

Table of Contents

<u>Section</u>	<u>Description</u>	<u>Page</u>
11.1	ORGANIZATION AND OPERATIONS OF THE DISTRICT	2
11.2	DISTRICT RIGHTS	3
11.3	APPOINTMENT TO POSITIONS	4
11.4	CLASSIFICATION OF NON-EXEMPT EMPLOYEES	6
11.5	POSITION CLASSIFICATION AND SALARY SCHEDULE	8
11.6.	CONDITIONS OF EMPLOYMENT	11
11.7	REDUCTION IN FORCE	14
11.8	GRIEVANCE PROCEDURE	15
11.9	DISCIPLINARY ACTION/TERMINATION FOR CAUSE.....	17
11.10	UNLAWFUL DISCRIMINATION, HARASSMENT, & RETALIATION	20
11.11	EMPLOYEES RIGHTS	27
11.12	HOURS OF WORK	29
11.13	WORKERS' COMPENSATION	33
11.14	HOLIDAYS.....	34
11.15	LEAVES OF ABSENCE	36
11.16	PAYROLL PROCEDURE.....	47
11.17	MEDICAL INSURANCE.....	48
11.18	DENTAL AND VISION INSURANCE.....	50
11.19	LIFE INSURANCE AND AD&D	51
11.20	LONG TERM DISABILITY INSURANCE.....	52
11.21	STATE DISABILITY INSURANCE & PAID FAMILY LEAVE (PFL).....	53
11.22	RETIREMENT PROGRAMS.....	54
11.23	JURY DUTY	57
11.24	SAFETY PROGRAM.....	58
11.25	FIREARMS	60
11.26	UNIFORMS	61
11.28	USE OF DISTRICT VEHICLES	63
11.29	TUITION REIMBURSEMENT.....	65
11.30	DISTRICT CELL PHONE ASSIGNMENTS AND USAGE.....	66
11.31	MISCELLANEOUS.....	68
11.32	REVISIONS	71
Appendix A	Job Classifications	
Appendix B	Classification/Positions/Ranges Chart Classification and Compensation Schedule Salary Scales (Hourly, Bi-weekly and Monthly) Organizational Chart Resolution No. 3870—Establishing Compensation Policy	
Appendix C	Current FPUDEA and FMEA Memoranda of Understanding Performance Appraisal Systems and Forms Agreements (Plant Operation, System Operation, Acting Operators and Standby) Guidelines for Use of District Vehicles	
Appendix D	Non-Discrimination Policy	
Appendix E	Drug/Alcohol-Free Awareness Program Controlled Substance and Alcohol Misuse Policy (DOT & Non-DOT)	
Appendix F	Employee Recognition Program	

11.1 ORGANIZATION AND OPERATIONS OF THE DISTRICT

The Fallbrook Public Utility District was incorporated as a political subdivision of the State of California in 1922 and operates under the provision of the Public Utility Act, Division 7, of the Public Utility Code as adopted in 1953. The District constructs, operates and maintains facilities to supply water and sewer services to the unincorporated community of Fallbrook and water and reclaimed water to the surrounding residential and agricultural areas comprising approximately 28,199 acres. The District is a member of the San Diego County Water Authority, and as the organization is a member of the Metropolitan Water District of Southern California, the District is entitled to prorata participation in all water supplies available to those agencies. The District is governed by a Board consisting of five Directors, each of whom is elected at large to serve for a term of four years by the registered voters of the District. The Board of Directors of the District holds regular monthly meetings which are open to the public. The Board establishes board policies regulating the business of the District. In regards to personnel policy, the Board is committed to attracting and retaining high caliber, skilled employees, providing them with adequate tools and equipment in a working environment with a strong emphasis on safety. In order to achieve these objectives, and maintain high morale and productivity, the Board has established a policy to maintain a competitive compensation program and employee recognition program. The day-to-day business activities of the District are administered by the General Manager, who is appointed by and serves at the pleasure of the Board of Directors. The District is not subject to the rules and regulations of the Public Utility Commission of the State of California.

Section 11.1
Board Approved Revision Date
4/95 12/96 2/99

11.2 DISTRICT RIGHTS

The rights of the District, as exercised through the Board of Directors and its appointed General Manager, include, but are not limited to, the exclusive right to determine the mission of its constituent departments or other organizational entities; set standards of service; determine procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relive its employees from duty because of lack of work or other legitimate reasons; maintain the efficiency of District operations; determine the methods, means and personnel by which District operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work, including contracting for specific purposes.

11.3 APPOINTMENT TO POSITIONS

Classifications:

(a) District positions under its civil services system are established as classified and non-classified as provided by the Public Utilities Code.

(b) Non-classified positions - These positions are exempt from the Fair Labor Standards Act and State law relative to compensation for overtime work except (c) below. In addition to the General Manager, the District Board of Directors upon recommendation of the General Manager, will make appointments as necessary to the positions of Administrative Services Manager/Treasurer, and Attorney. The General Manager shall make appointments to the positions of Assistant General Manager, Operations Manager, System Operations Manager, Chief Plant Operator and Human Resources Manager.

(c) Non-exempt Officer - The position of Secretary (Clerk of the Board) is not exempt from the Fair Labor Standards Act and State law relative to compensation for overtime work.

(d) Classified Positions - The General Manager or his designated representative will make such other appointments to positions as may be necessary to carry out the administrative, technical, operational, construction and maintenance workload of the District. All such positions fall within District categories as outlined in Article 11.4.

(e) Confidential Positions - The General Manager, or his designated representative, may further distinguish a non-exempt position as "confidential." Confidential employees are privy to information that affects employee relations. Confidential status will restrict an employee from representing any employee organization in labor negotiations but does not otherwise limit the right of the employee to be a member and/or to hold office in an employee organization.

(f) Appointments - prior to an appointment to a new or existing position, prospective or existing employees may be required to take oral, written, or physical examinations including tests of manual or professional skills to fairly test their relative capacity to discharge the essential functions of the position which they seek. The General Manager or his designated representative shall conduct such examinations as deemed necessary to determine the qualifications of all job applicants.

(g) Because of the nature of the District's organization and operations, and the potential for adverse impacts on supervision, safety, security and morale, the hiring of related persons (definitions below) is not permitted without the approval of the General Manager.

For the purpose of this policy, a related person is defined to be spouse, parents, children, brothers, sisters, adopted children, grandparents, aunts, uncles, nieces, nephews, cousins, mother-in-law, father-in-law, brother-in-law, sister-in-law, step children, step parents, and domestic partners.

A related person may be hired if they do not work in the same department, one is not under the direct or indirect supervision of the other, and neither occupies a position which has influence over the other's employment, promotions, or salary administration.

Section 11.3
Board Approved Revision Date
11/91, 1/93, 7/96, 6/97, 7/00, 9/00, 6/04, 10/04, 5/06, 9/08, 12/09, 1/13, 11/15, 1/16

11.4 CLASSIFICATION OF NON-EXEMPT EMPLOYEES

(a) Temporary Employees: Due to the variable nature of the District work load by reason of seasonal changes, emergencies, and special projects, the General Manager may from time to time, subject to a determination of need and availability of funding within Board budgetary constraints, authorize the employment of persons in any classification as "Temporary Employees." Such employees are terminable at will and without notice and are not covered by District Personnel Regulations, but the District will, insofar as possible, give a full pay period notice in advance of termination. "Temporary Employees" are not eligible for fringe benefits, except for sick leave accrual and usage pursuant to AB 1522. Their employment is limited to six months continuous service. "Temporary Employees" hired for field service must provide their own District approved safety shoes. Upon approval of the General Manager, "Temporary Employees" may be excluded from the Anti-Nepotism Policy.

(b) Probationary Employees: All personnel initially hired to fill authorized positions are placed in a probationary status for a minimum of six months and a maximum of twelve months of actual and continuous service. Periods of time on unpaid leave exceeding five (5) days (consecutive or not) excluding District holidays, shall automatically extend the probationary period by that number of days the employee is on leave. The probationary period is still part of the selection process for employees. During this period, the employees are terminable at will and without notice. The initial salary at time of hire will be determined by the General Manager based on the qualifications of the prospective employee. This initial salary during the probationary period may be at a lower range than the range indicated in the job classification. The appointing authority may, at any time after the six month minimum probationary period, change the employee's status to regular. Fringe benefits (except for holidays and PERS which are paid from the hire date) apply as follows: Medical, dental, vision, EAP, life insurance, and long term disability insurance take effect the first of the month following the hire date. Vacation and sick leave accruals take effect on the date of hire. As a recruitment incentive, the General Manager may offer vacation leave not to exceed 40 hours during the probationary period for positions requiring certifications and/or college degrees. If a probationary employee terminates employment prior to achieving regular status, any balance remaining as vacation leave will be paid at the current hourly rate at the time of termination. If a probationary employee terminates employment prior to achieving regular status, any balance remaining as sick leave will be paid at 50% of the accrual balance at the current hourly rate at the time of termination.. Leave taken in excess of five days during probation will increase the probationary period by the same amount of days. However, the probationary period will not extend past 12 months.

(c) Regular Employees: At the expiration of the minimum probationary period, employee's performance shall be evaluated for consideration to be classified as "regular." Such employees may only be terminated by reason of reduction in force, or for cause, under procedures hereinafter set forth.

(d) Regular Part-Time Employees: Should there be a need for regular, part-time positions, they will be established on requirements determined by the General Manager. Regular part-time employees will be hired under the same procedures as regular full time employees, but their entitlement to fringe benefits will be pro-rated on the basis of hours worked during the previous six months. For example, a 20 hour per week regular employee

would be entitled to 50% holiday pay, 50% normal vacation/sick leave, etc. and pension contribution. Any part-time employee working in excess of 20 hours per week, but less than 40 hours per week, will be entitled to medical insurance as provided in Article 11.17 and dental and vision insurance as provided in 11.18. Any part-time employee working in excess of 30 hours per week, but less than 40 hours per week, will be entitled to Life Insurance and A.D.&D. Insurance as provided in Article 11.19.

Section 11.4
Board Approved Revision Date
11/91,7/00,7/01,10/04 6/05, 6/15

11.5 POSITION CLASSIFICATION AND SALARY SCHEDULE

(a) The Board of Directors, upon recommendations from the General Manager, will establish descriptions of and provide general qualifications for all authorized positions, and will establish salary schedules therefore. Such salary schedules may be reviewed and adjusted annually. Descriptions of currently authorized positions, classification titles, and salary ranges are attached hereto as Appendix A. The total number of authorized positions is determined annually during the budget process. The General Manager is authorized to modify the mix of positions within the total number and overall annual budget approved by the Board of Directors.

(b) Salary Schedules and District Organization chart are attached as Appendix B. A training wage, one level below the classification level, may be instituted for the training and/or probationary period. One-step salary increases (A through J) for overall rating of "meets requirements" meritorious performance and two-step salary increases for overall rating of "exceeds requirements" meritorious performance, which will be considered on employee's anniversary date each year, are based on performance substantiated by written Supervisor's evaluations and recommendations, and approved by the General Manager or his designated representative. If an employee has been promoted to a job outside of their current series, the anniversary date for performance appraisals will become the date of the promotion. If an employee is on leave in excess of four continuous weeks during their performance appraisal period of 12 months, the performance appraisal date will be extended for the same amount of time as the leave that was in excess of four weeks and that date will remain the annual performance appraisal date, notwithstanding any promotions or additional leaves. All employees will be evaluated and counseled annually on such job related issues as listed in each classification's performance appraisal form and such other matters as may be determined by a supervisor or management. Employees not recommended for step increases shall be advised of specific work performance improvements required and a remediation plan developed in consultation with the employee. The General Manager is authorized to grant exceptions to the above step increase requirements for exceptional meritorious performance.

(c) An educational incentive program is available to those employees who achieve required Water Treatment Operator, Water Distribution Operator, AWWA Backflow Prevention Device Inspection and Testing, Cross-Connection Program Specialist, Wastewater Treatment, Collection System Maintenance, Laboratory Technologist, Mechanical Technologist, Environmental Compliance Inspector, and/or Electrical/Instrumentation Technologist Certification through off-duty efforts. Some positions require certification to achieve the target salary range. An educational incentive program is also available to those employees who are designated a Geographic Information Systems Professional (GISP) by the GIS Institute through off-duty efforts if the employee's classification requires them to participate in GIS functions, Certified Crane Operators by the National Commission for the Certification of Crane Operators through on-duty or off-duty efforts if the employee's classification requires them to operate cranes and employees who hold a Class 6G certified pipeline welding certification from an accredited school through off-duty efforts if the employee's classification requires them to weld. Employees who hold the GISP, the Crane Certification or Class 6G pipeline welding certification and meet the requirements above, will be eligible for a 2.5% grade level increase in addition to any other increases available for their classification. Salary ranges and certification requirements are shown at the end of each job

classification (*in Appendix A of the FPU D Personnel Regulations.*) All employees are encouraged to take the required courses at nearby community colleges that qualify them to take the tests for such certificates. The District will reimburse employees for the cost of exams for Distribution, Treatment, Backflow Prevention, Cross-Connection Program Specialist, Wastewater Treatment, Collection System Maintenance, Laboratory Technologist, Mechanical Technologist, Environmental Compliance Inspector, and/or Electrical/Instrumentation Technologist Certification for those levels of certification required within the District. Positions that do not require specific certification are eligible to receive a one-time increase to the next salary range upon notification of said certification. These salary adjustments shall be in addition to the annual salary step raises they are eligible for (*as outlined in Section 11.5, paragraph (b) of the FPU D Personnel Regulations.*) Associate of Arts and Certificates in Water Technology or Wastewater Technology can be used for "OTHER" certification in those classifications with that designation option. All renewal fees will be paid by the District. Mandatory membership fees for certification holders will be paid by the District. . Continuing education unit fees will be paid by the District and District time will be made available for the training of employees whose classifications require Distribution and Treatment certification. In-house training required by the State for continuing education units will be on District time and paid by the District for all certifications. District approved external training required by the State for continuing education units will be on District time and paid by the District for required certifications only.

(d) Whenever a vacancy in a new or existing position occurs, preference in filling it shall be given to existing qualified District employees whenever possible. Promotion to a higher level position shall result in no less than a 5% increase in salary.

