

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
327 N. WENATCHEE AVENUE
WENATCHEE, WA 98801**

REGULAR COMMISSION MEETING

April 2, 2018

AGENDA

STUDY SESSION

10:00 A.M.

1. Pledge of Allegiance and Safety Minute – Irene Godfrey
2. Approval of the Agenda - Any item on the Regular Agenda shall be subject to transfer to the Consent Agenda upon request of any Commission member
3. 2018 Customer Satisfaction Survey Results
4. Quarterly Electrical Load Growth Update
5. Unauthorized HDL Fees
6. Lake Chelan Boating Club Agreement
7. Climate Change Impact
8. Board-Designated Fund: Strategic Facilities Plan

BUSINESS SESSION

1:00 P.M.

Consent Agenda

9. Minutes:

March 19, 2018 Regular Meeting

10. Vouchers:

Accounts Payable Summary Report dated March 28, 2018:

- a. Vouchers totaling \$5,162,816.10;

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- b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period March 14, 2018 through March 27, 2018 in the amount of \$38,496.80;
- c. Approval of the net Payrolls, Warrant Nos. 235860 through 235884 and Advice Nos. 650265 through 651028 for the pay period ending 03/18/2018 in the amount of \$1,897,114.54; and
- d. Approval of Warrant Nos. 24276 through 24321 totaling \$16,607.25 for claim payments from the workers' compensation self-insurance fund for the period ending March 26, 2018.

Regular Agenda

- 11. A RESOLUTION APPROVING A REQUEST FOR PROPOSAL (NO. 18-33) FOR GENERAL CONTRACTOR CONSTRUCTION MANAGER SERVICES AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO PUBLISH NOTICE INVITING SEALED PROPOSALS FOR SAID PROJECT
- 12. A RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO SERVICES AGREEMENT (SA NO. 16-116) WITH SIGNAL PERFECTION, LTD TO PROVIDE A SYSTEM OPERATIONS VIDEO SYSTEM
- 13. A RESOLUTION RATIFYING AND CONFIRMING THE ADOPTION OF A MORATORIUM AND ESTABLISHING POLICIES FOR ENFORCING THE MORATORIUM ON ELECTRIC SERVICE APPLICATIONS FOR COMPUTING AND DATA PROCESSING LOADS RELATED TO VIRTUAL OR CRYPTOCURRENCY MINING, BITCOIN OR SIMILAR PURPOSES
- 14. A RESOLUTION APPROVING THE AGREEMENT REACHED PURSUANT TO LABOR NEGOTIATIONS WITH LOCAL NO. 77 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS FOR THE PERIOD APRIL 1, 2018 THROUGH MARCH 31, 2021
- 15. A RESOLUTION PROVIDING NOTICE OF THE ESTIMATED BILLINGS EXPECTED FROM THE PUBLIC EMPLOYEES RETIREMENT SYSTEM DUE TO THE ACCUMULATION BY DISTRICT EMPLOYEES OF THEIR PERSONAL LEAVE AND NON-RECURRING EARNINGS
- 16. Manager Items
- 17. Commission Items
- 18. Commission Travel
- 19. Follow-up on Delegation of Action Items from Previous Board Meeting

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20. Delegation of Action Items

21. Additional Public Comment*

22. Matters of general business as may necessarily come before the Commission

23. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i).

* Members of the public are encouraged to ask specific questions after each item presented. This agenda item is for additional comments/questions related to matters not on the agenda.

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

RESOLUTION NO. _____

A RESOLUTION APPROVING A REQUEST FOR PROPOSAL (NO. 18-33) FOR GENERAL CONTRACTOR CONSTRUCTION MANAGER SERVICES AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO PUBLISH NOTICE INVITING SEALED PROPOSALS FOR SAID PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District intends to build facilities to support Rock Island Dam's operation and maintenance processes. Design services and construction work includes buildings for fabrication, machining, sandblast, paint, warehouse, office, crew facilities, storage and more. The District intends to perform the work prior to the start of significant Powerhouse 2 rehabilitation in 2020.

The District also intends to build Rocky Reach Dam operation and maintenance facilities and offices. The District intends to build and rehabilitate facilities similar to the Rock Island facilities after large generation projects are completed in 2021. Planned work includes seven new buildings and rehabilitation of up to nineteen existing facilities. The District intends to initiate design in late 2018.

To complete the work at the least cost and within the schedules, the District intends to procure the work using a General Contracting-Construction Management (GC/CM) work process. The initial procurement is to request proposals from qualified general contractors for project design and cost analysis services. Services performed by the selected GC/CM may lead to a negotiated contract for construction work.

The District has received Washington State Capital Projects Advisory Review Board (CPARB) approval for a Public Body Project to use GC/CM alternative contracting procedures for Rock Island and Rocky Reach facilities.

Resolution No. 17-14215 requires Commission approval of Requests for Proposals (RFPs) and authorization to invite proposals estimated to cost more than \$3,000,000. Staff anticipate several contracts resulting from this RFP estimated to cost more than \$3,000,000. An RFP is being prepared by the District and is on file in the offices of the District.

District staff recommends that RFP No. 18-33 is in the best interests of the District and that said document be approved and that the invitation for proposals be published.

The General Manager of the District has reviewed District staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The Request for Proposal (RFP No. 18-33) for the General Contractor Construction Manager Services is hereby approved and the General Manager of the District is hereby authorized to invite sealed proposals for furnishing said material.

DATED this 2nd day of April, 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING AMENDMENT
NO. 1 TO SERVICES AGREEMENT (SA NO. 16-116)
WITH SIGNAL PERFECTION, LTD TO PROVIDE A
SYSTEM OPERATIONS VIDEO SYSTEM

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 17-14178 dated September 18, 2017 authorized a Services Agreement (SA No. 16-116) with Signal Perfection, LTD to provide a System Operations Video System, in an amount not to exceed \$550,228.14.

District staff has identified the need for additional services for a replacement video controller in the amount of \$11,975. Resolution No. 17-14178 requires that additions to the contract price be approved by the Commission.

District staff recommends that it is in the best interest of the District to amend Services Agreement No. 16-116 with Signal Perfection, LTD in the amount of \$11,975 for a total revised contract price not to exceed \$562,203.14

The General Manager has reviewed District staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY
DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON as follows:

Section 1. The General Manager is hereby authorized to execute an Amendment to Services Agreement (SA No. 16-116) with Signal Perfection, LTD to provide the additional services identified above for a revised contract price of \$562,203.14. A copy of the Amendment is on file in the offices of the District.

Section 2. The Commission hereby authorizes the General Manager or his/her authorized delegee, to amend the Service Agreement (SA No. 16-116) subject to the delegation Resolution No. 17-14215.

DATED this 2nd day of APRIL 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

Contacts

RESOLUTION NO. _____

A RESOLUTION RATIFYING AND CONFIRMING THE ADOPTION OF A MORATORIUM AND ESTABLISHING POLICIES FOR ENFORCING THE MORATORIUM ON ELECTRIC SERVICE APPLICATIONS FOR COMPUTING AND DATA PROCESSING LOADS RELATED TO VIRTUAL OR CRYPTOCURRENCY MINING, BITCOIN OR SIMILAR PURPOSES

FACTUAL BACKGROUND, REASONS FOR ACTION, AND PROPOSED POLICIES

After hearing presentations from staff on ongoing issues with high-density loads, particularly virtual and cryptocurrency loads, on March 19, 2018, and issues with loads over 5 MW on February 20 and March 5, 2018, the Commission passed the following motion during its March 19, 2018 meeting implementing a moratorium on electric service applications for computing and data processing loads related to virtual or cryptocurrency mining, bitcoin or similar purposes:

to adopt a moratorium on accepting any new electric service applications or further processing any existing electric service applications for proposed computing or data processing loads related to virtual or crypto-currency mining, bitcoin or any similar purpose, whether above 5 MW pursuant to Schedule 4 or, at or below 5 MW pursuant to Schedule 35 or any other schedule. The moratorium would not apply to approved applications that have fully paid all line extension estimates and upfront capital charges. Further, direct staff to prepare an appropriate confirming Resolution for consideration at the next Board meeting. Finally, setting a public hearing on the moratorium at 1:00 pm, May 14, 2018, in Wenatchee as part of the regular commission meeting for further consideration of the moratorium.

