting Harassment, Discrimination, Retaliation or Bullying:**

1. Any employee who believes that he or she has been subjected to objectionable conduct prohibited by this Policy is encouraged (but not required) to let the offending person know immediately and firmly that the behavior is offensive.

2. Any employee who believes that he or she has been subjected to objectionable conduct prohibited by this Policy must report it immediately to either the Human Resources Manager, the General Manager, or the Board President.
3. Each reported incident of harassment, discrimination, retaliation, or bullying will be investigated. Although the District cannot guarantee confidentiality, reasonable efforts will be made to disclose information only as needed to investigate and resolve a complaint. If it is determined that a complaint is valid, appropriate remedial action will be taken promptly. When appropriate, the employee will be informed that remedial action has been taken but may not be told information that the District deems to be confidential.

4. Individuals reporting complaints or providing information in good faith in connection with an investigation will not be retaliated against for their participation in this procedure.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

G. Consensual Romantic or Sexual Relationships

- **Non-Supervisory Employees**

Employees are encouraged to socialize and develop mutually respectful professional relationships in the workplace provided these relationships do not interfere with the work performance of either individual or with the effective functioning of the workplace.

Employees who engage in personal relationships (including romantic and sexual relationships) should be aware of their professional responsibilities at all times, and will be responsible for ensuring that the relationship does not raise concerns about favoritism, bias, ethics and/or conflict of interest, or does not otherwise violate this Policy as outlined above. If an employee enters into a consensual relationship with another employee or a supervisor, the employee(s) must disclose the relationship to the Human Resources Manager or the General Manager.

- **Supervisory Employees**

Romantic or sexual relationships between employees where one individual has influence or control over the other’s terms or conditions of employment are inappropriate and discouraged by the District. These relationships, even if consensual, can create conflicts of interest or the appearance of such conflicts, and may create the perception of favoritism or bias. If any supervisory employee of the District enters into a romantic or sexual relationship with another employee of the District, the supervisor must disclose the relationship to the Human Resources Manager or the General Manager.

Employees found to have engaged in conduct in violation of this Policy will be subject to disciplinary action, up to and including termination of employment.

- **Procedure Regarding Workplace Relationships**

The District will review the circumstances of each situation, and when necessary, the District may transfer one of the employees to a different manager, supervisor or department if feasible. Transfers will be consistent with the provisions of any applicable collective bargaining agreement. If arrangements for transfer or reassignment are not feasible, the employees may be granted by the District, in its sole discretion, up to thirty (30) calendar days (the “Review Period”) to determine which of them will resign. Although the District, in its sole discretion, may immediately change the reporting relationship, up to and including placing one of the employees on administrative leave, terminating the employment of one or both of the employees, or taking other action it deems necessary. If no decision is made during the Review Period, the District reserves the right to make and implement the decision it deems is appropriate.
Regardless of position, if any working relationship violates this Policy, is deemed to be inappropriate in the sole discretion of the District, or is in any way disruptive to the work environment in the sole discretion of the District, the District reserves the right, in its sole discretion, to take appropriate action, which may include, but is not limited to: a transfer or change in reporting structure, counseling or a performance improvement process, disciplinary action up to and including termination of employment, or any other action that it deems is appropriate.

POLICY ENFORCEMENT

All employees, regardless of their positions, are covered by and are expected to comply with this Policy and must familiarize themselves with this Policy, including the types of conduct prohibited by this Policy and the reporting procedures under this Policy. In addition, employees who witness conduct that they believe violates this Policy should report those violations to the Human Resources Manager, the General Manager and/or the Board President.

In addition, supervisors must:

- Monitor their work areas for violations of this Policy and immediately report those violations to the Human Resources Manager, the General Manager and/or the Board President;
- Listen to employee concerns raised under this Policy and report those concerns to the Human Resources Manager, the General Manager and/or the Board President;
- When reasonable and necessary, deescalate any inappropriate interaction between employees that they believe may be violating this Policy by separating the employees and immediately reporting the interaction to the Human Resources Manager, the General Manager and/or the Board President.