(e) When the following supervisory positions are vacant for more than one day, for any reason, temporary promotions may be effected by the General Manager, starting on the first day, in recognition of the responsibility inherent in these positions. The person so temporarily promoted will receive a salary increase of: 6 ranges (15%) or the amount the temporarily promoted employee would earn if they were promoted into the vacant position, whichever is less.

Eligible Supervisor Positions: (Operations Manager currently unfilled), Administrative Services Manager/Treasurer, Collection Supervisor, Construction/Maintenance Supervisor, System Service/Shop Supervisor, System Operations Manager, Chief Plant Operator, Warehouse Supervisor, Engineering Supervisor and Assistant General Manager

Temporary promotions to Acting System Operator may be necessary from time to time, on an hourly or daily basis, and will be at the discretion of the Assistant General Manager. Only employees who hold State of California Water Treatment Operator, Grade II or higher certification are eligible. The person so temporarily promoted will receive a salary increase of 4 ranges (10%) but in no way will they exceed the System Operations Manager rate of pay. The designated Acting System Operator will sign an agreement agreeing to wages and hours of work.

Temporary promotions to Acting Plant Operator may be necessary from time to time and will be at the discretion of the Assistant General Manager. Only employees who hold State of

California Wastewater Treatment Operator, Grade II or higher certification are eligible. The person so temporarily promoted will receive a salary increase of 4 ranges (10%) but in no way will they exceed the Chief Plant Operator rate of pay. The designated Acting Plant Operator will sign an agreement agreeing to wages and hours of work.

(f) "Longevity", continuous unbroken employment time, is not a part of the salary structure. However, the General Manager is authorized to award a merit performance bonus of 2.5% of current gross annual pay, or five hundred dollars, (\$500.00), whichever is greater, to each of those employees who meet the following eligibility requirements:

- ten years of continued uninterrupted service in the same job classification, or 15 years of continuous uninterrupted service, and
- exhausted eligibility for promotion within the series, and
- exhausted eligibility for step increases within the series (hourly wage is at the "J" step).

All employees who meet the aforementioned eligibility requirements must be rated as "exceeds requirements" for their overall work performance during the previous rating year.

The following factors determine whether such bonuses are justified:

- (1) Possession of all required certifications and licenses

The longevity bonus will be divided by annual work hours and added to the regular hourly rate prior to calculating the overtime rate.

Section 11.5
Board Approved Revision Date
11/91, 1/93, 7/96, 6/97, 9/97, 9/98, 7/00, 7/01 12/01, 5/04, 6/04, 1/05, 6/05, 5/06, 7/08, 10/08, 3/09, 12/09, 7/11, 1/13, 12/13, 6/15, 1/16

11.6. CONDITIONS OF EMPLOYMENT

(a) Applications for employment with the District are only accepted when there is an open and posted job vacancy. Every applicant for an open and posted job vacancy must fill out a current District application. In-house applicants must fill out an in-house application form. Applications for employment are only accepted with an original signature (no e-mails or facsimiles) up to the closing date.

The Non-Discrimination Policy is included in Section D.

(b) Current Address and Phone Number: In case of emergency, the District must be able to reach all employees; therefore, all employees will keep Human Resources informed of their current address and phone number. If employee has no phone, Human Resources requires a neighbor's or close relative's phone number.

(c) Employees, whose jobs include driving in the course of their employment, shall maintain a satisfactory driving record. For employees required to have a commercial driver's license, loss of the commercial driver's license for more than 90 days will be subject to disciplinary action, up to and including, termination.

(d) Employees, upon offer of employment, shall take a pre-employment medical examination through the District's physician, and a pre-employment drug screening through National Safety Compliance, at the District's expense. Employees also agree to release the findings of the medical examination to the District and understand that the results of the examination will be used by the District to determine job related qualifications for employment. A comprehensive background investigation, fully explained on the application for employment, will also be conducted post-offer of employment. Reference investigation may be performed upon receipt of application for employment.

(e) All employees will be notified of the District's "Drug/Alcohol Free Awareness Program" (Appendix E) which specifically lists the dangers of drug abuse in the workplace; the District's policy of maintaining a drug-free workplace; the availability of any drug counseling, rehabilitation and employee assistance program; and the penalties imposed upon employees for drug abuse violations in the workplace. All employees will be required to abide by the terms of the program and notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such a conviction. Such notification does not relieve an employee from the disciplinary consequences of the conduct upon which the conviction is based.

Being under the influence of, or possessing or using alcoholic beverages or drugs, on District premises, while operating District vehicles or equipment, or while on District business shall be grounds for discipline. Consumption of alcoholic beverages or drugs prior to reporting for a work shift, during a work shift, including breaks and lunch hours, and including on-call duty time, shall also be considered grounds for discipline. For the purpose of this Policy, the term "drugs" means over-the-counter drugs; substances controlled by statute or regulation, such as those available only by prescription of a licensed physician, dentist or other licensed practitioner; and, so-called illegal or "street" drugs, which when taken, impair the employee's ability to work without risk of harm to persons, property, or work efficiency. If you are using an over-the-counter or prescription drug which may impair

your ability to perform work safely and efficiently, you must report such use to the General Manager or his designee. The General Manager or designee will place you in an alternative position, if available, or on leave of absence until you are no longer using that drug.

You should be aware that the District reserves the right to search lockers, storage areas, furniture, District vehicles and other places under the common control of District and employees, and to enlist the assistance of law enforcement personnel in connection with the enforcement of this Policy.

Please refer to section "IX. Disciplinary Action/Termination for Cause." The District is required to participate in the Department of Transportation Drug and Alcohol Testing Program for safety-sensitive positions and has expanded DOT's definition of safety-sensitive to include all positions classified as "water worker" or "sanitary worker" for the purpose of workers' compensation coverage. Please refer to the DOT Controlled Substance and Alcohol Misuse Policy and the Non-DOT Controlled Substance and Alcohol Misuse Policy found in Appendix E.

(f) Personal Appearance. In the interest of presenting a professional image to our customers, we require that all employees observe good habits of grooming and personal hygiene. Uniforms and other clothing should be neat and clean unless conditions during the work day (out of the employee's control) affect the neatness or cleanliness of the uniform or clothing. The employee should dress appropriately according to the requirements of his or her position. If there are any questions as to what constitutes appropriate attire, the supervisor or manager should be consulted.

Rings, bars, studs, etc. through the nose, lips, eyebrows, tongue or other facial areas (other than conventional earlobe piercing) are prohibited during working hours, while on-call, in uniform or whenever the employee is representing the District. Subject to approval by the General Manager or in his absence the Administrative Services Manager/Treasurer, exceptions may be permitted for very small non-intrusive studs (limited to the nose or inside the mouth) permitted the visual effect is minimal and does not impair the employee's ability to speak clearly. Tattoos with words or images that may be considered offensive or inappropriate in nature (sexually explicit, vulgar, sexist, racist, or construed as discriminatory, etc.) are required to be covered during working hours, while on-call, in uniform or whenever the employee is representing the District.

The District reserves the right to determine appropriate dress and appearance at all times and in all circumstances. An employee may be sent home to change clothes should it be determined their dress is not appropriate. Any time away from work necessary to achieve appropriate and acceptable dress will not be paid time but the employee may use any accrued vacation or compensatory time.

(g) Employees are expected to manage personal financial matters in a responsible manner. District involvement in two or more garnishments/judgments for an employee will be grounds for disciplinary action.

(h) Workplace Violence. The District is dedicated to providing employees with a safe and healthy work environment. Violence or aggression in the workplace will not be tolerated. All threats will be taken seriously, and investigated by District staff or referred to

law enforcement. Employees who feel unsafe or threatened are encouraged to discuss the issue with their immediate supervisor, or with whichever management employee he or she feels most comfortable.

Section 11.6
Board Approved Revision Date
11/91, 1/93, 11/94, 7/96, 2/99, 6/99, 7/01,10/04, 6/05, 4/06, 11/07

11.7 REDUCTION IN FORCE

In the event of a required reduction in force in any positions in the Non-Exempt Classifications, separations shall be made within the job classification being reduced in the following order:

- (a) First: Temporary employees.
- (b) Second: Probationary employees.
- (c) Third: Part-time employees.
- (d) Fourth: Regular employees taking into account both job seniority in the classification being reduced and performance issues.

In the event vacancies exist in lower classifications at the time of force reduction, such vacant positions shall be offered to a qualified regular employee then scheduled for force reduction termination. Regular employees retained in a lower classification shall retain the former salary, but their salary shall be frozen until the salary of the lower level position rises over time due to Cost-of-Living adjustments until it reaches the affected employee's salary.

Section 11.7
Board Approved Revision Date
7/00 7/01 10/04

11.8 GRIEVANCE PROCEDURE

Grievance is defined as a written allegation by an employee, claiming violations(s) of the specific express terms of the Personnel Rules and Regulations for which there is no other specified method of review.

Fallbrook Public Utility District recognizes each employee's right to receive fair and impartial treatment. Accordingly, it has established the following grievance procedure that is available to all non-supervisory employees who have successfully completed their probationary period.

If a grievance involves harassment: any (temporary, probationary, regular, supervisory, non-supervisory or exempt) employee may report to any member of management. Every reported complaint of harassment will be investigated immediately, as confidentially as the fact gathering allows, thoroughly, objectively and completely. Please see section 11.10 Policy Against Harassment and Discrimination for further information.

First Step - Immediate Supervisor: In order to minimize the possibility of misunderstanding, an employee shall submit his written grievance to his immediate supervisor within fifteen (15) working days of the occurrence of the event resulting in the grievance. The supervisor will investigate the matter and attempt to provide a solution or explanation within 5 working days, unless additional time is required under the circumstances.

Second Step - Assistant General Manager or Administrative Services Manager/Treasurer: If an employee does not receive a satisfactory answer or resolution from his immediate supervisor, he will be allowed ten (10) working days to refer the grievance, in writing, to the Assistant General Manager, in the case of field personnel, or to the Administrative Services Manager/Treasurer, in the case of office personnel. The written grievance shall detail the facts upon which the grievance is based and be dated and signed by the employee. After receiving the written grievance, the Assistant General Manager or Administrative Services Manager/Treasurer will promptly schedule a meeting to provide the employee an opportunity to present his problem personally. Within 5 working days after that meeting, or such longer period as is required under the circumstances to properly investigate the matter, the Supervisor will provide the employee a written response to his grievance.

Third Step - General Manager: If an employee is not satisfied with the decision at the second step of this procedure, he will have an additional ten (10) working days to request, in writing, an appointment for a personal interview with the General Manager who will discuss the problem with the employee and investigate the basis for the grievance. The General Manager will provide a written decision to the employee within 10 working days unless he determines that additional time is required under the circumstances. The decision at this step shall be final and conclusive for all parties.

Grievance Against General Manager- Board of Directors: A grievance in which the General Manager is a party may be submitted to the Board of Directors. The written grievance shall detail the facts upon which the grievance is based and be dated and signed by the employee. The grievance shall be submitted to the Board of Directors within fifteen (15)

working days of the occurrence of the event resulting in the grievance. The Board of Directors will investigate the grievance and may hold a formal or informal hearing at its discretion, unless waived by the employee. The Board of Directors shall submit its written decision within 10 working days thereafter. The decision of the Board of Directors is final and non-grievable.

Time lists, as set forth above, may be extended by mutual agreement between the parties.

Hearings/meetings under this procedure shall only be conducted by employees senior in grade to the aggrieved party.

Grievance Policy Exclusions:

This procedure is not to be used:

- for the purpose of resolving complaints, requests or changes in wages, hours and working conditions;
- to challenge the content of employee evaluations or performance reviews;
- to challenge a reclassification, layoff, denial or reinstatement, or denial of a step or merit increase;
- in cases of reduction in pay, demotion, suspensions (of more than three days) termination, or other discipline except as specified in Section 11.9(b).
- to challenge violation of law or past practice unless the contract expressly refers to same; and/or
- to challenge examinations or appointment to positions.

Section 11.8
Board Approved Revision Date
7/96
6/97
7/00
7/01
10/04
5/06
12/09
1/16

11.9 DISCIPLINARY ACTION/TERMINATION FOR CAUSE

It is FPUD'S intention to take a progressive approach to disciplinary matters to insure that actions which would interfere with operations or an employee's job are not continued. However, progressive discipline is not required depending on the severity of the employee's misconduct.

Violations of FPUD'S Personnel Regulations, violation of safety rules, violation of the criminal law, actions which are insubordinate, flagrantly careless and/or incompetent, or otherwise prejudicial to the best interests of the District, will be subject to disciplinary action and/or termination for cause.

(a) Disciplinary Actions Not Subject to Notice and Hearing Procedures:

The following progressive disciplinary actions may be taken by the employee's immediate Supervisor, to correct the performance of an employee that is not up to District standards, without a Notice being served or mailed to the employee. However, such actions may be reviewed in accordance with the grievance procedures of the District if requested by the employee:

- (1) Verbal counseling.
- (2) Written warning.
- (3) Suspension for up to 3 days without pay.
- (4) Reassignment.

(b) Disciplinary Actions Subject to Notice and Hearing Procedure:

The following disciplinary actions require written notice be given the employee. These actions are not necessarily progressive, but will be considered based on the severity of the incident(s) that violated District standards, rules, regulations or policies.

- (1) Suspension from duty for more than 3 days without pay.
- (2) Salary step reduction.
- (3) Demotion.
- (4) Termination from District employment.

NOTICE

The Notice of Disciplinary Action Subject to Notice and Hearing shall be signed by the direct supervisor or another District manager and thereafter shall be personally served or mailed by certified mail not less than ten (10) working days prior to proposed disciplinary action, and shall contain:

1. specific charges upon which action is based;
2. the reasons why such action is being taken;
3. copies of the materials upon which the action is based will be attached;
4. information essential to give the employee a fair opportunity to answer the charges made;
5. names, times, dates, places or numbers that may be pertinent to the charges;
6. a time and date for the filing by the employee of a written response and for presentment of any oral response, which date shall not be less than 5 working days after the notice is served or mailed, whichever occurs first.
7. late requests for an oral or written response must be for good cause and will be determined on a case by case basis, but in no event will exceed 15 calendar days from the date the Notice was personally served or mailed by certified mail.

The employee has the right to have the recommendation of disciplinary action and his or her response reviewed by the General Manager or his designee who shall determine whether the recommended action, or other disciplinary action, should be imposed.