Definitive confirmation of the nature of loads related to virtual or crypto-currency mining, bitcoin or any similar purpose (e.g., what machines are drawing load and what the machines are doing) is unnecessary and impractical. The machines drawing the load are small and easily portable, and the computational work is unobservable by staff. Thus, the scope of the moratorium creates potential challenges for staff when applying it to specific loads or requests.

However, such loads have distinguishing characteristics from the perspective of the serving electric utility. Through enforcing Rate Schedule 35 and a past moratorium against unauthorized high-density loads, staff has gained extensive experience in identifying such loads based on various characteristics despite attempts by some at concealment. Because of the challenges inherent in enforcement against unauthorized loads, staff recommends that the Commission adopt the following policies to affirm staff's actions when applying the moratorium and enforcing District policies and regulations against unauthorized loads.

Proposed Enforcement Policies

Staff recommends the following guidelines for the implementation of the moratorium.

- Staff is directed to use its judgment and experience to make determinations regarding whether an ongoing operation or a request for service is subject to Schedule 35 and/or the moratorium. Definitive confirmation of the nature of the load (e.g., identifying the machines drawing load and confirming the computations conducted by the machines) is unnecessary and impractical.
- Staff should consider the following working understanding of mining of virtual or crypto-currency. Virtual currency or crypto-currency mining is the process of executing large numbers of computer operations in order to generate a new block of a currency's blockchain. The purpose of requiring execution of the large numbers of computer operations is primarily to make it nontrivial for a miner to generate a new block on the blockchain (i.e., to show "proof of work"). Associated loads tend to be highly responsive to digital currency market fluctuations. Staff is directed to update its scope of implementation as related technologies evolve and as its understanding of the loads changes.
- The following illustrative characteristics are useful, for identifying computing or data processing loads related to virtual or crypto-currency mining. This list is not exhaustive and staff is directed to expand the list as appropriate.
 - The customer's use of computer hardware designed or intended specifically for mining related uses.
 - Changes in electrical equipment, site conditions, or usage consistent with mining computing.
 - Any other evidence (for example, advertising, offering, or contracting for use of a facility or computing capacity by a customer or its affiliate) acquired through any proper means suggesting that the customer or facility is engaged in mining.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON as follows:

Section 1. Based on the factors set forth herein and in staff's presentations of February 20, 2018, March 5, 2018, and March 19, 2018, the moratorium as adopted on March 19, 2018 is hereby ratified and confirmed.

Section 2. Staff is directed to enforce the moratorium, Schedule 35 and District rules related to unauthorized loads consistently with enforcement policies set out above. all of which are hereby adopted. When imposing fees and charges on an unauthorized load and/or disconnecting an unauthorized load, staff is directed to protect against safety risks, to attempt to impose all reasonable costs associated with unauthorized loads on those customer rather than on

the District's other customers, and to minimize impairment of the quality of service to other customers.

DATED this 2nd day of April 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING THE AGREEMENT REACHED PURSUANT TO LABOR NEGOTIATIONS WITH LOCAL NO. 77 OF THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS FOR THE PERIOD APRIL 1, 2018 THROUGH MARCH 31, 2021

FACTUAL BACKGROUND AND REASONS FOR ACTION

The current Collective Bargaining Agreement (CBA) between the District and Local No. 77 of the International Brotherhood of Electrical Workers (Union) will expire March 31, 2018. The District's labor negotiations team negotiated terms and conditions of a new CBA with the Union for the period April 1, 2018 through March 31, 2021, covering wages and conditions of employment of the bargaining unit. The Union's bargaining unit at the District includes approximately 400 employees.

Subject to Commission approval, the Union and District staff have agreed to certain changes to the CBA contract language for a new term of April 1, 2018 through March 31, 2021. The contract language is attached as Attachment 1.

The parties have negotiated certain agreements on wages and benefits as outlined below:

1. 3.0% General Wage Increase effective April 1, 2018 (~~\$44.90~~ Journey Lineman rate)
2. 3.0% General Wage Increase effective April 1, 2019 (~~\$46.25~~ Journey Lineman rate).
3. 3.0% General Wage Increase effective April 1, 2020 (~~\$47.64~~ Journey Lineman rate).

These tentative agreements were approved by vote of the Union membership on March 22, 2018.

The District's Managing Director of Human Resources recommends approval of the Collective Bargaining Agreement for the period April 1, 2018 through March 31, 2021. The General Manager concurs with this recommendation.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Changes to the CBA contract language contained in Attachment 1 are approved and shall be incorporated into the 2018-2021 Collective Bargaining Agreement. The remaining provisions of the current CBA shall continue unchanged as part of the 2018-2021 CBA.

Section 2. The 3.0% general wage increase effective April 1, 2018, the 3.0% general wage increase effective April 1, 2019, and the 3.0% general wage increase effective April 1, 2020 is approved for incorporation into the 2018-2021 Collective Bargaining Agreement.

Section 3. The Commission authorizes the General Manager to enter into a 2018-2021 Collective Bargaining Agreement effective as of April 1, 2018 as provided in this resolution.

DATED this 2nd day of April, 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

**Attachment 1
2018-2021 Collective Bargaining Agreement
Contract Changes**

NOTE: BOLDED LANGUAGE REPRESENTS NEW/REVISED LANGUAGE.

ARTICLE 2: SCOPE OF AGREEMENT

2.7 UNION BUSINESS

2.7.2 The District will pay for a maximum of fifteen (15) ~~man~~ days **(120 hours) per employee for a maximum of six (6)** bargaining unit employees participating in contract negotiations, as long as contract bargaining does not extend beyond **March 31** of the year involved, unless mutually agreed.

ARTICLE 5: EMPLOYEE BENEFITS

5.1 PERSONAL LEAVE

5.1.1 **The following Personal Leave is established for all eligible Regular Full-time, Limited Assignment and Seasonal employees of the District in accordance with Washington State's Paid Sick Leave Law and in recognition of the need for paid time off.**

5.1.1.1

- rest and recreation;
- child care;
- bereavement;
- personal business;
- any other approved absence from work on a paid leave status, except to the extent the Temporary Total Disability Allowance, Short Term Disability or Long Term Disability provisions of this Agreement provide otherwise.

5.1.1.2

- **the employee's own illness or injury;**
- **to care for the health of their family members;**
- **when the employee or a family member is the victim of sexual assault, domestic violence, or stalking;**
- **in the event the District or the employee's child's school or place of care is closed by a public official for any health-related reason.**

Personal Leave will be reviewed and administered to satisfy all requirements of the Washington State Minimum Wage and Paid Sick Leave law.