Discrimination

Discrimination is the unfair or unequal treatment of an individual (or group) based on certain characteristics, including age, disability, ethnicity, gender, marital status, national origin, race, religion and sexual orientation (protected categories). It is a violation of the District's policies to discriminate with employment opportunities, benefits or privileges; to create discriminatory work conditions; or to use discriminatory standards in employment decisions if based, in whole or in part, on the following protected categories: Race, creed, color, national origin, age, religion, disability status, gender, sexual orientation, gender identity, genetic information, marital status, familial status and veteran status.

Harassment

Harassment is any comment, action or type of behavior, verbal, non-verbal or physical, which demeans, intimidates, threatens, insults or offends, and has the purpose or effect of unreasonably interfering with an individual’s work or creating an intimidating, hostile or offensive environment. Harassment becomes unlawful where:

- Enduring the offensive conduct becomes a term or condition of continued employment, or;
- The conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile or abusive.
Harassment is viewed from the eyes of the person who feels they have been harassed. The intent of the harasser is irrelevant. The District prohibits harassment, including sexual harassment, of any kind, and will take appropriate and immediate action in response to complaints or knowledge of violations of this AP&P. Harassment may include any verbal or physical conduct designed to threaten, intimidate or coerce an employee, co-worker, or any third party working for or on behalf of the District. Examples of harassment may include, but are not limited to, the following:

- Verbal taunting, including racial and ethnic slurs;
- Comments that are offensive or unwelcome regarding a person’s nationality, origin, color, religion, gender, sexual orientation, age, body, disability or appearance, including epithets, slurs and negative stereotyping;
- Nonverbal harassment which may include display or discussion or any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group based on any protected category (listed above).

**Sexual Harassment**

Sexual harassment is a form of gender discrimination and violates Title VII of the Civil Rights Act of 1964, State Discrimination laws and this AP&P. Sexual harassment includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature or gender based conduct when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive environment.

There are two types of sexual harassment:

- “Quid pro quo” harassment occurs when (1) job benefits, including employment, promotion, salary increases, shift or work assignments, performance expectations and other conditions of employment, are made contingent on the provision of sexual favors; or (2) the rejection of a sexual advance or request for sexual favors results in a tangible employment detriment, a loss of a job benefit of the kind described above. Quid pro quo harassment can only be created by someone in a supervisory capacity.
- “Hostile working environment” occurs when the harassment unreasonably interferes with an individual’s work performance or creates an intimidating, hostile or offensive environment. Hostile work environment can be created by anyone in the work environment, including supervisors, other employees, or third parties involved with the District, including customers.

Sexual harassment can take many forms, including actions based on gender, pregnancy, sexual orientation and against persons of the same sex. Examples of behaviors that constitute sexual harassment include, but are not limited to, the following:

- Innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks or threats;
- Requests for any type of sexual favor (which includes repeated, unwelcome requests for dates);
• Persistent, unwelcome flirtation, advances and/or propositions of a sexual nature;

• Verbal abuse, insults or “kidding” that is sexual in nature and unwelcome. Repeated, unwelcome comments of a sexual nature about an individual’s body or clothing;

• Unwanted physical contact, including deliberate and unwelcome touching, such as patting, pinching, hugging or repeated brushing against an individual’s body, cornering, kissing, fondling and forced sexual contact or assault;

• Distribution, display or discussion of any written or graphic material, including calendars, posters, magazines or cartoons that are sexually suggestive or show hostility toward an individual or group because of sex;

• Suggestive or insulting sounds, leering, staring, whistling, obscene gestures, faxes, e-mail, photos, text messages, tweets and internet postings, or other forms of communication that are sexual in nature and offensive;

• Stating or implying to an applicant that they will be hired with sexual relations as a condition of employment;

• Defaming the reputation of an employee in front of others by implying sexual involvement;

• Intimidating or derogatory remarks that are directed at a person because of that person’s gender whether or not the comments are sexual in nature, where the remarks cause discomfort or humiliation and interfere with the performance of the employee’s duties; and/or,

• Retaliation against an employee for refusing sexual or social overtures, for filing a sexual harassment complaint, or for cooperating with an investigation or a complaint.

It is important to remember that sexual harassment is viewed from the eyes of the person who feels they have been harassed. The intent of the harasser is irrelevant.