EMPLOYEE RESPONSE

1. The employee shall have the right to respond, either orally or in writing, or both not later than the time and date provided in the notice.
2. The time for response may be extended by the General Manager or his designee for a reasonable period.
3. A written response shall be delivered to the General Manager or his designee.
4. If the employee desires to make an oral response directly to the General Manager or his designee, the employee shall give written notice to the General Manager or his designee of this request for oral response at least two working days before the time and date stated in the notice. Failure of the employee to give such notice shall constitute a waiver by the employee of any right to present an oral response.
5. The employee shall have the right to be represented by counsel at any stage of the proceedings or by a representative of Fallbrook Public Utility District Employees' Association (FPUDEA), or both, at his or her own expense. A request for FPUDEA representation is a matter between the employee and FPUDEA.
6. If the employee desires to have any other available employees present at the time of the oral response in order to present evidence or to examine witnesses, the employee shall file a written request with the General Manager, at least two working days before the time scheduled for the oral response.
7. The District will make reasonable efforts to make available the requested witnesses if they are regular employees. The employee must make their own arrangements for the attendance of other witnesses. However, witnesses' participation in any stage of the proceedings is voluntary. The District will not pay for any witness. Witnesses that are regular employees will receive their normal hourly wage if participating during their normal working hours.
8. The General Manager or his designee may continue the matter for a reasonable period.

9. The employee shall be placed in a paid leave status pending determination. In the event the employee fails to respond as provided above, the General Manager or his designee shall provide a written determination letter to the employee.

DETERMINATION

Within 5 working days of the Response, or in the event of no response, the General Manager or his designee shall inform the employee, in writing, of the decision regarding discipline. This time can be extended for good cause. In the event of termination, all pay shall cease on the date and time provided in the Notice of Determination, but not earlier than the Notice itself.

APPEAL

Note: A no-cost State mediation step is available at the discretion of either party during the appeal process.

1. If the employee or former employee is dissatisfied with the decision made by the General Manager or his designee, he may appeal in writing, to the Board of Directors. This written notice of appeal shall be filed with the Secretary of the District no later than fifteen calendar days after the date of personal service or mailing of the notice of the General Manager's or his designee's decision, whichever is earlier.
2. The Secretary shall schedule a hearing within thirty calendar days of the date of filing of the notice of appeal, and the Secretary shall notify the employee of the time and date fixed for the hearing. This time can be extended for good cause.
3. Upon conclusion of the hearing, the Board of Directors shall review all the information and inform the employee, in writing, of their determination within 5 working days after the hearing. This time can be extended for good cause. The Board of Directors has the power to reinstate a discharged employee and/or to impose less severe discipline on the employee. The decision of the Board of Directors is final and non-grievable.

POST-HEARING PROCEDURE

The provisions of California Code of Civil Procedure Section 1094.6 shall apply to the final determination by the Board of Directions.

Section 11.9
Board Approved Revision Date
11/92
1/93
11/94
7/96
7/01
10/04
12/09

11.10 UNLAWFUL DISCRIMINATION AND HARASSMENT

11.10.1 Purpose

The Fallbrook Public Utility District (“District”) has a strong commitment to prohibiting and preventing discrimination, harassment, and retaliation in the workplace. The District has zero tolerance for any conduct that violates this Policy. Conduct need not rise to the level of a violation of state or federal law to violate this Policy. Instead, a single act can violate this Policy and provide grounds for discipline or other appropriate sanctions. This Policy establishes a complaint procedure for investigating and resolving internal complaints of discrimination, harassment, and retaliation. The District encourages all covered individuals to report any conduct they believe violates this Policy as soon as possible.

The District prohibits any retaliation against an employee because they filed or supported a complaint or because they participated in the complaint resolution process. Individuals found to have retaliated in violation of this Policy will be subject to appropriate sanctions or disciplinary action, up to and including termination.

11.10.2 Employment Decisions and Practices

The District affords equal employment opportunity for all qualified employees and applicants as to all terms of employment including compensation, hiring, training, dismissal, promotion, transfer, layoff, recall, and discipline. The District prohibits discrimination against employees or applicants for employment on the basis of race, color, religious creed, sex, national origin, age (40 and over), physical or mental disability, medical condition, marital status, sexual orientation, genetic information, gender, gender identity, gender expression, military and veteran status, or any other basis protected by law.

Employees, volunteers, or applicants who believe they have experienced any form of employment discrimination or abusive conduct are encouraged to report the conduct immediately by using the complaint procedures provided in this Policy, or by contacting the U.S. Equal Employment Opportunity Commission, or the California Department of Fair Employment and Housing.

Absent undue hardship or direct threats to the health and safety of employee(s), the District provides employment-related reasonable accommodations to:

- a. Qualified individuals, applicants and employees, with disabilities to enable them to perform essential job functions;
- b. Employees with conditions related to pregnancy, childbirth, or a related medical condition, if so requested, and with the advice of a health care provider;
- c. Employee victims of domestic violence, sexual assault, or stalking to promote the safety of the employee victim while at work; and
- d. Employees who request reasonable accommodation to address a conflict between religious belief or observance and any employment requirement.

11.10.3 Protected Classification

The District strictly prohibits discrimination, harassment, or retaliation because of an individual’s protected classification. “Protected classification” includes sex, race, religious

creed, color, age (over forty), national origin, ancestry, marital status, medical condition, genetic information, sexual orientation, gender, gender identity, gender expression, physical or mental disability, military and veteran status, or any other basis protected by law.

This Policy prohibits discrimination, harassment, and retaliation because: 1) of an individual's protected classification; 2) the perception that an individual is in a protected classification; or 3) the individual associates with a person who has or is perceived to be in a protected classification. Such harassment by employees and non-employees is not only unlawful, but it may result in high turnover, absenteeism, low morale and productivity, and an uncomfortable work environment.

11.10.4 Covered Individuals

- a. This policy applies to all terms and conditions of employment, internships, and volunteer opportunities, including, but not limited to, recruitment, testing, selection, hiring, placement, promotion/demotion, disciplinary action, transfer, layoff, recall, leave of absence, compensation, termination, rates of pay, benefits and selection for training.
- b. This policy applies to all applicants, employees regardless of rank or title, elected and appointed officials, interns, volunteers, and contractors.

11.10.5 Protected Activity

This Policy prohibits discrimination, harassment, or retaliation because of an individual's protected activity. Protected activity includes making a request for an accommodation for a disability; making a request for accommodation for religious beliefs; making a complaint under this Policy; opposing violations of this Policy; or participating in an investigation under this Policy.

11.10.6 Discrimination Defined

This Policy prohibits treating covered individuals differently and adversely because of the individual's protected classification, actual or perceived; because the individual associates with a person who is member of a protected classification, actual or perceived; or because the individual participates in a protected activity as defined in this Policy.

11.10.7 Harassment Defined

Harassment includes, but is not limited to, the following types of behavior taken because of a person's actual or perceived protected classification:

- a. Speech, such as epithets, derogatory comments or slurs, and propositioning on the basis of a protected classification.
- b. Physical acts, such as assault, impeding or blocking movement, offensive touching, or physical interference with normal work or movement. This includes, but is not limited to, pinching, grabbing, patting, or making explicit or implied job threats or promises in return for submission to physical acts.

- c. Visual acts, such as derogatory posters, cartoons, emails, pictures or drawings related to a protected classification.
- d. Unwanted sexual advances, requests for sexual favors and other acts of a sexual nature where:
 - 1) Submission to the offensive conduct is an explicit or implicit term or condition of employment;
 - 2) Submission to, or rejection of, the offensive conduct forms the basis for an employment decision affecting the employee; or
 - 3) The offensive conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creates an intimidating, hostile, or offensive working environment.

11.10.8 Guidelines for Identifying Harassment

Harassment includes any conduct that would be unwelcome or unwanted to an individual of the recipient's same protected classification. The following guidelines to determine if conduct is unwelcome or unwanted should be followed:

- a. It is no defense that the recipient "appears" to have consented to the conduct at issue by failing to protest about the conduct. A recipient may not protest for many legitimate reasons, including the need to avoid being insubordinate or to avoid being ostracized or subjected to retaliation.
- b. Simply because no one has complained about a joke, gesture, picture, physical contact, or comment does not mean that the conduct is welcome. Harassment can evolve over time. Small, isolated incidents might be tolerated up to a point. The fact that no one has yet complained does not preclude someone from complaining if the conduct is repeated in the future.
- c. Even visual, verbal, or physical conduct between two people who appear to welcome the conduct can constitute harassment of a third person who witnesses the conduct or learns about the conduct later. Conduct can constitute harassment even if it is not directed explicitly or specifically at a particular individual.
- d. Conduct can constitute harassment even if the individual has no intention to harass. Even well-intentioned conduct (e.g., gifts, over-attention, endearing nicknames, hugs) can violate this Policy if the conduct is directed at, or implicates a protected classification, and if an individual would find it offensive.

11.10.9 Retaliation Defined

Retaliation occurs when adverse conduct is taken against a covered individual because of the individual's protected activity as defined in this Policy. "Adverse conduct" may include but is not limited to: disciplinary action, counseling, taking sides because an individual has reported discrimination or harassment; spreading rumors about a complainant or about someone who supports or assists the complainant; shunning or avoiding an individual who reports discrimination or harassment; or making real or implied threats of intimidation to prevent or deter an individual from reporting discrimination or harassment.

11.10.10 Reporting and Complaint Procedure

A covered individual who believes he/she has been the subject of discrimination, harassment, or retaliation may make a complaint, orally or in writing, to **any** supervisor, manager, or department head, without regard to any chain of command, or to the Human Resources Manager.

Supervisors and managers who receive complaints or who observe or hear of discriminating, harassing, or retaliating conduct shall immediately inform the Human Resources Manager.

Upon receipt of a complaint, the Human Resources Manager will complete and/or delegate the following steps:

- a. Provide a copy of this Policy to the complainant, if he/she is not already aware of the Policy, and inform the complainant of the steps the District intends to take in response to the complaint.
- b. Authorize and supervise the investigation of the complaint and/or investigate the complaint. The investigation will usually include interviews with: 1) the complainant; 2) the accused; and 3) other persons who have relevant knowledge concerning the allegations in the complaint.
- c. Review the factual information gathered through the investigation to determine whether the alleged conduct violates the Policy giving consideration to all factual information, the totality of the circumstances, including the nature of the conduct, and the context in which the alleged incidents occurred.
- d. Report a summary of the determination as to whether this Policy has been violated to appropriate persons. If discipline or sanctions are imposed, the level of discipline or sanctions will not be communicated to the complainant.
- e. If conduct in violation of this Policy occurred, take or recommend to the appointing authority prompt and effective remedial action. The remedial action will be commensurate with the severity of the offense.
- f. Inform the complainant of the conclusion of the investigation.
- g. Take reasonable steps to protect the complainant from further harassment, discrimination, or retaliation.

If the Human Resources Manager is accused, or a witness to the events at issue, an individual with higher authority will complete and/or delegate the following steps. If the complaint is against the General Manager, the Human Resources Manager should route the complaint to the President of the Board of Directors.

11.10.11 Proactive Approach

The District takes a proactive approach to potential Policy violations and will conduct an investigation if a supervisory or management employee becomes aware that discrimination, harassment, or retaliation may be occurring, regardless of whether the recipient or third party reports a potential violation.

Every reported complaint of harassment will be investigated immediately, as confidentially as the fact gathering allows, thoroughly, objectively and completely. In addition, the District will not tolerate any form of retaliation against any employee for making a complaint or cooperating in the investigation of a complaint. Supervisors are responsible for ensuring employees under his/her supervision do not engage in retaliation against an employee for making a complaint, or for participating as a witness in an investigation. Reports of retaliation

can be made to a supervisor, manager, or the Human Resources Manager. Due to the serious nature of harassment, the District recognizes that false accusations can have serious consequences and therefore those who make false allegations may also be subject to disciplinary action.

11.10.12 Option to Report to Outside Administrative Agencies

An individual has the option to report discrimination, harassment, or retaliation to the U.S. Equal Employment Opportunity Commission (EEOC) or the California Department of Fair Employment and Housing (DFEH). These administrative agencies offer legal remedies and a complaint process. The nearest offices are listed on the Internet, in the government section of the telephone book, or employees can check the posters that are located on District bulletin boards for office locations and telephone numbers.

11.10.13 Confidentiality

The District will make every effort to assure the confidentiality of complaints made under this Policy to the greatest extent allowed by law; however, complete confidentiality cannot occur due to the need to investigate fully and the duty to take effective remedial action. The District prohibits an employee interviewed during the course of an investigation from attempting to influence any potential witness while the investigation is ongoing. An employee may discuss his/her interview with a designated representative. The District will not disclose a completed investigation report except as it deems necessary to support a disciplinary action, to take remedial action, to defend itself in adversarial proceedings, or to comply with the law or court order.

11.10.14 Responsibilities

Each non-manager or non-supervisor is responsible for:

- a. Treating all individuals in the workplace or on worksites with respect and consideration.
- b. Modeling behavior that conforms to this Policy.
- c. Participating in periodic training.
- d. Cooperating with the District's investigations pursuant to this Policy by responding fully and truthfully to all questions posed during the investigation.
- e. Taking no actions to influence any potential witness while the investigation is ongoing.
- f. Reporting any act he/she believes in good faith constitutes discrimination, harassment, or retaliation as defined in this Policy, to his/her immediate supervisor, manager, or the Human Resources Manager.

In addition to the responsibilities listed above, each manager and supervisor is responsible for:

- a. Immediately reporting potential violations of this Policy of which he/she becomes aware to the Human Resources Manager, regardless of whether a complaint has been submitted.
- b. Informing employees of this Policy.
- c. Taking all steps necessary to prevent discrimination, harassment, and retaliation from occurring, including monitoring the work environment and taking

- immediate appropriate action to stop potential violations, such as removing inappropriate pictures or correcting inappropriate language.
- d. Receiving complaints in a fair and serious manner, and documenting steps taken to resolve complaints.
 - e. Following up with those who have complained to ensure that the behavior has stopped and that there are no reprisals.
 - f. Informing those who complain of harassment, discrimination, or retaliation of his/her option to contact the EEOC or DFEH regarding alleged Policy violations.
 - g. Assisting, advising, or consulting with employees and the Human Resources Manager regarding this Policy.
 - h. Assisting in the investigation of complaints involving employee(s) in their departments and, when appropriate, if the complaint is substantiated, recommending appropriate corrective or disciplinary action in accordance with these Policies, up to and including termination.
 - i. Implementing appropriate disciplinary and remedial actions.
 - j. Participating in periodic training and scheduling employees for training.