5.1.3 Use of Personal Leave:

5.1.3.1 Use of Personal Leave shall be conditioned upon the **Personal Leave accrual appearing on the employee's pay statement, operational needs and approval by the employee's supervisor or designee except when the use is to care for the employee's own health or the health of their family members; when the employee or a family member is the victim of sexual assault, domestic violence, or stalking; or in the event the District or the employee's child's school or place of care is closed by a public official for any health-related reason.**

5.1.3.2 For scheduling purposes, it is important that employees request Personal Leave prior to 3:00 p.m. Wednesday of the week prior, **unless the request is for one of the reasons listed in 5.1.1.2 and the need is unforeseeable.**

5.1.3.6 Unplanned Personal Leave is intended to be used for emergencies or other unplanned situations such as a death, illness or serious accident in the employee's immediate family. Unplanned use of Personal Leave that, in the supervisor's judgment is so frequent as to interfere with the employee's job performance or District operations, shall subject the employee to corrective action, **unless the cause for such unplanned use is one of the reasons listed in 5.1.1.2.**

5.1.5 Accrued Personal Leave for each employee hired prior to April 1, 2012 shall not exceed the greater of either twelve hundred (1200) hours or the number of hours accrued by each employee as of April 1, 1996. Annually accrued Personal Leave in excess of the limit set forth above shall be cashed out at the straight-time hourly rate of pay then in effect for that employee **and will occur on the last pay period of the year.**

5.1.6 Accrued Personal Leave for each employee hired after April 1, 2012 shall not exceed eight hundred (800) hours. Annually accrued Personal Leave in excess of the limit set forth above shall be cashed out at the straight-time hourly rate of pay then in effect for that employee **and will occur on the last pay period of the year.**

5.1.7 The accrual year is based on the payroll calendar for each year. "**Accrual Year**" means a year beginning with the first paycheck in January and ends with the last paycheck in December.

5.1.9 Between November 1 and November 30 of each year, an employee having more than eighty (80) hours of accrued Personal Leave may elect to transfer the cash equivalent of that excess PL to the District's 457 deferred compensation plan pursuant to administrative procedures established by the District. PL transferred to the 457 plan shall not receive matching contributions by the District. **The transfer shall occur on the last pay period of the year.**

5.1.10 **Immediate PL Cash Out is not available.**

5.1.12 PL INCENTIVE - RESIGNATION/RETIREMENT NOTIFICATION

5.12.1 Regular full-time bargaining unit employees who provide advance written notification of their last day of employment to their supervisor and Human Resources may be eligible for additional PL credit. If eligible, this credit may be added to their PL balance in the final pay period

of employment. Written notification must be provided to the employee's supervisor by completing the Retirement/ Resignation Notification form. The amount of PL credit is based on the amount of notice provided in advance of their last physical day of work using the following scale:

| Advance Notice (Calendar days) | Personal Leave Credit |
|-----------------------------------|-----------------------|
| 30 to 59 days | 1 day |
| 60 to 89 days | 2 days |
| 90 to 119 days | 3 days |
| 120 to 179 days | 5 days |
| 180 to 239 days | 7 days |
| 240 to 299 days | 9 days |
| 300 and over | 10 days |

5.12.2 To receive the PL credit, an employee may not change his or her final date of employment following the District's acceptance and approval without authorization from the General Manager or his or her designee. The General Manager or his or her designee retains the discretion to determine situations that require an adjustment to the employee's last day of employment.

5.2 SHORT TERM DISABILITY

5.2.6 During an STD leave, eligible employees will receive 70% of their regular straight time base pay for hours authorized and charged to STD and such leave shall not extend beyond the 180 calendar day limit. **Unless found to be in violation of the Washington State Minimum Wage and Paid Sick Leave Law**, employees may supplement their STD income through the use of accrued personal leave, **sick leave (SL)** or supplemental leave bank (SLB) if applicable. If the employee has not already done so, he/she may backfill the 40 consecutive hours of PL from SLB, but may not receive more than 100% of their regular base pay. Refer to Article 5.3 of the Collective Bargaining Agreement for information regarding SLB.

5.4 TEMPORARY TOTAL DISABILITY (“TTD”) ALLOWANCE (WORKERS’ COMPENSATION)

5.4.2.2 Employees may use **personal leave or sick leave** for the three (3) day waiting period when they are ineligible for time loss compensation. Employees who are still on time loss on the 14th consecutive calendar day following the injury/treatment for illness will receive retroactive time loss compensation for the three (3) day waiting period as provided in the Industrial Insurance laws.

5.4.2.3 Time Loss benefits for employees can be processed under two options:

5.4.2.3.1 During the first twenty-two (22) working days of eligibility (including observed holidays) the employee shall be paid at his/her regular hourly rate of pay. For the next two hundred thirty-eight (238) working days (including observed holidays) the employee shall be paid at eighty percent (80%) of his/her regular hourly rate of pay.

5.4.2.3.2 Once a determination of eligibility is made, the employee will sign over the time loss warrant to the District. The employee's personal leave or sick leave bank is not affected. The District will process any tax adjustments as required by the Industrial Insurance Act within the pay period of receiving the time loss warrant. Time loss warrants must be submitted no later than the end of the pay period following the warrant issue date.

5.4.2.3.3 Should it be required by Washington paid sick leave regulations, the District will allow the employee to elect use of personal leave or sick leave hours concurrently with time loss days deemed payable under the Industrial Insurance Act. In this event, the equivalent hours will be deducted from the employee's leave bank.

5.4.2.3.4 The employee must notify the District if they wish to use personal or sick leave hours and the leave bank designation once the worker's compensation claim has been deemed eligible for time loss benefits.

5.4.5 For Workers' Compensation, as it pertains to claim-related medical appointments, the employee shall have the option to use personal leave, **sick leave** or leave without pay when attending those appointments if scheduled during work hours. Employees will continue to accrue PL credit for unpaid time off under this section.

5.4.6 If the employee is receiving time loss compensation and is returned to part-time work, the employee may elect to use personal leave **or sick leave** to pay those hours not worked or may elect to be on leave without pay status for those hours not worked. The employee may retain his or her Loss of Earning Power (LEP) regardless of which choice is made.

5.4.7 Employees not eligible for District benefits will receive time loss compensation as required by Industrial Insurance rules. Those employees will be permitted to keep any time loss payments issued by our third party administrator. **The employee may choose to follow 5.4.2.3.3 and 5.4.2.3.4 for concurrent use of sick leave.**

5.8 HOLIDAYS²

5.8.11 Floating Holidays: On January 1 of each year regular full-time and Limited Assignment employees shall be entitled to three (3) floating holidays on the following basis:

² "Holiday Pay" for purposes of this Section means eight (8) hours unless otherwise specified.

- a) Only employees hired prior to October 1 of each calendar year are entitled to receive and use floating holidays in that year.
- b) Use of floating holidays is based on the operational needs of the District and advance approval obtained from the employee's Supervisor or his/her designee.
- c) Failure to use floating holidays in the calendar year shall result in forfeiture of the unused days.
- d) Employees will be credited with twenty-four (24) hours of floating holiday pay on January 1. Employees must take their floating holidays in full day increments based on his/her schedule the day the floating holidays are taken. Employees with less than a full day of floating holiday time remaining **may** supplement his/her third floating holiday with personal leave, or **they must supplement with** leave without pay. Under no circumstance will an employee receive more than twenty-four (24) hours of floating holiday pay.

5.9 **INSURANCE**

5.9.4 The Plan Year **for all Medical and Dental plans shall be January 1 through December 31**. The District and the Union further agree that health insurance provided by the District shall be administered in the following manner.