PLEASE NOTE: Courteous, mutually respectful, pleasant, non-coercive interactions between employees that are appropriate in the workplace and acceptable to both parties are not considered to be harassment, including sexual harassment.

**Workplace Bullying**

The District defines “bullying” as repeated inappropriate behavior, direct or indirect, verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment, that unreasonably interferes with work performance and creates a hostile, intimidating or offensive work environment. Bullying behavior violates the District’s workplace policy which states that all people are treated with dignity, decency, respect and professionalism.

As with harassment, bullying is viewed from the eyes of the person who feels they have been bullied. The intent of the person accused of bullying is irrelevant. Examples of behavior the District considers bullying behavior may include, but are not limited to, the following:

• Verbal Bullying: Slander or ridiculing a person or their family; persistent name calling that is hurtful or insulting; using a person as a butt of jokes; abusive and offensive remarks; persistent singling out of one person; shouting or raising a voice at an individual in public or in private; using verbal or obscene gestures; use of offensive nicknames; spreading gossip or rumors regarding individuals; encouraging others to disregard a supervisor’s instructions;

• Physical Bullying: Pushing, shoving, kicking, poking, tripping, assault or threat of assault, damage to a person’s work area or property;
Gesture Bullying: Nonverbal threatening gestures; glances that convey threatening messages;

Exclusion: Socially or physically excluding or disregarding a person in work-related activities;
deliberately excluding an individual or isolating them from work-related activities, such as meetings.

Retaliation
Retaliation is an employment action or treatment, including harassment, change of work terms or
conditions, demotion or firing, against an individual for filing a charge of discrimination, harassment or
bullying, participating in a complaint investigation or proceeding in good faith, or otherwise opposing
discrimination. Retaliation is prohibited by the same laws that prohibit discrimination and harassment
and by this AP&P.

This AP&P does not preclude the District from disciplining an employee for filing a bad faith report or
complaint, or where it can be demonstrated that a misuse of District procedures and resources has
occurred.

Employees, who believe they have been retaliated against for having reported harassment, discrimination,
or bullying, or participated in an investigation, must promptly notify the Human Resources Manager or
the General Manager so their concerns can be investigated and addressed. If a violation of this AP&P of
no-retaliation occurs, employees will be subject to disciplinary action, up to and including discharge.

Consensual Romantic or Sexual Relationships
The District strongly discourages romantic or sexual relationships between managers or other supervisory
employees and their staffs because such relationships are inappropriate in the workplace, create conflicts
of interest or the appearance of such conflicts, and may create the perception of favoritism or bias in
employment decisions.

If any employee of the District who has management or supervisory responsibility enters into a
consensual romantic or sexual relationship with another employee of the District, the parties must notify
the Human Resources Manager. The District will review the circumstances of each situation, and when
appropriate and feasible, the District will make arrangements for transfer of one of the employees to a
different manager or supervisor. Transfers under this provision will be consistent with the provisions of
an applicable collective bargaining agreement. If arrangements for transfer or reassignment are not
feasible, the employees will be allowed thirty (30) calendar days to determine which of them will resign.
If no decision is made during this time, the District reserves the right to make and implement the decision.

DISTRICT RESPONSIBILITIES
All employees are required to comply with this AP&P. A discrimination and harassment free
environment is the responsibility of every member of the District. Employees should never tolerate
offending behavior, harassment, discriminatory conduct or workplace bullying. This includes behavior
that is directed towards them personally, as well as directed toward other employees.

The District can take corrective action only when it becomes aware of problems. Employees who believe
they have been subjected to any behavior or employment actions which may violate this AP&P must
promptly notify the Human Resources Manager or the General Manager so their concerns can be
investigated and addressed, as described below.

Employees are encouraged to tell the offending individual that the employee is uncomfortable with the
behaviors or believes they are unlawful, if they are comfortable doing so. In many cases, if an employee
makes their feelings known to the offending person, and tells them their behavior or different treatment is
not welcome, or asks them to stop; the behavior or different treatment may stop. If the offending behavior continues, employees must notify Human Resources.

**ENFORCEMENT OF AP&P**
The Complaint Procedures set forth below are utilized to investigate and remedy violations. While observing the principles of due process, determinations of policy violations are subject to disciplinary sanctions, which may include, but are not limited to, mandatory training and education, oral and/or written reprimand, removal of supervisory responsibilities, demotion, transfer or reassignment, termination of employment or other corrective actions as appropriate.

**IT IS THE DIRECT RESPONSIBILITY OF ALL SUPERVISORS TO:**

- Ensure that all employees, permanent or temporary, are made aware of this AP&P, the types of conduct prohibited by it, and the avenues available for resolution of violations;
- Monitor their respective work areas for violations of this AP&P;
- Listen to allegations of policy violations brought to their attention;
- Reporting incidents and allegations to the Human Resources Manager;
- Either intercede for complaint resolution or refer the complainant and/or respondent to the Human Resources Manager for assistance, advice, or investigation;
- Eliminate or minimize the potential for retaliation as defined by this AP&P.

**THREATS OF ASSAULT OR HARM**
In situations where a supervisor reasonably believes there is imminent danger of serious bodily harm to an employee, the supervisor or manager should take immediate and appropriate action, including separating the complainant and respondent and notifying the police. Any action taken should be temporary and should not disadvantage the complainant. In such situations, the supervisor should notify the Human Resources Manager as soon as possible.

**COMPLAINT PROCEDURES**
If the employee does not feel comfortable confronting the offending individual as suggested above, and the problem continues or is unresolved, the employee must report the behavior in accordance with the following procedures.

Reports of offending behavior, discriminatory conduct, harassment or bullying must be made immediately (or as soon as is feasible) to the Human Resources Manager. Supervisors, managers, or others in the District who know or receive reports or complaints of offending behavior or discriminatory conduct must immediately notify the Human Resources Manager. In the event the complaint involves or is about the Human Resources Manager, the General Manager should be immediately notified.

The complainant is requested to provide as many details as possible, such as the date(s), location(s), name(s) of witnesses, or information about the alleged wrongdoer(s) or wrongdoing. The complaint will be put into writing at the beginning of the investigative process, and the complainant will be asked to sign the complaint to verify its accuracy and completeness.

**Informal Resolutions**
Some situations may not rise to the level of discrimination or harassment, or may involve an isolated or minor incident. Nonetheless, the complainant may wish to notify their supervisor and/or the Human Resources Manager, and request assistance in bringing the incident to the attention of the respondent.
resolving the situation, and preventing further incidents. In such situations, the Human Resources Manager may not conduct a formal investigation, but instead may speak with the supervisor/manager or the respondent. The Human Resources Manager may also facilitate a discussion and resolution between the parties involved.

**Complaint Investigations**

When complaints cannot or should not be resolved through review or informal resolution, the Human Resources Manager, or an outside workplace investigator, will promptly and thoroughly investigate all allegations of discrimination, workplace harassment, sexual harassment, bullying and retaliation. In that regard, the Human Resources Manager acts as a neutral fact-finder. Based on the investigation, the Human Resources Manager makes determinations on whether the facts support the allegations and whether the AP&P has been violated.

The investigation will be conducted in a confidential manner to the extent allowed by the circumstances and the law, including public disclosure requirements, and on a legitimate business need to know basis. During the investigation, steps may be taken, when appropriate, to minimize contact between the employee filing the complaint and the alleged wrongdoer(s).

All persons with relevant information will be interviewed, and all employees will be expected to cooperate with complaint investigations. An employee’s refusal to cooperate with a reasonable investigation may be considered grounds for disciplinary action.

If the District concludes that a policy violation has occurred, prompt disciplinary action will be taken, up to and including termination.

The complainant and respondent will both receive a summary of the complaint investigation report. A copy of the final report and all supplemental materials will be maintained in the Human Resources office. These records will be considered “personal information in files maintained for employees which affect their right to Privacy,” within the meaning of Washington State’s public disclosure law, RCW 42.17.

**External Complaints**

Nothing in this AP&P should be construed to impede or prohibit a timely filing of a discrimination complaint with the appropriate external government agencies.

For additional information, employees may contact either the EEOC or the state Human Rights Commission. Contact information is available on posters around the District or by requesting such information from the Human Resources Manager.

Questions regarding this AP&P should be directed to the Human Resources Manager at (360) 848-2128.