11.10.15 Discipline

Individuals found to have violated this Policy will be subject to appropriate sanction or disciplinary action, up to and including termination. With regard to acts of harassment by customers or vendors, corrective action within the reasonable control of the District will be taken after consultation with the appropriate management personnel.

11.10.16 Employee Acceptance of Policies

All employees are required to read and request necessary clarification of this Policy. Each employee is required to sign a statement of receipt acknowledging that: a) he/she has received a copy or has received access to this Policy; and b) understands that he/she is responsible to read and become familiar with the contents and any revisions to this Policy. Employees with questions concerning this Policy, should contact the Human Resources Manager.

11.10.17 Training Directive

Pursuant to AB 2053, all supervisory employees will receive, at least every two years, a minimum of two hours of interactive training and education regarding the prevention of sexual harassment and abusive conduct in the workplace. The training and education shall include information and practical guidance regarding the federal and state statutory provisions concerning the prohibition against and the prevention and correction of sexual harassment and the remedies available to victims of sexual harassment in employment. The training and education shall also include practical examples aimed at instructing supervisors in the prevention of discrimination, harassment, and retaliation, and shall be presented by trainers or educators with knowledge and expertise in the prevention of discrimination, harassment, and retaliation.

The General Manager or his/her designee will send written notification of the mandatory training to all District supervisory employees. Each participant is responsible for knowing the contents of this Policy and for using the information learned at mandatory trainings to provide periodic training to employees at safety meetings. Training will include the issue of harassment by a person providing services pursuant to a contract against district employees.

Employees whose job responsibilities include investigating complaints of discrimination,

harassment, and retaliation will attend training seminars conducted by experienced educators and/or investigators to learn about discrimination, harassment, and retaliation in the workplace, investigation techniques, and prevention strategies.

Section 11.10
Board Approved Revision Date
1/93
11/94
11/95
7/96
4/97
2/99
3/01
3/02
11/03
6/04
6/05
5/06
9/13
12/14, 11/15, 10/18

11.11 EMPLOYEES RIGHTS

(a) Regular employees of the District shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations including but not limited to wages, hours, and other terms and conditions of employment. Subject to Section (b) below, employees of the District also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District. However, this right shall not be construed to require the District to meet and confer with any individual whose position is within a recognized bargaining unit. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against because of his exercise of these rights, by the District, any employee thereof, or any employee organization.

(b) Nothing herein shall be deemed to preclude an agency shop agreement or arrangement as permitted by Government Code Section 3502.5.

(c) Dues and Agency Shop Fee Deductions

AGENCY SHOP

The District shall deduct the payment of dues or agency fees to a recognized employee organization as required by an agency shop arrangement between the recognized employee organization and the public employer.

NON-AGENCY SHOP ARRANGEMENTS

Only a formally and exclusively recognized employee organization may be granted permission by the District to have the regular dues of its members deducted from their paychecks in accordance with procedures prescribed by the District. Association dues and other payroll deductions, as may be properly requested and lawfully permitted, shall be deducted by the District from the salary of each employee who files with Human Resources a voluntary written authorization requesting that such deduction be made. Upon receipt of a signed authorization from an employee in the form set forth below, the regular monthly dues of the Association shall be deducted from such employee's pay. The Association shall notify Human Resources, with at least two weeks' notice, of the amount of dues to be deducted. Deductions will be made every pay period and shall be remitted promptly to the Association.

The form shall read as follows: "I hereby authorize the District to deduct from my earnings, the regular monthly dues in the amount directed by the (name of formally recognized employee organization) and further authorize the remittance of such amount(s) to said Association in accordance with the currently effective agreement between the District and said Association.

I hereby waive all right and claim for monies so deducted and transmitted in accordance with this authorization and, further and separately, relive the District and the Association and all their officers, representatives or agents from liability thereof."

All employee associations who received dues or agency shop fees pursuant to this section shall indemnify the District and hold it harmless against any and all claims that may arise out of, or by reason of, any action taken by the District for the purpose of complying with the provisions of the this section.

The references herein to agency shop fees shall apply only if an agency shop agreement or arrangement has been established between the District and an exclusively recognized employee organization pursuant to Government Code Section 3502.5.

(d) Release of Employee Information: No employee information, other than verification of employment, dates of employment, and classification will be given out without advance written consent of the employee. These release forms are available through Human Resources.

Section 11.11
Board Approved Revision Date
7/96, 7/01 10/04, 12/09

11.12 HOURS OF WORK

(a) The District implemented a 9 day 80 hour work schedule on July 31, 1992. Under this schedule, in any two week pay period, assigned personnel shall work eight (8) weekdays (Monday, Tuesday, Wednesday, Thursday) for nine (9) hours, and one (1) day (Friday) for eight (8) hours with alternate Friday off. The 9/80 work schedule has two alternating teams, "blue" and "gold." Supervisors will assign the employee to the team. Some classifications may not be eligible for the 9/80 work schedule as determined by the supervisor and approved by the General Manager. Accommodations will be considered by the General Manager for employees who prefer not to work the 9/80 schedule. All team changes will be approved by the General Manager.

(b) In the office, a Customer Service Representative will open the phones at 8:00 a.m. The office will open at 8 a.m. and the office and phones will close at 5 p.m. The office normally shall be closed on Saturday, Sunday and Holidays.

(c) In the field, the daily work periods shall be determined by the Assistant General Manager to conform to the work periods by contractors or other conditions which arise.

(d) Work in excess of forty hours per work week may be permitted only upon the prior approval of the General Manager or his representative. For work in excess of 40 hours per work week, eligible employees will be paid at one and one-half times their regular hourly rate. The hourly rate is determined by dividing the annual salary by 2080. Vacation time, comp time and sick leave shall be included as time worked for the purpose of calculating overtime pay. The General Manager has the discretion to reinstate vacation, comp time and sick leave not being counted as hours worked for the purpose of calculating overtime pay at any time during this contract if it is his opinion that the revised policy is being abused. Compensatory time may be taken in lieu of overtime pay at the rate 1-1/2 hours off for each 1 hour of overtime worked. The selection of comp time in lieu of overtime pay will be by the employee, but the scheduling of comp time will be with management's approval and no more than 40 hours can be accrued. Overtime monies will be paid for all overtime hours in excess of 40 hours. All employees terminating their employment with the District shall be granted terminal leave pay for that amount of time accrued to their compensatory time account. The exempt positions, as authorized in Article 11.3 (a), are not eligible for overtime compensation.

(e) All employees are expected to report for work promptly in accordance with their Supervisor's instructions; these instructions may include reporting directly to a field project work site. If they are unable to do so, they will notify their immediate Supervisor during the time frame the Supervisor has given. If unable to reach their immediate Supervisor, they will call the District Office and indicate when they will report for work and the reasons for their delay.

(f) From time to time, emergencies arise that require work outside of normal working hours. Employees are expected to comply with such requests when directed to do so by their immediate Supervisor, the Assistant General Manager, or the Duty Standby person.

Rotation of overtime assignments among employees will be accomplished as much as possible by District Supervisors.

(g) Any employee other than employees "On-Call" required to work on a District observed holiday shall receive time and one-half for all hours worked in addition to regular holiday credit.

(h) Any employee contacted after hours by a supervisor or designated standby employee to assist in emergency repairs on a District observed holiday shall be paid a minimum of two hours of double time.

(i) Employees "On-Call" who are called to work on a District observed holiday shall be paid double time.

(j) Any employee, contacted after hours by a supervisor or designated standby employee to assist in emergency repairs shall receive a minimum of three hours pay at time and one-half.

(k) Any employee will be paid at a rate of double their regular rate of pay for all authorized hours worked in excess of twelve hours per day or in excess of eight hours on the seventh straight day in any given week.

(l) On-Call means that time an off duty employee is required to be available for receiving telephone or other messages. When an employee is called to physically report to duty, he will be compensated for a minimum of two hours in addition to the daily amount of \$35 or \$50 for Saturdays, Sundays and District Holidays. Overtime rate of pay for an employee on "On-Call Time" will be 1-1/2 times the regular hourly wage, after adding the daily rate to the hourly rate. On-Call and/or Standby Agreements are contained in Appendix C of the Personnel Regulations and more specifically explain the requirements of serving On-Call or Standby.

(m) On-Call employees who have the ability to make necessary operational or maintenance changes from a remote location by telephone or computer shall first attempt to resolve the problem from the remote location. Incidents lasting less than fifteen (15) minutes prior to 9 p.m. and after 6 a.m. are covered by the daily On-call amount of \$35 or \$50 for Saturdays, Sundays and District Holidays. Incidents lasting fifteen (15) minutes or more shall be eligible for a minimum of thirty (30) minutes or the actual length of the incident of overtime pay for each response. Time paid shall not exceed 60 minutes in any 60 minute period. If the On-Call employee cannot resolve the problem and is required to physically respond, only the two hour minimum of overtime pay per incident will apply. Each contact and response is considered one incident, i.e. the On-Call employee may be contacted by telephone and solve the problem by verbal response or via a computer.

(n) Non-exempt employees who are not On-Call that are contacted by On-Call personnel by telephone for assistance shall prior to 9 p.m. and after 6 a.m. be eligible for a minimum of fifteen (15) minutes or the actual length of the telephone call of overtime pay for each response. Non-exempt employees who are not On-Call that are contacted by On-Call personnel by telephone for assistance after 9 p.m. and before 6 a.m. shall be eligible for a

minimum of thirty (30) minutes or the actual length of the telephone call of overtime pay for each response. Time paid shall not exceed 60 minutes in any 60 minute period. If the employee who is not On-Call is required to physically respond, there will be no compensation for the telephone call and regular call-out overtime rules shall apply.

(o) If an employee has to work between the hours of 10 p.m. and 7 a.m. for a minimum of three hours, the next day the employee will receive one hour of paid "rest leave" for each of those hours worked, providing the next day is a regularly scheduled work day.

- Employees working until their regular start time will continue working and leave work early by the amount of hours worked during the time period of 10 p.m. and 7 a.m. (having had worked a minimum of three hours).
- Employees that complete their work prior to 6 a.m. will report to work later than their regular start time by the amount of hours worked during the time period of 10 p.m. and 7 a.m. (having had worked a minimum of three hours.)

Examples:

- *An employee begins work at 10 p.m. and finishes work at 2 a.m. The employee would receive four hours of paid "rest leave" the next day, providing the next day is a regularly scheduled workday. (10 p.m. to 2 a.m. = 4 hours) Employee would report at 11 a.m. if their regularly scheduled start time is 7 a.m.*
- *An employee begins work at 1 a.m. and finishes work at 2:30 a.m. The employee would not receive any paid "rest leave" because they did not work a minimum of three hours. (1 a.m. to 2:30 a.m. = 1.5 hours)*
- *An employee begins work at 3 a.m. and finishes work at 7 a.m. The employee would receive four hours of paid "rest leave" the next day, providing the next day is a regularly scheduled workday. The employee would continue to work and leave work four hours earlier than their regular quitting time(3 a.m. to 7 a.m. = 4 hours)*

Assuming a start time of 7 a.m., if an employee works continuously (including lunch, dinner and breaks) from the start of their regular workday until 10 p.m., every hour worked past 10 p.m. will result in one hour of paid "rest leave" the following day, providing the next day is a regularly scheduled workday. The specific hours of the "rest leave" will be scheduled by the supervisor.

"Rest leave" will not count as time worked for the purposes of calculating overtime

In the event of an unexpected catastrophic emergency or natural disaster, the General Manager may, by necessity, suspend or modify the use or means of "rest leave."

The federal regulations pertaining to commercial drivers' working hour limits shall take precedence over this policy for District personnel using a commercial license.

The federal regulations pertaining to commercial drivers' working hour limits shall take precedence over this policy for District personnel using a commercial license.

(p) The Assistant General Manager or his designee will determine the necessity of meal reimbursement costs when an employee is working outside of their normal scheduled hours, whether it is for scheduled overtime, extension of the normal work day or an emergency call-out. The District retains the right to provide meals in lieu of reimbursing employees for meals. The District will either reimburse employees or provide a meal after twelve continuous hours of work.

Section 11.12
Board Approved Revision Date
11/91, 1/93,7/96, 4/97,6/97, 4/98, 11/99, 7/00,7/01, 4/04 6/05, 5/06, 10/06, 2/08, 12/09, 7/11, 6/15, 1/16

11.13 WORKERS' COMPENSATION

Insurance coverage for job-related accidents, injuries or illness is provided by the Association of California Water Agencies/Joint Powers Insurance Agency. All employees are covered by this policy. An employee must notify his or her supervisor of any injury, accident and/or incident immediately, regardless of the severity. Please refer to the Injury and Illness Prevention Program for further information on reporting injuries, accidents and/or incidents.

The following practices and procedures pertain to personnel receiving workers' compensation:

(a) The salary of personnel on sick leave who also receive workers' compensation payments may be reduced by the amount of such payments and sick leave hours reimbursed to the employee's account. The hours of sick leave taken each pay period will be determined by dividing the employees normal hourly pay rate into the reduced amount paid by the District to the employee.

(b) Personnel receiving workers' compensation payments and having no accrued sick leave will be carried in a leave without pay status, except that,

(c) Personnel receiving workers' compensation and having no accrued sick leave may use any accrued vacation time in lieu of leave without pay. Payment for vacation time so used will not be reduced by the amount of the concurrent worker's compensation payments and the actual number of vacation days used will be charged against the accrued vacation time.

(d) Please refer to Section 11.15 (e) "Leaves of Absence," Medical and Family Care Leave for information on concurrent FMLA/CRFA leave.

(e) Personnel returning to work following an injury or illness will present a medical certificate stating their physical capability to resume the essential functions of their position. Personnel presenting a conditional certificate may be returned to work at the discretion of the General Manager.