5.9.4.1 The employee shall have the option of choosing between a PPO Option and a CDHP option.

5.9.4.2 PPO Plan option - The enrollment structure for the PPO plan from April 1, 2018 to December 31, 2018, is a composite structure and the District shall contribute ninety seven and one half percent (97.5%) and the employee shall contribute two and one half percent (2.5%) of the monthly group insurance premium the for these PPO Medical and Dental Plans.

The enrollment structure for the PPO plan from January 1, 2019 to December 31, 2021, is a composite structure, the District shall contribute ninety two and one half percent (92.5%) and the employee shall contribute seven and one half percent (7.5%) of the monthly group insurance premium for these PPO Medical and Dental Plans.

5.9.4.3 Consumer Directed Health Plan (CDHP) option – Effective April 1, 2018, through December 31, 2021, the District shall contribute one hundred percent (100%) of the combined monthly group medical and dental insurance premium for the CDHP.

Effective January 1, 2019, the in-plan annual CDHP VEBA composite contribution will be twelve hundred fifty dollars (\$1250).

5.9.4.4 During the term of this agreement, the District shall pay for one hundred percent (100%) of the base plan life insurance and accidental death and dismemberment premiums. The District shall pay for one hundred percent (100%) of the core plan for long-term care. The employee shall pay

for one hundred percent (100%) of the core plan for long-term disability through payroll deduction.

The balance of the required monthly premium for any of the District's combined group medical and dental insurance plans chosen by an employee shall be paid for by the employee through payroll deduction.

Periodically, rates may change. It is understood that the same percentage rate change will be applied to all combined medical and dental plans.

5.9.5 The District reserves the right to change or provide alternate insurance carriers or to self-insure, as it deems appropriate or as may be required by federal or state law, for any form or portion of insurance coverage referred to in this Agreement, provided that the new coverage (including premium, deductibles, and co-payments) and benefits are substantially equivalent to the insurance coverage and benefits available to employees which predated this Agreement. The District will not be responsible for changes unilaterally imposed by law or an insurance provider in benefits, co-payment provisions, deductible amounts, or other policy provisions so long as the District uses its best efforts to minimize changes by incumbent insurance providers from one plan year to another.

5.9.6 Upon request, the District shall furnish the Union financial information relative to its group insurance plans, in accordance with federal and state law.

5.9.7 The extent of coverage under the insurance policies referred to in this Agreement shall be governed by the terms and conditions set forth in such policies or plans. Any questions or disputes concerning said insurance policies, plans or benefits shall be resolved in accordance with the terms and conditions set forth in said policies or plans. The failure of any insurance carrier(s), other than the District, or plan administrator(s) to provide any benefit for which it has contracted or is obligated shall result in no liability to the District, nor shall such failure be considered a breach by the District of any obligation undertaken under this or any other Agreement. However, nothing in this Agreement shall be construed to relieve any insurance carrier(s) or plan administrator(s) from any liability it may have to the District, an employee, or the beneficiary of any employee.

5.9.8 Currently enrolled retirees and those Employees who terminate employment with the District to retire under the Public Employees Retirement System may elect to continue the District's medical insurance coverage during such retirement under the following conditions:

5.9.8.1 The employee notifies the District no less than thirty (30) calendar days prior to the employees' proposed retirement date of the employee's desire to continue in the District's medical insurance coverage during retirement; and

5.9.8.2 The employee is or will be eligible to retire under the Public Employees Retirement System on the date of termination and in fact does so retire; and

5.9.8.3 The retiree employee pays the required monthly premium for the District's medical insurance coverage.

5.9.9 HRA/VEBA

5.9.9.1 The District shall provide a monthly contribution to an employee's HRA/VEBA account. Effective January 1, 2019, eighty dollars (\$80) per month, effective January 1, 2020, ninety (\$90) dollars per month, effective January 1, 2021, one hundred dollars (\$100) per month subject to District payroll administration practices. The parties agree that this contribution is intended for eligible health care expenses and to help employees pay for health insurance upon retirement.

5.10 PAID SICK LEAVE

5.10.1 Effective January 1, 2018, in accordance with Washington State's Paid Sick Leave Law, Sick Leave (SL) is established for all bargaining unit employees who are not benefit eligible. Paid Sick Leave is available for the following reasons:

- the employee's own illness or injury;
- to care for the health of their family members;
- when the employee or a family member is the victim of sexual assault, domestic violence, or stalking; and,
- in the event the District or the employee's child's school or place of care is closed by a public official for any health-related reason.

5.10.2 Paid Sick Leave will accrue at the rate of one (1) hour of SL for every forty (40) hours actually worked including regularly scheduled hours and overtime hours. Non-productive hours such as holiday or sick leave will not accrue SL. Overtime hours worked do not accrue SL at a greater rate than regular hours.

5.10.2.1 The accrual year is based on the payroll calendar for each year. "Accrual Year" means a year beginning with the first paycheck in January and ends with the last paycheck in December.

5.10.3 SL pay will be at the same rate as the employee's normal hourly compensation at the time of use. If the employee's regular hourly wage rate includes an amount in lieu of benefits or "adder pay," such pay will be applied to the employee's normal hourly compensation for calculating the SL rate of pay.

5.10.4 SL may be used as soon as the accrual appears on the employee's next pay statement and may be used in the same increments as other paid leaves.

5.10.5 Non-benefitted employees may use accrued, unused SL for scheduled shifts. SL will not be available for use in the event that the employee turns down an unscheduled shift.

5.10.6 Employees must provide notice of at least ten (10) days in advance of the use of SL, or as early as practicable, if the need is foreseeable. When the need for use of sick leave is foreseeable, the employee shall also make a reasonable effort to schedule the use of SL in a manner that does not unduly disrupt the operations of the District. If the absence is unforeseeable,

the employee must provide notice as soon as practicable. The employee must provide notice that generally complies with the District's normal notification policies and/or call-in procedures, whether foreseeable or not.

5.10.7 The District reserves the right to request verification for SL absences exceeding three (3) consecutive required work days, as long as obtaining the required verification does not create an unreasonable burden or expense. However, if the SL is due to an illness, injury or other reason that might qualify the employee for leave under federal or state leave laws, the District may require the employee provide certification of his/her condition from the employee's health care provider. When requested, the employee must provide verification within ten calendar days following the first day of SL use.

5.10.8 At the end of the SL accrual year, employees are permitted to carry over balances of up to sixty (60) hours of accrued, unused SL. Accrued, unused SL greater than sixty (60) hours will be forfeited.

5.10.9 Upon separation from employment, the employee will not receive any cash out of accrued SL or otherwise receive any financial or other reimbursement for SL.

5.10.10 In the event a non-benefitted employee is rehired by the District within twelve (12) months of separation, the employee will be entitled to reinstatement of their prior accrued, but unused, SL balance. Provided however, that if the employee is rehired in the accrual year following the year in which separated from employment, the amount of SL reinstated will be no more than sixty (60) hours.

5.10.11 Treatment of SL and PL when the employee's employment status changes will be as follows:

5.10.11.1 In the event that an employee's employment status changes from not eligible for benefits to benefit-eligible, the accrued but unused sick leave balance will remain to be used for sick leave purposes as outlined in Article 5.10.1. The employee will begin accruing PL upon the employment status change and SL will no longer accrue. The employee will follow the relevant guidelines for the use of each type of leave until the SL balance is exhausted.

5.10.11.2 In the event that an employee's employment status changes from benefit-eligible to not eligible for benefits, the accrued but unused PL balance will be cashed out in accordance with Article 5.1.11. The employee will be terminated and re-hired into the not eligible for benefits position and begin accruing only SL upon commencement of the new position. PL will no longer accrue.

5.10.12 Gifting of SL to another District employee is not allowed.

ARTICLE 6: GENERAL WORK PROVISIONS

Posting and Bidding

6.2.3 When openings occur, employees shall **first** be advanced in accordance with their seniority and **then by seasonal ranking**, to the highest job for

which they possess the necessary qualifications; provided, that there may be exceptions described in this Agreement covering the selection for certain Work Classifications or jobs. In all cases of promotion, transfer, demotion, layoff and recall from layoff, the following factors shall be considered: knowledge, training, ability, skill and physical fitness.

6.2.4 Regular Full-time and Limited Assignment employees, who have successfully completed their probationary period, **shall** have bidding rights. It shall be the responsibility of the bid applicant to provide all information in the bid that he/she feels important for proper consideration of his/her qualifications. An employee shall not sacrifice future rights through failure to exercise his/her bidding rights.

6.2.4.1 If no qualified Regular Full-time or Limited Assignment employees are awarded the position, Seasonal employees that bid the position, who have accrued a minimum of twelve (12) cumulative months during consecutive seasons with performance review ratings of meets expectations or higher, shall be awarded the bid based on seasonal ranking and in accordance with the provisions of 6.2.3. Seasonal ranking shall be based on current cumulative months during consecutive seasons unless otherwise mutually agreed.

6.2.4.2 Seasonal employees initially awarded a Regular Full-time or Limited Assignment position will be subject to a probationary period per 6.1.3.

ARTICLE 7: GENERAL WORKING RULES

7.1.3.2 Rotating Shift:

(h) For the purpose of overtime assignments for rotating shifts, when an employee is contacted outside of work and the planned assignment is longer than twelve (12) hours from the initial contact it shall be considered "scheduled overtime". If the reporting time for an overtime assignment is less than twelve (12) hours from the initial contact, such overtime shall be "callout overtime". Otherwise, the overtime definitions in Section 7.2.2 shall apply.

7.1.3.5 Special Shift:

b) Core hours for special work schedules (defined as forty (40) hours per work week) will be paid at straight-time and may be eight (8), ten (10), or twelve (12) hours in duration. One **and one half dollars (\$1.50)** per hour will be paid for each core hour and will not apply to overtime hours.

- 1) For 24-hour coverage, **special shifts shall include a day shift with a start time as established in 7.1.3.1. Day shift hours are not subject to the shift premium.**

7.2.2.3 Callout Overtime: When an employee is **contacted** to report for an overtime assignment, such overtime shall be "callout overtime."

7.5 UPGRADES

7.5.1 An employee placed on temporary assignment to a higher paying job title shall receive the rate of pay for the higher job title that represents an increase in pay for the time the employee actually performs the duties and assumes the responsibilities of the higher job title. An employee in upgrade status that encompasses a paid holiday, in which the employee works the scheduled days prior to and after a holiday, the holiday will be paid at the higher upgraded rate.

7.5.2 When an employee works in a scheduled upgrade status, in two or more upgraded job titles, for more than two (2) consecutive work weeks, the employee's rate of pay for holiday pay shall be that of the upgraded pay rate for the job title in which the greatest amount of time is spent working until such time that the upgrade assignment ends.

7.5.3 When an employee works in a scheduled upgrade status for more than two (2) consecutive work weeks, the employee's rate of pay for **Floating Holiday (FH)** usage and holiday pay shall be that of the upgraded pay rate until such time that the upgrade assignment ends.

7.5.4 Personal Leave (PL) usage while in upgrade status will be charged at the rate of pay for the job title in which the employee was scheduled to work.

7.12 COMMERCIAL DRIVER'S LICENSE The District will pay the cost of maintaining a Commercial Driver's License (CDL) **for employees when** required of them **(including an initial test for Sleep Apnea if required)**. An employee who is promoted or transferred to a position which results in the District requiring a CDL shall have the cost of obtaining and maintaining such CDL **(including an initial test for Sleep Apnea if required)** paid by the District. Failure by the employee of any test for receipt or maintenance of the CDL shall result in the employee bearing the expense of any subsequent training and/or re-testing costs.

7.13 PAY DAYS Paydays are every other Friday. **Employees hired on or after April 1, 2018, agree to make all necessary arrangements to have all sums paid pursuant to this Agreement direct deposited into (an) authorized account(s) as designated by the Employee.**

Upon ratification, employees hired before April 1, 2018, shall have 42 calendar days to select a warrant draft if they desire. Employees who select direct deposit will not be able to return to a warrant draft.

7.16 DISTURBANCE PAY Employees shall be paid one-half (1/2) hour of overtime at double the employee's regular rate of pay for **contacts made** to off duty employees regarding District operations, regardless of the time or length of the **contact. Contacts** longer than one-half (1/2) hour will be rounded up to the nearest one-half (1/2) hour. Multiple **contacts** in the same one-half (1/2) hour will not result in additional compensation. It is understood call-outs are not entitled to disturbance pay.

7.19 APPRENTICE INSTRUCTOR Bargaining Unit members acting as instructors in Joint Apprentice Training classes will be paid at **two (2) times** their hourly rate for all hours spent in classroom instruction outside of normal working hours.

ARTICLE 8: WORKING RULES BY CLASSIFICATION GROUP**8.1 LINE, SERVICE AND SERVICE LINEMAN WORK**

8.1.6 Employees in the following classifications shall receive an annual climbing stipend equal to 1.5% of their current hourly rate multiplied by 2080, plus one and one half percent (1.5%) multiplied by the employee's individual non-core overtime hours worked for that pay period:

- General Foreman
- Line Foreman
- Line Serviceman
- Journeyman Lineman
- Apprentice Lineman

8.1.9 Head Groundman will be expected to operate line trucks, bucket trucks and forklifts as part of their normal job. A Head Groundman will receive the Equipment Operator rate when operating backhoes, pulling equipment and other heavy equipment when fully trained.

8.1.9.1 Head Groundman (first step) may operate backhoes, pulling equipment and other heavy equipment without an upgrade to Equipment Operator rate to facilitate training and while under direct supervision.

8.1.10 Groundman (first step) will not typically operate equipment. Groundman (second step) under direct supervision, may operate equipment such as line trucks, bucket trucks and forklifts as part of their normal job.

8.1.10.1 Upon completion of one year in the Groundman position, employees will be eligible to progress to the Head Groundman position once they demonstrate the following proficiencies:

- a. A basic understanding of line construction practices;
- b. The ability to identify the tools and materials used in everyday line construction;
- c. The ability to stock and maintain crew trucks with needed parts and tools, and keep them orderly and clean;
- d. The ability to communicate effectively with crew members, follows instructions, and retains information.

8.1.10.2 Groundman will be provided a "Qualification Card" listing these requirements and shall have his/her Card signed by two (2) Foremen and four (4) Journeyman Linemen signifying that the Groundman has demonstrated these skills to their satisfaction. Once completed, the Card shall be presented to the Superintendent for the final determination that the Groundman has met the requirements and is suitable for the Head Groundman position.

8.1.11 LINEMAN SENIORITY DETERMINATION modifies the application of Section 6.1 (seniority) of the Collective Bargaining Agreement with respect to the Linemen titles of the Line Crews series listed in Exhibit "A." To minimize the administrative burden associated with these changes, the Lineman Shop Steward and the Line Department Superintendent commit to maintain the necessary records and provide a "seniority list" whenever vacancies are posted in this series.