Section 11.13
Board Approved Revision Date
1/93
12/96
4/98
7/00
7/01

11.14 HOLIDAYS

- (a) The following holidays will be observed:

New Years Day - January 1
Martin Luther King, Jr. Day - 3rd Monday in January
Presidents' Birthday - 3rd Monday in February
Memorial Day - Last Monday in May
Independence Day - July 4
Labor Day - First Monday in September
Veterans Day - November 11
Thanksgiving Day - Friday and Thanksgiving
Christmas Eve - December 24
Christmas Day - December 25
New Year's Eve Day - December 31

(b) If any of the above holidays fall on Sunday, the following Monday will be observed. If the holiday falls on Saturday, the preceding Friday will be observed. When December 24 occurs on a Sunday, or December 25 on a Saturday, the two holidays will be observed on Friday and Monday.

(c) An employee whose normal work day is the day scheduled to be observed as a holiday shall be paid for his normal hours for that day at the straight hourly rate of pay. (i.e. Monday through Thursday, 9 hours; alternate Fridays, 8 hours.) When a holiday falls on an employee's alternate Friday off, the holiday will be observed on the following Monday.

(d) Temporary employees will not be granted holidays with pay.

(e) The General Manger, at his discretion, may declare a special District holiday if the Governor has taken such action at the State level.

(f) Holidays will not be paid during leave without pay status unless employee is in a paid status the day before or the day after the holiday. If any holidays fall during an employee's disciplinary suspension, no holidays will be paid regardless of pay status the day before or the day after the holiday.

(g) Plant Operators and Systems Operators required to work shifts without regard for holidays will be paid "holiday pay" for the number of hours they would normally work on the day the holiday falls. In addition, Plant Operators and System Operators who work on a holiday will be paid time and one-half pay for all hours worked on every holiday. Plant Operators and System Operators may be granted a holiday on a regularly scheduled work day at the discretion of the Assistant General Manager. Plant Operators and System Operators so granted a holiday will only be paid holiday hours in the amount of their regularly scheduled work hours.

Section 11.14
Board Approved Revision Date
1/93
7/96
9/97
7/00
6/05
1/10
2/12, 6/15, 1/16

11.15 LEAVES OF ABSENCE

(a) Vacations: The General Manager or his authorized representative shall set the period of time for vacation leave. Each regular and probationary employee will accrue vacation leave as follows:

(1) VACATION ACCRUAL

- 1 to 5 years = 4.00 hours per pay period
- 6 to 10 years = 4.62 hours per pay period effective on 5th anniversary
- 10 to 15 years = 6.15 hours per pay period effective on 10th anniversary
- 16+ years = accrual of 7.69 hours per pay period effective on 15th anniversary
- 20+ years = 8.00 hours per pay period effective on the 20th anniversary
- Maximum accrual: 248 hours
- Any unpaid leave during the pay period will reduce the accrual rate accordingly.

(2) Maximum accrual is 248 hours. On December 31 of each year, all accruals exceeding the maximum of 248 hours would stop accruing until vacation leave was used and total accrual fell below 248 hours.

(3) When circumstances created by the District are beyond the control of the employee and make it impossible for him to take allotted vacations as prescribed under Article 11.15(a). (1)-(2) above, the period for accumulating leave shall be extended upon the approval of the General Manager. In no case shall the employee be deprived of any earned vacation.

(4) All employees terminating their employment with the District shall be granted terminal leave pay for that amount of time accrued to their vacation account.

(5) When circumstances created by the District are beyond the control of the employee and make it impossible for him to take allotted vacations as prescribed under Article 11.15(a). (1)-(2) above, the period for accumulating leave shall be extended upon the approval of the General Manager. In no case shall the employee be deprived of any earned vacation.

(6) Employees may elect to cash-out vacation hours that will accrue in the next calendar year, subject to the following requirements:

- A minimum of 40 hours must be elected.
- An election period will be held each year in December, during which time you will have the opportunity to make an irrevocable election to cash-out vacation hours that will accrue in the following calendar year.

- The cash out of vacation time is made after all the elected time has accrued-each December 31st of every calendar year.
 - The irrevocable request may not exceed one year's vacation accrual.
 - Employee must have taken at least 10 days (80 hours) of vacation leave and/or comp time within the previous calendar year.
 - Employee must maintain a minimum balance of 80 hours of accrued vacation.
 - A request to cash out accrued vacation due to reasons of hardship may be made at any time. The hardship request must be approved by the General Manager and is subject to the unforeseeable emergency definitions of the IRS Code (Title 26, Section 1).
- (7) Exempt employees may elect to cash-out vacation hours that will accrue in the next calendar year, subject to the following requirements:
- A minimum of 40 hours must be elected.
 - An election period will be held each year in December, during which time you will have the opportunity to make an irrevocable election to cash-out vacation hours that will accrue in the following calendar year.
 - The cash out of vacation time is made after all the elected time has accrued-each December 31st of every calendar year.
 - The irrevocable request may not exceed one year's vacation accrual.
 - Employee must have taken at least 10 days (80 hours) of vacation and/or executive leave within the previous calendar year.
 - Employee must maintain a minimum balance of 100 hours of accrued vacation and/or executive leave.
 - A request to cash out accrued vacation due to reasons of hardship may be made at any time. The hardship request must be approved by the General Manager and is subject to the unforeseeable emergency definitions of the IRS Code (Title 26, Section 1)
 - Executive leave stops accruing when an employee has a balance of over 120 hours at any time.
- (8) Any planned leave (vacation or comp time off) must be requested with as much notice as possible. Supervisors will grant requests based on the needs of the District.

(b) Sick Leave: Regular and probationary employees will accrue 3.69 hours per pay period of sick leave Any unpaid leave during the pay period will reduce the accrual rate accordingly. In the event the employee is out for a period in excess of available sick leave, he will then use his accrued vacation time in lieu of sick leave. Sick leave may be used to care for an ill or disabled member of the immediate family (spouse, mother, father, brother, sister, son, daughter, step-mother, step-father, step-son, step-daughter, grandchild, grandparent, mother or father-in-law, other person in custody where employee has or had guardianship or other person who had guardianship of employee or domestic partner or the child(ren) of a domestic partner {as defined by the State of California}).

Temporary District employees will accrue sick leave in accordance with AB 1522 and any subsequent revisions to that assembly bill.

- (1) There is no limit to sick leave accrual.
- (2) Any abuse of sick leave, in the judgment of the Management, is subject to discipline, up to and including, termination.
- (3) Three or more consecutive days off may require a doctor's note to return to work. Personnel returning to work following an extended absence of five days or more due to surgery or a non-work related injury or illness, will present a medical certificate stating their physical capability to resume the duties of their position. Personnel presenting a conditional certificate may be returned to work at the discretion of the General Manager.
- (4) Reimbursement will be made for 50% of unused sick leave upon termination of employment, not to exceed payment for 600 hours.

(c) Bereavement Leave: Regular employees will be allowed three days paid leave in event of a death in the immediate blood or married family (spouse, mother, father, brother, sister, son, daughter, step-mother, step-father, step-son, step-daughter, grandchild, grandparent, mother or father-in-law, domestic partner, or other person in custody where employee has or had guardianship or other person who had guardianship of employee.)

(d) Leave Without Pay: Emergency leave without pay may be granted by the General Manager and shall not exceed a period of sixty calendar days unless the eligibility requirements of section (e) or (f) below are met. Accrued sick leave, if applicable, and accrued vacation leave will be used before entering into a "Leave Without Pay" status. Sick leave and vacation leave will not accrue while an employee is on leave without pay. After 30 days of continuous leave without pay, the employee will reimburse the District for medical, dental, vision, EAP, life and LTD benefits at the group rate (if the eligibility requirements of section (e and f) below are not met). Leave Without Pay is not an option if the Family Care Leave maximum (section (e and f) below) has been expended within the same 12 month period.

(e) Medical and Family Care Leave: Employees who have been employed with the District for at least 12 months, and have at least 1,250 hours of service, may request a family or medical leave of absence to care for: (1) a newborn child, (2) an adopted child, (3) a seriously ill child, (4) a parent, spouse or domestic partner who has a serious health condition, (5) the placement of a child for foster care, (6) himself or herself due to a serious health condition, including pregnancy, miscarriage, childbirth and recovery there from, that makes the employee unable to perform the essential functions of the position, (7) any qualifying exigency arising out of the fact that the spouse or domestic partner, son, daughter, or parent of the employee is on, or has been notified of an impending call to, covered active duty; or (8) to care for a spouse or domestic partner, son, daughter, parent, or next of kin, who is a covered veteran with a serious injury or illness undergoing medical treatment, recuperation, or therapy for a serious injury or incurred in the line of active duty. The 12-month period shall be fixed and renewed from January

1 to December 31, with the exception for military caregiver leave where 12-month period begins on the first day of leave. The District shall provide written notice to the employee within five business days (absent extenuating circumstances) that the leave period is designated as medical and/or family care leave under this policy.

Family Care leaves of absence are provided on an unpaid basis (if the employee does not have accrued leave) and may not exceed 12 working weeks in a 12 month period, except in the case when an eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty is entitled to up to 26 weeks of leave in a single 12 month period to care for the service member. Combinations of all family leave cannot exceed 26 weeks in the 12 month period for such employees. Employees must use either accrued vacation, sick leave, or comp time during this period. Medical and/or family care leave time runs nonetheless.

Leave may be taken intermittently or on a reduced work schedule when medically necessary and upon reasonable notice to the District. The District may require the employee to transfer temporarily to an available alternative position for which the employee is qualified and that has equivalent pay and benefits and better accommodates recurring periods of leave than the regular employment position of the employee.

The District will continue to pay the health insurance premiums (medical, dental, vision and EAP) during the leave (maximum of 12 weeks in a 12 month period except as noted above for a military care giver [up to 26 weeks in a 12 month period]) but the employee is responsible for the co-pay amounts. However, if an employee does not have, or has exhausted, accrued vacation or sick leave (as previously stated), it is the responsibility of the employee to pay any group life and long-term disability insurance premiums which are normally paid by the District. Arrangements should be made by the employee to assure that such coverage does not lapse.

A request for family care leave must be made with reasonable advance notice to the District, and at least 30 days in advance when the need for leave is foreseeable. If 30 days is not practicable, notice must be given as soon as practicable under the circumstances. The District retains the right to request employees who do not give 30 days' notice of unforeseeable leave to provide an explanation as to why it was not practicable to give the full 30 day notice. If the need for the leave is due to planned medical treatment or supervision, the employee must make a reasonable effort to schedule the treatment or supervision to avoid disruption of his/her department and/or the District.

If in any case both parents are employees of the District and entitled to leave in connection with the birth, adoption or foster care of a child, the parents are limited to Family Care Leave of 12 weeks total in a 12 month period for both.

If an employee requests a leave of absence under this section, the request must be made in writing and should be accompanied by a District-approved certification form issued by the health care provider of the individual requiring the care (within five business days after the employee requests the leave), or in the case of unforeseen leave, within five business days after the leave commences. The employee must provide the requested certification to the employer within 15 calendar days after the employer's request for certification, unless it is not practicable under the particular circumstances to do so despite the employee's diligent, good faith efforts to do so. At a minimum, the certification should include the following:

- (1) The date on which the serious health condition commenced;
- (2) The probable duration of the condition;
- (3) An estimate of the amount of time that the health care provider believes the employee needs to care for the child, parent, spouse or domestic partner;

- (4) A statement that the serious health condition warrants the participation of a family member to provide care during a period of treatment or supervision of the child, parent, spouse or domestic partner;
- (5) If appropriate, a statement that the employee is unable to perform the functions of the position due to a serious health condition;
- (6) If appropriate and the request is for intermittent leave or leave on a reduced leave schedule for planned medical treatments, the date and duration of the required treatments.

If additional leave is required beyond the initial estimated duration and within the appropriate limitation, the employee must obtain recertification from the health care provider which contains the same information listed above.

The District retains the right for the General Manager or the Human Resources Manager to contact the employee's health care provider to clarify and authenticate a medical certification presented in connection with a FMLA leave request.

The District will provide a written notice of any deficiencies in the certification by stating what additional information is necessary and give the employee seven days to supplement the certification.

The District retains the right to request a new medical certification each leave year for medical conditions that last longer than a single leave year.

The District retains the right to request recertification for ongoing conditions at least every six months in conjunction with an absence, and more frequently in some cases.

The District retains the right to request a second or third medical opinion, at its expense, when the District has reason to doubt the validity of a medical certification.

If an employee satisfies all the conditions of this section and returns to work immediately following the expiration of an approved family care leave, the District will reinstate the employee to his/her original job or a position of like status and pay without loss of seniority. For employees whose FMLA leave was due to the employee's own serious health condition that made the employee unable to perform the employee's job, a fitness-for duty certification is required to prove that the returning employee can perform the essential functions of their job. Where reasonable job safety concerns exist, up to once every 30 days, the District retains the right to request a fitness-for-duty certification before allowing an employee to return to work from intermittent leave. If an employee fails to report to work immediately after the approved leave expires or if a leave is obtained based on false representations regarding the need for a family care leave, the employee will be considered to be in an unauthorized absence status and may be subject to disciplinary action. In addition, should an employee fail to return from the approved family care leave for any reason other than a continuation of the serious medical condition, or other circumstances beyond the employee's control, the employee will be liable for all health insurance premiums paid on his or her behalf by the District. If an employee's need for leave has ceased before the end of the approved term of leave, the District shall return the employee to work after reasonable notice from the employee-usually two business days after the notice and the aforementioned fitness-for-duty certification, is received.

As used in this section, the following definitions apply:

"Child" refers to a biological, adopted or foster child, a stepchild, a legal ward, a child of a person charged with a parent's rights, duties and responsibilities as to that child or the child of a domestic partner (as defined by the State of California). The child must either be under 18 years of age or an adult dependent child. For covered service members, child means a covered servicemember's biological, adopted, or foster child, stepchild, legal ward, or a

child for whom the covered servicemember stood in loco parentis, and who is of any age.

"Parent" refers to a biological, foster or adoptive parent, a stepparent or a legal guardian, or a person who stood in "loco parentis" to the employee when the employee was a child.

"Domestic partner" refers to an adult with whom the employee has registered as domestic partners with the Secretary of State of California pursuant to the California Family Code.

"Serious health condition" or "seriously ill" refers to an illness, injury, impairment or physical or mental condition which warrants the participation of a family member to provide care during a period of the treatment or supervision and involves either:

- (1) Inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of incapacity, or any subsequent treatment in connection with such inpatient care;
or
- (2) Continuing treatment by a health care provider, including any one or more of the following:
 - (i) A period of incapacity of more than three consecutive calendar days, any subsequent treatment or period of incapacity relating to the same condition that also involves:
 - (A) Treatment two or more times within 30 days of the period of initial incapacity, absent extenuating circumstances by a health care provider, by a nurse under direct supervision of a health care provider, or by a provider of health care services (e.g. physical therapist) under orders of, or on referral by, a health care provider; or
 - (B) Treatment by a health care provider on at least one occasion within seven days of the initial incapacity which results in a regimen of continuing treatment under the supervision of the health care provider.
 - (ii) Any period of incapacity due to pregnancy, or for prenatal care;
 - (iii) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:
 - (A) Requires periodic visits (at least two visits per year) for treatment by a health care provider;
 - (B) Continues over an extended

- period of time (including recurring episodes of a single underlying condition); and
- (C) May cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.)
- (iv) A period of incapacity which is permanent or long term due to a condition for which treatment may not be effective.
- (v) Any period of absence to receive multiple treatments (including any period of recovery therefrom) by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy, radiation, etc.), severe arthritis (physical therapy), kidney disease (dialysis).
- (vi) Common colds, flu, ear aches, upset stomachs, minor ulcers, headaches (other than migraines), and routine dental and orthodontia care, are not considered serious health conditions unless complications arise.

"Health care provider" means any state licensed physician, surgeon, osteopathic physician, osteopathic surgeon, or other health care provider authorized by the state or federal family care law or accepted by the District's group health plan, including podiatrists, dentists, nurse practitioners, and clinical social workers.

"Reduced leave schedule" means a leave schedule that reduces the employee's usual number of hours per workweek or work day.

"Intermittent Leave" is leave taken in separate blocks of time due to a single qualifying event. Employees approved for intermittent leave are obligated to make a reasonable effort to schedule treatment so that it will not unduly disrupt the District's operations.

"Serious injury or illness means"

- (1) In the case of a current member of the Armed Forces, including a member of the National Guard or Reserves, an injury or illness that was incurred by the covered servicemember in the line of duty on active duty in the Armed Forces or that existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty in the Armed Forces and that may render the servicemember medically unfit to perform the duties of the member's office, grade, rank, or rating; and
- (2) In the case of a covered veteran, an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces

(or existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty in the Armed Forces) and manifested itself before or after the member became a veteran, and is:

- (i) A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the servicemember unable to perform the duties of the servicemember's office, grade, rank, or rating; or
- (ii) A physical or mental condition for which the covered veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50% or greater, and such VASRD rating is based, in whole or in part, on the condition precipitating the need for military caregiver leave; or
- (iii) A physical or mental condition that substantially impairs the covered veteran's ability to secure or follow a substantially gainful occupation by reason of disability or disabilities related to military service, or would do so absent treatment; or
- (iv) An injury, including psychological injury, which is the basis on which the covered veteran has been enrolled in the Department of Veterans' Affairs Program of Comprehensive Assistance for Family Caregivers.

"Covered active duty or call to covered active duty status" means:

- (1) In the case of a member of the Regular Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and,
- (2) In the case of a member of the Reserve components of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a Federal call or order to active duty in support of a contingency operation.

"Covered servicemember" means:

- (1) A current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness, or
- (2) A covered veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

"Covered veteran" means an individual who was a member of the Armed Forces (including a member of the National Guard or Reserves), and was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran.

"Next of kin" means the nearest blood relative other than the covered servicemember's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the covered servicemember by court decree or statutory provisions, brothers and sisters, grandparents, aunts and uncles, and first cousins, unless the covered servicemember has specifically

designated in writing another blood relative as his or her nearest blood relative for purposes of military caregiver leave under the FMLA. When no such designation is made, and there are multiple family members with the same level of relationship to the covered servicemember, all such family members shall be considered the covered servicemember's next of kin and may take FMLA leave to provide care to the covered servicemember, either consecutively or simultaneously. When such designation has been made, the designated individual shall be deemed to be the covered servicemember's only next of kin.

(f) Pregnancy Disability Leave: An employee may request Pregnancy Disability Leave (PDL) under the California Pregnancy Disability Leave Law. This is separate and distinct from California Family Leave. An employee is entitled to four months of PDL in addition to her twelve weeks of State Family Leave. Federal Family Leave runs concurrently with either State Pregnancy Disability Leave or State Family Leave. The Notice provisions and Certification of both care providers of Medical and Family Care Leave apply.

When a health care provider has certified it is medically advisable for a pregnant employee to be transferred to a less strenuous and/or less hazardous position/duties for some period of time during the pregnancy, the employer must do so, so long as the transfer can be reasonably accommodated. To make this accommodation, the employer is not required to create added positions, transfer another employee with more seniority, promote or transfer any employee to a position he/she is not qualified to perform, discharge another employee, or violate the terms of a collective bargaining agreement. If you are taking a leave for the birth, adoption or foster care placement of a child, the basic minimum duration of the leave is two weeks and you must conclude the leave within one year of the birth or placement for adoption or foster care.

(g) Substance Abuse Rehabilitation: A regular employee may take up to 30 days accrued sick leave, vacation or authorized leave without pay, for rehabilitation purposes, upon District receipt of physician's certification.

(h) Miscellaneous Leave Procedures:

- (1) In computing the amount of leave time due any employee, holidays and vacation time shall be included as continuous service and the period of time to be granted to an employee shall be in addition to Saturdays, Sundays and Holidays within or at the beginning or end of such leave period.
- (2) Pay for vacation leave or sick leave shall be at the regular rate currently paid the employee at the time such leave is taken.
- (3) When an employee has worked without interruption for 3 months, this constitutes continuous employment, except when an employee shall have left the District for compulsory military service. Time spent in compulsory military service shall be counted as continuous employment for purposes of determining years of employment, but only after he has resumed work for the

District and has worked an additional 3 months.

(i) Military Training Leave: Personnel ordered to active duty for training purposes in the U.S. armed forces, will be paid the difference between their District salary and the basic pay received for active military duty for a maximum of 10 working days per year. Employees ordered to military service will receive the current Federal and State mandated benefits.

(j) Military Spouse Leave: An employee whose spouse is a qualified member of the Armed Forces, National Guard, or Reserves, may take up to 10 days of unpaid leave as outlined in Section 395.10 of the Military and Veterans Code. (Refer to section 11.15 (e) above for additional information regarding leave for eligible employees of a covered service member.)

(k) School Visitation: An employee may give reasonable notice to the District of planned absence to visit any child in a licensed day care center, kindergarten or grades 1 through 12, for up to forty (40) hours each year per child. The purpose is to visit the school of the child. The employee is required to use existing vacation or comp time for the time away from work and may not exceed (8) hours in any calendar month. The District may require documentation from the school as proof that he or she participated in school activities on a specific date and at a particular time.

(l) The District will abide by the current provisions of the Victims of Domestic Violence Employment Leave Act and the Unpaid Leave for Judicial Proceedings for Victims of Crime (SB 478). For information on the current provisions, please see Human Resources.

(m) Paid Family Leave (PFL) will be effective July 1, 2004. PFL provides a maximum of six weeks paid family leave benefits when an employee suffers a loss of salary to care for a child, spouse, parent or domestic partner who is ill, or to bond with a new child. The benefit is paid from the State Disability Insurance fund. There is no right to reinstatement after a PFL leave unless it is taken in conjunction with a valid Family and Medical Leave (see subsection [e] above). The District requires the use of two weeks of vacation before an employee is eligible to receive PFL benefits. Current information on PFL is available on the bulletin boards or by visiting www.edd.ca.gov.

(n) Management (exempt) employees will accrue five (eight hour) days of Executive Leave annually with a cap of 15 days (120 hours). Accrual would stop at 120 hours. Executive Leave accruals can be cashed out at 50% at termination or retirement. Upon retirement, up to 100% of Executive Leave may be left on account to pay for medical expenses until Medicare entitlement age. Please see Section 11.15 1.(a) (6) above for information regarding selling back unused Executive Leave.

Section 11.15
Board Approved Revision Date

11/91,11/94,4/95
7/96,12/96,4/97
1/98,4/98,7/00
7/01,3/02,01/04
10/04, 6/05, 1/06,
11/07, 3/08, 1/09,
12/09, 3/13, 10/13,
6/15, 11/15

11.16 PAYROLL PROCEDURE

(a) All time worked by employees shall be recorded daily on a standard weekly time sheet, and approved by their Supervisors. Time sheets are turned in to Human Resources who forwards them to Accounting.

(b) Payrolls shall be kept by two weeks periods ending on every other Friday. Pay checks will be issued on the following Wednesday.

(c) In the event a normal payday falls during an employee's vacation period, the employee may request his pay for that period in advance and be paid on his last day of work.

(d) An employee must submit written authorization in order to have his paycheck released to anyone other than himself. Authorization forms are available through Human Resources.

Section 11.16
Board Approved Revision Date
7/96
4/98
3/01
7/01

11.17 MEDICAL INSURANCE

(a) The District contracts for health insurance for personnel and their dependents. Coverage and benefits are explained in brochures provided by the insurer and are available from Human Resources.

(1) Effective July 1, 2015 employees will have the choice of medical plans provided through ACWA/JPIA with the following conditions:

(a) The basic plan is the Kaiser plus Chiropractic plan for the employee, employee + 1 and employee + family.

(i) The District will pay 100% of the Kaiser plus Chiropractic plan for employee, employee +1 and employee + family. The amount paid for each of those coverages will be known as the "threshold amounts."

(2) Any other medical offered through ACWA/JPIA will be known as a "premium plan."

(a) The District will pay the threshold amounts established by the cost of Kaiser plus Chiropractic plans (Employee, Employee + 1 and employee + family) toward the costs of any premium plan chosen by an employee.

(i) Employees who choose a premium plan will pay the difference between the threshold amount for the coverage they choose. The monthly cost difference will be multiplied by 12 (months) and divided by the number of paydays in that calendar year. The employee will reimburse the District through payroll deduction.

For the purpose of this benefit, full-time is defined as at least 24 work hours per work week.

(b) The District will provide retiree medical benefits through Medicare entitlement age. The District will pay for half (50%) of the medical plan for retired employee's monthly premium. The employee retiree will pay for the remaining half 50% balance of the monthly premium, including any additional costs for dependent coverage by transferring from the sick leave accrual the mandatory amount estimated by the District at retirement necessary to pay for 50% the balance of the employee's monthly premium and any additional costs for dependents covered at the time of retirement to a health reimbursement account or 100% of unused sick leave accrual, whichever is less. If the account is expended prior to the retiree's Medicare entitlement age, the retiree can pay the premiums personally, if the retiree so chooses, for continued coverage under the District's medical, vision and dental insurance plans until he/she is entitled to Medicare. If the retiree exhausts the health reimbursement account prior to reaching Medicare entitlement age, non-payment by the retiree of their portion will result in cancellation of the coverage and trigger a COBRA notification. See Section 11.22 RETIREMENT PROGRAMS for more information.

(c) "Opting Out" of medical plans. Employees who are able to show that they have medical coverage with another provider may opt out of a District plan and be paid \$250 per month (no distinction between employee, employee + 1 or employee + family).

Section 11.17
Board Approved Revision Date
11/94,7/96,7/01, 10/01,12/01,6/05, 10/05,6/07,12/09, 7/11, 6/15

11.18 DENTAL AND VISION INSURANCE

The District contracts for dental and vision insurance for personnel and their dependents. Coverage and benefits are explained in brochures provided by the insurers and are available from Human Resources. The District pays the premium for all full-time employees and their dependents. For the purpose of these benefits, full-time is defined as at least 24 work hours per work week.

Section 11.18
Board Approved Revision Date
11/91 7/96 7/01 10/01 10/05

11.19 LIFE INSURANCE AND AD&D

1. Employees are covered by a plan for Accidental Death & Dismemberment and for a life insurance benefit of two times their annual salary, up to a maximum benefit of \$300,000.
2. At age 65, but not age 70, the amount of insurance is 67% of the amount shown in 1 above.
3. At age 70 or more, the amount of the insurance will be 45% of the amount shown in 1 above.

Section 11.19
Board Approved Revision Date
11/91
7/95
6/05
10/05
12/12

11.20 LONG TERM DISABILITY INSURANCE

Employees are covered by a plan that provides 66.67% (or \$10,000 per month, whichever is less), of employee's salary to Social Security Normal Retirement Age in the event of a disabling accident or illness. Payment commences six (6) months after date of disability or illness. District pays the total cost of this coverage.

Section 11.20
Board Approved Revision Date
7/95
10/04
11/05
6/15

11.21 STATE DISABILITY INSURANCE & PAID FAMILY LEAVE (PFL)

Employees requested and were granted permission as a group to join State Disability Insurance (SDI), at their own expense. Participation is mandatory by all employees. Benefits begin on the eighth day of disability. The coordination of SDI or PFL payments with sick leave cannot exceed the employee's regular weekly wage. Coordinating SDI payments with vacation leave does not affect your benefits. The District requires that employees use two weeks of vacation prior to receiving PFL (see Section 11.15(m)).

The following practices and procedures pertain to personnel receiving SDI or PFL:

(a) Personnel applying for SDI or PFL benefits will be notified by Human Resources when their application is received from the Employment Development Department. Payment of sick or vacation leave benefits will then cease until the employee notifies Human Resources of either the denial of SDI or PFL benefits or their request for supplemental income through sick or vacation leave benefits (explanation below). It is the employee's responsibility to communicate with Human Resources to insure timely payment of sick or vacation leave benefits.

(b) Personnel receiving SDI or PFL benefits will be carried in a leave without pay status, except that,

(c) The salary of personnel receiving SDI or PFL benefits can be supplemented by use of sick leave, if applicable under District policy, or if sick leave is exhausted, vacation leave. In order to supplement SDI or PFL benefits with sick or vacation leave, the employee must request supplemental income through use of sick or vacation leave and submit copies of their SDI or PFL payment checks to Human Resources prior to release of any sick or vacation leave benefits. Human Resources has forms to request supplemental benefits and brochures that explain SDI and PFL benefits. The hours of sick leave used to coordinate benefits will be determined by deducting the SDI or PFL weekly benefit from the regular weekly wage and dividing the regular hourly wage into that sum. Those hours of sick leave will be deducted from the leave accounts and a check will be sent to the employee. Vacation leave is deducted, and paid, in daily increments only.

(d) Personnel returning to work following a disability leave will present a medical certificate stating their physical capability to resume the essential functions of their position. Personnel presenting a conditional certificate may be returned to work at the discretion of the General Manager.

Section 11.21
Board Approved Revision Date
7/96
10/98
2/00
7/01
10/04
6/09

11.22 RETIREMENT PROGRAMS

- (a) The District participates in a defined benefit retirement plan with the California Public Employees' Retirement System. The District's contribution rate is reevaluated every fiscal year. The retirement benefit plan is known as Local Miscellaneous 2.5% at 55 years of age, effective July 2, 2005. For the term of the current MOU (July 1, 2015 through June 30, 2018) the "classic" employees will pay 8%.
- (b) "New employees" hired on or after January 1, 2013 who are also "new members" will contribute 50% of the normal cost established by CalPERS pursuant to the Public Employees' Pension Reform Act (PEPRA) for the 2% at 62 years of age benefit formula.

Pursuant to the Public Employees' Pension Reform Act (PEPRA), a "new employee" hired as a regular, full-time employee after January 1, 2013, who is also a "new member" to CalPERS, as defined pursuant to PEPRA, is subject to the mandatory miscellaneous formula of 2% @62. Further, final compensation would be defined as the highest average annual final compensation during a consecutive 36 month period, subject to the cap set forth pursuant to PEPRA.

"New member," as defined pursuant to PEPRA, means: (1) an individual who has never been a member of any public retirement system prior to January 1, 2013; (2) an individual who was a member of any other public retirement system prior to January 1, 2013 but was not subject to reciprocity; or (3) an individual who was an active member in a retirement system who returns to active membership in that same system with a new employer after a more than six month break in service.

If a former PERS-eligible employee of the District has a break in service of more than six months but returns to service with the District, the former employee will not be considered a new member pursuant to PEPRA.

Further detailed information on all contracted options is available through Human Resources Manager.

© Since April 20, 1951, all employees of the District have been participants in the Federal Social Security Program. Payroll deductions are taken from each employee's pay and matching contributions are made by the District.

(d) All employees having 10 or more years of continuous service with the District, upon retirement after age 62, shall be granted an additional one month's pay.

(e) Employees retiring after age 50, with 10 or more years of continuous employment, will have the mandatory amount estimated by the District at retirement to be necessary to pay for 50% of the employee's monthly premium and any additional costs for dependent(s) covered at the time of retirement transferred to a health reimbursement account from their total accumulated sick leave with the District, for payment of medical, vision and dental insurance premiums until the total amount is expended, or the Medicare entitlement

age is reached. Should the amount be expended before Medicare entitlement age (for either not having enough on account at retirement to transfer the mandatory estimated amount or because the estimated costs until Medicare entitlement age were less than actual costs), the retiree can pay the premiums himself, if the retiree so chooses, for continued coverage under the District's medical, vision and dental insurance plans until the retiree is entitled to Medicare.

(f) The District will use current and/or future published premium rates to calculate the mandatory estimated amount transferred to the health reimbursement account, using a five percent accelerator for each subsequent premium year. (See the example following this section.)

(g) After the District estimates the mandatory contribution to the health reimbursement account referenced in 11.22 (e) above, employees also have the choice of:

(1) cashing-out half of their total accumulated sick leave accrual (up to a maximum of 600 hours or all of their remaining balance, whichever is less); and/or

(2) Converting half of the total accumulated sick leave accrual (up to a maximum of 600 hours or all of the remaining balance, whichever is less), to PERS service credit.

(h) The total of employee's choice(s) of sick leave balance option(s) in sections (g) 1) and/or (g) (2) above at retirement will not exceed half of the total accumulated sick leave accrual (up to a maximum of 600 hours or all of the remaining balance determined by the District in section (e) above, whichever is less.)

(i) Any sick leave balance remaining after (f) and (g) above will be transferred to the health reimbursement agreement.

(j) If the retiree exhausts the health reimbursement account prior to reaching Medicare entitlement age, non-payment by the retiree of their portion of the premium will result in cancellation of the coverage and trigger a COBRA notification.

(k) Any balance in the account when the retiree reaches Medicare entitlement age, or dies prior to reaching Medicare entitlement age, will be available to retiree's eligible dependent(s) until they reach Medicare entitlement age or COBRA rights are exhausted, whichever comes first, or, if there are no dependent(s), any unused balance shall be forfeited.

Example:

1. At retirement, the District will estimate the cost of benefits (medical, dental and vision) from retirement date until Medicare entitlement age (that is in effect at the time of retirement) for the employee and any dependent(s) currently enrolled.
2. The District will then estimate the cost of 50% of just the retiree's medical premium until Medicare entitlement age and deduct that from the total of #1 above.
3. The balance of #2 above will be deducted from the total amount of sick leave hours at retirement and deposited into a health reimbursement account at the District to pay for

retiree benefits for that retiree and any dependent(s) until the retired employee reaches Medicare entitlement or the account is depleted.

4. In addition, the employee can cash out 50% (up to 600 hours) of their total accumulated leave or all of the remaining balance, whichever is less, or the employee may choose to convert that time to PERS service credit.
5. Any sick leave balance remaining after (f) and (g) above will be transferred to the health reimbursement agreement.
6. If the amount in the health reimbursement account is depleted prior to the retiree reaching Medicare entitlement age, the retiree may pay the premium at the group rate until Medicare entitlement age is reached.

Employee retires at age 60 with 1400 hours of sick leave on the books. There are 60 months (5 calendar years) until the retiree is Medicare entitled:

1. Current Medical, Dental and Vision costs for Employee +1=	\$13,857.96		
+5% in 2008	\$14,550.86		
+5% in 2009	\$15,278.40		
+5% in 2010	\$16,042.32		
+5% in 2011	\$16,844.44		
	\$76,573.98	Estimated amt to Medicare	
2. Current 50% of Medical premium for employee=	\$2,756.16		
+5% in 2008	\$2,893.97		
+5% in 2009	\$3,038.67		
+5% in 2010	\$3,190.60		
+5% in 2011	\$3,350.13		
\$76,573.98 -	\$15,229.52	= \$61,344.45	Amt to HRA
3. 1400 Hours X \$45.00 Hrly Wage =	\$63,000.00		
-	\$61,344.45	Amt to HRA	
=	\$1,655.55	/ \$45.00 = 36.79	Hrs Remaining
4. 36.79 Hrs. Remaining X \$45.00 (see other options in #4 above)	\$1,655.55	Cash out taxable to retiree	Or to PERS svc credit
5. N/A 0 Balance			

Section 11.22
Board Approved Revision Date
1/93,7/96,7/00,7/01
10/04,6/05,4/06
6/07,12/09,7/11
2/13,4/13, 6/15, 11/15

11.23 JURY DUTY

(a) Personnel selected to serve as jurors will normally be excused from work as necessary to enable them to fulfill this civic responsibility. In the event it is determined that the absence of the person or persons concerned would result in undue interference with the District workloads or operations, the General Manager is authorized to request that personnel so selected be excused from serving as jurors. The same procedures will apply to personnel subpoenaed to appear in court.

(b) Personnel selected as jurors will continue in a full pay status. Any reimbursement received by them for duty as jurors, with the exception of travel or living expense compensation, will be refunded to the District.

(c) When summoned for jury duty, employees should immediately give their supervisor a copy of the jury duty summons so absences can be covered. Employees are expected to return to work within a reasonable time if excused from jury duty during regular working hours.

Section 11.23
Board Approved Revision Date
1/92 10/04

11.24 SAFETY PROGRAM

It is the policy of Fallbrook Public Utility District to avoid accidents and to insure that every employee is provided safe and healthful working conditions free from recognized hazards.

Every employee has an important place in the accident prevention program and is expected to cooperate fully in the measures taken for safety.

The employee has the obligation to notify his supervisor, either orally or in writing, of what he perceives to be unsafe conditions on the job.

The employee has a responsibility to himself for his safety, but likewise has a responsibility to his fellow workers and to his employer.

In the performance of his duties, therefore, he shall be expected to observe safe practice rules and operating procedures of the District, as well as instructions relating to the efficient performance of his work. The ideal in safe and efficient District operation is reached only when all employees are safety conscious and keenly alert mentally and physically.

(a) Head Protection: Construction employees, supervisors, inspectors, manufacturer's representatives, and visitors shall wear protective helmets of the type specified by CALOSHA, when entering or working in designated HARD HAT AREAS.

HARD HAT AREAS shall include all areas where construction work of any nature, including maintenance, or repair, is in progress. The entire job site with the exception of offices and parking areas shall be considered HARD HAT AREAS.

(b) Body Protection: The proper eye, face and hand protection, as related to job safety requirements, shall be worn by employees. Employees working in areas where noise levels are extreme shall wear ear protection. Personal protective equipment that is lost or damaged (through other than normal wear and tear) will be replaced by the employee.

(c) Safety boots: Safety boots or shoes are purchased for those employees occupied in high hazard work. Wearing of such shoes or boots, in high hazard work areas, is mandatory.

The District will specify several styles from different manufacturers for employees to select from on an as-needed basis. Shoes or boots will not be replaced until they are judged by the Assistant General Manager to be no longer safe or usable.

(d) Operation of District Vehicles: The District vehicles shall be operated in a safe and responsible manner, in accordance with all DMV and District safety regulations, and only as authorized by District policy and management staff. See Section 11.27 below.

Non-employees shall not ride in District vehicles unless on District business nor use District equipment without written permission from the Administrative Services Manager/Treasurer. This restriction includes family members.

The District's commitment to safety is explained further in the Injury and Illness Prevention Program which your supervisor will review with you.

Section 11.24
Board Approved Revision Date
11/91
1/93
4/94
9/94
7/96
12/96
6/97
7/01
10/04
5/06
1/16

11.25 FIREARMS

The District has no position which requires an employee to use or to carry any firearm. Accordingly, no employee is permitted to carry any firearm on his person, when on duty, in any District vehicle or in any personal vehicle parked on District property. Any infraction will be grounds for discipline and possibly termination.

Section 11.25
Board Approved Revision Date
11/91

11.26 UNIFORMS

The District will provide sufficient clean uniforms, on a weekly basis, for a daily change, for field crews. All employees for whom uniforms are provided are required to wear a complete uniform when working unless otherwise authorized by their supervisor. The Administrative Services Manager/Treasurer or their designee will determine the employees who may wear a non-uniform FPUD logo shirt and the District will supply five per year. The District will pay up to the amount of uniform shirts and the employee will pay the difference. The District will provide five (5) pairs of Levi 501 jeans for each water or wastewater employee per year. In the event that the jeans wear out or are damaged in less than one year, employees will have them repaired or replaced at their own expense. The employees requested the ability to purchase a different type of jean than was offered by the District. The Assistant General Manager or his designee will review each request on a case-by-case basis and make a determination. The District will only reimburse the employee the actual cost up to the amount allotted for the District jeans.

The District will provide one medium-weight jacket for each field or plant employee every two years or "as-needed" at the discretion of the Assistant General Manager. No other jackets may be worn during regular working hours unless they were issued by the District and bear the District logo. The employees requested the ability to purchase a cotton jacket instead of the poly blend jacket offered by the District. Employees to be issued poly blend jackets that prefer cotton jackets will pay the difference in the cost to the District prior to ordering the jacket. Loss of a District jacket is subject to disciplinary action.

The Levi 501 jeans and jacket are deemed part of the uniform and must be maintained by the employee.

Wastewater workers will have the choice of Levi 501 jeans that will be maintained by the employee or uniform service trousers that will be laundered by the uniform service. Upon termination, all uniform shirts, vests, trousers, overalls, lab coats, etc. issued to an employee must be returned to the District. The cost of any uniforms not returned will be pursued through legal means.

To instill confidence on the part of the public and to prevent misrepresentation of FPUD employees, the District will issue photo I.D. cards to all employees. Field employees not directly involved with heavy equipment will wear I.D. cards on the uniform shirt or on a break-away lanyard and the I.D. cards will be considered part of the uniform. Other field, plant and office employees will be issued a business card size I.D. card. All employees are required to have their I.D. card with them during working hours. I.D. cards shall only be used for official District business. Employees shall request a replacement I.D. card for name changes, changes in classification, excessive use /wear or lost cards. Loss of an I.D. card or the inability to produce the I.D. card during working hours may be subject to disciplinary action. I.D. cards must be returned to the supervisor upon termination and the supervisor must then submit the card to either human resources or safety and risk administrator to be destroyed.

The wearing of shorts will be allowed as long as the following conditions are met:

- (a) Shorts must be supplied by the employee at their own expense.
- (b) Employees must maintain their shorts in good repair.
- (c) If uniforms are supplied, shorts will be worn with a uniform shirt or the orange safety award t-shirt only.
- (d) Because of the nature of the work, some employees will be required to wear long pants. If there are any questions, please contact the Assistant General Manager.
- (e) Each employee is responsible for keeping long pants available should the need arise.
- (f) The color of the shorts will be limited to khaki, dark blue or blue denim. All shorts are to be hemmed (no cutoffs).

The acceptable style and length of the shorts will be determined by the Assistant General Manager.

Section 11.26
Board Approved Revision
Date
11/91, 1/93, 7/96, 7/01 10/05, 10/08 9/14, 1/16

11.28 USE OF DISTRICT VEHICLES

Certain District vehicles are made available for use by designated employees during working hours and in some instances during off-duty hours to accomplish the mission of the District. Certain District employees receive a vehicle allowance rather than use a District vehicle.

The following rules shall apply to the use of District vehicles:

1. Certain District vehicles may be assigned to designated non-management employees on a 24-hour per day basis for emergency purposes. Such personnel are determined by the General Manager and are authorized to use the vehicles assigned to them day or night to be able to respond to District business requirements.
2. Certain District vehicles may be assigned to designated management employees on a 24-hour basis as part of their negotiated benefits with the District. In return, these individuals are required to respond to emergencies as necessary to carry out their job responsibilities.
3. Certain District vehicles may be assigned to designated employees during working hours to be able to carry out their assigned duties. Such personnel are determined by the General Manager and are authorized to use the vehicles assigned to them during working hours.
4. The Administrative Services Manager/Treasurer shall be provided a vehicle allowance in an amount to be approved by the Board as part of their compensation package. The Administrative Services Manager/Treasurer shall be required to maintain automobile insurance at least at the minimum levels required by state law. These employees shall use their personal vehicles to conduct District business within San Diego and Riverside Counties and may only use District vehicles for business trips out of San Diego and Riverside Counties, or in unusual circumstances (i.e., 4-wheel drive necessary).

When using their personal vehicles, all operating expenses are to be borne by the Administrative Services Manager/Treasurer, except they may receive reimbursement for mileage at established rates for portions of any trips that are taken on District business outside San Diego and Riverside Counties. However, such reimbursement shall not exceed the cost of round trip coach airfare from San Diego to the ultimate destination.

5. Effective July 1, 2011, the Engineering and Planning Manager (reclassified to Assistant General Manager on January 28, 2013) and Operations Manager will have the option to either be assigned a District vehicle or be paid \$604.17 per month as a vehicle allowance. Each of these incumbents currently has the use of a District vehicle. The choice to switch to a vehicle allowance is up to the incumbent in those positions. However, if either of the incumbents chooses to switch to a vehicle allowance, the change is not reversible (i.e. they cannot switch back to a District vehicle at a later date). If the Engineering and Planning Manager (reclassified to Assistant General Manager on January 28, 2013) and Operations Manager choose a vehicle

allowance, the same provisions of number 4 above shall apply regarding using a personal vehicle for District business.

6. The General Manager shall develop Guidelines governing the implementation of this policy. The Guidelines are filed in Appendix C.
7. Taxation of District Vehicle Use: Per Internal Revenue Service (IRS) Publication 15B, all employees who are provided a District vehicle for commuting to and from work are required to pay taxes on the IRS value placed on that commute. There are two conditions that District employees fall under.

Working Condition Benefit: The condition applies to employees who are required to use District standby vehicles to travel to and from work (standby personnel). This vehicle must be clearly marked as a District vehicle **and** be equipped with at least one of the following: hydraulic lift gates, permanent tanks or drums, permanent side boards or panels that materially raise the level of the sides of the bed and truck or other heavy equipment such as an electric generator, welder, boom or crane. The use of these District vehicles by standby personnel is not taxable. Taxability will be based on the employee on standby as indicated on timesheets.

- a) Employee commutes in a District provided vehicle that does not meet the Working Condition Benefit: Under this rule, the value of a vehicle provided to an employee for commuting is \$1.50 one-way, \$3.00 round trip. If more than one employee commutes in the vehicle this value applies to each employee. The amount is considered a wage and the employee will be required to pay payroll taxes on the \$3.00 per day. The employee will not be required to reimburse the District the \$3.00. Taxability will be based on working days for those employees who are provided a District vehicle.
- b) Auto allowances are a fully taxable fringe benefit for those who are given an auto allowance. The full amount received as a benefit is added to payroll as a taxable wage.

Section 11.27
Board Approved
Revision Date
10/04
5/06
11/07
12/09
7/11
1/12
1/13

11.29 TUITION REIMBURSEMENT

The District will create a Tuition Reimbursement pool with a total annual amount of \$2,000 for employees who wish to take approved job related courses. Interested employees will submit their proposals by a certain date and the pool will be split up among accepted proposals. "Job-Related" will be defined by the District.

An annual tuition reimbursement fund of \$3,000 shall be established for members of FPUDEA for fiscal years 2015/16, \$4,000 for 2016/17 and \$5,000 for 2017/18. Eligible employees may apply to the fund annually during each fiscal year. Employees who have had their applications approved during the fiscal year may submit requests for reimbursement in actual costs paid for tuition by July 31st of each year or sooner if all applicants have submitted their reimbursement requests. Eligible employees are those employees who have passed their original probationary period. Reimbursements will be made on an equal basis based on the number of requests. (Reimbursement will be for professional and technical courses in accredited educational institutions provided that:

- a. The employee has received at least a "meets requirements" rating on his/her last performance report.
- b. The subject matter of the course contributes toward the performance of the employee's position with the District, or is related to work the employee can reasonably be expected to perform in the future. Subject to approval by the General Manager, reimbursement may be made for elective coursework required for a certification program or college degree related to the employee's work, or related to District work which the employee can reasonably be expected to perform in the future.
- c. The employee must submit an Application for Tuition Reimbursement form to the General Manager and Human Resources Manager prior to the beginning of the class.
- d. Before receiving reimbursement, the employee shall submit a Request for Tuition Reimbursement and furnish documentation proof of payment and shall provide evidence that he/she has completed the course with a grade of "C" or better. A "pass" will be accepted for classes where pass/fail grading system is used.
- e. No tuition refund pursuant to the MOU from July 1, 2015 through June 30, 2018 will be made for classes that ended prior to July 1, 2015. No tuition refund will be made for classes unless approved prior to the end of the contract period.
- f. All requests for Tuition Reimbursement shall be subject to the General Manager's approval.
- g. The Board of Directors retains the right to increase the tuition reimbursement annual limits upon recommendation from the General Manager.

Section 11.28
Board Approved Revision Date 12/09 2/13 6/15, 11/15

11.30 DISTRICT CELL PHONE ASSIGNMENTS AND USAGE

Mobile handheld devices may use wireless or cell technologies to assist in maintaining two-way communication with the individual's office, other employees or departments, outside organizations and members of the public. Mobile handheld devices are not considered a benefit of District employment but a necessary tool in providing top quality efficient communication. Taking advantage of improved communication technologies allows the District to promote operational efficiency, improve service levels, and respond to emergencies. The following outlines the purchase, use and support provided for mobile handheld devices:

A. District-Issued Cell Phones

- A cell phone may or may not be a mandatory tool for an employee to effectively perform his or her daily job; therefore, individual requests for Cell phones must be approved by the manager of the request employee's department.
- Cell phone purchases will be made by the Information Systems Technician after approval by the appropriate manager. The District will purchase a phone with a capacity consistent with the position requirements.
- All cell phone records and bills are subject to disclosure under the California Public Records Act.
- The District is required to retain all records of the cell bills, pursuant to the District's retention schedule.
- An individual will be required to pay the replacement or repair costs for any lost or damaged cell phone and equipment caused by the employee's negligence. Appropriate secure holsters will be provided for safely carrying cell phones.
- An employee must surrender the assigned cell phone upon request by the employee's supervisor or manager at any time.
- Employees must surrender assigned cell phones upon employment termination/retirement.
- The District may review, audit, and inspect District-issued cell phone records, including texts, at any time. Therefore, employees issued District cell phones have no expectation of privacy regarding any use of the District-issued cell phone.
- District-issued phones are a public resource and should not be used for personal telephone calls or texts.

- The following acts will subject an individual to removal of cell phone usage and may lead to other disciplinary action, including the reimbursement of costs associated with personal cell phone usage. Examples of misuse include, but are not limited to:
 - Any use which violates local, state or federal law or District policy or procedures;
 - The use of camera phones which violate any privacy laws;
 - Personal use for non-emergency situations.
 - Threats, slander/libel, defamation
 - Obscene, suggestive or offensive messages or communications
 - Any violation of District's policies
 - Political endorsements or activities

- All District-issued phones assigned for normal workday usage only are to be connected to the charger in the employee's department at the end of each work day if the battery charge is less than 50%. A District-issued phone is a tool that must be ready for use each workday.

- Employees are expected to refrain from using a cell phone or other mobile technology while driving. Employees are expected to pull off to the side of the road and safety stop this vehicle before placing or receiving cell phone calls or texts. If the use of this technology is unavoidable and pulling over is not an option, employees must use hands-free options as required by law.

B. Personal Phone Options-Elevated Users Only

- Elevated users are those managers and foremen who are required to carry a District cell phone. The District will reimburse the elevated users for a plan indicated by the position up to the amount set by the District's cell phone provider for a similar plan. This amount will be adjusted annually. For calendar year 2014 the reimbursable amount is \$60 per month.
- Before reimbursement the elevated user must turn in a copy of their monthly cell phone billing page that shows total current charges.
The District will reimburse the employee for the purchase of a phone with capacities consistent with the elevated user's needs. The maximum amounts will be equal to the District's cost for phones provided for that position. Phone purchases will be reimbursed every two year period.
- Elevated users who carry a District-issued phone will not be eligible for the Personal Phone Options.
- Elevated users who have selected the personal phone option will be responsible for the remainder of their personal plan contracts effective the date they no longer work for the District. Any bills received after that date will be prorated back to date of termination.

Section 11.29
Board Approved Revision Date

11.31 MISCELLANEOUS

Smoke Free Workplace: Smoking is prohibited in all areas (District buildings, vehicles, and mobile equipment) at all times except for the areas which will be marked with "Designated Smoking Area" sign(s).

Deferred Compensation Plan: Regular employees are eligible to participate in a Deferred Compensation Plan. Participation is voluntary. Participation is by employee authorized payroll deductions available from Human Resources.

Flexible Spending Account: Regular employees are eligible to open a Flexible Spending Account for medical reimbursement and dependent care expenses. Participation is voluntary. Participation is by employee authorized payroll deductions available from Human Resources.

Credit Union: Regular employees are eligible for membership in the San Diego County Credit Union. Membership is voluntary and payroll deduction may be arranged.

Direct Deposit: Direct Deposit is available to all regular employees. Participation is by employee authorized payroll deductions available from Human Resources.

Mileage Allowance: The General Manager shall determine eligibility for use of personal vehicles for District business. Any approved employee, or agent of the District, who uses his/her personal vehicle in the discharge of his/her duties for the District shall be reimbursed at the current established federal mileage allowance. Any approved employee or agent who chooses to use his/her personal vehicle must have a proof of insurance certificate on file with the Safety and Risk Administrator.

Certificate/License Renewal: The District shall pay the cost of renewing all certificates the District recognizes as part of the educational incentive program for regular employees. It is the certificate holder's responsibility to ensure timely submission of renewals. The District shall reimburse any regular employee for the difference in cost between a Class A or Class B driver's license and a Class C driver's license which the employee is required to obtain or renew during his/her term of employment. The District will provide time to train for and obtain a Class A or Class B driver's license which is over and above what is necessary to obtain a Class C license. Failure to pass a required Class A or Class B driver's license examination may result in reclassification, or if no other position is available, termination. The District shall also pay for the cost of mandatory physicals which are an employment requirement.

Discount Cards: Regular employees may be eligible for discount cards at various places of entertainment. This varies from time to time, depending upon availability. Cards are available from Human Resources.

Computer E-Mail and Internet Access:

1. Business Use Only. The District provides Internet access (including e-mail) to its employees to assist and facilitate business communications and work-related research. These services are for legitimate business use only in the course of

employee's assigned duties. All materials, information and software created, transmitted, downloaded or stored on the District's computer systems are the property of the District and may be accessed only by authorized personnel. Employees may access the Internet for non-business use during meal times or other breaks, so long as all other provisions of this policy are followed.

2. Prohibited uses. Inappropriate Internet use includes:
 - Transmitting obscene, harassing, offensive or unprofessional messages,
 - Accessing any site that is sexually or racially offensive or discriminatory,
 - Displaying, downloading, or distributing any sexually explicit material,
 - Transmitting any of the District's confidential information including customer data, employee information or other sensitive material.
3. Monitoring. The District reserves the right to monitor employee use of the e-mail system or the Internet at any time. Employees should not consider their Internet usage or e-mail communications to be private. Personal passwords are not an assurance of confidentiality, and the Internet itself is not secure.
4. Copyright restrictions, permission required. Any software or other material downloaded into the District's computers may be used only in ways consistent with the licenses and copyrights of the vendors, authors or owners of the material. Prior written authorization from the Administrative Services Manager/Treasurer is required before introducing any software into the company's computer system. Employees may not download entertainment software or games.
5. No company representation. Only authorized employees may communicate on the Internet on behalf of the District. Employees may not express opinions or personal views that could be misconstrued as being those of the District. Employees may not state their District affiliation on the Internet unless required as part of their assigned duties.
6. Violations of this policy. Any violation of this policy may result in loss of computer access and disciplinary action, up to and including, termination.

Use of District Equipment or Materials: Personal use of District shops, materials, equipment, laboratories, or other District facilities is not permitted. Personal use of hand tools is not permitted without authorization of the General Manager or his designee. Limited use of copy machines is allowed. Frequent use or volume copying of personal material is not allowed. (Refer to the policy above for computer usage.)

Employee Receipt of Gifts, Gratuities or Favors: The acceptance of gifts offered or received can create an actual or perceived conflict of interest. Therefore, employees shall not accept gifts, gratuities or favors from persons or vendors doing or promoting doing business with the Fallbrook Public Utility District with the following exceptions:

- Consumable gifts (candy, food, snacks, fruit baskets) offered to an entire work group during special seasons;
- Activities which are reportable gifts under FPPC Form 700;

- Gifts of value (tickets, hats, jackets, t-shirts, gift certificates, and the like) that are accepted and can be distributed in opportunity drawings for all employees.

Employees shall not accept money, favors, or other considerations for work required or expected to be performed in the regular course of one's duties.

Employees shall disclose and report all potential conflict of interest situations to the General Manager or department manager.

Section 11.30
Board Approved Revision Date
11/91, 1/93, 5/94 11/94, 4/95, 7/96 6/97, 1/98, 11/99, 8/00, 7/01, 10/02, 6/04, 10/04, 5/06, 1/08, 12/12, 8/13

11.32 REVISIONS

Addenda, deletions, and revisions to these regulations as may be considered necessary by the General Manager for the efficient and equitable administration of employer-employee relations, will be submitted to the District Board of Directors for approval. Revisions concerning wages/hours/working conditions and otherwise, as provided by law, shall be submitted to the Meet and Confer process prior to submission to the Board of Directors.

APPROVED AND ADOPTED by the Board of Directors of the Fallbrook Public Utility District June 22, 2015, July 27, 2015, August 24, 2015, October 26, 2015 and November 23, 2015. The FPUDEA MOU effective July 1, 2015 and the FMEA MOU effective July 1, 2015, July 27, 2015, August 24, 2015, October 26, 2015, November 23, 2015 and January 12, 2016 are attached and made a part hereof in Appendix C.

President, Board of Directors

Section 11.31 6/22/15
Board Approved Revision Date
7/27/15 8/24/15 10/15 11/15 1/16