8.1.11.1 When an Apprentice Lineman completes his or her apprenticeship and passes his or her Journeyman Examination, the apprentice shall be credited with one-year Journeyman Lineman seniority.

8.1.11.2 When a Journeyman Lineman is hired on the same calendar day as a "hot" apprentice, the Journeyman Lineman shall have seniority over the apprentice.

8.1.11.3 When a Journeyman Lineman is hired on the same calendar day an indentured apprentice reaches his or her fifth period, the Journeyman Lineman shall have seniority over the apprentice.

8.1.11.4 No Lineman Apprentice shall receive more job title seniority than they have District seniority.

8.2 TROUBLE CALLS AFTER HOURS/CALL OUTS/RESIDENCY

8.2.4 Call Out Pay (Line Operations)

8.2.4.1 For those on the "A" list, pay for responding to a call out shall commence when the call is received. Pay for the call shall end when the employee is released and leaves the yard or headquarters. A call out will be compensated at no less than two hours at the double-time rate even if the actual time worked is less. There shall be no other compensation for that time period.

8.2.4.2 For those on the "B" list, pay for responding to a call out will be applied per 7.2.4 of the Collective Bargaining Agreement.

- a. "A" List: Residence is less than or equal to thirty (30) minutes from reporting headquarters.**
- b. "B" List: Residence is greater than thirty (30) minutes from reporting headquarters.**

8.2.5 Service Lineman residency requirements of 12 miles or 20 minutes will remain in place unless specific situations and changes are mutually agreed to.

8.9 TECHNICIAN/METER RELAY TECHNICIAN

8.9.1 The term "Technician" shall refer to any of the Technician group consisting of Technician Foreman, Technician, Apprentice Technician, Technician Apprentice Trainee, and Meter/Relay Technician

8.9.2 Progression for the Apprentice Technician and Apprentice Technician Trainee.

8.9.2.1 Apprentice Technicians will be advanced from the Apprentice Trainee position.

8.9.2.2 Apprentice Technicians who have reached year three (3) of the apprenticeship may be expected to work without Technician Supervision on assignments when the Apprentice, Technician Foreman and Supervisor agree that the Apprentice has sufficient training and knowledge to perform such assignment safely and competently. Each assignment will be considered and approved by the parties listed above.

8.9.2.3 All Apprentices will be required to obtain an FCC General Radio Operators License (GROL) by the end of year four (4) of the apprenticeship Program and pass the Technician Examination to advance to the Technician 2 position.

8.9.3 Post Apprenticeship Training/Advancement

8.9.3.1 Employees completing the District Technician Apprenticeship will be governed by the following progression with wages as established in Exhibit A of this Agreement:

| Step | Exhibit A |
|--------------------------------|------------------|
| 1st 6 Months | Tech #2 |
| 2nd 6 Months | Tech #2 |
| 3rd 6 Months | Tech #3 |
| 4th 6 Months | Tech #4 |
| 5th 6 Months | Tech #5 |
| 6th 6 Months | Tech #5 |
| Thereafter | Tech #6 |

8.9.3.2 Technicians having three (3) years of post-apprentice experience will be expected to demonstrate proficiency in at least three (3) areas as outlined in the “Technician Area Responsibility Form”.

8.9.3.3 At each six (6) month interval the Technician Supervisor, Technician Foremen, and the Technician will meet to ensure the Technician is getting the proper training and work assignments needed to meet the requirements for continued advancement.

8.9.3.4 The District may also advance a Technician based on the Technician's certifications, endorsements and/or experience and knowledge as determined by the Technician Supervisor and Technician Foreman.

- a. Technician Apprentices are required to complete the four (4) year Technician Apprenticeship and three years technical experience as a District Technician with demonstrated proficiency to advance to Tech #6.**

8.9.3.5 Technician Apprentice Trainee: A Trainee may serve up to twelve (12) months in the Trainee classification. During the twelve (12) month period the Trainee may operate any Technician equipment and perform other tasks as assigned by the Technician Foreman and/or Technician. The Trainee shall work under the supervision of a Technician. It is understood that a Technician Apprentice Trainee shall demonstrate the ability and desire to become a Technician. Consideration for early advancement to a first-period Apprentice will be based upon on-the-job training, previous experience, evaluations and classroom instruction.

8.9.3.6 Technicians hired from the outside who do not possess a GROL must acquire it by the end of their first year of employment.

8.9.3.7 Technicians hired from outside the District will be governed by the Post-Apprenticeship rules set out above.

- a. Technicians hired from outside the District are required to complete three years technical experience as a District Technician with demonstrated proficiency to advance to Tech #6.

8.9.4 Progression for the Meter Relay Technician.

8.9.4.1 The Meter Relay Technician position is the avenue for advancement for Journeyman Wiremen and Journeyman Metermen.

- a. The Meter Relay Technician position will not abrogate the District's existing Technician apprenticeship program nor entirely supplant meter relay work performed by existing qualified Technicians

8.9.4.2 The Meter Relay Technician is headquartered in the Tech Shop under the Technician Supervisor. The Meter Relay Technicians primary responsibility is to test, calibrate, repair and keep appropriate records on the District's relay and the Production System Meter equipment & SCADA. Meter Relay Technicians will work with Technicians on other regular duties when no Meter Relay duties exist.

8.9.4.3 Meter Relay Technician selection is open to Journeyman Wiremen or Metermen. The District will post bids for Meter Relay Technicians. An examination, prepared by the District and approved by the Union will be given to all applicants. The examination is based upon, for the most part but not limited to, material covered in the course of the District's Wireman and Meterman Apprenticeship Program. Prequalification examination test results will be valid for five (5) years from the test date and be retroactive to include current qualified applicants (i.e. anyone who has taken the examination in the last five (5) years).

8.9.4.4 Meter Relay Technicians will spend one (1) year performing maintenance on the appropriate equipment under the supervision of a qualified Technician. During this time and the following year, the individual will complete TVPPA Course II & III.

8.9.4.5 Meter Relay Technician advancement will be governed by the following progression with wages as established in Exhibit A of this Agreement:

| <u>Step</u> | <u>Exhibit A</u> | |
|--------------------------|---|------------------------|
| 1 st 6 Months | M/R Tech #1 | |
| 2 nd 6 Months | M/R Tech #2 | |
| 3 rd 6 Months | M/R Tech Thereafter (TVPPA Protective Relay Course Completed) | |
| 4 th 6 Months | M/R Tech Thereafter | |
| 5 th 6 Months | Tech #5 | |
| Thereafter | Tech #6 | (CIE Course Completed) |

8.9.4.6 To move to Technician #5 the Meter Relay Technician must be enrolled in an 18-Month Cleveland Institute Electronics (CIE) Course or equivalent CIE course and demonstrate that the course is halfway complete. Advancement to Technician #6 shall require completion of the CIE course.

8.9.4.7 After four (4) years the Meter Relay Technician will demonstrate proficiency in at least three (3) areas as outlined on "Technician Area Responsibility Form". At each pay raise interval the Technician Supervisor, the Technician Foremen, and the Technician will meet to ensure the Technician is getting the proper training and work assignments needed to meet the requirements for advancement.

- a. The District has the right to return unsuccessful Meter Relay Technicians back to their previous job within one (1) year. Employees selected for these jobs shall also have the right to return within one (1) year to the job they previously held.**
- b. Meter Relay Technicians are required to complete a three (3) year Wireman/ Meterman Apprenticeship, two (2) years as a Meter Relay Technician and two (2) years technical experience as a District Technician with demonstrated proficiency to advance to Tech #6.**

8.11 FLEET SERVICES

8.11.1 The day shift will be 7:00 a.m. to 3:30 p.m., Monday through Friday.

8.11.2 The mid-shift will be 12:30 to 9:00 p.m., Monday through Friday.

8.11.3 The swing shift will begin between 1:00 p.m. and 3:00 p.m. to 11:30 p.m., Monday through Friday. The 1:00 p.m. to 3:00 p.m. Swing Shift start time is to provide an eight (8) hour rest period between shifts.

8.11.3.1 Employees may be scheduled from swing shift to day shift for less than a full week schedule change for the purposes of training or compliance obligations such as: Traveling for Hazmat License endorsement background verification.

8.11.3.2 Employees may be scheduled from swing shift to day shift for less than a full week schedule change for the purpose of staffing work at the District's Stehekin facility no more than four (4) times per year. Opportunities will be filled on a voluntary basis by qualification, with the lowest in overtime accrual at the time of scheduling and rotating thereafter. If there are no volunteers, the District will assign the qualified available employee(s) lowest in overtime.

One-day change examples:

| | Monday | Tuesday | Wednesday | Thursday | Friday |
|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Swing-Shift | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. |
| Examples | 7:00-a.m.-3:30-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. |
| | 1:00-p.m.-9:30-p.m. | 7:00-a.m.-3:30-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. |
| | 2:30-p.m.-11:00-p.m. | 1:00-p.m.-9:30-p.m. | 7:00-a.m.-3:30-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. |
| | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 1:00-p.m.-9:30-p.m. | 7:00-a.m.-3:30-p.m. | 2:30-p.m.-11:00-p.m. |
| | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 2:30-p.m.-11:00-p.m. | 1:00-p.m.-9:30-p.m. | 7:00-a.m.-3:30-p.m. |

8.11.4 The modified shift will be 9:30 a.m. to 6:00 p.m., Monday through Friday.

8.11.5 Refer to 7.3 Meal Provisions for the above listed shifts.

8.11.6 **Employees shall be notified of work schedule changes by 3:00 p.m. on the Thursday of the week prior to the beginning of the new work schedule or the first shift of the new work schedule will be paid at twice the straight-time rate.**

8.11.7 Temporary upgrading to Fleet Services Shop Foreman on either the day or swing shift will occur only when the work complement number three (3) or more.

8.11.8 The day *shift* Foreman will establish the work for both *the day and mid-* shifts as well as can be planned recognizing the nature of the work. This swing shift will usually consist of three individuals one of whom will be a Foreman.

8.11.9 Seniority shall be based exclusively on Fleet Services classification seniority for employees working in the following job titles:

- Fleet Shop Foreman
- Fleet Regional Technician
- Fleet Technician

The Fleet Services Shop Steward and the Fleet Services Department Manager commit to maintain the necessary records and provide a “seniority list” whenever vacancies are posted in this series.

8.11.9.1 Fleet Mechanic Advancement to Fleet Technician shall be governed by Letter of Understanding #7.

8.11.10 The District shall pay at the first full pay period following April 1 of each year a tool allowance of \$350.00 and boot allowance of \$150.00 to any employee in Fleet Services who is in a classification Service Person, Mechanic, Technician, or Foreman that requires the employee to supply their own tools and safety-toe work boots. When Fleet Services informs payroll that an employee has been newly hired or promoted into a classification eligible for the tool and boot allowance, that employee shall receive in the next full pay period a prorated tool and boot allowance based upon the number of months between the point of hire or promotion and the next full pay period in April.

8.11.10.1 Fleet Service employees in the classifications Service Person, Mechanic, Technician, and Foreman, the District will replace tools that have been damaged during normal use. The District will not be liable for

tools damaged or lost due to the event of an employee's misuse or negligence.

8.11.10.2 The District will arrange for the storage of tool boxes in a secure building when employees are off duty. It shall be the employee's responsibility to lock up their own tool boxes at the end of their shift before going off duty.

8.11.11 Each employee will provide the District with a complete tool inventory which will be verified and approved by the Fleet Services Department Manager. Tool inventories shall be clear, legible and accurate. It shall be the employee's responsibility to provide the District with any updated tool inventory. The tool inventory on file will be the basis of any subsequent claim for losses as the result of fire or theft. Employees must notify the District when they remove their tools from the District's premises. The District will not be liable for theft or the destruction of tools which are removed from the District's premises.

8.11.12 Fleet Services employees with a job classification of Service Person, Mechanic, Technician or Foreman will be required to wear boots approved by the Supervisor. Typically, these must be safety-toe boots with an eight (8) inch high upper during on-duty hours. The soles of the boots must be oil resistant and of a non-slip tread design. The District reserves the right to modify the boot requirements for safety reasons.

8.11.13 Shop Mechanic notified of a headquarters change by 3:00 p.m. on Thursday of the week prior will travel to the assigned headquarters on his/her own time and at his/her own expense. If such notice is not provided, the Shop Mechanic will travel on District time, or the first four (4) hours of the first shift will be paid at twice the straight-time rate.

8.15 WATER/WASTE WATER TECHNICIAN

8.15.4 When three (3) or more **Water/Waste Water** employees, two (2) of whom are Journeyman **or higher** are assigned to work in the same crew, in the absence of a Foreman, a **Water Technician Journeyman or higher** will be upgraded as Foreman. **The predominate nature of the work, Water or Waste Water will determine the appropriate employee for upgrade which will be at the Water Technician Foreman rate.**

8.15.4.1 Foreman upgrades based on the predominate nature of the work and work location:

- **Waste Water: The Treatment Plant Operator II will be upgraded as Foreman for assignments involving wastewater work from collection to processing.**
- **Water: A Water Technician Journeyman or higher will be upgraded as Foreman for assignments involving water work at the treatment plant facilities.**

8.15.4.2 The below listed job titles are considered as Journeyman for the purpose of Foreman upgrade:

- **Water Technician Journeyman**
- **Water Technician Serviceman**
- **Water Quality Program Coordinator**

- **Operations and Maintenance Coordinator**
- **Treatment Plant Operator (Treatment Plant Operator II or higher)**

8.15.5.1 The current Water Technician Journeymen will rotate through the Water Technician Serviceman position based on the following criteria:

- Rotations will be one (1) month in duration unless otherwise agreed;
- The Serviceman truck will be assigned to the Journeyman on rotation and will be available to take home for emergency responder use;
- The Journeyman on rotation will be first called for after-hours response. Response will remain voluntary;
- The Journeyman on rotation will not be utilized in the foreman capacity for upgrades except;
- The Journeyman on rotation may be upgraded to Foreman when the scheduled upgrade is for five (5) or more days.

8.17 LANDS AND FACILITIES MAINTENANCE

8.17.1 Lands and Facilities Maintenance classification shall refer to any of the Lands and Facilities Maintenance group consisting of Lands and Facilities Foreman, Wildlife Specialist – Lands and Facilities, Lands and Facilities Maintenance 2 and Lands and Facilities Maintenance 1.

8.17.2 Lands and Facility Maintenance Foreman, Wildlife Specialist – Lands and Facilities or Lands and Facilities Maintenance 2 shall obtain and maintain Washington State Department of Agriculture public applicator pesticide license (appropriate sub-categories as needed; aquatic, right-of-way, turf, ornamental, insect). The District will pay the cost of obtaining and maintaining required formal licenses and endorsements.

8.17.3 When three (3) or more Lands and Facilities Maintenance employees and at least one is either a Wildlife Specialist – Lands and Facilities or a Lands and Facilities Maintenance 2, are assigned to work on a crew without immediate supervision, the Wildlife Specialist – Lands and Facilities or the Lands and Facilities Maintenance 2 will be upgraded to Foreman, in accordance with the standards developed by the Joint Foreman Training Committee (“JFTC”).

9.1 General Wage Increases

9.1.1 Except as otherwise provided below, the wage rates set forth hereinafter become effective **April 1, 2018**. These are minimum rates and nothing contained herein shall prohibit the District from paying higher rates provided that no adjustment in individual pay rates shall be made without first notifying the Union.

| | |
|----------------------|---------------|
| April 1, 2018 | 3% GWI |
| April 1, 2019 | 3% GWI |
| April 1, 2020 | 3% GWI |

10.1 LETTERS OF UNDERSTANDING The Union and the District may mutually develop Letters of Understanding to resolve the various labor relations issues confronting the parties. These Letters of Understanding will carry the same weight and value as this Agreement. This Agreement may be amended only by the mutual written agreement of the Parties. Such amendment shall be dated and signed by the Parties, and together with the attached Appendices, shall constitute a part of this Agreement.

| | |
|---|-----|
| 2018 Letters of Understanding | |
| #01 Customer Accounting Wage Progression | 1 |
| #01 Training & Advancement for Customer Accounting | 1 |
| #02 Rocky Reach Utility Schedule | 2 |
| #06 Revised - Distribution Meal Policy in Place of Section 7.3 | 6 |
| #07 Fleet Services | 7 |
| #08 Revision to Corrective Action Recordkeeping | 8 |
| #09 Use of Part-Time Utility Clerks at Chelan and Leavenworth | 9 |
| #10 System Operations - Training and Travel | 10 |
| #11 Learner Diver Eligibility | 11 |
| #12 Revised - Warehouse Foreman Upgrades | 12 |
| #14 Hydro Operations Qualification Standards & Progression for Advancement Review | 14 |
| #17 New Services Coordinator | 17 |
| #19 Gary Klingele Grievance | 19 |
| #30 Energy Isolation and Lockout/Tagout Testing Procedure | 30 |
| #31 Addendum to Flex-Time | 31A |
| #31 Revised - Flex-Time for Customer Accounting, Office Services, General Accounting | 31R |
| #32 Revised - System Operations Qualification Standards & Progression for Advancement Review | 32 |
| #34 Revised - Operator Relief Lake Chelan | 34 |
| #37 Revised - Stehekin Operations Attendant | 37 |
| #38 Revised - Professional Development Courses for Office Service Support Specialists | 38 |
| #41 Meter Services Agreement | 41 |
| #42 Engineering Classification Progression | 42 |
| #46 Revised - Retiree Benefits | 46 |
| #47 Revised - Visitor Center Utility Persons Schedules and Selection Process | 47 |

| | |
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| #48 Addendum to LOU #57 - Temporarily Transferring Rotating Shift Employees to Day Shifts | 48 |
| #48 Extension | 48E |
| #49 Operator Maintainer Chelan Falls Hydro | 49 |
| #55 Revised - Twelve Hour Rotating Shifts | 55 |
| #56 Eight Hour Rotating Shifts | 56 |
| #57 Plant Maintenance Rotating Shift Language | 57 |
| #58 Relief Operator | 58 |
| #59 Journeyman Level Hydro Operators | 59 |
| #60 Relief Maintenance Positions | 60 |
| #71 Impact of Failing to Meet Job Requirements Related to Driver's Licenses | 71 |
| #73 Impact of Losing a Commercial Driver's License | 73 |
| #75 Warehouse Transition | 75 |

10.5 DURATION Unless otherwise agreed, this Agreement shall be effective April 1, 2018, and shall remain in full force and effect through March 31, 2021, and from year to year thereafter, unless either party requests, in writing at least sixty (60) days prior to March 31, 2021, that the Agreement be amended, terminated or extended.

Miscellaneous Housekeeping Items

- Modify Exhibit A to reflect Parks rather than Parks and Facilities.
- Modify Exhibit A to add asterisk * to Switchboard Operator/Receptionist*.
- Modify Exhibit A to add PS Wireman Shop Foreman job title.
- Modify Exhibit A to add the classification, job titles and wage progression for Energy Resource Conservation.
- Modify Exhibit A to add the classification, job titles and wage progression for Customer Service Representatives, Utility Clerks Branch Offices and Part-time Utility Clerk Branch Offices.
- Modify Exhibit A to move Engineering Classification move from Generation to Utility Services.
- Senior Foreman – Move discussions to Labor Management in the JFTC
- Fleet Service Apprenticeship – Move Discussion to Labor Management
- Generation Hydro-Operators Headquarters – Move to Labor Management

DATED AT WENATCHEE, WASHINGTON, THIS _____ of _____
_____, 2018, PUBLIC UTILITY DISTRICT NO. 1
OF CHELAN COUNTY, WASHINGTON:

Steve Wright
General Manager

This Agreement is subject to the approval of the District's Board of Commissioners and International President of the International Brotherhood of Electrical Workers.

APPROVED _____, 2018,
INTERNATIONAL OFFICE, INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS.

Louis Walter
Business Manager

Tim Barnett
Business Representative

RESOLUTION NO. _____

A RESOLUTION PROVIDING NOTICE OF THE
ESTIMATED BILLINGS EXPECTED FROM THE
PUBLIC EMPLOYEES RETIREMENT SYSTEM
DUE TO THE ACCUMULATION BY DISTRICT
EMPLOYEES OF THEIR PERSONAL LEAVE AND
NON-RECURRING EARNINGS

FACTUAL BACKGROUND AND REASONS FOR ACTION

RCW 41.50.152 provides that the governing body of a public employer must give notice at a public meeting of contracts that may result in excess compensation billings under the Public Employers Retirement System (PERS). Excess compensation consists of specific types of reportable compensation when the payment would increase the member's retirement allowance calculation. For employees who are members of PERS Plan 1, the District must fund excess compensation for retirement benefits due to personal leave cashed out at retirement in excess of 240 hours and that was accrued during the last 24 months prior to retirement. This includes both the funds sent to the Health Reimbursement Arrangement Voluntary Employee Beneficiary Association (HRAVEBA) and the funds paid directly to the employee. Other examples of excess compensation that must be funded are payments, including overtime payments and non-recurring earnings that exceed twice the regular rate of pay as defined in RCW 41.50.150.

The District approved the terms and conditions of a Collective Bargaining Agreement with Local Union 77 of the International Brotherhood of Electrical Workers (the "CBA") for the period of April 1, 2018 through March 31, 2021. The CBA carries forward from the prior contract a provision allowing employees to accrue personal leave that is in excess of 240 hours during the 24 months prior to retirement. The provision requires all accrued but unused personal leave be cashed out upon retirement with 90% of the cashed out amount sent to HRAVEBA and 10% of the cashed out amount paid directly to the employee.

To comply with the public notice requirement of RCW 41.50.152, the District's estimate of excess compensation billings for its bargaining unit employees who are eligible to retire during the period April 1, 2018 through March 31, 2021 is \$37,812.54.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY
DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The District's estimate of excess compensation billings for its employees who are eligible to retire during the period April 1, 2018 through March 31, 2021 is \$37,812.54.

Section 2. This resolution complies with the public notice requirement of RCW 41.50.152.

DATED this 2nd day of April 2018.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal