

Sacramento Municipal Utility District

And

IBEW, Local Union 1245

MEMORANDUM

OF

UNDERSTANDING

2013–2017

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PREAMBLE

Pursuant to the requirements of Government Code Section 3500, et seq, representatives of the Sacramento Municipal Utility District, hereinafter referred to as "SMUD", and the International Brotherhood of Electrical Workers Local Union 1245, hereinafter referred to as "the Union", have met and conferred in good faith with the purpose of promoting harmonious labor relations and establishing and maintaining appropriate wages, hours, and other terms and conditions of employment. SMUD recognizes the Union as the representative of all employees of SMUD commonly referred to as "Hourly-Rated" employees, as defined in Board Resolution Number 6441. The provisions of this Agreement hereinafter set forth shall apply to those employees of SMUD for whom the Union is the established representative.

ARTICLE 1

DEFINITIONS

1. INTRODUCTION

The following terms are defined here for use throughout this Agreement.

2. HEADQUARTERS DEFINITIONS

The following reporting "To and From" work locations are headquarters: Sacramento (which includes Customer Service Center, and Headquarters Campus), East Campus, Elk Grove Yard, and Fresh Pond.

3. EMPLOYEE DEFINITIONS

A. Regular Employee

- 1) The term "regular employee" includes:
 - a) Permanent, full-time civil service employees.
 - b) The General Manager and full-time non-civil service employees appointed by the Board of Directors.
 - c) Non-civil service employees appointed to permanent positions with the expectation they will qualify and receive civil service appointments to their positions.
 - d) Permanent, part-time employees who are hired to work at least 20 hours per week on a fixed schedule.
 - e) Full-time Limited Term or Temporary Construction employees (reference Public Utility Code Section 12055) hired for more than 6 consecutive months.
- 2) The term "regular employee" excludes:
 - a) Limited Term or Temporary Construction employees (reference Public Utility Code Section 12055) hired to work less than 20 hours per week.
 - b) Employees who are on-call or work on an as-needed basis.
 - c) Employees who are on an unpaid leave of absence.
 - d) Full-time Limited Term or Temporary Construction employees (reference Public Utility Code Section 12055) hired for 6 months or less.

B. Relief Shift Employee

The employee performs the duties of emergency relief and must be available for working revolving shifts on any day of the week. The employee can be assigned for the relief of any shift without advance notice.

Employee Definitions (Cont'd)

C. **Rotating Shift Employee**

The employee's regular work schedule requires them to rotate between two or more shifts. This includes, but is not limited to, Troubleshooters (not resident Troubleshooters).

D. **Service Employee**

Employees are assigned to perform work that is directly related to providing utility service, including work on the electric facilities. Service employees include Revenue Protection Representatives, Troubleshooters, etc.

E. **Shift Employee**

The employee's regular work schedule is the second or third shift.

F. **Special Shift Employee**

The employee is permitted to eat their meal on SMUD time during their regularly scheduled work hours.

4. **OVERTIME DEFINITIONS**

A. **Change In Shift**

The employee is permanently or temporarily transferred to a new work schedule or shift that will last one workweek or more.

B. **Early Call-In**

The employee is called to work early, and works into their regular work hours.

C. **Emergency Call-Out**

The employee is called to work on their regular workday to perform emergency work that does not extend into their regular work hours, or the employee is called to perform emergency work on their day off.

D. **Emergency Work**

Overtime work which has not been prearranged.

E. **Extended Work Schedule**

The employee is required to work beyond their regular work hours.

F. **Prearranged Overtime**

The employee is notified before leaving work on a workday to work overtime, and they are given at least 12 hours off before the reporting time. (Revised 1/1/2013)

5. **SHIFT DEFINITIONS**

A. **First Shift**

Work periods regularly scheduled to begin between the hours of 4:00 a.m. and 11:55 a.m.

B. **Second Shift**

Work periods regularly scheduled to begin between the hours of 12:00 noon and 7:55 p.m.

C. **Third Shift**

Work periods regularly scheduled to begin between the hours of 8:00 p.m. and 3:55 a.m.

ARTICLE 2

UNION SECURITY

1. INTRODUCTION

The following Agency Shop provisions shall apply to all employees represented by the Union.

2. DUES/FEES

- A. Any employee of SMUD in a classification represented by the Union who is not on leave of absence shall, as a condition of continued employment and within ninety days of his/her date of hire, become a member of the Union, or pay the Union a service fee in an amount not to exceed periodic dues and general assessments of the Union. Such amounts shall be determined by the Union and implemented by SMUD in the first payroll period which starts 30 days after written notice of the new amount is received by SMUD.
- B. Any employee of SMUD in a classification represented by the Union who, on December 31, 1990, was an employee and was not a member of the Union on December 31, 1990, and who remains an employee continuously after December 31, 1990, is exempt from the provisions of this Article unless he or she elects to become a member of the Union or pay the service fee stipulated above.
- C. PAS or OSE-represented employees who permanently fill an IBEW-represented position after January 1, 1991, are subject to the agency shop/conscientious objector fee provisions whether or not they had been SMUD employees prior to January 1, 1991.
- D. Part-time, on-call employees are not required to join the Union or pay a representation fee.

3. RELIGIOUS OBJECTIONS

Any employee who is a member of a bona fide religion, body, or sect who has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support the organization. Such employee shall, in lieu of periodic dues or agency shop fees, pay sums equal to said amounts to a non-religious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, which has been selected by the employee from the following: the United Way, the Heart Fund, or the Lung Association.

Such payments shall be made by payroll deduction as a condition of continued exemption from the requirements of financial support to the Union and as a condition of continued employment.

4. UNION RESPONSIBILITIES

- A. The Union shall keep an adequate itemized record of its financial transactions and shall, by April 1 of each year, make available to SMUD, and to all bargaining unit employees, a detailed written financial report for the fiscal year ending the preceding December 31, in the form of a balance sheet and an operating statement, certified as to its accuracy by its president and the treasurer or corresponding principal officer, or by a certified public accountant.

Union Responsibilities (Cont'd)

- B. The Union certifies to SMUD that it has adopted, implemented, and will maintain procedures in accordance with applicable statutes, any decisions by a court of competent jurisdiction, and any other applicable legal authority.
- C. Hold Harmless: The Union agrees to indemnify and hold SMUD harmless against any and all liability including but not limited to such items as wages, damages, awards, fines, court costs, and attorney fees which may arise by reason of the result of the operation of this Article.

5. CHANGE OF LAW

In the event there is a change in the law whereby any provision hereof becomes invalid or if for any reason any provision of this Article is rendered unlawful by any published appellate court decision, the parties hereto shall meet-and-confer within thirty (30) days to negotiate a substitute provision which conforms to said law or court decision.

6. DISCIPLINE PROCEDURE

No employee shall be terminated under this Article unless:

- A. The Union first has notified the employee by letter, explaining that he/she is delinquent in tendering the required service fee, or payment in lieu of service fee pursuant to subsections 2 and 3 above, specifying the current amount of the delinquency, and warning the employee that unless such service fee, or payment in lieu of service fee, is tendered within thirty (30) calendar days, the employee will be reported to SMUD for termination as provided in this Article; and
- B. The Union has furnished SMUD with written proof that the procedure of subsection 6.A, above has been followed, or has supplied SMUD with a copy of the letter sent to the employee and notice that he/she has not complied with the request. The Union must further provide, when requesting SMUD to terminate the employee, the following written notice:

"The Union certifies that _____ (Employee's Name) _____ has failed to tender the agency shop service fee, or payment in lieu of service fee, required as a condition of employment under this Agreement and that under the terms thereof, SMUD shall terminate the employee."

ARTICLE 3

WAGES AND CLASSIFICATION

1. PAYDAY

Pay periods cover 2 weeks. They begin at 12:01 a.m. Saturday and end at midnight Friday. Employees will be paid on the Friday following the end of the pay period. Area personnel normally distribute paychecks the preceding day. If the distribution date (Thursday) is a holiday, employees' checks will be distributed on Wednesday, and dated Friday. If the payday (Friday) is a holiday, employees' checks will be dated and distributed on Thursday.

2. ENTRY RATES - NEW EMPLOYEES

New employees normally receive the first step or entry rate for their classification. If an employee has exceptional qualifications, they may be considered for a starting rate above the first step. Approval of the Department Manager, with the advice and concurrence of the Manager, Human Resource Services, is required.

Consideration in starting employees above the entry level will include:

- A. Quality and quantity of their experience relevant to the classification.
- B. Salary level and qualification of other SMUD employees in the same classification.
- C. The employee's salary demands (considering pay, benefits, and future adjustments).
- D. The availability of other qualified applicants.

3. WAGE SCHEDULE PROGRESSION

- A. When pay ranges are designated, movement to the next higher step is based on specified time in grade and satisfactory performance.
- B. Apprentices must demonstrate progressive skill and achievement toward journey level proficiency before advancement to the next step in an apprentice range.

4. MERIT INCREASES

All current employees in a classification with an established pay range are eligible for merit increases at 6-month intervals until they reach the top of the range. Merit increases are granted for effective performance. (Revised 1/1/2013)

Effective 1/1/2013 all newly hired personnel in a classification with an established pay range are eligible for the first merit increase after 12 months and at six month intervals thereafter until they reach the top of the range. Merit increases are granted for effective performance. This change does not affect current employees transferring into new classifications. (Revised 1/1/2013)

Merit Increases (Cont'd)

A. Eligibility

- 1) Current full-time employees in a classification with a wage range are considered for a merit increase at 6-month intervals.

Effective 1/1/2013, all newly hired full-time employees' first merit increase will be after 12 months and thereafter, at six month intervals. This change will not affect current employees transferring into new classifications. (Revised 1/1/2013)

- 2) Current part-time employees are considered for a merit increase when they have worked the equivalent number of hours (1,044 hours) needed for a full-time employee to be eligible for a merit increase.

Effective 1/1/2013, all newly hired part-time employees are considered for a merit increase when they have worked the equivalent number of hours (2,080) needed for a full-time employee to be eligible for a merit increase. (Revised 1/1/2013)

- 3) Probationary Period -- Absences during the probationary period may extend the merit increase eligibility date. Probationary periods interrupted by absences exceeding 10 consecutive working days may be extended by 10 working days for each 10 days of absence. Time off charged to jury duty, holidays or military leave of less than four weeks will not be considered as absences when computing probationary period extensions.
- 4) Leave Without Pay - When employees are absent without pay (except military service) for more than 90 calendar days, the absence may result in merit increase eligibility dates being adjusted to reflect the time absent

B. Temporary Appointments

Temporary appointments to a higher classification may affect merit increase eligibility.

- 1) When employees are temporarily appointed to a higher or different classification, they retain eligibility for merit increases in their original classification.
- 2) When employees are on a timecard upgrade, they do not accrue time toward a merit increase in the higher classification.
- 3) When temporarily appointed to a higher classification by an ESN, the employee will not accrue time for merit increase in the higher classification unless appointed for more than 6 consecutive months.

C. Effective Date

Merit increases are effective on the first day of the pay period closest to the date of the original appointment, promotion, or transfer to a different classification.

The new supervisor shall determine merit increase dates for employees who retain their same classification, but are permanently transferred to another work area.

Merit Increases (Cont'd)

D. Granting Merit Increases

- 1) The normal merit increase is one step for satisfactory performance. Merit increases of 2 or more steps (specials) may be given for exceptional performance.
- 2) Justification for granting or withholding a merit increase must accompany the authorizing Merit Salary Review.

E. Withholding Merit Increases

- 1) A merit increase may be withheld. A factual statement is required to document unsatisfactory progress or performance. It must be discussed with the employee at least 5 days prior to the effective date of the merit increase.
- 2) The decision to withhold a merit increase is subject to appeal in the same manner as other grievances.

F. Reinstating Withheld Merit Increases

- 1) A withheld merit increase may be reinstated after the employee has corrected the deficiencies.
- 2) A withheld merit increase normally will not be considered for reinstatement for at least 6 months.
- 3) When a withheld merit increase is reinstated, the date of reinstatement establishes the next merit increase eligibility date.

5. TEMPORARY UPGRADES

A. Pay Rates

If employees are temporarily assigned to work in a higher classification, they are paid at the higher rate for the time worked.

If the ranges overlap, employees will be paid the rate that is a minimum of 5% above their current rate. If the ranges do not overlap, employees will be paid the entry rate of that class.

B. Minimum Time Worked

The daily accumulated time at the higher classification must equal 2 hours or more. (Time may be accumulated in increments of not less than 1/2 hour.)

C. When an ESN is Required

Assignments to higher classifications for a period in excess of 15 working days require an approved ESN.

Temporary Upgrades (Cont'd)

D. Certification Requirements for Upgrade

Employees may not be upgraded to a journey level classification in which a SMUD apprenticeship is a prerequisite unless they have been certified by their department manager as having comparable training and experience. The Manager, Human Resource Services, will review the certification.

E. Temporary Vacancies

- 1) Temporary vacancies may be filled by a temporary upgrade. An individual from the work area will be upgraded if the individual and at least 2 other people within the work area are on a current eligibility list. This may be done without certification. If less than 3 people from the work area are on the list, or if no eligible list exists, the vacancy may be filled from any source available. Temporary upgrades will not be made for more than 12 consecutive months.
- 2) SMUD agrees to upgrade a journey level to subforeman-woman if he/she is asked to supervise another journey level or someone in a lower classification for more than 2 hours. (Not applicable for journey level helper and trainer-trainee situations.)
- 3) Employees temporarily promoted or transferred to PAS or OSE represented classifications will retain the benefits and working conditions of hourly-rated employees.

6. WAGE RATE - ASSIGNED LOWER CLASSIFICATION

When a position is reclassified to a lower pay rate, the incumbent shall be entitled to transfer to a vacant position in the same or a comparable class for which they are qualified. If the incumbent elects to remain in the reclassified position, the employee's salary will be protected for 2 years. An employee remaining in a reclassified position shall not be required to serve a probationary period.

7. APPRENTICE WAGE RATES

When employees voluntarily move into an apprenticeship program or other similar training program, their starting salary in the new classification is individually determined. The employee's specific salary step is determined by the department manager with the review of the Manager Human Resource Services, after considering the following:

- A. The value of the employee's experience as it relates to the minimum and desirable qualifications of the new position.
- B. The experience and pay steps of other employees in the new classification.
- C. **Pay Scales for apprenticeships will be as follows: (Revised 1/1/2013)**
 1. The starting Wage Rate is equal to 65% of the Journey Level Wage Rate for the Classification, and
 2. The Top Step Wage Rate is equal to 95% of the Journey Level Wage Rate for the Classification

Apprentice Wage Rates (Cont.)

3. Wage Rates for interim steps shall be set based on the number of steps established for the apprentice classification.

8. **PAYMENT FOR TIME NOT WORKED**

Payment for time not worked (i.e., personal leave, jury duty, sick leave, military leave, etc.) is made at the employee's regular rate of pay unless they are temporarily promoted by ESN. The fact that the employee was receiving a shift differential, or had been temporarily upgraded before and/or after paid leave time, is not relevant.

9. **WAGES**

Effective the pay period that includes January 1, 2013; SMUD shall provide a 2.5% wage increase for all IBEW represent employees

Effective the pay period that includes January 1, 2014; SMUD shall provide a 2.75% wage increase for all IBEW represent employees

Effective the pay period that includes January 1, 2015; SMUD shall provide a 3.50% wage increase for all IBEW represent employees

Effective the pay period that includes January 1, 2016; SMUD shall provide a 3.75% wage increase for all IBEW represent employees

Effective the pay period that includes January 1, 2017; SMUD shall provide a 3.75% wage increase for all IBEW represent employees (*Revised 1/1/2013*)

ARTICLE 4

WAGE PREMIUMS

1. INTRODUCTION

SMUD pays wage premiums for commercial driver's license, shift differential, asbestos certification, and lead certification.

2. SHIFT DIFFERENTIAL

A. Shift Differential Eligibility

Shift premiums are not paid to part-time employees. Shift premiums are paid to full-time employees per the following:

1) First Shift

This shift does not carry a shift differential.

2) Second Shift

This shift carries a differential of 6 percent of the Journey Electrician wage.

3) Third Shift

This shift carries a differential of 8 percent of the Journey Electrician wage.

4) 12-Hour Shift

No shift premium is paid for the 12-hour day shift. The night shift premium for employees on the 12-hour rotating shift schedule is the third shift differential.

B. Shift Differential Pay

- 1) Any shift differential payable for an employee's regularly scheduled hours of work is also paid for any time worked immediately before or following their regular hours of work.

Example: An employee's regularly scheduled work hours are 3:30 p.m. to 11:30 p.m. They are asked to work from 3:30 p.m. to 1:30 a.m. on a certain day. They are paid the second-shift differential for the entire work period.

- 2) When employees are required to work a shift that does not start just before or after their own regularly scheduled shift, they are paid the shift differential applicable to the shift in progress at the start of such work.

Example: An employee's regularly scheduled work hours are 3:30 p.m. to 11:30 p.m. With 24 hours notice they are asked to change shifts for five days or more to the established 1:00 a.m. to 9:00 a.m. shift. They are paid the third shift differential for the entire work period.

Shift Differential (Cont'd)

C. Overtime Rate

The appropriate overtime rate is applied to the shift differential when working overtime on the second or third shift.

D. Non-Work Time

- 1) Shift differentials are paid only for hours actually worked. They are not paid for non work time such as holidays, sick leave, personal leave, etc.
- 2) Shift employees working on a non-workday (a day not scheduled as a workday) receive a shift differential only when working a full, regularly established shift. Working any other 8-hour period on a non-workday does not qualify for the shift differential.

Example 1: An employee is a shift employee regularly scheduled to work from Monday through Friday. They are asked to work on a Saturday from 4:30 p.m. to 12:30 a.m., which is not a regularly established shift. The time worked would not qualify for a shift differential.

Example 2: An employee is a shift employee regularly scheduled to work from Monday through Friday. They are asked to work Saturday on a regularly established shift (4:00 p.m. to 12 p.m.). The time worked would qualify for a shift differential.

3. COMMERCIAL (CLASS A OR B) DRIVER'S LICENSE

- A. The provisions of this section do not apply to employees whose job classifications require them to possess a Commercial Driver's License as a condition of employment. (See Appendix B for job classification applicability)
- B. **Employees within designated classes who possess a valid Commercial license in order to meet threshold requirements shall be placed on a pay range which is \$0.66/hour* higher than the regular straight time hourly rate of pay for their classification as full consideration for such licensure and willingness to operate SMUD vehicles requiring this license. Employees who are required to obtain a "Hazmat" endorsement shall be placed on a pay range which is \$0.77/hour* higher than the regular straight time hourly rate of pay for their classification as full consideration for such licensure and willingness to operate SMUD vehicles requiring this license and endorsement. (* - The current \$0.66/hr and \$0.77/hr will increase in years 2014-2017 with the wage adjustments.) (Revised 1/1/2013)**
- C. Area Heads, Managers or Supervisors will meet with representatives of the Union to develop a minimum threshold for each work area. Thresholds will be based on operational need and not just preference.
- D. Work area threshold levels as determined are added to this agreement as Appendix C.

Commercial (Class A or B) Driver's License (Cont'd)

- E. SMUD prefers to meet its need for drivers with a Commercial license on a voluntary basis. However, should the number of valid Commercial Driver's licenses fall below the threshold established for a work area; additional volunteers will be solicited among the work group. If sufficient volunteers are still not obtained, SMUD may require the least senior person in the class series at the work area to obtain and maintain a valid Commercial license (and endorsements where appropriate).
- F. Any employee who becomes ineligible for the Commercial license must immediately notify their supervisor in writing. The Commercial license wage premium will be suspended until proof of renewed eligibility is provided. The employee who becomes ineligible for the Commercial license will (where possible) be reassigned duties within the same classification, not requiring a Commercial license.
- G. Subject to the provisions of Section E above, any employee who desires to surrender their Commercial license voluntarily may do so provided they give SMUD at least 30 days written notice.
- H. It is the intention of SMUD and the Union to work together to resolve any unforeseen problems that may be encountered.

4. **FINANCIAL AND SAFETY BONUSES**

When SMUD institutes a periodic financial and safety bonus program, it determines the bonus amounts and SMUD goals that must be achieved to trigger the bonus.

Employees will be eligible to participate in the financial bonus if they have been on active status for at least 50% of the period covered by the particular program.

Employees will be eligible for the safety bonus when SMUD attains its safety goals if the employee meets the following requirements:

- A. The employee has not incurred a Lost Time Accident during the covered period.
- B. The employee has not incurred a Preventable Vehicle Accident during the covered period.
- C. The employee has been on active status for at least 50% of the covered period.

5. **CERTIFIED ASBESTOS WORKERS**

- A. Employees required by SMUD to be certified Asbestos Workers through SMUD provided (or authorized) training programs will receive a lump sum payment of \$150 upon successful completion of the training and certification and a wage premium of \$0.60 per hour for the hours worked on permitted asbestos abatement or removal jobs.
- B. Employees by SMUD to attend SMUD-provided (or authorized) initial 16-hour Asbestos Operations and Maintenance training and required annual follow-up training will receive a lump sum payment of \$150 upon successful completion of the training, and a wage premium of \$0.30 per hour for the hours worked on permitted asbestos abatement or removal jobs.

ARTICLE 5

BASIC AND ALTERNATIVE WORK SCHEDULES

1. **INTRODUCTION**

The normal workweek for full-time employees is 40 hours. Part-time employees normally work less than 40 hours per week on a regular or services-as-needed schedule.

2. **BASIC WORK SCHEDULES**

A. **Normal Work Schedule**

Employees' normal work schedule is an 8-hour workday, Monday through Friday, with a scheduled lunch period approximately midway through the regular workday.

B. **Established Work Schedule**

An employee's established work schedule is consistent with the normal operation of their division or department. An employee's schedule may be changed to:

- 1) Provide better service to customers or other work units.
- 2) Stagger working hours to alleviate traffic congestion.
- 3) Reflect seasonal changes in daylight hours or temperature conditions.
- 4) Provide extended coverage for maintenance, testing, and operating activities.
- 5) Reflect the desires of employees in a work unit (with supervisory approval).

Established work schedules will not be changed arbitrarily.

C. **Special Work Schedules**

Special work schedules are different from the normal work schedules. They include, but are not limited to, the following:

- 1) Tuesday through Saturday schedules (may be assigned to employees in rotation).
- 2) Schedules that require working one-half day on Saturday with an equivalent number of hours off during the same week.
- 3) Schedules of special shift employees to maintain a watch. This includes such employees as Power System Operators, Distribution System Operators, Troubleshooters and Control Room Operators.

Other special schedules may be established when employees are assigned work, which cannot be performed with a normal work schedule.

Basic Work Schedules (Cont'd)

D. Emergency Relief Schedule

If an employee is classified to perform the duties of emergency relief as Power System Operator, Distribution System Operator, Extra/Relief Troubleshooter, Control Room Operator or other similar position, or if they are assigned as a relief operator, they will be available for duty in revolving shifts on any day of the week. They can be assigned for the relief of any shift without advance notice.

E. Change In Schedule

Hours of work may be changed by mutual agreement of SMUD and the particular employees involved. When done for the convenience of the employees, overtime policies would not apply.

Nothing in SMUD policy prohibits an employee from being assigned to work outside of their work schedule or from being transferred from one schedule to another, provided they are paid in accordance with SMUD's applicable overtime policies.

3. ALTERNATIVE WORK SCHEDULES

A. 9/80 Shifts

1) Work Schedule

The bi-weekly work schedule will consist of 8 days at 9 hours per day and one day at 8 hours per day, and will be paid at the straight-time rate.

Normal "off days" under the 9/80 schedule will be either Monday or Friday. A workweek that allows the day off to fall on a day other than a Monday or Friday may be arranged as an exception with the concurrence of the employee, the Union and the Department Manager.

Employee requests for changes from one work schedule or pattern to another must be approved by the appropriate Department Manager, and can only be done during the semi-annual open enrollment period (either in the month of February to be effective the first pay period in April, or in July to be effective the first pay period in September). Open enrollment months may only be changed by mutual agreement between the Union and SMUD. Where special circumstances warrant an exception, an employee's schedule may be changed outside of the open enrollment period with the approval of the Department Manager.

Shift changes are to be minimized. Shift changes for less than full workweeks are not considered an official change in shift, and the provisions of this Article regarding shift changes will apply.

a) All IBEW represented employees (*Revised 1/1/2013*)

Any weekday will be considered the employee's normal shift day (i.e. 9 or 10 hour). Saturday and Sunday will be considered an 8 hour shift day.

Alternative Work Schedules (Cont'd)

2) **Lunch Period**

A minimum one-half hour unpaid lunch period will be scheduled approximately midway through the workday.

3) **Participation**

a) Eligibility for participation will be determined by the appropriate Department Manager based on the operational requirements of the department.

b) Participation in the 9/80 work schedule is voluntary.

4) **Continuation of 9/80 Schedule**

The 9/80 Schedule will only be continued with mutual agreement between SMUD and the Union. The 9/80 Schedule may be discontinued upon the request of either SMUD or the Union. After an official request has been made in writing to discontinue the 9/80 Schedule, a 30-day cooling-off period will be observed prior to the actual termination date of the schedule. It is the intention of SMUD and the Union to work together to resolve any unforeseen problems that may arise in administering the 9/80 Schedule. It is recognized that some departments have established unique guidelines for policy interpretation in crew situations. These guidelines must be reviewed and modified as appropriate jointly by the Union and Department Manager.

B. **4/10 Shifts**

1) **Scheduled Workweek**

The workweek will consist of 4 days at 10 hours per day and will be paid at the straight-time rate.

The normal workweek will be Monday through Thursday, or Tuesday through Friday, with either Mondays or Fridays as the off day. A workweek that allows the day off to fall on a day other than Monday or Friday may be arranged as an exception with the concurrence of the employee, the Union and the Department Manager.

Employee requests for changes from one work schedule or pattern to another must be approved by the appropriate Department Manager, and can only be done during the semi-annual open enrollment period (either in the month of February to be effective the first pay period in April, or in July to be effective the first pay period in September). Open enrollment months may only be changed by mutual agreement between the Union and SMUD. Where special circumstances warrant an exception, an employee's schedule may be changed outside of the open enrollment period with the approval of the Department Manager.

Shift changes are to be minimized. Shift changes for less than full workweeks are not considered an official change in shift, and the provisions of this Article regarding shift changes will apply.

Alternative Work Schedules (Cont'd)

a) **All IBEW Represented Employees** *(Revised 1/1/2013)*

Any weekday will be considered the employee's normal shift day (i.e. 9 or 10 hour). Saturday and Sunday will be considered an 8 hour shift day.

2) **Lunch Period**

A minimum one-half hour unpaid lunch period will be scheduled approximately midway through the workday.

3) **Participation**

a) Eligibility for participation will be determined by the appropriate Department Manager based on the operational requirements of the department.

b) Participation in the 4/10 work schedule is voluntary.

4) **Continuation of 4/10 Schedule**

The 4/10 Schedule will only be continued with mutual agreement between SMUD and the Union. The 4/10 Schedule may be discontinued upon the request of either SMUD or the Union. After an official request has been made in writing to discontinue the 4/10 Schedule, a 30-day cooling-off period will be observed prior to the actual termination date of the schedule. It is the intention of SMUD and the Union to work together to resolve any unforeseen problems that may arise in administering the 4/10 Schedule. It is recognized that some departments have established unique guidelines for policy interpretation in crew situations. These guidelines must be reviewed and modified as appropriate jointly by the Union and Department Manager.

C. **12-Hour Shift**

- 1) Each group that has rotating 12-hour shift requirements will prepare and post in the work area an annual shift schedule. This schedule will be posted prior to January first of each year.
- 2) Shift schedules shall be designed such that no employee shall be regularly required to work more than 5 consecutive 12-hour days during any one workweek. When business circumstances dictate the need for additional consecutive days, SMUD will ask for volunteers prior to making the additional days mandatory.
- 3) "Workweek" shall be defined as a 7 consecutive day period as established by the meet and confer process.
- 4) During an outage, overhaul or when scheduled for training, an employee may be temporarily assigned to another schedule (e.g., 4/10, 9/80, 5/40) to meet that business requirement.

Alternative Work Schedules (Cont'd)

- 5) Personnel on 12-hour shifts and relief shifts will not observe a lunch period, but will eat their meal on SMUD time.

- a) Training shifts will observe a one-half hour unpaid lunch period.

- 6) **Shift Changes**

Shift changes are to be minimized. Shift changes for less than full workweeks are not considered an official change in shift, and the provisions of this Article regarding shift changes will apply.

- 7) **Benefits**

All benefits that are currently based on an employee's base rate of pay will continue to be based on a 40-hour workweek rate. Benefits that are currently based on an employee's actual earnings will be so determined.

- 8) **Relief Crew**

If scheduled to work as part of a relief crew, employees will be guaranteed 40 hours pay for that workweek.

Employees on the relief crew will be given a minimum of 12 hours off between shifts. If employees do not receive 12 hours off between shifts, they will be paid the applicable overtime pay rate for those hours worked that encroach upon the 12-hour shift requirements.

- 9) **Continuation of the 12-Hour Shift**

The 12-hour shift schedule will be reviewed on a regular basis. Either SMUD or the Union may request to return to an 8-hour shift schedule at any individual location or all work locations by giving 60 days written notice should, in the opinion of either party, the 12-hour shift program adversely affect the operation of SMUD or the employees. It is the intention of SMUD and the Union to work together to resolve any difficulties or problems that may be encountered on the 12-hour shift rotation.

4. **CHANGE IN SHIFT**

Work schedules and shifts may be changed based on SMUD requirements. An official change in shift occurs if employees are permanently or temporarily transferred to a new work schedule or shift for one workweek or more.

A change in shift does not occur if an employee's work hours are extended by an early call in, or they are asked to work beyond their regular work hours.

A change in shift does not occur if an employee's work hours are changed at the employee's request or for the employee's convenience.

Change In Shift (Cont'd)

A. **Shift Change For One Workweek Or More**

- 1) If employees are transferred to a new work schedule or shift for one workweek or more, they will:
 - a) Be given at least 24 hours notice in advance of the new starting time, and
 - b) Have a minimum of 12 hours off between shifts, and
 - c) Be required to work no more than 40 hours at the straight-time rate of pay during any workweek.
- 2) If employees do not receive 24 hours notice or 12 hours off between shifts, they will receive the applicable overtime pay rate for those hours worked which encroach upon the 24-hour notice or the 12-hour shift requirements, whichever is greater.
- 3) Normal overtime, overtime meals, travel time, and rest period provisions will apply to the employee's newly scheduled shift as if it was their regular working hours.

B. **Shift Change For Less Than One Workweek**

Shift changes for less than full workweeks are not considered an official change in shift. Employees will be compensated at the applicable overtime rate for all hours worked outside their regular work hours.

5. **RETURN TO REGULAR WORK SCHEDULE**

When employees return to their regularly scheduled work hours, they will be compensated at their straight-time rate of pay for work performed during their regular work hours. Employees will also have a minimum of 12 hours off between shifts.

If employees do not receive 12 hours off between shifts, they will be paid the applicable overtime pay rate for those hours worked that encroach upon the 12-hour shift requirements.

6. **LUNCH PERIODS**

A. **Regular Lunch Period**

Unless employees are special shift employees, they have a scheduled lunch period approximately midway through their established work schedule.

Special shift employees are permitted to eat their meal on SMUD time during regularly scheduled work hours.

B. **Change In Lunch Period**

- 1) An employee's regular lunch period may be advanced or delayed one hour or less, without the payment of overtime, for any of the following reasons:

Lunch Periods (Cont'd)

- a) When work on facilities serving a customer can most conveniently be performed during the customer's lunch period.
 - b) When work must be performed because of an interruption of utility service or other emergency.
 - c) When work must be performed to eliminate a hazard to life or property.
 - d) When the foreman/woman and the employees involved mutually establish a different lunch period or agree to a temporary change in the regular lunch period.
- 2) If an employee's lunch period is advanced or delayed more than one hour due to any of the first 3 reasons above, they will be paid at the applicable overtime rate for the time worked during their normal lunch period. The employee will be provided reasonable time to eat their lunch on SMUD time.

ARTICLE 6

ON-CALL PAY

1. **INTRODUCTION**

Employees in classifications addressed in this article are required to be on-call for emergency response. Employees in classifications not addressed in this article are not required to be on-call.

2. **GENERAL ON-CALL PROVISIONS**

The following provisions are applicable to all classifications that are required to be on-call. Classification specific provisions are addressed in separate sections.

- A. Normally on-call will span a period of 7 consecutive days.
- B. The appropriate supervisor is responsible for calling employees.
- C. Employees will be allowed to trade assignments at any time up until the on-call period has begun. Once the on-call period has begun, employees may have another employee cover a portion of the assignment with supervisory approval.
- D. Employees on-call will be compensated at the rate of two hours of their regular, straight-time base rate of pay for each day on-call.
- E. Employees on-call are required to be fit for duty and available to report to work in a reasonable amount of time.
- F. All applicable overtime provisions will apply if the on-call employee is required to respond.
- G. Employees on-call will be provided with a pager and a cell phone.

3. **DISTRIBUTION SYSTEM OPERATORS**

- A. Employees in the classification of Distribution System Operator II working the 5-week shift rotation will be subject to on-call.
- B. On-call will be rotated among appropriate employees to assure equitableness.

4. **TELECOMMUNICATIONS TECHNICIANS**

- A. Employees in the following classifications in the Telecommunications Unit and the Telephone Services Unit may be subject to on-call:
 - Senior Telecommunications Technician
 - Telecommunications Technician
- B. On-call will span a period of 7 consecutive days, from 0730 hours Tuesday through 0730 hours the following Tuesday.

Telecommunications Technicians (Cont'd)

- C. SMUD will seek volunteers for on-call assignments. Assignments will be made on the basis of employee preference.
- D. If there are insufficient volunteers for an on-call period, employees will be appointed. An employee who has been on-call without volunteering cannot be appointed again until all employees have served a required on-call period.
- E. Volunteers may be called to work alongside the on-call employee for on the job training purposes. In the event the on-call employee cannot solve a service call problem alone, other employees may be called to assist. Assisting employees will be sought from the volunteer list first unless specific expertise is required.
- F. In addition to being provided a cell phone and pager, employees in the Telephone Services Unit should be provided with a laptop computer furnished with a modem and appropriate software to access the supported systems.

5. LINE CONSTRUCTION CLASSIFICATIONS

A. Foreman/woman, Fault Locator, and Line Equipment Operator Regular On-call

Employees in the following classifications will be subject to the following regular on-call provisions:

- Line Construction Foreman-woman
 - Line Foreman-woman, Light
 - Line Subforeman-woman
 - Fault Locator
 - Line Equipment Operator
- 1) An on-call schedule will be established that rotates assignments among employees in the above classifications.
 - a. At the end of each calendar year the schedule will be rotated so that the same crews don't have on-call on the same holidays every year.
 - b. **For crew stability, the on-call crew will consist of the Foreman's regular assigned crew. (Revised 1/1/2013)**
 - c. The start of the on-call assignment will be effective at the start of shift on Monday and end the start of shift on the following Monday.
 - 2) The two on-call line foremen/women will alternate trouble calls during their respective week starting with the first foreman/woman listed on the schedule. However, if the on-call supervisor determines that the crew already out can handle a subsequent trouble call, the foreman/woman and crew will not be called.

Line Construction Classifications (Cont'd)

When additional personnel are needed when both the "A" and "B" crews are either already working and/or are on a rest period, the On-call Supervisor will assign personnel in the classification required with the least amount of total overtime hours recorded on the weekly ranked volunteer roster to call out additional Foremen/women.

If enough additional voluntary Foremen/women cannot be contacted when seeking to create additional crews to perform emergency work or the list of foreman/woman's names on the volunteer list is exhausted, the supervisor will contact the off-duty foreman/woman with the least amount of overtime hours on record to perform the work.

When emergency work slows down, crews not on call will be released first.

- 3) **In addition to being provided a cell phone, Foremen will be provided with a SMUD vehicle equipped with a radio. (Revised 1/1/2013)**
- 4) **When the on-call employee has made arrangements for another employee to take their calls, both the scheduled and the replacement employee are responsible for notifying the on-call Foreman about the substitution arrangements. The substitute foreman/woman will utilize the crew assigned to the scheduled on-call foreman/woman for all overtime work. The Foreman is responsible for notifying the on-call Supervisor of the change in employee" (Revised 1/1/2013)**
- 5) The dispatcher is responsible for keeping the on-call supervisor informed of all after-hours activity including changes in location, and the need for additional tools, equipment or personnel. The on-call supervisor is responsible for providing the necessary support personnel.
- 6) **The on-call Supervisor shall call out the on-call Foreman(s) when emergency work is required. The on-call Foreman(s) shall call out their crew. (Revised 1/1/2013)**
- 7) Employees who are on-call must notify the on-call supervisor if they are unable to meet their on-call responsibilities because of a personal emergency. Once notified, the on-call supervisor must decide if they need to fill behind the absent employee. If so, they will contact employees on the schedule (in appropriate order) seeking a volunteer to cover the remainder of the on-call assignment. The volunteer replacement will maintain their position on the schedule.
- 8) On-call crews are eligible for Prearranged Overtime work on their ADO and on Saturdays as a crew, as long as, customer service is not hindered or impacted.
- 9) Employees can volunteer to be placed on a weekly volunteer roster. This roster will be ranked from the ranked overtime list.

Line Construction Classifications (Cont'd)

B. Lineman-woman, Apprentice and Pre- Apprentice Regular On-call

Employees in the following classifications will be subject to the following regular on-call provisions:

- Lineman-woman
 - Apprentice Lineman-woman
 - Pre-Apprentice Lineman-woman
- 1) An on-call schedule will be established that rotates on-call assignments among employees in the above classifications. The crew assignments will be to the employees' normal on-call foreman/woman's assigned crew.
 - a. At the end of each calendar year the schedule will be rotated so that the same crews don't have on-call on the same holidays every year.
 - b. For Crew stability, the on-call crew will consist of the crew's core group of five (5).
 - c. The start of the on-call assignment will be effective at the start of shift on Monday and end the start of shift on the following Monday.
 - d. When additional personnel are needed when both the "A" and "B" crews are either already working and/or are on a rest period, the On-call Supervisor will assign personnel in the classification required with the least amount of total overtime hours recorded on the weekly ranked volunteer roster to call out additional personnel.
 - e. If enough additional voluntary personnel cannot be contacted when seeking to create additional crews to perform emergency work or the list of names has been exhausted, the supervisor will contact off-duty personnel with the least amount of overtime hours on record to perform the work.
 - f. When emergency work slows down, crews not on call will be released first.
 - 2) Employees can volunteer to be placed on a weekly volunteer roster. This roster will be ranked from the ranked overtime list.
 - 3) Employees who volunteer and are not assigned to an on-call crew remain on the weekly volunteer roster, but the General On-call Provisions do not apply.
 - 4) Employees will be allowed to trade or arrange for a qualified, equivalent substitute to take their calls. Apprentices hired after May 31, 2005 will be required to serve their on-call during the regular rotation unless excused by their supervisor in coordination with the Training Coordinator. Both the scheduled and the replacement employee are responsible for notifying the on-call supervisor about the substitution arrangements. The on-call supervisor is responsible for notifying the on-call foreman/woman concerning the substitution.
 - 5) If the job requires staffing above the normal on-call crew, the on-call supervisor will call necessary employees from the weekly volunteer roster in appropriate order.
 - 6) **Additional crew members beyond the normal crew size will be assigned by the on-call supervisors from the appropriate list. After the voluntary list has been exhausted, the on-call supervisor may elect to call any qualified employee to respond. (Revised 1/1/2013)**

Line Construction Classifications (Cont'd)

- 7) On-call crews are eligible for Prearranged Overtime work on their ADO and on Saturdays as a crew, as long as, customer service is not hindered or impacted

C. Short Notice On-call

During storms, earthquakes, and other emergency situations when management has determined that the regular on-call staffing is inadequate to meet the operational (power restoration) needs of SMUD, employees working in Distribution Services, Line, will be subject to the following short notice on-call provisions:

- 1) **To this end, employees who have volunteered for short notice shall be offered on a crew basis to the next on-call crew in rotation. If a full crew is not available the crew shall find their own replacements according to the rules for emergency on-call replacement. If the crew is not available to work, the next crew up in the rotation will be offered the short notice on-call. (Revised 1/1/2013)**
- 2) Employees will be notified that they are being placed on short notice on-call as early as possible but no later than the end of the regular workday. Such assignments will be for one day unless otherwise indicated.
- 3) Employees assigned will be provided with a pager.
- 4) Short notice on-call employees are required to remain fit for duty, be reachable by pager, and be available to report to work in a reasonable amount of time.
- 5) Short notice on-call assignments are intended to meet a short-term staffing need, and as such, they are not expected to last for more than 6 consecutive days.
- 6) Employees on short notice on-call will receive 2 hours of pay at the regular straight time rate for each day so assigned.
- 7) All applicable overtime provisions will apply if the on-call employee is required to respond.

6. GAS OPERATIONS CLASSIFICATIONS

- A. Employees in the following classifications in Gas Operations will be subject to on-call:
 - **Gas Foreman/woman, Light**
 - **Gas Pipeline Fieldperson**
 - **Gas Control Technician (Revised 1/1/2013)**
- B. **On-call will be rotated among appropriate employees to assure equitableness. In the event a scheduled on-call employee is unable to perform his/her duties, the on-call assignment will first be assigned to an appropriate employee with the lowest overtime hours actually worked over the previous 12 month period. (Revised 1/1/2013)**
- C. **In addition to being provided a cell phone employees will be provided with a SMUD vehicle and radio. The SMUD vehicle will be provided for the on-call period only. (Revised 1/1/2013)**

Gas Operations Classifications (Cont'd)

- D. **Typically, employees who are on-call will be dispatched by the Power System Operator (PSO) or the GPO On-Call supervisor to report to the site of the indicated problem and assess the nature of the problem. After safely securing the site, the on-call employee will notify the PSO of the status of the situation. In the event that additional resources may be needed to resolve the situation, the on-call employee will make those recommendations to the PSO. (Revised 1/1/2013)**

7. HAZARDOUS WASTE CREW

- A. Employees in the following classifications may be subject to on-call:
- Hazardous Waste Foreman-woman, Light
 - Hazardous Waste Technician
- B. On-call assignments will be limited to one employee during any on-call period. During an on-call period, Hazardous Waste Technician employees will be temporarily upgraded to the Hazardous Waste Foreman-woman, Light classification for the duration of any call out response required. Additionally, the compensation paid for being on-call, will be paid at the Hazardous Waste Foreman-woman, Light rate.
- C. In addition to being provided a cell phone and pager, employees will be provided with a SMUD vehicle equipped with a radio. SMUD vehicle will be provided for the on-call period only.

8. SUPPLY CHAIN SERVICES

- A. Employees in the classification of Material Specialist III in Supply Chain Services assigned to East Campus Operations Center will be subject to on-call.
- B. On-call will be rotated among appropriate employees to assure equitableness.

9. CABLE LOCATORS

- A. Employees in the following classifications are subject to on-call:
- Cable Locators
- B. An on-call schedule has been established and will be updated using SMUD seniority.
- C. Scheduled on-call employees may offer their call to other qualified personnel on the scheduled. The call shall be offered to each employee in the order that they are scheduled, until accepted. If no eligible employee accepts the call, then the scheduled Cable Locator must fulfill his or her on-call obligations.
- D. On-call personnel must report to the location of the emergency work within 2 hours of the call. A SMUD vehicle will not normally be provided to take home during the on-call assignment.
- E. On-call overtime begins when the Cable Locator receives the call and ends when the locating work has been performed, and the Cable Locator returns directly to DSO and reports complete.

ARTICLE 7

OVERTIME

1. INTRODUCTION

Any employee may be requested to work overtime to meet the needs of SMUD. A willingness to work overtime when requested is a condition of employment. When permitted by the work situation, overtime is first allocated to qualified volunteers. It will be distributed among employees within each work group in the classification involved as equally as practicable.

SMUD makes every attempt to minimize the amount of overtime employees are required to work. This is to ensure minimal disruption of an employee's leisure time and to protect the employee's health. SMUD pays a premium to employees to recognize the inconvenience incurred for working hours outside of their regular work schedule. Overtime is computed to the nearest quarter hour.

2. ELIGIBILITY

All hourly rated employees are eligible for cash compensation for overtime when they work more than 8 hours on a normal work schedule, work more than 40 hours in a workweek, work on a non-workday, work on a holiday, or work outside of regular work hours on a workday.

Employees who are in a light duty status are restricted from working overtime, unless specific medical documentation is provided outlining the number of days in the week the employee can work and the number of hours per day. (Revised 1/1/2013)

3. ALTERNATIVE WORK SCHEDULES

A. 9/80 Shifts

Overtime will only be paid for hours worked in excess of 9 hours per day on regularly scheduled days of 9 hours, 8 hours per day on regularly scheduled days of 8 hours, or 40 hours per week. All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will be defined as a bi-weekly pattern of eight 9 hour shifts and one 8 hour shift according to a regular and pre-established schedule. The appropriate overtime rate will be paid for all hours worked outside an employee's regularly scheduled workweek.

B. 4/10 Shifts

Overtime will only be paid for hours worked in excess of 10 hours per day or 40 hours per week. All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will be a 10 hour shift rather than an 8 hour shift. The appropriate overtime rate will be paid for all hours worked outside an employee's regularly scheduled workweek.

C. 12-Hour Shift

Overtime will only be paid for hours worked in excess of 12 hours per day or 40 hours per

Alternative Work Schedules (Cont'd)

week. All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will be a 12 hour shift rather than an 8 hour shift. The appropriate overtime rate will be paid for all hour worked outside an employee's regularly scheduled workweek.

All hours worked will be compensated at the straight time hourly rate except as outlined below:

- 1) Overtime will be paid at the applicable overtime rate for all hours worked outside of the normal work hours.
 - a) Extended hours on a normal workday are paid at the applicable overtime rate.
 - b) Any regularly scheduled hours in excess of 40 hours in a workweek will be compensated at the applicable overtime rate.
- 2) All other overtime situations will be handled according to these Articles except that "regular work hours" or "regular work schedule" will refer to a 12-hour shift rather than an 8-hour shift. When assigned to the training shift or to a less than 12-hour relief shift, the rules for the appropriate shift schedule will apply.

4. COMPUTATION OF PAY

A. Straight Time Pay

Time worked during an employee's regular work hours is paid at the straight time rate of pay.

B. Time and One Half Pay

- 1) Prearranged overtime hours worked on Saturday, for the 16 hour period beginning 2 hours (including travel time) prior to an employee's regular start time, are paid at the rate of time and one-half. This provision is applicable to employees working any work schedule.
- 2) Prearranged overtime hours worked on the weekday scheduled day off, for the 10.5 hour period beginning one half hour (including travel time) prior to an employee's regular start time, are paid at the rate of time and one half. This provision is applicable to employees working the 9/80 alternative work schedule.
- 3) Prearranged overtime hours worked on the weekday scheduled day off, for the 11.5 hour period beginning one half hour (including travel time) prior to an employee's regular start time, are paid at the rate of time and one half. This provision is applicable to employees working the 4/10 alternative work schedule.

C. Double Time Pay

Except as provided herein; time worked outside an employee's regular work schedule is

Computation of Pay (Cont'd)

paid at 2 times the straight-time rate. All overtime hours incurred while a SMUD IBEW-represented employee works under the auspices of a SMUD Mutual Assistance Agreement with another utility are paid at 2 times the straight time rate.

D. **Holiday Pay**

Holiday premium pay provisions are outlined in the Holidays Article.

E. **Maximum Overtime**

Employees will not work more than 16 consecutive hours or combination of hours that has the same effect of not providing the proper rest period. Exceptions to this would only occur in circumstances involving public safety or welfare. Supervisors authorizing work in excess of 16 consecutive hours will ensure the employee is capable of continuing work in a safe manner.

5. **OVERTIME ASSIGNMENTS GRID ASSETS LINE DIVISION**

Overtime work shall be distributed among employees within each work group in a classification as equally as practicable. SMUD will post in each work location a ranked overtime list. This ranked list criteria will be developed within each work group by written agreement between SMUD and Union. This list will be updated every pay period and will be used when selecting employees to work overtime.

A. **Overtime Assignments**

When the situation permits, SMUD will seek volunteers for required overtime. Work assignments will be made from volunteers in reverse order from the ranked overtime list. If there are insufficient volunteers for required overtime, employees will be appointed based on reverse order from the ranked overtime list.

B. **Improper Overtime Assignments**

If employees on the ranked overtime list are improperly bypassed for overtime, appropriate overtime compensation will be paid to the employees who were bypassed.

C. **Sign-up Procedures Grid Assets Line Division**

1. The sign-up list will be posted Wednesday and will remain posted until the end of the work shift on the following Tuesday for those employees desiring to work voluntary prearranged overtime for the following prearranged overtime period commencing on Friday.

Employees desiring voluntary overtime must sign-up or be asked prior to the end of the preceding work shift. (Phone contact is acceptable for employees not reporting to their normal work location that day).

Overtime Assignments Grid Assets Line Division (Cont'd)

Overtime timesheets submitted late or with errors may not be included in the next ranked voluntary overtime sheet.

A new employee will be given the average number of overtime hours worked by those on the list at that time and will then be placed on the list with those hours.

An employee who has been promoted or changes classification will be given the average number of overtime hours by those on the list at that time and will then be placed on the list with those hours.

2. Posted Locations

Sign up sheets for voluntary prearranged overtime will be posted in the designated area for each work group.

3. Prearranged Overtime Assignment and Administration

- **If employees have scheduled prearranged work, they can maintain their own crew and get their own substitutes according to the rules for emergency on-call replacement. Each crew members' first obligation is to their own crew. If their own crew is not working they are free to volunteer for another crew. (Revised 1/1/2013)**
- The work period for this sign up sheet is the beginning of shift on the Friday until the beginning of shift the next Friday.
- The accounting period for record purposes will be from January 1 through December 31 of each year. To start this procedure on January 1, SMUD seniority will be used.
- Volunteer employees must have all the qualifications required for the specific overtime assignment.
- Volunteer employees with the lowest number of recorded prearranged overtime hours will be offered overtime assignments.
- Employees that refuse an assignment will be credited with the maximum prearranged hours worked by employees used for that day a standard 8 hours, which will be recorded as turn down time.
- When multi-day jobs or jobs in progress are being assigned from the voluntary overtime sheet, preference will be given to employees that have volunteered for each of the days anticipated. This practice will by-pass employees with a lower number of overtime hours and will not be considered a by-pass.
- Overtime hours will be entered into SAP from the previous Friday. Additions, corrections, or adjustments to the ranked list will not be applied to the current posted prearranged overtime signup sheet.

Overtime Assignments Grid Assets Line Division (Cont'd)

- Errors or omissions on the volunteer signup sheet must be reported by the employee or their representative in order to be changed. Two full business days will be allowed to confirm or correct any reported errors.
- An Employee who is off duty on leave will not be asked or required for overtime until the employee returns to work on their next regular scheduled workday and the employee will not be credited with time worked.

4. Mandatory Overtime

- Mandatory prearranged overtime will be assigned first to employees with the lowest recorded prearranged overtime hours actually worked.
- An Employee that does not have a specific skill or qualification required for the mandatory assignment may be passed for that specific assignment.
- Employees assigned under this section may find a qualified replacement but, will be charged the maximum prearranged with standard 8 hours turn down time.

5. Other Employees

- When the work group has a need for manpower in excess of volunteers it may go to other work groups within Grid Assets for qualified employees and reduce the number of mandatory assignments needed.
- From time to time SMUD may use employees from other work groups. When this practice occurs, SMUD agrees to use the employees in the immediate work group for relief purposes (up-grade) prior to going to other work groups.
- Employees from other work groups will use the prearranged overtime procedure established in their work group for assignments.

6. **COMPENSATORY TIME OFF - TIME OFF IN LIEU OF OVERTIME**

A. **Eligibility**

Employees may take compensatory time off (CTO) instead of overtime pay with mutual agreement between the employee and their supervisor.

B. **Earning and Using CTO**

CTO will be earned at not less than time and one-half for each hour of overtime. Accumulated CTO may not exceed 40 hours at any time. All CTO balances will be paid out to employees after the end of the CTO year. The CTO year shall begin with payroll period 22 and run through the end of payroll period 21 of the following year. All personal leave taken will be charged first to CTO and then to the employee's leave balance. (*Revised 1/1/2013*)

7. TRAVEL TIME

- 1) Employees will be paid 30 minutes travel time to and 30 minutes travel time from work headquarters for prearranged work on Saturday. This provision is applicable to employees working any work schedule.
- 2) Employees will be paid 30 minutes travel time to and 30 minutes travel time from work headquarters for prearranged work on the weekday-scheduled day off. This provision is applicable to employees working the 9/80 or 4/10 alternative work schedules.
- 3) **Travel time outside of regular working hours for required training is not paid. However, employees will be compensated with straight-time compensatory time off (CTO) for the actual total number of hours of travel time not to exceed eight (8) hours per day. Straight time pay may be authorized for travel in situations where it is impractical to give CTO. Travel time outside of working hours for regular apprentice classes and for optional training is not compensated with either cash compensation or CTO.**

Note - The following example will be used to figure the amount of CTO.

On day off, employee gets CTO from home to airport, CTO for the amount of travel time while traveling by air or bus to destination, and then CTO for travel time from airport to place of training. The total amount of CTO granted will not exceed 8 hours per day. (Revised 1/1/2013)

8. MINIMUM TIME

- A. The minimum time is 2 hours for which overtime compensation is paid on emergency call-outs that do not extend into an employee's regular work hours. Work time will begin at the time of the phone call.
- B. Employees will be paid at the applicable overtime rate for a minimum of 2 hours if they report for prearranged overtime and are not needed. This does not apply to relief employee assignments that are cancelled. If prearranged overtime on a regular workday is cancelled before employees leave home, they do not qualify for any compensation. If prearranged overtime on a non-workday is not cancelled prior to the end of an employee's immediately previous regular workday, they will be paid at the applicable overtime rate for a minimum of 2 hours.
- C. If employees are called out early to work into or requested to stay beyond their regular work hours, they are paid overtime only for actual time worked.
- D. Overtime is computed to the nearest quarter hour.

9. REST PERIODS

A. Eligibility

Employees are entitled to a rest period of 8.5 consecutive hours after working 8 hours or more overtime during the 16 hours immediately prior to their regularly scheduled hours of work on a workday or non-workday.

Rest Periods (Cont'd)

B. 9/80 Shifts

On a 9 hour workday employees are entitled to a rest period of 8.5 consecutive hours after working 6.5 hours or more overtime during the 14.5 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

On an 8 hour workday employees are entitled to a rest period of 8.5 consecutive hours after working 8 hours or more overtime during the 16 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

1) **Grid Assets**

On the 8 hour workday employees are entitled to a rest period of 8.5 consecutive hours after working 8 hours or more overtime during the 16 hours immediately prior to the regularly scheduled hours of work on a workday. This article will apply for all overtime situations.

C. 4/10 Shifts

Employees are entitled to a rest period of 8.5 consecutive hours after working 5.5 hours or more overtime during the 13.5 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

D. 12-Hour Shift

On a 12-hour workday employees are entitled to a rest period of 8.5 consecutive hours after working 4 hours or more overtime during the 12 hours immediately prior to the regularly scheduled hours of work on a workday or non-workday.

E. Compensation

- 1) The rest period starts upon release from an employee's designated headquarters. This rest period excludes meal time and any travel time to which employees are entitled at the end of the work period. If any part of the rest period falls within an employee's regular work hours, they will be paid for those hours at the straight time rate.
- 2) Employees will not be compensated for their regular lunch period even when it falls within the rest period.
- 3) If a rest period cannot be provided when due, double time is paid until the rest period is provided. Hours worked prior to an 8.5 hour rest period are not included in computing another period of overtime work.
- 4) If employees are required to report back to work prior to the end of their 8.5 hour rest period, they will be paid double time until a rest period can be provided.

Rest Periods (Cont'd)

F. Requirements at End of Rest Period

- 1) If an employee's rest period ends during the first half of their workday, they may, if their supervisor approves, report to work at the beginning of the second half of the workday. The employee may elect to be placed on CTO, personal leave and/or leave without pay for the time between the expiration of their rest period and the end of the first half of the workday.

Example: An employee's rest period ends at 8:30 a.m. The employee's regular work hours are 7:00 a.m. - 3:30 p.m. (lunch from 11:00 - 11:30 a.m.). If the employee's supervisor approves, the employee need not report back to work until 11:30 a.m.

The time between 8:30 a.m. and 11:30 a.m. may be charged to CTO, personal leave and/or leave without pay. (NOTE: Personal leave may be taken in hour increments only.)

- 2) If an employee's rest period ends during the second half of their workday, they may, if their supervisor approves, report to work the following workday. The employee may elect to be placed on leave without pay, CTO or personal leave for the time between the expiration of the rest period and their regular quitting time.

Example: An employee's rest period ends at 1:00 p.m. The employee's regular work hours are 7:30 a.m. - 4:00 p.m. If the employee's supervisor approves, the employee need not report back to work until 7:30 a.m. the next workday.

The time between 1:00 p.m. and 4:00 p.m. may be charged to CTO, personal leave or leave without pay.

G. Special Rest Period

An employee's supervisor may excuse the employee from up to 4 hours of their regular shift if they worked 4 or more overtime hours in the 8 hours immediately preceding the beginning of the employee's regular shift. This special rest period may be granted if the timing of an emergency call out prevents the employee from getting sufficient rest. The employee will receive straight time pay for any of the special rest period that falls within their regular shift.

ARTICLE 8

EMERGENCY DUTY

1. EMERGENCY CALL-OUTS

- A. When employees are called out for an emergency, their work time will begin at the time of the phone call.
- B. If employees are called in advance to cover behind an employee who is unable to report to work for their shift, and they are directed to report at the specific shift starting time, they will be credited with an additional 45 minutes at the appropriate overtime rate and all other emergency call out provisions (meals, etc.) will apply.
- C. If employees are asked to come in immediately to cover the shift, their work time will begin at the time of the phone call.

2. MULTIPLE CALL-OUTS

- A. If employees are called out for work more than once in the 24-hour period from midnight to midnight, the 2-hour minimum overtime compensation is paid only for the first call outside of their regular work hours. For subsequent calls, overtime compensation is paid for their actual work.
- B. For the purpose of this provision, concurrent calls or successive calls without a break in paid time are considered a single call.

3. GRID ASSETS LINE DIVISION EMERGENCY RESPONSE DURING REGULAR WORK HOURS

- A. When response to an emergency is necessary during normal business hours, the needs of SMUD and our customer-owners may take precedence over responding with the recognized on-call crew. When notified of an emergency that requires response, the Distribution System Operator will notify the on-call supervisor. The on-call supervisor will decide whether the on-call crew will respond to calls between 1400 and the end of regular business hours.

The nearest available crew, size and type of crew required and the nature of the emergency will all be considered when responding.

If the work continues beyond regular business hours; the responding crew will continue the work to completion or until relieved by the direction of the on-call supervisor.

The supervisor is responsible for assessing the approximate length of time necessary to make repairs. If in his/her judgment the work will extend past 2200 hours, the on-call crew will be utilized as the relief crew. Such relief shall be provided as soon as practicable when, in the opinion of the supervisor, SMUD operations would not be adversely affected.

Grid Assets Line Division Emergency Response (Cont'd)

B. Sign-Up Procedures

- **Sign up for emergency overtime work will be on a daily basis. Emergency overtime signup will be posted daily until close of business for the following day's emergency overtime. The overtime sheet posted on Friday will include Saturday, Sunday, and Monday. If an employee's ADO falls on Friday, a separate signup sheet will be available on Thursday for weekend work. If an employee is on rest period or continuation of shift, their Foreman may contact the supervisor to have the employee placed on the signup list."Employees desiring voluntary emergency overtime must sign-up at designated posted locations. (Phone contact is acceptable for employees not reporting to their normal work location that day). (Revised 1/1/2013)**
- Employees will only be considered for voluntary emergency assignments on days they have indicated on the voluntary emergency overtime sheet.
- Overtime timesheets submitted late or with errors may not be included in the next ranked voluntary overtime sheet.
- A new employee will be given the average number of emergency overtime hours worked by those on the list at that time and will then be placed on the list with those hours.
- An employee who has been promoted or changes classification will be given the average number of emergency overtime hours worked by those on the list at that time and will then be placed on the list with those hours.

C. Posted Locations

- Sign up sheets for voluntary emergency overtime will be posted in the designated area for each work group.

D. Voluntary Emergency Overtime Assignment and Administration

- The accounting period for record purposes will be from January 1 through December 31 of each year. To start this procedure on January 1, SMUD seniority will be used.
- Volunteer employees must have all the qualifications required for the specific overtime assignment.
- Volunteer employees with the lowest number of recorded emergency overtime hours will be offered overtime assignments.
- When multi-day jobs are being assigned from the voluntary overtime sheet, preference may be given to employees that have volunteered for each of the days anticipated. This

Grid Assets Line Division Emergency Response (Cont'd)

practice will by-pass employees with a lower number of overtime hours and will not be considered a by-pass.

- Overtime hours used will be entered into SAP from the previous Friday. Additions, corrections, or adjustments to the ranked list will not be applied to the current posted emergency overtime signup sheet.
- Errors or omissions on the volunteer signup sheet must be reported by the employee or their representative in order to be changed. Two full business days will be allowed to confirm or correct any reported errors.
- An employee who is off on leave will not be asked or required for overtime until the employee returns to work on their next regular scheduled workday and the employee will not be credited with time worked.

E. Mandatory Overtime

- When there are insufficient volunteers available for duty, SMUD will assign employees to report for duty.
- Mandatory emergency overtime will be assigned first to employees with the lowest recorded emergency overtime hours actually worked.
- An Employee that does not have a specific skill or qualification required for the mandatory assignment may be by passed for that specific assignment.
- Employees assigned under this section may find a qualified replacement, but will be charged with a standard 8 hours turn down time.

4. EMERGENCY RELIEF SCHEDULES

- A. If employees are classified to perform the duties of emergency relief as Control Room Operator or other similar position, or if they are assigned as a relief operator, they will be available for duty in revolving shifts on any day of the week. These employees can be assigned for the relief of any shift without advance notice.
- B. Overtime compensation for emergency relief work performed during the regular work hours of a shift is not paid unless employees are required to report for work without having had 12 hours off following the end of their last work period. When this occurs, employees are paid the applicable overtime compensation for any time worked in the 12-hour period following the end of their last preceding work period.

ARTICLE 9

OVERTIME MEALS

1. **INTRODUCTION**

SMUD will provide meals or payment for meals under certain qualifying situations when employees are required to work overtime. The emphasis should be on the employee actually eating the meal. It is not desirable to have an employee miss a meal in order to become eligible for a missed meal payment.

2. **ELIGIBILITY**

A. **Who Qualifies**

All hourly-rated employees required to work overtime are eligible to receive overtime meals or payment for meals under certain qualifying situations. For the purpose of this Article, work hours are defined as hours worked excluding travel time and the time taken to eat the meal.

B. **Emergency Call Outs**

If employees are called out, they will be told before coming in whether or not to eat a meal. (Normally if the call-out is at a meal time, and the situation permits, employees will be asked to eat before reporting.) If the emergency call-out is within 90 minutes of the employee's end of regular work hours, and the situation does not permit the employee to eat before reporting, the employee will become eligible for a meal as if it were an extension of their regular work hours. In a crew situation, if any member of the crew is called out within 90 minutes of that employee's end of regular work hours, the entire crew will become eligible for a meal as if it were an extension of regular work hours. The time that the crew members become eligible for that meal will be at the earliest time at which any member of the crew becomes eligible for a meal based on that employee's regular work schedule.

C. **Non-workday Overtime**

When performing overtime, prearranged or not, on a non-workday, including 4 or more of an employee's regular work hours, the employee will be told to bring a lunch if they are given time to prepare a lunch.

Meals are provided for call-outs lasting 5 work hours or more. For every additional 5 work hours, employees are eligible for another meal.

D. **Prearranged or Not Prearranged**

The only difference in meal arrangements for prearranged overtime work and overtime work that is not prearranged is that when the prearranged overtime work is performed during regular work hours, employees observe the lunch arrangements that prevail on their regular workday (e.g., employees provide their own lunch and are not compensated for the lunch period).

Eligibility (Cont'd)

Regular workday meal provisions are observed when emergency work is performed on a non-workday during what would be the employee’s regular work hours, except that the employee is compensated for the lunch period and reimbursed for costs in accordance with Maximum Meal Allowances.

E. **Meal Intervals**

Employees are eligible for a meal for every 5 hours worked. All work hours apply toward overtime meals eligibility. Normal practice is for employees to have meals at approximately 5-hour intervals. Therefore, employees will not normally be required to work more than 5 consecutive hours without a meal or meal payment.

F. **Meal Time**

In determining time intervals for the purpose of providing meals, time allowed for previously consumed meals is not included. An employee’s mealtime begins when the employee arrives at the meal location and ends when the employee leaves the meal location.

G. **Determining if Employees Qualify**

Use the following table and these instructions to find out if employees qualify for an overtime meal.

INSTRUCTIONS: Find the conditions that apply to the employee’s situation in the "IF" columns, (A and B). The "THEN" columns (C, D, and E) show employees what they are eligible for.

For example, an employee is required to work overtime as an extension of their regular hours. Go down column A to the condition statement: "If overtime work is..... an extension of your regular work hours," Rule 3. Follow Rule 3 to the right; column B shows that it does not apply. Columns C and D are "YES", meaning that the meal period is paid at the applicable overtime rate, and the cost of the meal is reimbursed. Column E tells the employee that they are eligible for a meal 1-1/2 hours after the end of their regular work hours. The employee is eligible for additional meals every 5 work hours.

**DETERMINING OVERTIME MEAL ELIGIBILITY
(Based on an 8-hour workday)**

IF:

THEN:

Rule Number	A Overtime work is	B And is Prearranged	C Then the meal period is paid at applicable rate	D And the cost of the meal is reimbursed up to the prescribed limit	E And the time needed to become eligible is
1	During employee regular work hours, but on non-workdays.	Yes	No	No	N/A
2		No	Yes	Yes	5 work hours.
3	An extension of employee regular work hours.	N/A	Yes	Yes	1-1/2 work hours after the end of employee regular work schedule, and every 5 work hours thereafter.

4	Wholly outside employee regular work hours.	Yes	Yes	Employee furnishes the first meal. Subsequent meals are reimbursed.	5 work hours after the first meal, and every 5 work hours thereafter.
5		No	Yes	Yes	Every 5 work hours. Also see Paragraph 2.B.
6	Early Call In 2 or more hours before employee regular start time.	Yes	Yes, only for meals earned during overtime hours.	Employee furnishes one meal. Other meals are reimbursed.	N/A
7		No	Yes, only for meals earned during overtime hours.	Yes	N/A
8	Less than 2 hours before employee regular start time.	Yes	No	No	N/A
9		No	Yes, only for meals earned during overtime hours.	Yes, in certain circumstances. See Para. 3.C.2)	N/A
10	Emergency Call Out	No	Yes	Yes	Every 5 work hours. Also see Paragraph 2.B.

Note: For purposes of this chart, work hours are defined as hours worked excluding travel time and the time taken to eat the meal.

3. **GUIDELINES**

A. **Maximum Meal Allowances**

Effective January 1, 2013 and beyond (*Revised 1/1/2013*)

The maximum reimbursement for overtime meals will increase yearly equal to the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (1982 – 1984 = 100) – US City Average for the 12 month period ending the prior October.

B. **Overtime Meal Eligibility**

Overtime meal eligibility is based on the employee's work hours. When working on a crew situation, the entire crew's overtime meal eligibility is based of the foreman/woman's work hours.

C. **Early Call-In**

1) **Prearranged**

If SMUD requires an employee to perform work starting 2 hours or more before the employee's regular work hours (excluding travel time), and the employee continues to work into their regular work hours, the employee provides for one meal on the job, and SMUD provides reimbursement for other meals as required for the duration of the work period. If the work starts less than 2 hours before the employee's regular work hours, the usual meal arrangements prevail.

2) **Emergency**

If, in an emergency call-in situation (not prearranged), SMUD does not give employees an opportunity to eat a breakfast and prepare a lunch before reporting for work, SMUD will provide meals for employees or reimburse the employees for these meals. The

Guidelines (Cont'd)

meals are eaten at approximately the usual times and SMUD pays for the time taken to eat the meals, except that employees will not be paid for their lunch period on a regular workday.

D. Owed Meals at Completion of Assignment

When employees are owed a missed meal(s) upon release from their work headquarters, they will be paid in accordance with Maximum Meal Allowances, and 30 minutes pay for each missed meal(s) at the applicable overtime rate. The time will be added to their end of shift work hours and will apply to the computation of total hours worked.

When employees are owed a meal, SMUD makes every effort to provide them the meals and the time to eat them. Occasionally a meal break is missed. A meal is considered missed when enough time has passed that a second meal is owed.

- 1) Employees qualify for a missed meal when:
 - a) An overtime meal could not be eaten because of work requirements; and
 - b) A minimum of 5 work hours has passed from the time the first overtime meal was owed; and
 - c) A second meal is earned.
- 2) For missing a meal, employees receive the Maximum Meal Allowance plus 30 minutes pay at the overtime rate that is applied at the time the meal should have been eaten. Additionally, thirty minutes will be added to the end of their work shift for each missed meal.

Example: An employee is released from duty at xxxx hours, and has missed one meal during the course of their workday, 30 minutes would be added to their paid time and as a result, their rest period would start at xxxx hours plus 30 minutes. For each additional missed meal an additional 30 minutes would be added their paid time and their rest period would start 30 minutes later.

- 3) If a second overtime meal is earned, employees will be provided a meal up to the Maximum Meal Allowance, and will be paid for the time to eat the meal.

Example: An employee is regularly assigned to work from 7:00 a.m. to 3:30 p.m. After eating lunch at the employee's regularly scheduled time, 11:30 a.m., they are notified that their shift is being extended beyond 3:30 p.m., so that they can complete the job underway. Since the employee's shift has been extended, they are eligible for a meal after 1-1/2 hours of overtime, at 5:00 p.m. However, the employee could not stop to eat until 10:00 p.m. Since the employee could not eat the meal owed them at 5:00 p.m., and 5 work hours have passed from the time the first overtime meal was owed, they now qualify for a second overtime meal. The employee will receive the Maximum Meal Allowance plus 30 minutes pay at the applicable overtime rate for the meal owed at 5:00 p.m., and will be provided a meal up to the Maximum Meal Allowance for the second meal, and payment for the meal period.

Guidelines (Cont'd)

- 4) If employees receive an early call-in of 2 hours or more, excluding travel time, and they miss the first meal period and then observe their normal lunch period, they are compensated under the missed meal provision (30 minutes at the applicable overtime rate plus the Maximum Meal Allowance).

Example: An employee is regularly assigned to work from 7:00 a.m. to 3:30 p.m. They are called in to work at 4:00 a.m. (not prearranged). Because of the requirements of the work, the employee is not able to eat a meal until their normal lunch period, 11:00 a.m. Since more than 5 work hours have passed since the first meal was earned, and another meal is now due, the employee qualifies for a missed meal, and will receive the Maximum Meal Allowance plus 30 minutes pay at the applicable overtime rate.

Note: **Special Shift Employees:** Since these employees are permitted to eat their meal on SMUD time, time to eat a missed meal is not provided.

E. SMUD Provided Meals At Work Site

When an overtime meal is earned and the appropriate supervisor determines that SMUD should provide a meal at the work site, the following guidelines shall apply:

- 1) Employees will be provided a meal that should be, but under certain conditions may not be, a comparable substitute for a meal that the employee would have eaten; and
- 2) Employees will be provided reasonable time to eat the meal on SMUD time; and
- 3) Employees will still be due the earned meal (i.e. the provided meal is not considered to be a meal payment, a meal provided or a meal taken).

Note: The type of meal provided will depend on the average restaurant available in the general area, the time of day the meal is provided, the availability of restaurants that can provide a comparable substitute within a reasonable distance of the work site, and the breakfast, lunch or dinner menu at restaurants where comparable substitutes are available.

F. 9/80 Shifts

The guidelines will apply except that "regular work hours" or "regular schedule of shift" will be defined as a bi-weekly pattern of eight 9 hour shifts and one 8 hour shift according to a regular and pre-established schedule; however, if an employee's regular work hours are extended, he/she will earn an overtime meal payment one hour after the end of the regular work schedule (e.g., at the 10th hour of work on a 9 hour shift day).

G. 4/10 Shifts

The guidelines will apply except that "regular work hours" or "regular schedule of shift" will be a 10 hour shift rather than an 8 hour shift; however, if an employee's regular work hours are extended, he/she will earn an overtime meal payment one hour after the end of the regular work schedule (e.g., at the 11th hour of work).

Guidelines (Cont'd)

H. **12-Hour Shift**

The guidelines will apply to overtime meals except that "regular work hours" or "regular schedule or shift" will be a 12-hour shift rather than an 8-hour shift.

Employees working scheduled 12-hour shifts for straight time will not be eligible for overtime meals unless they continue to work after their regular quitting time for one hour and at 4-hour intervals thereafter. The 12-hour rules apply when employees are scheduled to work the 12-hour shift rotation. If an employee is scheduled for 8-hour days, the 8-hour rules apply.

I. **Reimbursements**

- 1) When employees earn an overtime meal, and the meal is not paid for by SMUD, they will be paid in accordance with Maximum Meal Allowances. This payment will be made through the payroll system and will be included on the employee's paycheck. No additional meal payment will be made if they are provided a SMUD-paid meal.
- 2) If employees work for an extended period of time, they may earn additional meals during their shift. No additional meal payment will be made if they are provided SMUD-paid meals.
- 3) Payments for overtime meals will be included in employee's gross income, and applicable Federal and State income taxes and FICA taxes will be withheld.
- 4) If second or third overtime meal expenses total \$50 or less, reimbursement may be made from petty cash funds.
- 5) Reimbursement may be made from petty cash funds up to \$100 to foremen/women who have paid for meals taken by their crews during periods of emergency work.
- 6) SMUD will make procurement cards available, as needed, to carry out the provisions of this article.

ARTICLE 10

PERSONAL LEAVE

1. INTRODUCTION

Department managers or supervisors must approve all requests for leave in advance. Absence not approved in advance will be charged as leave of absence without pay.

2. EARNING PERSONAL LEAVE

All regular employees begin accumulating personal leave credits upon employment.

A. Full-Time Employees

Full-time regular employees earn personal leave credits on the following schedule:

1) **First through Fourth Year of Service**

Employees earn 80 hours of personal leave per year (6 hours and 40 minutes per month).

2) **5th through 14th Year of Service**

Employees earn 120 hours of personal leave per year (10 hours per month) from the beginning of their 5th year through their 14th year of service.

3) **15th through 22nd Year of Service**

Employees earn 160 hours of personal leave per year (13 hours and 20 minutes per month) from the beginning of their 15th year through their 22nd year of service.

4) **23rd through 29th Year of Service**

Employees earn 200 hours of personal leave per year (16 hours and 40 minutes per month) from the beginning of their 23rd year through their 29th year of service.

5) **30 or More Years of Service**

Employees earn 240 hours of personal leave per year (20 hours per month) from the beginning of their 30th year of service.

B. Part-Time Regular Employees

Part-time employees scheduled to work 20 or more hours per week on a fixed schedule, earn personal leave credits based on the hours worked. (176 hours equal one month's service).

Earning Personal Leave (Cont'd)

C. **Personal Leave Bonus**

1) **Full-Time Employees**

Permanent, full-time employees will be credited with a 40-hour personal leave bonus on the 10th anniversary date of full-time continuous service.

2) **Part-Time Regular Employees**

Regular, part-time employees will be credited with a 40-hour personal leave bonus after working the equivalent number of hours required of full-time employees.

D. **Accrual Limit**

Employees may carry up to 680 hours of personal leave into the New Year. Excess as of the end of the last pay period in any calendar year shall be forfeited and that amount shall be paid to the employee at the employee's regular straight time rate of pay.

Exception: If an emergency arises or service requirements do not allow employees to use their personal leave credits, their department manager may recommend to the General Manager that the employee be allowed to exceed the maximum hours that may be carried over into the next year.

E. **Non-Accrual of Personal Leave Credits**

Employees will not earn personal leave for each cumulative total of 176 working hours of the preceding 12 months while they are absent on leave without pay.

3. **USING PERSONAL LEAVE CREDITS**

Employees are eligible to use their personal leave credits as soon as they show on their pay stub.

A. **9/80 Shifts**

Employees who take paid time off on Personal Leave on a regularly scheduled workday will be charged the number of hours they were regularly scheduled to work (i.e., nine (9) hours, if regularly scheduled to work a 9-hour shift).

B. **4/10 Shifts**

Employees who take paid time off on Personal Leave on a regularly scheduled workday will be charged 10 hours personal leave.

C. **12-Hour Shift**

Personal leave may be taken on an hourly basis. When a full day's personal leave is taken, it will be charged according to the normal work shift of the individual. An individual working 12-hour shifts who takes a personal leave day will be charged 12 hours of personal leave.

Using Personal Leave Credits (Cont'd)

D. **Scheduling Personal Leave**

Personal leave is normally taken each calendar year.

The time is scheduled and approved by the employee's department manager or supervisor after considering the preference and seniority of each employee in each classification. Seniority is determined by total years of continuous SMUD service.

E. **Normal Working Conditions**

1) **Scheduling for More Than One Week**

Leave periods of one, two, or three weeks will be given preference over split leave periods and leave periods of more than three weeks.

2) **Scheduling Entire Crews or Other Work Units**

If it is necessary to schedule time off for an entire crew or work unit, the leave period will be scheduled to meet SMUD's needs and the dates selected by a majority of the crew or work unit.

3) **Scheduling for Less Than One Week**

When conditions of the work permit; employees may be granted one hour or more personal leave at a time.

F. **Emergency Conditions/Service Requirements**

In an emergency, employees may be asked to forego all or part of their scheduled leave period. If employees are already on personal leave, they may be requested to report for duty. SMUD recognizes that all employees are entitled to use their personal leave. It is also recognized that certain service requirements of SMUD may require personal leave to be kept to a minimum. SMUD supervisors will make every effort to provide personal leave to each employee annually.

G. **Part-Time Regular Employees**

Part-time employees regularly scheduled to work 20 or more hours per week may be granted personal leave up to 40 hours in a week.

H. **Effect of Holidays**

If a recognized SMUD holiday falls within an employee's personal leave period, it is not counted as a day of personal leave.

4. **PAYMENT FOR PERSONAL LEAVE**

A. **Regular Classification**

An employee's personal leave pay is computed at the straight-time rate of pay for their regular classification at the time the leave is taken.

B. **Dual Classification**

If employees are in a dual job classification, their personal leave pay is based on the classification in which they would be working if they were not on personal leave.

C. **Extended Military Leave**

If employees are on an extended military leave (over 180 calendar days), they must take a lump sum cash payment for their accumulated personal leave or save it for use later. A lump-sum cash payment will be calculated at the employee's rate of pay when their leave started.

5. **PAYMENT FOR UNUSED PERSONAL LEAVE**

A. **Termination of Employment**

1) **Regular Terminations**

If employees are eligible to accrue personal leave credits and they terminate from SMUD employment, they will be paid for any accumulated personal leave credits.

Employees may not use their accumulated personal leave credits immediately prior to the effective date of termination. Employees will receive cash compensation in a lump-sum payment.

2) **Dismissal for Cause**

Normally, if employees are dismissed for cause, they will be paid for any accumulated personal leave credits they might have at the time of termination. In extraordinary cases, before final payment is made to employees, General Manager approval will be required.

B. **Retirement**

If employees are retiring, they may take a lump-sum payment for their personal leave. Employees may choose to take personal leave prior to the effective date of their retirement if: they have the equivalent of 5 years of full-time uninterrupted service with SMUD, and they have been a member of the Public Employees Retirement System (PERS) for at least 5 years, and they are at least 50 years of age.

ARTICLE 11

HOLIDAYS

1. **INTRODUCTION**

Eligible employees are granted paid time off for specified holidays and provided premium pay if required to work on a holiday.

2. **AUTHORIZED HOLIDAYS**

A. **SMUD-Observed Holidays**

SMUD guarantees regular employees the following 9 SMUD-observed holidays: New Year's Day; Martin Luther King, Jr. Day (celebrated on the third Monday in January); Presidents' Day (celebrated on the third Monday in February); Memorial Day (celebrated on the last Monday in May); Independence Day; Labor Day; Thanksgiving Day; Day After Thanksgiving; and Christmas Day.

B. **Floating Holidays**

In addition to SMUD-observed holidays, regular, permanent employees with 6 or more months of full-time service receive floating holidays according to the following: January 1, July 1, September 1 and November 1. These floating holidays are administered as 8 hours of personal leave. They may be carried over from year to year in the same manner and with the same limits as accumulated personal leave.

SMUD will approve the use of a floating holiday, or a day of personal leave for any regular SMUD employee, who has served in the armed forces of the United States, or their allies, and who wishes to observe the (November 11) Veterans Day Holiday.

C. **Special Holidays**

The General Manager may authorize regular employees, additional time off during the Christmas - New Year holiday season.

3. **HOLIDAY PAY**

A. **Eligibility for SMUD-Observed Holiday Pay**

1) **Full-time Employees**

To be eligible for holiday pay, an employee must be a regular employee. In addition:

- a) Employees must have worked the workday immediately prior to or immediately following the holiday, or
- b) Employees must have been on approved personal leave, sick, CTO, or leave with pay for the entire workday immediately prior to or immediately following the holiday.

Holiday Pay (Cont'd)

2) **Part-time Regular Employees**

To be eligible for holiday pay, part-time employees must be working 20 or more hours per week on a fixed schedule.

B. **Eligibility for Floating Holiday Pay**

Eligibility is the same as that for SMUD-observed holidays for all employees working for more than 6 months.

C. **Eligibility for Special Holiday Pay**

The General Manager may determine who is eligible for special holidays such as additional time off during the Christmas-New Year holiday season.

1) **Full-Time Permanent Employees**

To qualify for Special Holiday pay, employees must work or be on paid leave for the other work hours on the day that it is granted. If employees are required to be on duty for the Special Holiday, they should be given equivalent time off on New Year's Eve or other suitable time. If employees cannot be granted time off, they will be given the equivalent of straight-time pay in addition to pay for working that day. If the day designated as a Special Holiday is a regularly scheduled day off for employees, then the first time that they request personal leave after that day, they will charge the equivalent number of hours to "Other Paid Leave." This will ensure that employees are given equivalent paid time off.

2) **Part-Time Regular Employees**

Part-time employees regularly scheduled to work 20 or more hours per week will be credited with half the paid time off granted to full-time employees for a Special Holiday, whether or not they were scheduled to work on that day.

D. **Holiday Pay**

- 1) When a holiday falls on an employee's regularly scheduled workday, the employee will be given the day off and will be compensated for the number of hours the employee is regularly scheduled to work on that day. When a holiday is observed on an employee's regular day off, the employee is credited with 8 hours of personal leave. Part-time Regular employees will be credited with 4 hours pay for any authorized holiday whether or not scheduled to work on that day. Holiday pay is based on the classification in which the employee is scheduled to work when the holiday occurs.
- 2) For shift employees, if a holiday falls on a Saturday and employees are credited with an extra day of personal leave, shift employees receive the extra day of personal leave or 8 hours of straight-time pay for working on the holiday at the employee's discretion.

Holiday Pay (Cont'd)

3) **12-Hour Shift**

If an employee scheduled to work a 12-hour shift requests and is granted the day off on a holiday, the employee will be provided with 12 hours of straight time holiday pay. If an employee is scheduled to work, the employee will be allowed to work the holiday. Employees whose day off occurs on a holiday shall be paid for 8 hours at the straight time rate or be credited with 8 hours of personal leave at the employee's discretion.

4. **OBSERVING HOLIDAYS**

A. When a SMUD holiday falls on a Saturday, SMUD will observe the holiday on the preceding Friday. Sunday holidays will be observed on the following Monday.

B. **12-Hour Shift**

Holiday compensation will be paid to 12-Hour Shift Power System Operators (“PSO”), 12-Hour Shift Distribution System Operators (“DSO”), and 8-Hour Shift Troubleshooter employees who work the actual holiday, not to those who work the designated holiday. Employees working the day shift on the actual holiday and those working the night shift that starts on the actual holiday will be paid for the holiday. (Revised 1/1/2013)

5. **PREMIUM HOLIDAY PAY**

A. **Regular Full-Time Employees**

Employees eligible for holiday pay provisions will receive it if they must work on the designated holiday rather than the "actual" holiday, except 12-hour shift employees. *For example*, if the holiday falls on a Sunday, SMUD will observe that holiday on the following Monday. Employees required to work on the "actual" Sunday holiday would not receive the holiday pay provisions. However, employees required to work on the designated holiday (Monday) would receive the holiday pay provisions.

Employees are paid for all time worked on the holiday at the rate of double-time, plus straight-time pay for the holiday for a total of 3 times their straight-time pay.

B. **Part-Time Employees**

Part-time employees are paid for all time worked on the holiday at the rate of double-time.

C. **12-Hour Shift**

Premium holiday pay will be paid to 12-Hour PSO, DSO, and Eight Hour Shift Troubleshooters, employees who work the actual holiday, not to those who work the designated holiday. Employees working the day shift on the actual holiday and those working the night shift that starts on the actual holiday will be paid for the holiday. (Revised 1/1/2013)

1) **When PSO and DSO employee's regularly scheduled workday falls on a holiday, the employee will be paid double-time for the hours worked and 12 hours straight**

Premium Holiday Pay (Cont'd)

time holiday pay. A Troubleshooter will be paid double-time for the hours worked and 8 hours straight time holiday pay. (Revised 1/1/2013)

- 2) If an employee is required to work a holiday on a normally scheduled day off, the employee will be paid double-time for the hours worked, and 8 hours at the straight time rate or be credited with 8 hours of personal leave at the employee's discretion.
- 3) **If a PSO, DSO or troubleshooter is on a pre determined rotating schedule for the year and are scheduled for a Holiday, they will be allowed to work the holiday.**

If a holiday falls within a Troubleshooter's shift, employees scheduled shall have the 1st opportunity to work that holiday

If a Troubleshooter declines to work on the Holiday, shift coverage will be filled from a volunteer list of relief Troubleshooters with the least number of overtime hours. (Revised 1/1/2013)

ARTICLE 12

SICK LEAVE

1. INTRODUCTION

Sick leave allows employees to take time off from work, with pay, if they are ill or injured, if they need to see a practitioner or counselor for health maintenance, or if they are the primary care giver for an ill or injured family member. Permanent employees begin accruing sick leave credit upon employment and can take it as soon as it is earned. Sick leave may also be used for supplementing worker's compensation payments and when taking disability retirement. *(Revised 1/1/2013)*

2. GUIDELINES

A. General

Permanent employees earn sick leave at the rate of 8 hours for every 160 straight-time hours paid (13 days per year for full-time employees). There is no limit to the amount of sick leave that may be accrued. An employee's sick leave accrual is interrupted if they take leave without pay or are on industrial disability.

When a full day of sick leave is taken, it will be charged according to the normal work shift of the individual. Payment for sick leave is calculated at the employee's rate of pay when the leave is taken except when under time card upgrade. There is no payment for accrued sick leave upon termination; however, accrued sick leave is added to credited service for calculation of retirement benefits.

B. Use of Sick Leave

Sick leave may be taken in 15 minute increments. When employees use sick leave, they must let their supervisor know in advance, if possible. If employees can't show up for work, they are expected to notify their supervisor each day, prior to the latest starting time of their shift. If employees are off work for 5 or more consecutive days due to illness or injury, they may be required to provide a medical release for return to work, or other document satisfactory to their supervisor that indicates they may safely return to work. *(Revised 1/1/2013)*

If an employee's supervisor has cause to believe that the employee's absence is not for an authorized reason, the employee may be required to provide substantiating evidence. If the employee fails to provide adequate evidence, their request for sick leave will be denied and the absence will instead be charged to unauthorized leave without pay. Improper use of sick leave and/or unauthorized leave without pay is considered a work conduct and/or an attendance problem that will be addressed through the positive discipline process.

C. Sick Leave While On Personal Leave

If employees become ill while on personal leave, they may request that their personal leave be changed to sick leave.

Guidelines (Cont'd)

D. Sick Leave On a Holiday

If an employee is sick on a workday that is also a holiday, the employee will get holiday pay, and sick leave will not be charged.

E. Sick Leave Incentive Plan

SMUD encourages employees to maintain good health by providing a sick leave incentive plan. Employees can earn personal leave credits if they have low sick leave use. Eligible employees are permanent full-time employees who work a full payroll year. The credit is granted after year's end according to the following schedule:

Guidelines for Administration of the Sick Leave Incentive Program							
Prior Year's Sick Leave Usage by Work Schedule				Personal Leave Granted by Work Schedule			
8 hr-5	9-80	4-10	12 hrs	8 hr-5	9-80	4-10	12 hrs
0 hrs	0 hrs	0 hrs	0 hrs	16 hrs	18 hrs	20 hrs	24 hrs
1-8 hrs	1-9 hrs	1-10 hrs	1-12 hrs	12 hrs	13.5 hrs	15 hrs	18 hrs
9-16 hrs	10-18 hrs	11-20 hrs	13-24 hrs	8 hrs	9 hrs	10 hrs	12 hrs
17-24 hrs	19-27 hrs	21-30 hrs	25-36 hrs	4 hrs	4.5 hrs	5 hrs	6 hrs

Employees who are granted 2 days personal leave credits may choose cash instead of time off.

Up to 4 prearranged medical or dental appointments will not count toward sick leave usage for the above schedule.

F. Long-Term Disability

An employee will be permitted to use his/her sick leave in those situations in which the illness meets the disabled definition of SMUD's Long-Term Disability Plan. If the employee is not precluded by his/her disability from performing other work and SMUD has made a limited duty assignment available to the employee, he/she shall not be permitted to use sick leave. (Revised 1/1/2013)

ARTICLE 13

LEAVES OF ABSENCE

1. GENERAL

An authorized leave of absence is leave that is approved in advance. An unauthorized leave of absence is leave that is not approved in advance. An extended leave of absence is an unpaid leave that is more than six months.

2. LEAVE OF ABSENCE WITH PAY

A. Death In Family

If there is a death in an employee's family and the employee has been continuously employed for six months or more, they may be allowed up to three work days leave of absence with pay. Employees who take paid time off on Bereavement Leave on a regularly scheduled workday will be credited with the number of hours they were regularly scheduled to work.

This leave is not granted automatically and the employee's area head will consider the following types of factors prior to approving the employee's request: the relationship of the deceased; the employee's responsibility for arrangements; the date and place of the service.

B. Election Days

The polls are normally open long enough to allow employees to vote either before or after work. However, should an emergency work situation make it unlikely the employee will be able to vote, their supervisor will grant them a maximum of two hours paid time off to vote in any statewide general election.

C. Court Appearance

SMUD will allow regular employees to take time off with pay for authorized court appearances.

1) Jury Duty

a) Notice of Jury Duty

An employee's supervisor should be informed as soon as the employee receives the initial notice or questionnaire for jury duty. If it appears that employees in the employee's work group are being called for an unreasonable share of jury duty, or if it is imperative they be relieved from this commitment, their supervisor can request the Jury Commissioner to postpone the employee's jury duty.

b) Jury Duty Pay

When employees are called for jury duty, SMUD gives them time off from work with pay. An employee's pay is no longer reduced by court pay they may receive.

Leave of Absence with Pay (Cont'd)

c) Length of Jury Duty

Since employees may be called for jury duty late in the morning or released early in the day, their supervisor may require employees to work the remaining fraction of the workday. If employees do not comply with this obligation, they will not be paid their SMUD salary for the time not at work. Employees may also be subject to disciplinary action.

d) Time of Jury Duty

Jury duty occurring at times other than an employee's regular work hours does not typically excuse them from working their normal shift. Employees may be excused only if the jury duty required their service for 8 hours during the 16 hours immediately preceding their regular shift. This does not, however, in any way authorize payment of overtime in the event employees actually decide to work.

e) 12-Hour Shift

Jury duty will result in the employee being rescheduled to an 8-hour day shift; Monday through Friday, while on jury duty with the employee guaranteed a 40-hour workweek. If released from jury duty prior to the end of the workweek, the employee will be returned to relief duty for the remainder of the week.

2) **Duty as a Witness**

a) Under Subpoena

If employees are subpoenaed as a witness in a civil or criminal trial or hearing, they must give their supervisor a copy of the court order requiring them to appear. Employees may be given paid time off for this appearance.

b) Expert Witness

If employees are called as an expert witness, and SMUD has no interest in the trial, employees must use their personal leave credits for the time off.

3) **Involvement as a Plaintiff or Defendant**

If employees are personally involved in a court case as the plaintiff or defendant, SMUD will not provide them with paid time off to appear in court or to transact business associated with their case. The employee's supervisor may, however, grant personal leave in such cases.

D. **Professional Leave**

Upon recommendation of an employee's department manager and approval by the General Manager, SMUD may allow them to participate to a reasonable extent in the activities of a professional organization without loss of pay. However, SMUD will not reimburse the employee for travel or other expense unless SMUD receives a direct benefit from their activities, as determined by their department manager.

Leave of Absence with Pay (Cont'd)

If employees hold a major national office in a recognized professional association, they may be allowed absence with pay for travel required in the performance of their duties as an officer. Such absence with pay shall normally not exceed ten working days in a calendar year.

E. **Short-Term Union Business**

Employees who are granted leave-of-absence from SMUD to work for the Union remain on SMUD's payroll. Employees will continue to receive PERS contributions and service credit. SMUD in its sole discretion reserves the right to deny a requested leave-of-absence.

- 1) The Union shall reimburse SMUD for the employee's salary plus fringe benefit costs while the employee is on the leave-of-absence.
- 2) This provision will apply to leaves-of-absence for six months or less.
- 3) Requests shall be made at least two weeks in advance and directed to the Manager, Labor Relations unless otherwise agreed to between SMUD and the Union.
- 4) The Union agrees to indemnify and hold SMUD harmless against any and all liability for loss, damage, cost or expense which SMUD may incur by reason of bodily injury, including death, to any person or persons or by reason of damage to or destruction of property, including the loss of use thereof, arising out of or in any way connected with the herein described program, whether or not due in whole or in part to any act, omission or negligence of SMUD, active or passive, excepting only such injury, loss or liability as may result from the criminal or willful misconduct of SMUD, its agents or employees, other than employees participating in this program.

a) Workers' Compensation

Where payments are made to SMUD's employees under a workers' compensation or disability benefits law for bodily injury or death arising out of or in any way connected with the herein described program, the Union shall make full and complete reimbursement to SMUD to the extent such payment increases SMUD's workers' compensation or disability benefit costs, whether such increase in costs occurs in the form of an increase in premiums or contributions, reduction in dividends or premium refunds, or otherwise.

b) Notice and Defense of Claims

In the event any claim or demand is made or suit or action is filed against SMUD alleging liability for which the Union shall indemnify and hold harmless SMUD under this Section, SMUD shall promptly notify the Union thereof, and the Union shall at its sole expense bear the cost and expense including legal fees to settle, compromise or defend the same in such manner as it, in its sole discretion, deems necessary or prudent.

Leave of Absence with Pay (Cont'd)

c) Insurance Representation

The Union agrees to carry the amount of self-insurance or comprehensive liability insurance, including contractual liability coverage, covering the indemnification and defense obligations set forth herein, subject to such types and amounts of self-insurance, retentions or deductibles as are consistent with good business practice in the industry.

3. LEAVE OF ABSENCE WITHOUT PAY

A. Leave For Personal Business

Employees may be granted leave for urgent or substantial personal reasons such as caring for their newborn child, being appointed or elected to an employee organization which requires their services in connection with SMUD activities, and furthering the employee's education. Employees must use all of their personal leave before starting their unpaid leave or take a lump-sum cash payment for their accumulated personal leave.

B. Medical Leave

Employees may be granted a leave for illness if they are regular, permanent or probationary employees. Employees must use all their sick leave and personal leave before going on a medical leave of absence. Employees may keep up to 80 hours of personal leave credits when they begin to use LTD benefits. The leave will be granted for a reasonable period of time for employees to recuperate from a disabling illness or injury. The General Manager must approve leaves of more than one year. (Revised 1/1/2013)

4. MATERNITY LEAVE

A. Pregnancy Disability Leave

Pregnancy disability is defined as the time employees are temporarily disabled due to a pregnancy, childbirth, or related medical condition. The employee's supervisor may request a doctor's verification of their physical condition.

Employees may take up to four months of leave for pregnancy disability. SMUD requires employees to use their sick leave first. If employees have exhausted their sick leave credits and are still physically unable to return to work, they may choose to use their comp time and then personal leave (in that order) before taking unpaid leave. (Revised 1/1/2013)

B. Nonmedical Maternity Leave

Employees may take up to 12 workweeks of leave in each calendar year as cited in the federal Family Medical Leave Act and the state California Family Rights Act. Employees must use their accrued sick leave and any comp time accrued personal leave over 80 hours (in that order) before taking the unpaid leave portion of the FMLA/CFRA leave. Sick leave may not be used for this purpose unless the child is ill". (Revised 1/1/2013)

5. **EFFECTS OF LEAVE ON SMUD BENEFITS**

A. **Leave of Absence With Pay**

There is no effect on employee benefits.

B. **Leaves of Absence Without Pay**

1) **Personal Leave and Sick Leave**

While employees are on an unpaid leave of absence, they will not earn personal leave or sick leave credits. Employees in a leave without pay status, and receiving Workers Compensation benefits (“WC”), will cease accruing leave credits unless they are supplementing their WC with personal or sick leave. Employees who are in a leave without pay status and receiving short and long term disability benefits do not accrue leave. (Revised 1/1/2013)

2) **Salary Increases**

Employees will not be eligible for salary increases or other benefits or considerations where service is a factor.

3) **Long-Term Disability (LTD)**

If employees are on an unpaid leave of absence and they become disabled, they may be eligible for LTD consistent with the plan eligibility.

4) **Health, Life, and Dental Coverage**

a) **Medical Leave**

If employees are regular employees on a leave of absence for illness or injury, they may continue participating in the group health, life, and dental plan. SMUD will pay its share of the premium under the provisions of the contract. The coverage in most cases will continue until employees are well enough to return.

b) **Personal, Education, and Non-medical Maternity Leave**

If employees are regular employees, they may continue participating in the group health, life, and dental plans. However, SMUD will only pay its share of the premium for the first three months of leave. Beyond that time, employees will be responsible for the entire premium.

5) **Holidays**

Employees are not eligible to be paid for holidays when they are on unpaid leave of absence the day before and the day after the holiday.

6) **PERS and Social Security**

No contributions are made by the employee or SMUD when the employee is on an unpaid leave of absence.

6. **EFFECTS OF LEAVE ON PAYROLL DEDUCTIONS**

A. **Less Than One Year**

If employees' leave was less than a year, their payroll deductions (Deferred Compensation, United Way, Credit Union, Union Dues, etc.) will be reestablished upon their return.

B. **One Year Or More**

If employees' leave was for one year or more, they must reestablish the deductions upon their return.

7. **ABUSE OF LEAVE**

A. **Expiration of Leave**

If employees fail to return to work upon the expiration of their leave of absence, their employment with SMUD may be terminated.

B. **Inappropriate Use of Leave**

If employees use their leave of absence for purposes other than for which it was granted, their leave of absence may be terminated, and their employment with SMUD may also be terminated.

C. **Unauthorized Leave of Absence**

Absence without approved leave, voluntary or involuntary, for five consecutive workdays constitutes resignation from SMUD service, as of the last day worked.

See the Automatic Resignation Article, for further details.

8. **MILITARY LEAVE OF ABSENCE**

SMUD provides time off and other benefits to employees called to active duty or participating in periodic reservist training and other military activities. In accordance with federal and state laws, SMUD provides job protection for reemployment after military service without loss of seniority, status, and pay.

A. **Eligibility and Approval**

Employees are eligible for this leave if they have completed a year of continuous service with SMUD or have a combination of continuous SMUD service and prior reservist or active military service totaling one year, unless they are not regular employees. The employee's manager approves military leave.

B. **Service Time Credit**

Employees' time on military leave of absence counts as SMUD service for calculating benefits, unless they are on leave without pay in situations not related to active duty call-up.

Military Leave of Absence (Cont'd)

C. **Benefits Determination**

1) **Reserve Training and Other Military Activities**

Employees will receive full pay and benefits for up to 30 regularly scheduled work days or no more than 240 hours in a payroll year. For more than 30 days, employees may use their accumulated personal leave or go on leave without pay. Inactive military duty such as weekend drills does not qualify for military leave, and employees will not be granted paid time off for such duty.

2) **Active Duty**

Employees will be placed on paid leave and will receive the difference between their military base pay and their regular salary and continue their existing health and welfare premium arrangements for up to six months of active duty. After six months of active duty employees will be placed on leave without pay and will be required to pay all further benefits premiums. Employees will receive a week's personal leave on their return from a duty of more than 180 calendar days in recognition of their need for rest and recuperation.

3) **Leave Accruals**

When on a leave without pay while on military leave, an employee's personal and sick leave accruals are suspended.

4) **Personal Leave Lump Sum Payout**

Employees called up for active duty may request a lump sum payout for their accrued personal leave.

5) **Holidays**

Employees on military leave are eligible for paid holidays except when on leave without pay.

6) **Deferred Compensation**

Employee's arrangement remains in effect unless they wish to change it.

D. **Employee's Responsibility**

Employees are expected to request a leave of absence with as much advance notice as possible. Employees are expected to keep their manager advised of their leave situation and, for active duty call-ups, notify Human Resources at least two weeks prior to expiration of their leave to discuss their return to work.

Military Leave of Absence (Cont'd)

E. **Return from Leave**

When employees are ordered to active duty and return within 5 years of call-up, they are entitled to return to their former position if it still exists. If it has ceased to exist, employees will be reinstated into a comparable position. If employees were ordered to active duty during war, national emergency, national conscription, or pursuant to order of the United Nations, the 5 year limitation is not applicable. In order to be eligible for such a return, employees must not have received a dishonorable discharge. Employees must also reenter a position within six months of the termination of active service or within twelve months of the date on which they could have terminated from active service, whichever is sooner.

For reserve training and other military activities, when the employee's service period is 30 days or less, they must report back to work on their next regularly scheduled work shift after a reasonable time to arrive home, rest, and travel to work. When the employee's service period is from 31 to 180 days, they must report to work no later than 14 days following completion of service. For service of more than 180 days, the employee must apply and return to work no later than 90 days after completion of military service. Exceptions are made for employees injured or disabled during service. Such employees should contact Human Resources.

F. **Additional Voluntary Service**

All requests for additional voluntary active duty must be submitted to the employee's manager for consideration and approval. The employee's manager may contact their commanding officer to determine the absolute necessity of the request. If the employee's request is approved, they will be paid leave within the limits set forth in this Article.

ARTICLE 14

EXPENSES

1. **INTRODUCTION**

SMUD will pay for or reimburse employees for authorized expenses relating to SMUD business.

2. **PERSONAL VEHICLE USE**

A. **Authorization**

Employees may be authorized by their Department Manager, Area Head, or Program Manager to use their own vehicle on SMUD business.

B. **Personal Liability**

Employees should have adequate limits of protection under their personal automobile liability policy. SMUD insurance does not cover an employee's own personal liability if they are in an accident.

C. **Mileage Reimbursement**

- 1) Mileage reimbursement rates are per IRS Guidelines up to the equivalent common carrier fare at the time of departure.
- 2) Incidental travel expenses (i.e., bridge tolls and parking) will be reimbursed at cost.
- 3) Mileage claims for trips to the Sacramento Airport are generally limited to the shortest round trip distance between either:
 - a) Employee's work headquarters and the airport; or
 - b) Employee's home and the airport.

Note: Special circumstances (i.e., trips by spouses, loss of car pool privileges, or leaving on a weekend) may qualify for increased mileage allowances. Employees should discuss possible exceptions with their Department Manager.

3. **TEMPORARY CHANGE OF HEADQUARTERS**

A. **General**

If employees are temporarily assigned a change of work headquarters, SMUD will assure that they have appropriate lodging, meals, travel time, and transportation or mileage reimbursement to enable the employee to maintain their expected level of performance and to minimize any disruption to their customary standard of living.

Temporary Change of Headquarters (Cont'd)

B. Reimbursement

- 1) If employees are temporarily assigned to a work headquarters at such a distance from their permanent headquarters that it is not practical for them to commute daily, they shall be entitled to expense allowances as follows:

- a) Per Diem

Per diem per IRS guidelines is provided to cover such costs as meals, coffee breaks, snacks, newspapers, dry cleaning, laundry, personal phone calls, tips and taxes. The per diem rate covers all full days (midnight to midnight). Fifty percent (50%) of the rate will be paid for the first and last day, due to the reduced expenses.

- b) Lodging

SMUD will designate employees' lodging and pay for its cost. If employees choose to stay at another location, SMUD will pay the cost of that lodging up to the amount of the lodging originally selected by SMUD.

- c) Travel Time

Employees will be paid travel time each way for the actual commute required at the appropriate overtime rate from the designated lodging to the job site, up to a maximum of one hour each way. Travel time at the appropriate rate will be paid to employees on the first and last day of the job. Each 45 miles will equal one (1) hour of travel.

- d) Transportation

Transportation may be provided or arranged for by SMUD from the designated lodging to employees' temporary work headquarters. If a SMUD vehicle is not provided, employees will be authorized to use their own vehicle.

When employees use their own vehicle, they will be reimbursed for any mileage in excess of ten miles from the designated lodging to and from their temporary work headquarters under the private automobile reimbursement rates.

- 2) Employees will not be eligible for any of the above expense allowances if they live closer to the temporary headquarters than they do to their permanent headquarters.

C. Special Circumstances

If special circumstances exist at the time a temporary change of work headquarters is to be made, and it is in the best interest of SMUD, SMUD will meet and confer and may agree upon reasonable alternatives to the above expense allowances for meals, lodging, travel time, and transportation in advance of the assignment.

Temporary Change of Headquarters (Cont'd)

1) Temporarily Assigned To Work In The Back Country

- a. The number of crew members assigned will be determined by the work required, plus one. Participation will be on a voluntary basis.**
 - i. In the event not enough qualified volunteers are available, the District shall, at its sole discretion, hire contract employees, or contract the work out, in accordance with the provisions of MOU Article 31.12.**
- b. Employees will be compensated as follows for each work day they are assigned to the back country:**
 - i. An amount equivalent to two (2) hours of their regular, straight time base rate of pay. Note: This amount will be paid under timekeeping code WROC, and is not reportable to CalPERS as income for purposes of calculating retirement benefits.**
 - ii. Payment for Meals and Incidentals established by SMUD for South Lake Tahoe, El Dorado County, California (currently \$54/day). Note: This rate is established and updated annually by SMUD, based on data provided by the U.S. General Services Administration.**
 - iii. Because employees are expected to provide their own camping equipment and supplies for back country assignments, compensation provided under this section will be disbursed to employees at least two weeks in advance of the assignment, in order for employees to purchase equipment and supplies in advance of the trip. Exceptions, in which case disbursement will be made as much in advance as possible:**
 - 1. The next back country assignment, which will likely take place in less than two weeks time**
 - 2. In the event of an emergency or last minute substitution**
- c. Back Country assignments will normally be continuous in nature. That is, they will not normally involve a day off during the assignment, unless such time off is required to meet minimum rest requirements prescribed by the MOU. All overtime work while on back country assignment must be approved by management in advance. Employees have the option to return to Fresh Pond every 6th day. Note: SMUD will not provide special transportation for this purpose.**
- b. This agreement will remain in effect through the term of the current MOU, unless modified by the parties in writing. (Revised 1/1/2013)**

D. Daily Commute

- 1) If employees are temporarily assigned to a work headquarters and the distance is such that they can commute daily from their home, they will be paid travel time each way as follows:**

	Fresh Pond	Headquarters	Rancho Seco	Elk Grove	EastCampus
Fresh Pond	-	1 hour	1½ hours	1½ hours	1 hour
Headquarters	1 hour	-	1 hour	½ hour	½ hour
Rancho Seco	1½ hours	1 hour	-	½ hour	1 hour
Elk Grove	1½ hours	½ hour	½ hour	-	½ hour
East Campus	1 hour	½ hour	1 hour	½ hour	-

Exception: Grid Operations and Planning Personnel when deployed to the Back up Control Center (“BCC”) located at Rancho Seco. Employees must be notified of the change to their reporting location no later than the end of their previous shift worked. (Revised 1/1/2013)

- 2) If employees live closer to the temporary headquarters than their permanent headquarters, they will not be paid travel time since they are already benefiting from the reduction in their normal commute.
- 3) If employees are not provided with SMUD transportation for the temporary change of headquarters, they will be paid for any additional commute in mileage as a result of the headquarters change.

E. Formal Training Purposes

For formal training purposes, including apprentice training, employee's reporting headquarters may be temporarily changed (less than 12 months) without additional compensation, if their round trip commute distance is not increased by more than 10 miles.

4. TRAVEL EXPENSES

Employees may choose per diem reimbursement or provide receipts for reimbursement of actual expenses. Employees are expected to exercise sound judgment and common sense whenever they incur expenses.

A. Per Diem Purpose

Per diem is provided to cover such costs as meals, dry cleaning, laundry, personal phone calls, tips, and taxes.

B. Per Diem Eligibility

Employees will be paid per diem if they are traveling away from SMUD for an extended time (normally nine calendar days or longer).

C. Per Diem Rates

- 1) Per diem rates are per IRS Guidelines. Contact travel arrangers for individual meal breakdown.
- 2) The per diem rate covers all full days (midnight to midnight). Fifty percent (50%) of the rate will be paid for the first and last day, due to the reduced expenses.
- 3) The per diem rate does not include lodging expenses.

Travel Expenses (Cont'd)

- 4) If the Department Manager determines that the per diem rate is insufficient for the circumstances, he/she may authorize use of the meal allowance rates and actual costs for incidental expenses. This may result from an employee traveling to a number of different locations or to a high cost-of-living area.
- 5) Per Diem rates should be requested under the "Meals" area of the Travel Claim.
- 6) Contact department travel arrangers for further information.

5. **MOVING EXPENSES**

Reasonable relocation expenses will be authorized for new employees, if it is necessary to recruit outside the Sacramento area. Employees will be reimbursed in accordance with SMUD DAP 4.5.2.101 dated February 17, 2011. (See Attachment E) (Revised 1/1/2013)

6. **MISCELLANEOUS REIMBURSABLE EXPENSES**

A. **Registration and Licensing Fees**

SMUD will pay 100% of registration or licensing fees and the cost of maintaining a registration or license when SMUD requires it for employees to perform their job. Regular driver's licenses are exempted. SMUD will pay all initial license fees and all but \$10 of the renewal fee on renewals for commercial drivers' licenses.

B. **Organizational Membership Fees**

SMUD will pay organization membership fees when membership is held in SMUD's name and when SMUD requires the employee to be a member of an organization.

SMUD will pay 100% of the membership fee for any employee who wants to join SMUD's Toastmaster Chapter.

Professional organizations' membership fees are generally reimbursable. Service, social, and labor organizations' membership fees are not normally reimbursable.

C. **Business Meeting Expenses**

Employees will be reimbursed for expenses associated with any meeting they are required to attend as a SMUD representative. Approval is required at the area head level or above. Employees are not normally eligible for reimbursement in other situations. The department manager level or above may approve exceptions.

D. **Communications Expenses**

Employees may be reimbursed for the actual cost of telephone calls, faxes, telegrams, etc. when those costs are connected with official SMUD business. Approval is required at the area head level or above.

E. **Miscellaneous Expenses**

Other miscellaneous expenses may be reimbursable when spent conducting SMUD business.

7. **PERSONAL TOOLS**

Employees in certain job classifications are required to provide some or all tools that are needed to perform the duties of their job. These tools will be replaced by SMUD if they are worn, lost, or stolen under certain conditions. This policy does not apply to Rancho Seco employees. Procedures at this work location are established by the responsible department managers.

A. **Responsibility**

1) **Employee**

- a) To provide all tools listed on the tool list for the job classification.
- b) To provide tools of good quality and that meet SMUD's safety standards.
- c) To take all reasonable precautions to protect tools from theft, including locking them up when not in use. It is understood that some trucks may be unlocked for emergency use.
- d) To report in a timely manner tools lost or broken on a SMUD job, or stolen as a result of a forcible entry on SMUD property.

2) **Department**

- a) To inspect the required tools employees provide to ensure the tools meet SMUD standards.
- b) To maintain a current list of job classifications required to furnish tools.
- c) To maintain a current list of all tools that is required for each job classification.
- d) To inform tool room or office responsible for department tools of any additions or deletions to the list of job classifications or tools.
- e) To provide the employee who must furnish tools a listing of tools that is required.
- f) To provide a proper place to store tools under reasonably secure conditions to prevent loss due to theft.

3) **Tool Room or Office Responsible For Department Tools**

- a) To replace tools when requested and approved by the employee's immediate Supervisor and Area Head.
- b) To maintain a file of employees who have had tools replaced. This file should contain the employee's name, job classification, department, tool replaced, and its cost.

Personal Tools (Cont'd)

B. Conditions For Tool Replacement

- 1) A tool listed on the tool list for the employee's job classification is replaced at SMUD expense when it is:
 - a) Worn or broken by normal use on a SMUD job;
 - b) Lost in the course of performing SMUD work;
 - c) Stolen as a result of clearly identifiable forcible entry on SMUD property.
- 2) A tool will not be replaced by SMUD when it is:
 - a) Not listed for employee's job classification;
 - b) Worn or broken as a result of employee personal use or from other employment;
 - c) Lost or stolen because of employee negligence.

8. SMUD TOOLS

- A. SMUD provides tools to certain employees in various classifications. The tools are purchased for SMUD business purposes and use. Each business unit will prepare guidelines to include:
 - 1) Determining tool needs for employees;
 - 2) Procedures for issuing and marking tools;
 - 3) Procedures for replacing broken or lost tools;
 - 4) Annual inventory of individual tool assignments;
 - 5) Procedures to follow in case of theft of tools;
 - 6) Procedures for personal use of SMUD tools.

ARTICLE 15

GRIEVANCES

1. **INTRODUCTION**

It is the intent of both SMUD and the Union that grievances be resolved at the lowest possible level, in a timely manner to promote continuing cooperation between management, the Union and employees.

2. **DEFINITIONS**

A. A grievance is an employee objection to the application of a SMUD rule, policy, or approved memorandum of understanding on personnel practices or working conditions to the employee's particular situation. An objection to the terms and provisions of a rule, policy, or memorandum of understanding is not considered a grievance. However, an objection to the way a rule, policy, or memorandum of understanding is applied in a particular grievant's situation would be considered a grievance.

B. Date of occurrence is the day the event that is the subject of the grievance occurred, or the date when the grievant reasonably should have been aware of the occurrence of the event that is the subject of the grievance.

3. **APPLICATION**

Employees shall have the right to represent themselves individually in their employment relations with SMUD. Employees may choose to use either this grievance procedure (with Union representation), or to represent themselves in grievances as defined above. For removals, discharges or suspensions, grievants may choose to use either the grievance procedure, or a General Manager's hearing as set forth in Section 10 of this Article.

4. **TIME LIMITS**

Time limits contained in this grievance procedure are mandatory. Failure to meet the time limits shall result in forfeiture by the party (SMUD or Union) not meeting the time limits.

The parties may, by mutual written agreement, extend time limits for up to 5 working days. SMUD and Union may also, by mutual written agreement, waive any step in the procedure. Doing so does not change the procedures to be followed in later grievances.

5. **REPRESENTATION**

Employees who are grievants, representatives, or witnesses will be given time off with pay to attend hearings, and will be reimbursed for personal expenses (excluding legal fees) incurred in connection with the hearing.

If an employee is a grievant or witness in a formal grievance proceeding, they will be paid at the applicable overtime rate if they are requested to appear at such proceedings outside their regular work hours. Related overtime rules such as shift differential, travel time, minimum call-out time, and overtime meals do not apply.

6. **INFORMAL RESOLUTION**

Prior to the filing of a formal grievance, the employee and/or the Union representative should attempt to resolve workplace disputes by meeting informally with the involved supervisor. If the workplace dispute cannot be resolved informally, the employee and/or the Union representative may use the following procedures to resolve the matter.

7. **GRIEVANCE PROCEDURE**

A. **Step 1 - Manager**

The initial formal step in the resolution of a grievance shall be a meeting requested by the grievant and/or the Union representative with the grievant's department manager. This meeting shall be requested within 10 working days following the date of occurrence.

This meeting will be held within 5 working days from the date of request and will include the grievant, and/or the Union representative, the department manager, the immediate supervisor, other involved supervision, and any witnesses. The Union representative shall submit grievance form (SMUD Form-1773) to the manager in conjunction with this meeting. The representative will contact Labor Relations to secure an IBEW number for the grievance form.

Within 10 working days of this meeting, the manager shall submit a written response to the grievant and/or the Union representative, setting forth the basis for the decision regarding the dispute, including all supporting documentation.

If the parties are unable to resolve the grievance, the Union may refer the grievance to the Investigating Committee (IC). The referral must be received within 15 working days following receipt of the manager's response.

B. **Step 2 - Investigating Committee**

The IC will be comprised of the Manager, Labor Relations and the Union Business Representative. This Committee shall meet as soon as possible, but no later than 5 working days after receipt of the written grievance.

The IC, after discussions with the grievant, may resolve the grievance, conduct an independent investigation, or at the request of either party, refer the matter to a Fact Finding Team or to the Grievance Review Committee.

1) **Fact Finding Team**

- a) The Fact Finding Team (FFT) shall be comprised of one individual appointed by SMUD and one appointed by the Union.
- b) The IC will give the case to the FFT with specific time frames for completing the investigation. If required for a complete investigation, these time frames may be adjusted by the FFT.
- c) The FFT, with input from the grievant, the involved supervisor, and the IC, shall decide who will be interviewed.

Grievance Procedure (Cont'd.)

- d) The FFT shall arrange meetings with the interviewees.
- e) The FFT shall prepare a non-partisan report of its findings, and shall submit the report to the IC within 10 working days following completion of the investigation.

If the IC does not resolve the grievance, it shall be referred to the Grievance Review Committee (GRC) for consideration at its next regularly scheduled meeting.

C. **Step 3 - Grievance Review Committee**

The GRC shall be comprised of 6 members; 2 appointed by SMUD, 2 appointed by the Union and the 2 members of the IC. At least one of the Union members shall be a full-time representative of the Union and at least one of SMUD members shall be an AGM (or equivalent). The IC shall provide each member of the GRC all available information concerning the grievance. The GRC shall have a predetermined annual schedule of monthly meetings. Any monthly meeting will automatically be canceled if the GRC does not receive any grievances within 5 working days before the scheduled meeting.

Upon reaching a unanimous agreement, the GRC shall issue a written decision, signed by each member of the committee, to the involved parties and other individuals as determined by the Committee. The decision is final and binding.

If the grievance is not resolved by the GRC within 10 working days of the monthly meeting during which the grievance discussion is completed, either party may submit it to arbitration by serving written notice to the other party. The notice must be postmarked or received within 20 working days after the grievance was considered by the GRC at its monthly meeting.

D. **Step 4 - Arbitration**

If the grievance is submitted to arbitration, SMUD and the Union will mutually agree to the selection of an arbitrator. The arbitrator shall be limited to resolving grievable matters as defined in this Article as raised in the formal grievance originally filed by the employee. The arbitrator shall examine the case to the extent and manner justified. The conclusions of the arbitrator will be final and binding. The arbitrator shall have no power to alter, change, detract from, or add to the provisions governing the labor relations of SMUD and its employees, including, but not limited to, the MUD Act, MMBA, and this Agreement.

The fees and expenses for arbitration shall be shared equally by the Union and SMUD.

The parties mutually agree that they may resolve a dispute at any step in the process; however, resolution at Step 3 or below is without prejudice to the position of either party, unless mutually agreed to otherwise.

8. **GRIEVANCE SETTLEMENT**

SMUD will make every reasonable effort to effectuate remedies provided for in a grievance settlement within 30 calendar days of such settlement after receipt of all necessary information and/or documentation. SMUD shall pay the grievant within 30 calendar days after receipt of all necessary information and/or documentation, any monetary compensation provided for in the

Grievance Settlement (Cont'd)

grievance settlement. If SMUD fails to effectuate the grievance remedy within 30 calendar days, the Union may file a grievance concerning that failure.

9. **GENERAL MANAGER'S HEARING**

No provision of this MOU shall be construed to restrict an individual from presenting disputes involving removals, discharges or suspensions to SMUD pursuant to Section 12161 et seq. of the California Public Utilities Code (outlined below) without the intervention of the Union. If an employee elects to proceed under this section, the procedures and grievance steps set forth in the foregoing sections of this Article, including arbitration, are not available to the employee.

What can be heard? Any grievance of a decision calling for removal, discharge or suspension.

Who can be heard? All SMUD employees having appropriate grievances may appeal to the General Manager.

How to appeal? Written request for an appeal hearing must be filed with the General Manager by the grievant within 5 days of receipt of mailed notice of removal, discharge or suspension or prior to the effective date of action, whichever is later.

Who will hear it? The General Manager, upon receiving written request, will immediately appoint a committee of 3 to hear the case. The committee will consist of SMUD officers, assistant officers (other than elected officials), department managers, or area heads. The General Manager will mail notice of hearing time and place to the last known address of person being heard.

Hearing and ruling on the grievance. The committee will examine the case to the extent that it feels warranted. The committee may, among other things, order the employee discharged, suspended, or reinstated. The committee's order is final unless further appealed to the General Manager within 10 days after the date of the order.

10. **Grievance Procedure – Discrimination/Harassment**

In all cases involving an employee represented by IBEW Local 1245 as a respondent in a claim of Discrimination or Harassment in violation of Standard District Policy SDP 4.6.2, SMUD will, upon intake of the initial complaint, refer the investigation to a mutually agreed upon independent investigator. SMUD will bear the full cost of such investigation. The respondent will be permitted to have Union representation present during any interview(s) conducted with the respondent during the investigatory process. The investigator shall be instructed to explore all reasonable leads and, within reason, interview all persons identified as having information likely to influence the eventual outcome of the investigation.

The investigator shall submit a confidential report to SMUD. SMUD will review the report, and determine whether or not discipline is appropriate. If no discipline is imposed, the case is closed, and the report is filed consistent with current practice. If the respondent is disciplined, a copy of the report will be sent to Local 1245's designated representative. The report will be held in the strictest confidence to ensure and protect the privacy of the individuals involved.

Grievance Procedure - Discrimination/Harassment (Cont'd)

If any discipline is imposed and the employee chooses to appeal the discipline using the grievance procedure, the grievance shall be filed initially at Step 3. (*Revised 1/1/2013*)

ARTICLE 16

DISCIPLINE

1. **INTRODUCTION**

Disciplinary action involving IBEW-represented employees will be handled in accordance with the SMUDS Positive Discipline Policy, SDP 4.4.1.

2. **PROGRAM EXCLUSION**

SMUD's Substance Abuse Program, SMUD's Discrimination/Harassment Policy and the DOT Drug and Alcohol Program are "stand alone" programs and violations of these programs will not be subject to the provisions of this Article.

ARTICLE 17

PERSONNEL FILES

1. **INTRODUCTION**

Documentation concerning work performance, absenteeism, and disciplinary action may be put in the employee's official personnel file.

2. **GUIDELINES**

- A. The signature or initial of the employee should be obtained on these documents to confirm notification of such action.
- B. An employee is entitled to a copy of all such material upon request.
- C. An employee may have documents relating to work performance, absenteeism, and disciplinary actions removed if the documents are one year or older. However, documentation involving theft or insubordination may be retained for longer periods at management's option.

ARTICLE 18

PERFORMANCE EVALUATIONS

1. **INTRODUCTION**

Employee performance will be periodically evaluated and documented on a thorough, systematic, and objective basis.

2. **DURING PROBATION**

A. **Six-Month Probation**

Current employees will be evaluated at the end of their third and fifth month.

Effective 1/1/2013, all new hired IBEW represented employees will serve a twelve (12) month probationary period and will be evaluated consistent with the following paragraphs. (Revised 1/1/2013)

B. **Twelve-Month Probation**

Employees will be evaluated at the end of their fifth and eleventh months.

C. An employee's supervisor may formally evaluate their performance at more frequent intervals.

3. **FOLLOWING PROBATION**

Employees will be evaluated at the time of their merit increase. If employees are at the top of their pay range, they will be evaluated annually.

4. **UPON TERMINATION**

Any employee may be evaluated if they resign, are laid off, or terminated. Employees with less than satisfactory performance at the time of termination are normally not eligible for rehire.

5. **UPON TRANSFER, PROMOTION, OR DEMOTION**

A position probation is required for every appointment to a new position. Those returning to their same classification do not serve a new probationary period while those returning to a comparable position in a different class must serve another probation. Performance Evaluations will be completed consistent with 2, above. In addition, an employee's supervisor in their prior department is required to complete an exiting performance evaluation to accompany their ESN moving them to the new department. Human Resources will not process the transfer ESN without the evaluation.

6. **WHEN APPROPRIATE**

Employees may be evaluated whenever their supervisor feels a written record of their performance is appropriate.

ARTICLE 19

PROMOTIONS

1. INTRODUCTION

States SMUD's policy and guidelines regarding promotions.

2. PROMOTIONAL STARTING RATES

A. Promotion to an Hourly-Rated Classification

When employees are promoted to an hourly-rated classification, their placement on the salary range will be based on the following considerations:

- 1) Quality and quantity of experience relevant to the classification.
- 2) Salary level and qualifications of other SMUD employees in the work group in the same class or class series.
- 3) Future opportunities for pay and benefits.
- 4) Availability of other qualified applicants.
- 5) Department labor budget.

Unless stated otherwise, if employees are promoted to an hourly-rated classification, they will start at the step that provides a minimum of a 2-1/2 percent salary increase.

This promotional increase is in addition to any scheduled merit increase that would have been received within 3 months from the date of promotion had the promotion not occurred.

The promotional increase will be applied to the employee's permanent classification salary rather than to any current or interim temporary promotional salary.

3. PROMOTIONAL STARTING DATES

Promotions are effective at the beginning of a payroll period. The effective date of a promotion will be no later than the beginning of the first payroll period following the employee's 2 weeks of notice to their supervisor. The actual release date will be mutually agreed upon by the affected department managers.

4. CHANGE WITHIN HOURLY-RATED CLASSIFICATIONS WITH IDENTICAL STARTING RATES BUT DIFFERENT MAXIMUMS

If employees move within hourly-rated classifications with identical starting rates but different maximums (either higher or lower), the specific step that they would move to in the new salary range is individually determined.

5. **ELIGIBILITY LISTS**

- A. Promotional eligibility lists shall continue to be certified for appointments for a period of 2 years from their inception, unless otherwise abolished through the normal Civil Service processes.
- B. Whenever eligibility lists are abolished, notification of the cancellation of the list should be sent to the Union representative. This is to assure that the Union is aware of the list cancellation and can answer or counsel employees as appropriate.
- C. Whenever there exists a current promotional eligibility list and an open eligibility list for the same position, for certification purposes, the promotional list takes precedence over the open list.

6. **TRANSFER/PROMOTION PROCESS**

Permanent civil service vacancies that are to be filled through internal examination and only open to SMUD employees are listed as Transfer/Promotion opportunities. Civil Service Rules will establish which SMUD employees are eligible to apply for transfer/promotion opportunities (i.e., Rule 2). Hiring departments will be responsible for conducting a transfer/promotion selection process in consultation with Human Resource Services staff. These vacancies will be posted as a Transfer/Promotion job announcement for a *minimum* of 10 working days.

An eligibility list may or may not be established from a transfer/promotion examination process. If an eligibility list is established, it will be maintained by Human Resource Services and governed by Civil Service Rule provisions pertaining to eligible lists, except that the list duration shall not exceed 6 months for classes represented by the IBEW.

SMUD at its discretion may post a notice to fill a vacancy using a ‘Transfer/Eligible List’ announcement, unless the only candidates able to apply are the incumbents on an eligibility list. ‘Transfer/Eligible List’ announcements will be posted for a minimum of five (5) working days. When filling a vacancy identified by a ‘Transfer/Eligible List’ announcement, the hiring supervisor may choose a qualified candidate from an existing Civil Service Eligible List or transfer a qualified employee in the same classification who has applied for the job in response to the ‘Transfer/Eligible List’ announcement.

Applicants not on a previously established Civil Service List, applicants who are not eligible for transfer, or applicants who have not applied for the job in response to the ‘Transfer/Eligible List’ announcement will not be considered for positions posted in this manner.

ARTICLE 20

TRANSFERS

1. **INTRODUCTION**

Qualified employees may move from one position to another, in either the same or in a different class through the transfer/promotion process or in some instances the reassignment or reallocation process.

2. **TRANSFERS - ELIGIBILITY**

- A. Employees may request a transfer from one class to another within or between employee groups if they possess the qualifications required to perform the job.
- B. Employees may take a voluntary demotion.
- C. The supervisor in the new department may establish a salary level lower than the employee's current pay based on the employee's knowledge and experience as compared to others in the same class.
- D. The effective date of the transfer is arranged between the supervisors. Employees should be released from their supervision within four (4) weeks from the date of request.
- E. See Civil Service Rules for further details.

3. **MEDICAL TRANSFERS - ELIGIBILITY**

SMUD may transfer employees from one class to another within or between employee groups if they have an illness or injury preventing them from continuing in their current position.

4. **DEMOTIONS**

Employees may move to a position or class with a lower pay range or rate of pay.

A demotion may be voluntary or involuntary and is made to a position whose duties the employee is qualified to perform. When Federal, State, or local regulations require an employee to obtain and maintain special qualifications and the employee is unable to obtain or maintain them, the employee may be transferred or demoted.

A demoted employee does not have to serve another probationary period if the employee previously completed probation in that class. An employee's salary may be reduced in order to be within the grade range of the new class.

5. **ROTATION AND TRAINING ASSIGNMENTS - ELIGIBILITY**

- A. Rotation and training assignments are for cross-training purposes. They allow SMUD and employees to maximize employee potential without a class change.

Rotation and Training Assignments - Eligibility (Cont'd)

- B. In order to be considered:
 - 1) Employees must have successfully completed their probationary period; and
 - 2) Employees must possess the qualifications to perform the assignment; and
 - 3) Employee assignment must be approved in advance by the appropriate Assistant General Manager or the General Manager, after a review by the Manager, Human Resource Services.

- C. Employees retain their existing class and pay level. These temporary assignments are voluntary. They may be renewed when it is in the best interest of both the employee and SMUD.

ARTICLE 21

AUTOMATIC RESIGNATION

1. **INTRODUCTION**

Unauthorized leaves of absence can result in an employee forfeiting their SMUD employment.

2. **AUTOMATIC RESIGNATION**

Absence without authorized leave, whether voluntary or involuntary, for five consecutive days is an automatic resignation from SMUD service as of the last day worked.

3. **REHIRE**

An employee can request rehire from automatic resignation in writing to the department manager if submitted:

A. Within ten days of department manager's mailing of acceptance of resignation to employee's last known address; or

B. Within 90 days of the separation date if no notice of acceptance of resignation is mailed.

The employee must make a satisfactory explanation of the cause for the absence and reason for failure to obtain authorization.

The department manager may rescind the resignation and rehire the employee if satisfied that the reasons warrant rehire. The employee shall not be paid for any period of the unauthorized absence.

Authorized leave may be granted from the date of the department manager's decision to rehire, if the employee is unable to resume duties immediately.

ARTICLE 22

LAYOFF PROCEDURE

1. **INTRODUCTION**

If a reduction in force becomes necessary, SMUD will prepare a program that addresses the particular situation and will communicate it to appropriate bargaining unit representatives and employees. Affected employees will be notified at least ten working days prior to layoff.

2. **SEQUENCE OF LAYOFFS**

Layoffs will be determined by classification. All non civil service employees appointed to permanent positions, part-time employees, limited term employees, or temporary construction employees in the affected class will be laid off first. SMUD will determine the order. Civil service employees will then be laid off in reverse order of SMUD seniority. Ties in seniority will be broken by management based on the business needs of SMUD. The names of those laid off will be automatically placed on a reinstatement list for a period of two years for their class and will remain on any other eligibility lists.

3. **BUMPING**

A civil service employee whose position is being eliminated may bump a person with less SMUD seniority in the employee's same or immediately prior held class. The employee may also bump into a comparable or lower class position within the employee's class series and bargaining unit if necessary to avoid being laid off. Employees who bump will be automatically placed on the reinstatement list for a period of two years and will remain on any other eligibility lists. The employee must meet the minimum qualifications for the job. The Manager, Human Resources Services and the appropriate bargaining unit representative will review a challenge to the employee's qualifications. Determination that an employee is not qualified must be unanimous. A bumping employee will not have to serve another probationary period.

Employees with bumping rights will be offered a position at the highest level possible consistent with these rules. Employees who decline the position offered will be laid off.

4. **REINSTATEMENT**

A reinstating employee will be offered a return to the class that the employee left. The employee's salary will be reinstated to the same relative position in the salary range. The employee's SMUD seniority will be restored as if the employee had not left. Sick leave balance and personal leave accrual rates will be restored. The employee will not accrue paid leave during the layoff period. The employee who passed probation in the class will not have to serve a new probationary period.

A person failing to respond within ten working days of notification or declining an offer to return will be removed from the reinstatement list.

5. **WORKSITE AGREEMENT**

When a permanent change of worksite becomes necessary due to a reduction-in-force at that worksite, the employees at the worksite with the least amount of SMUD seniority who are in the classification to be reduced will be impacted first; provided however, that a more senior

Worksite Agreement (Cont'd)

employee at that worksite has not voluntarily accepted an offer to change worksites (any such offer would be extended for two workdays only). **SMUD worksites are Sacramento (Customer Service Center, and Headquarters Campus), Elk Grove Yard, East Campus Operations Center, and Fresh Pond. (Revised 1/1/2013)**

The impacted employee will have the opportunity to move to the least senior position in the same classification SMUD-wide; provided however, that his/her SMUD seniority is greater. For this purpose vacancies shall be considered to be the least senior positions within the classification.

Where multiple positions are involved, impacted employees shall choose their placement from among the equivalent number of least senior positions in order of their seniority; i.e., the most senior impacted employee shall have first choice of placement. Where multiple placements are possible at a single worksite, SMUD shall determine the placements at that worksite.

In the event no placement is possible within the same classification or the employee refuses a placement within the same classification, that employee shall be laid off unless the employee exercises his/her bumping rights under Civil Service Rule 6, Reductions In Force.

Should a vacancy occur in the same classification at a transferred employee's former worksite within 24 months of his/her displacement, the employee shall have a right of return to the former worksite in order of seniority.

ARTICLE 23

SUBSTANCE ABUSE PROGRAM

1. **INTRODUCTION**

Where there is evidence of drug or alcohol abuse or reasonable cause to believe such abuse exists, drug/alcohol screening may be performed in accordance with SMUDs' Substance Abuse Testing and Rehabilitation Programs SDP.

2. **RELATION TO DISCIPLINE**

The Substance Abuse Testing and Rehabilitation Programs are "stand alone" programs and violations of these programs will not be subject to the provisions of Article 16, Discipline.

ARTICLE 24

DOT DRUG AND ALCOHOL

1. **INTRODUCTION**

Compliance with U.S. Department of Transportation drug and alcohol testing requirements shall be handled in accordance with SMUD's Substance Abuse Testing and Rehabilitation Programs SDP.

2. **RELATION TO DISCIPLINE**

The Substance Abuse Testing and Rehabilitation Programs are "stand alone" programs and violations of these programs will not be subject to the provisions of Article 16, Discipline.

ARTICLE 25

PERSONAL APPEARANCE

1. **INTRODUCTION**

Personal appearance standards should be consistent with the nature of the work performed.

Responsibility: Supervisors are expected to apply standards of appearance and demeanor among employees.

2. **GUIDELINES**

Supervisors and employees should consider the following in determining personal appearance standards:

- A. The degree of public contact the employee's position involves;
- B. Whether the employee's personal appearance creates a health or safety hazard;
- C. Whether the employee's personal appearance interferes with the efficient performance of the job.

ARTICLE 26

EMPLOYMENT OF RELATIVES

1. INTRODUCTION

SMUD has guidelines for employing more than one member of the same family at the same time. Under certain circumstances relatives of employees will not be allowed to work for SMUD.

Note: For the purpose of this Article, relatives include husband, wife, father, mother, son, daughter, brother, sister, in-laws, grandchildren, grandparents, step-parents, step-children, step-brothers and step-sisters.

2. GUIDELINES

- A. As a general rule, it is not considered desirable to have relatives working together within a department. It may be permissible, however, if in the Assistant General Manager's judgment such a situation would not cause internal morale problems or external criticism of SMUD. Relatives should not, however, be assigned to the same crew or work unit.
- B. Under no circumstances will anyone related to an employee be assigned to direct supervision of that employee.
- C. Extenuating or unusual circumstances may be referred to the General Manager through the Manager, Human Resource Services for consideration and resolution.

3. NEW EMPLOYEES

- A. It is SMUD's policy not to hire persons who:
 - 1) Have a relative working for SMUD at the Assistant General Manager level or above, or as a member of the Board of Directors;
 - 2) Are related to the Manager, Human Resource Services; (Internal procedures have been established in the Human Resource Services Department to ensure Human Resource Services employees do not have access to examinations for which their relatives may be competing.)
 - 3) Would be assigned a student classification and have a relative working for SMUD;
 - 4) Would either directly or indirectly supervise or be supervised by a relative;
 - 5) Would be assigned to the same immediate supervisor of a relative;
 - 6) Are related to the Supervisor, SMUD Security Operations or Security Specialist.

4. PROMOTIONS, TRANSFERS, AND MARRIAGES

In the event promotion, transfer or marriage places an employee in a position of close working conditions with a relative, the Assistant General Manager will review the situation to ensure adherence to this policy.

ARTICLE 27

OUTSIDE EMPLOYMENT

1. INTRODUCTION

An employee shall not be employed outside SMUD, or actively participate in any outside business, if such involvement conflicts with SMUD employment.

Responsibility: The Department Manager has the responsibility to question and determine the appropriateness of an employee's outside employment.

2. GUIDELINES

- A. Employees considering outside employment should discuss the matter with their supervisor to determine if it will conflict or interfere with SMUD employment.
- B. Supervisors and employees should consider the following in determining if the outside employment or business will conflict or interfere with SMUD employment:
 - 1) The employee's mental and physical alertness to perform assigned duties;
 - 2) The employee's attendance during regular or rotating work hours;
 - 3) The employee's availability for such things as overtime, classroom instructions, meetings, or travel, outside regularly assigned work hours.
- C. Employees shall not engage in activities that could result in criticism to SMUD or provide the employee an advantage for personal financial gain at SMUD's expense. These conditions occur when the employee:
 - 1) Accepts payment for services that would normally be provided by SMUD;
 - 2) Deals in goods or services with persons contacted while performing SMUD business;
 - 3) Acts as an advisor, consultant, or witness in matters, which SMUD administers or which conflict with SMUD's interests;
 - 4) Has any financial interest in any contract, sale, or transaction involving SMUD;
 - 5) Uses SMUD resources not available to the general public such as equipment, supplies, facilities, or information;
 - 6) Engages in any business transaction or undertaking which could influence their judgment or action on matters in which they may be involved as part of SMUD employment.

ARTICLE 28

EDUCATIONAL ASSISTANCE

1. INTRODUCTION

SMUD provides financial aid to qualifying employees for education that is relevant to our business needs. This aid is normally in the form of a reimbursement; however employees can apply for an advance if they have a financial need to do so.

2. GUIDELINES

Permanent full-time and part-time employees in good standing are eligible as of their hire date.

Programs and classes sponsored by an accredited school qualify for educational assistance.

Costs for courses taken by an employee for his or her own personal enrichment are not covered. The costs of business oriented programs and classes are covered. Covered fees include:

- Tuition
- Textbooks
- Material and Service Fees
- Mandatory College Union Fees
- Mandatory Associated Student Membership Fees
- Application Fees
- Fees for Campus Parking Stickers

For full-time employees, all fees except tuition are reimbursed in full. Tuition by unit, quarter, or semester is paid at 100% up to an annual limit of \$5,000. Part-time employees are reimbursed at 75% of the rate paid to full-time employees. (Revised 1/1/2013)

Applications for reimbursement or advances are to be approved by the employee's supervisor and department manager. Employees should check with their manager before actually enrolling if they want to make sure a class or program will be approved. Approvals will be based on employee performance status, relevance of courses to business needs, and when the class or course is conducted. Educational assistance is normally provided for courses or programs attended outside of the employee's regular workday. Exceptions should be approved by the employee's manager. Employees must have proof of completion and expenses. Employees must receive at least a "C" in any graded course or a certificate of successful completion in a non-graded course. In a "refresher" course of no specific duration, employees must get proof of satisfactory attendance and progression, or attainment of an established goal. Courses must be started and completed while an employee of SMUD.

ARTICLE 29

INCLEMENT WEATHER

1. GUIDELINES

- A. When inclement weather prevents employees from performing routine energized work, climbing, or safely performing tasks in the field, they may be held pending emergency calls. The time can be used for performing safe tasks in the field, training or miscellaneous work.
- B. Permanent Civil Service employees who report for work on their workday, but are not required to work in the field because of inclement weather, are paid for the full day. Such employees who are not assigned other productive work (as provided above) may request to take the day as personal leave. If the request is approved, the employee will only be charged one-half hour for each full hour of leave taken.
- C. All non regular employees may be released when inclement weather prevents them from working. They are paid only for the time worked, or the time they are held on SMUD premises. However, they will receive a minimum of two hours pay for reporting to work.

ARTICLE 30

BENEFITS

1. INTRODUCTION

SMUD's benefits program is designed to be a valuable component of employees' total compensation that maximizes the value of the benefits offered for the dollars spent.

The comprehensive benefit program is an umbrella of protection and security that includes health, dental and vision insurance, disability, retirement, and supplemental retirement plans. These programs are designed to provide an employee with sufficient income and other benefits to minimize the financial impact of a catastrophic accident or illness on employees and their families.

2. ELIGIBILITY

All permanent full-time and permanent part-time employees (working at least 20 hours per week) will be eligible to participate in the different health and welfare benefit plans. Each benefit plan offered by the District has its own requirements for dependent eligibility and participation.

To receive medical and dental benefits as a SMUD retiree, an employee must have served at least the equivalent of five years of continuous SMUD service immediately prior to retirement in order to be eligible to enroll in the plans. (Revised 1/1/2013)

3. BENEFITS OFFERED

SMUD offers health and welfare benefits mandated by federal or state regulations such as Social Security, Unemployment Insurance, and Workers' Compensation. In addition to the mandated benefits, the following benefit options are offered:

- Medical
- Dental
- Vision
- Short Term Disability
- Long-Term Disability
- Employee Life Insurance
- Spouse Life Insurance
- Dependent Life Insurance
- Retirement through the Public Employees Retirement System
- Extended Compensation under Workers' Compensation
- Tax Deferred Plans - 457 and 401(k) deferred comp plans
- Fringe benefits
- Flexible Savings Account (Revised 1/1/2013)**

The following schedule of co-payments shall remain through plan year 2013, unless modified in writing by mutual agreement of the parties (Revised 1/1/2013)

Kaiser HMO

\$10 co-payment for office visits

Benefits Offered Cont'd)

\$35 co-payment for Emergency Room visits
\$10 co-payment for generic prescriptions
\$15 co-payment for brand name prescriptions

Blue Cross

\$10 co-payment for office visits
\$35 co-payment for Emergency Room visits
\$5 co-payment for generic prescriptions
\$15 co-payment for brand name prescriptions
\$35 co-payment for non-formulary prescriptions

The existing Medical Plan coverage will be maintained. The existing Medical Plan benefits include the co-pay structure of the plan.

Effective 1/1/2014, change the current language and add language as follows:

Article 30.3 Benefits Offered

The District offers health and welfare benefits mandated by federal or state regulations such as Social Security, Unemployment Insurance, and Workers' Compensation. In addition to the mandated benefits, the following benefit options are offered:

- **Medical Universal Health Plan**
- **Dental**
- **Vision**
- **Short Term Disability**
- **Long-Term Disability**
- **Employee Life Insurance**
- **Spouse Life Insurance**
- **Dependent Life Insurance**
- **Retirement through the Public Employees Retirement System**
- **Extended Compensation under Workers' Compensation**
- **Tax Deferred Plans - 457 and 401(k) deferred comp plans**
- **Fringe benefits**
- **Flexible Savings Account**

The existing Medical Plan coverage will be maintained. Effective 1/1/2014, SMUD will no longer provide a PPO medical plan to new hired employees.

Effective 1/1/2014, all IBEW-represented employees will forego the 2013 co-payments structure and will adopt the following co-payment schedule. The co-payments will neither change nor the coverage for the term of the MOU.

Kaiser HMO

\$20.00 – Visit to Physician's Office
\$20.00 – Vision and Hearing Exams
\$20.00 – Surgery Outpatient
\$75.00 – Emergency Room visits

Benefits Offered (Cont'd)

\$20.00 – Chiropractic Services (new to IBEW – not currently offered)
\$10.00 – Mandatory Generic
\$30.00 – Brand Name
2 mail order co-payments for 100 day supply

Blue Cross

\$20.00 – Visit to Physician's Office
\$20.00 – Vision and Hearing Exams
\$0 – Surgery Outpatient
\$75.00 – Emergency Room visits
\$20.00 – Chiropractic Services (new to IBEW – not currently offered)
\$10.00 – Mandatory Generic
\$30.00 – Brand Name
\$50.00 - Non-formulary
2 mail order co-payments 90 day supply (*Revised 1/1/2013*)

4. **AGREEMENT TO MEET AND CONFER**

SMUD and the Union agree, upon a written request of SMUD, to meet and confer in good faith over any proposed changes to any of the provided health plans and related matters (for example: health plan coverage transferred to CalPERS health program). If an agreement is reached, this MOU will be modified accordingly. If the parties are unable to reach agreement, the impasse procedure set forth in Article 31, Section 16 will be used to resolve the impasse except that any ruling by an arbitrator will be advisory and not binding on the parties.

5. **SMUD CONTRIBUTIONS**

A. **Employee Medical Plan Contributions**

1. **Effective 1/1/2013, IBEW-represented employees shall contribute a medical cost share of 6% and IBEW-represented employees enrolled in the PPO medical plans shall contribute a medical cost share of 16% for plan year 2013 with co-payments remaining the same.**

Effective January 1, 2014 employees will contribute a medical cost share of 8% and 8% for plan year 2015. Those IBEW-represented employees enrolled in the PPO medical plans shall contribute a medical cost share of 18% for plan year 2014 and 22% plan year 2015.

Effective January 1, 2016 employees will contribute a medical cost share of 9.0% and 9.0% for plan year 2017. Those IBEW-represented employees enrolled in the PPO medical plans shall contribute a medical cost share of 24% for plan year 2016 and 24% plan year 2017.

These contributions shall not change during the life of the contract unless the parties mutually agree to do so in writing. SMUD shall contribute the difference between the employee contribution and the monthly premium cost on behalf of the employee.

SMUD Contributions (Cont'd)

2. **SMUD shall take the necessary steps to enable IBEW-represented employee payroll deductions for medical premiums to be treated on a pre tax basis.**

3. **Hydro Employees – If no SMUD-provided HMO plans are available to Hydro employees in the zip code in which they reside, SMUD will provide an EPO for them. Their medical cost share will be 6% for plan year 2013 and IBEW represented employees enrolled in the PPO medical plans shall contribute a medical cost share of 16% for the plan year 2013 with co-payments remaining the same.**

Effective January 1, 2014 employees will contribute a medical cost share of 8% and 8% for plan year 2015. Those IBEW-represented employees enrolled in the PPO medical plans shall contribute a medical cost share of 18% for plan year 2014 and 22% plan year 2015.

Effective January 1, 2016 employees will contribute a medical cost share of 9.0% and 9.0% for plan year 2017. Those IBEW-represented employees enrolled in the PPO medical plans shall contribute a medical cost share of 24% for plan year 2016 and 24% plan year 2017.

These contributions shall not change during the life of the contract unless the parties mutually agree to do so in writing. SMUD shall contribute the difference between the employee contribution and the monthly premium cost on behalf of the employee.

4. **SMUD shall provide a monthly reimbursement of \$200.00 as an option to enrollment in SMUD provided medical plans to all IBEW-represented employees who can provide evidence of health care coverage outside of SMUD.**

5. **Effective 1/1/2013 through 1/1/2017, SMUD will provide a lump sum of \$600 dollars to each eligible IBEW represented employee who establishes an individual Flexible Savings Account annually. Employees will be allowed to contribute pre-tax contributions up to the IRS allowed maximum for the term of this MOU. (Revised 1/1/2013)**

B. Retiree Medical Plan Contributions

All IBEW employees hired after January 1, 1991, who is eligible to retire from SMUD, will receive SMUD provided medical contributions according to the following schedule:

<u>Years of Continuous SMUD Service</u>	<u>Percent of SMUD Contribution</u>
Less than 10	0
10	50
11	55
12	60
13	65
14	70
15	75

SMUD Contributions (Cont'd)

16	80
17	85
18	90
19	95
20	100

SMUD percentage of contribution toward the medical premium in effect at the time of retirement will remain constant throughout retirement. Every January 1, SMUD will recalculate the dollar amount of their contribution to reflect any changes in the medical premium rates.

For employees hired prior to January 1, 1991, SMUD will contribute one hundred percent (100%) of the retiree only portion of the premium for all SMUD-sponsored medical insurance plans, 90 percent for dependents for the two lowest cost health insurance plans, and 85% for dependents for the higher cost plans.

For New employees hired after 1/1/07, who are eligible to retire from SMUD, and who retire prior to the age at which they are Medicare-eligible or age 65, SMUD shall provide medical care contributions on a prorated basis, according to the following schedule:

Years of Continuous SMUD Service	% of SMUD Contribution
Less than 10	0
10	25
11	27.5
12	30
13	32.5
14	35
15	37.5
16	40
17	42.5

Years of Continuous SMUD Service	% of SMUD Contribution
18	45
19	47.5
20	50
21	55
22	60
23	65
24	70
25	75

For employees hired 1/1/07 or after who retire with 25 years of service after the age at which they reach Medicare eligibility or age 65, SMUD shall contribute 100% of the retiree-only portion of the monthly premium for all SMUD-sponsored health plans. For dependents of such retirees, SMUD shall contribute 90% of the monthly premium of the two (2) lowest cost health plans or 85% of the monthly premium for any other SMUD-sponsored health plan.

C. **Dental Contributions**

SMUD will pay one hundred percent (100%) of the employee/retiree and dependent coverage as set forth in the High Option (Standard) plan including Sealant coverage.

Effective 1/1/2013, SMUD will provide orthodontia for employees and eligible dependents with payments capped at \$1,500, lifetime. (Revised 1/1/2013)

D. **Vision Contribution**

SMUD will pay one hundred percent (100%) of the employee and dependent premium.

E. **Retirement - PERS**

Beginning 1/1/2013, all IBEW represented employees shall contribute 1% of annual PERS wages toward the employee portion of their PERS retirement. Effective 1/1/2014 employees will contribute an additional 1.5% (total 2.5%) of annual PERS wages toward the employee portion of their PERS retirement. Effective 2015 employees will

SMUD Contributions (Cont'd)

contribute an additional 1.5% (4.0%) in 2015, 1.5% (5.5%) in 2016, and 1.5% (7%) in 2017.

For 12-Hour Shift employees, SMUD will make the appropriate PERS contribution for all regularly scheduled hours (including regularly scheduled hours at the overtime rate) up to the allowable maximum.

Effective 1/1/2013, all IBEW represented employees hired on or after 1/1/2013 will have a retirement formula of 2% @62 contingent upon SMUD negotiating the same or similar provision into the next Memorandum Of Understanding with the Organization of SMUD Employees (OSE).

Beginning 1/1/2013, all new hired IBEW represented employees shall contribute 1% of annual PERS wages toward the employee portion of their PERS retirement. Effective 1/1/2014 employees will contribute an additional 1.5% (total 2.5%) of annual PERS wages toward the employee portion of their PERS retirement. Effective 2015 employees will contribute an additional 1.5% (4.0%) in 2015, 1.5% (5.5%) in 2016, and 1.5% (7%) in 2017. (Revised 1/1/2013)

6. DEFERRED COMPENSATION ENHANCEMENT PROGRAM

A. Deferred Compensation Matching Program

SMUD will make \$330,000 yearly available to match employee contributions:

Employee participation in the matching contribution program is voluntary. In order to be eligible to receive matching funds, an employee must have successfully completed SMUD probation (6 month or 12 months depending on classification) and must have made contributions into a 401 (k) account during the calendar year. SMUD's contribution into an employee 401 Plan account will not be considered an employee contribution.

In the January following the year the funds are made available, the funds will be distributed to the active accounts of employees who are: 1) still employed by SMUD, or 2) retired as of December 31 of the year prior to the payout. Employee/retiree must have an active account as of the day of distribution in order to be eligible to receive matching funds. The funds will be distributed on a dollar-for-dollar basis (\$1 SMUD contribution for each \$1 employee contribution during the previous year) until the entire amount has been disbursed or all employees contributions have been matched. The monies will be dispersed equally to all employees up to the full amount available for matching or to the full amount of the individual employee contribution if it is less than the maximum available per employee. In the event employee contributions total less than the amount allocated for matching, the balance will not be carried over into future years.

B. Direct Contributions

Effective 1/1/2013, SMUD shall make direct contributions to eligible IBEW-represented employees' 401k accounts according to the following schedule:

Deferred Compensation Enhancement Program (Cont'd)

<u>District Service in years</u>	<u>Contribution</u>
Upon completion of year one (1) through five (5)	\$125 monthly
Six (6) through 10	\$150 monthly
11 through 15	\$175 monthly
16 through retirement	\$200 monthly

Effective 1/1/2016, SMUD shall make direct contributions to eligible IBEW-represented employees' 401k accounts according to the following schedule:

<u>District Service in years</u>	<u>Contribution</u>
Upon completion of year one (1) through five (5)	\$175 monthly
Six (6) through 10	\$200 monthly
11 through 15	\$225 monthly
16 through retirement	\$250 monthly

(Revised 1/1/2013)

7. **TAX DEFERRED PLANS**

Election to participate in any plan other than the deferred compensation enhancement program described above is voluntary and compensation deferrals and program costs are paid by participants.

8. **LONG-TERM DISABILITY**

SMUD will pay one hundred percent (100%) of the employee benefit coverage as set forth in the plan.

Employees returning from LTD will have a right of return to their former headquarters unless their classification is no longer used at their former headquarters or they are precluded from that location or classification because of a medical condition. If the classification is no longer used, the employee may voluntarily demote to any open position to which he/she is qualified at the former headquarters or transfer to another location where the classification is still used.

9. **EMPLOYEE LIFE INSURANCE**

SMUD will pay the full cost of life insurance premiums for up to one time annual salary (rounded to the nearest \$5,000 worth of coverage). Additional life insurance coverage (1-1/2, 2, 3 or 4 times' annual salary) is subject to carrier's qualifications and restrictions and costs are borne by the employee.

10. **SPOUSE AND DEPENDENT LIFE INSURANCE**

Employees can elect coverage for their spouse of up to 50% of the amount they have chosen through the employee life insurance plan. Employees can elect coverage for each of their dependent children in the amount of: \$2,500, \$5,000, \$7,500 or \$10,000 (maximum of 50% of their employee life insurance coverage).

11. **EXTENDED COMPENSATION**

SMUD may offer extended compensation to supplement temporary disability from an on-the-job accident. It is an advance against any permanent disability benefits employees may receive. Employees may be eligible for extended compensation benefits on the first workday of absence after the day of the job-related injury or illness. (Revised 1/1/2013)

12. **OTHER FRINGE BENEFITS**

SMUD currently offers other benefits such as Employee Assistance Program, Wellness programs, Personal Computer Purchase Program, Educational opportunities, Ride Share Program, Child Care Center and child care tuition assistance. Some of these programs are fully sponsored by SMUD and others are supported and paid for by employees.

13. **SHORT TERM DISABILITY INSURANCE**

Effective Plan Year 2007, all permanent full time and permanent part time IBEW-represented employees working at least 20 hours a week on a fixed schedule may purchase coverage under SMUD's Short Term Disability Plan.

ARTICLE 31

MISCELLANEOUS

1. **SMUD PROPERTY ACCESS**

Official representatives of the Union will be permitted access to SMUD property to confer with SMUD employees on matters of employer/employee relations after receiving permission of the area supervisor so they will not interfere with work in progress.

2. **SAFETY**

SMUD and the Union agree that Joint Labor Management Safety Committees are an important factor in maintaining safe and healthy work environment for SMUD employees.

It is further agreed, as soon as reasonably possible following ratification of this agreement, to establish Joint Labor/Management Safety Committees in departments employing IBEW-represented employees.

The committee shall consist of:

- One Representative appointed by the Union
- One Representative appointed by Management
- Work group representatives selected along geographic or functional lines (number to be decided by the Department)

In addition to the above members, the Distribution Services committee will also include a Department Safety Representative and a representative assigned by the Corporate Safety Office.

The committee shall meet at least once each quarter and more often if needed to review safety activities in the department, to consider safety complaints raised by employees, foremen or safety representatives, to discuss safety issues of mutual concern to the parties, and to recommend corrective measures to the Department Manager.

The committee shall publish written minutes of each meeting, copies of which shall be distributed to other department safety committees, SMUD's Safety Office, and to Department employees.

3. **WORK GLOVES / PROTECTIVE CLOTHING**

- A. SMUD will provide for unlimited replacement of issued work gloves. When issued, gloves should be appropriately and permanently marked in a manner that identifies the employee receiving them. Upon certification by an employee's foreman/woman that a pair of issued gloves was lost without negligence by the employee, SMUD will sell the employee another pair of gloves at one-half its cost.
- B. SMUD will make available at an employee's request the use of protective clothing for other than hazardous substances. This clothing is to protect employee's garments from such things as oily or greasy substances.

Work Gloves/Protective Clothing (Cont'd)

- C. All IBEW represented employees except Power System Operators, shall be reimbursed a foot wear allowance of up to \$300 annually towards the purchase or repair of one pair of appropriate foot wear designated by SMUD.

All classifications will be required to purchase and wear the approved footwear appropriate for work being performed, except Linemen/women, who will purchase one pair of special foot wear. Once footwear is purchased, all personnel will be required to wear the product. After purchase or repair of footwear, personnel will submit receipts to their supervisors for reimbursement. *(Revised 1/1/2013)*

4. FLAME RESISTANT CLOTHING

SMUD agrees to provide certain flame-resistant clothing to those employees who work on or near exposed electrical conductors or equipment energized at 50 volts (AC or DC) or greater. The clothing will be provided at no cost to the employees for purchase or maintenance.

A. Affected Classifications

Employees in the following classifications are required to wear flame-resistant clothing when exposed to the described hazardous conditions.

- Apprentice Cable Splicer/Electrician
- Apprentice Electrician
- Apprentice Electrical Technician
- Apprentice Lineman-woman
- Apprentice Meter Technician
- Building Maintenance Mechanic
- Cable Splicer/Electrician
- Cable Splicer/Electrician Foreman-woman, Light
- Combustion Turbine Technician
- Control Room Operator
- Electrical Technician
- Electrician
- Fault Locator
- Hydro Operator
- Line Construction Foreman-woman
- Line Equipment Operator
- Line Foreman-woman, Light
- Line Subforeman-woman
- Lineman-woman
- Meter Technician
- Network Electrical Foreman-woman, Light
- Revenue Protection Representative
- Senior Meter Technician
- Senior Troubleshooter
- Substation Subforeman-woman

Flame Resistant Clothing (Cont'd)

- Substation Foreman-woman, Light
- Troubleshooter

The above classifications are subject to change in accordance with Hazard Assessment Analyses, as outlined in SMUD Safety Program Manual.

5. **APPRENTICE INSTRUCTORS**

Journey-level or Light Foreman/woman level employees who have volunteered to provide instruction for the after-hours (night school) apprentice training and are authorized and directed to provide instruction to Apprentices will be compensated in the following manner:

- A. An hourly rate of two times a Light Foreman/woman's regular straight time rate of pay or two times the employee's regular rate of pay (if higher).
- B. If a class session requires more than the normal two hours, the instructor will be compensated at the two times rate for each additional hour. The training coordinator or supervisor must approve additional hours in advance.
- C. An instructor may choose to take CTO in lieu of pay with advance approval of his/her supervisor.
- D. Based on the normal class session time requirements outlined above (2 hours of class contact and 1 additional hour), an employee would be credited with a total of 6 hours of CTO per class session.
- E. It is understood that either the flat rate method or the CTO method will constitute full compensation for a class session. Meal time, meal payments, and travel time will not be applicable.
- F. Course preparation time or instruction provided during normal working hours will be compensated at the employee's normal rate of pay.

6. **SMUD/IBEW JOINT APPRENTICESHIP TRAINING COMMITTEE (JATC)**

It is the intent of the parties to support the establishment of apprenticeship programs for certain IBEW-represented classifications where such programs are deemed appropriate. The IBEW and SMUD agree that such programs will be administered in accordance with the following provisions:

- A. The classification of positions and the selection (hiring) process shall be managed in accordance with SMUD's Civil Service Rules.
- B. SMUD retains the right to hire, evaluate and discipline any employee participating in an apprenticeship program, taking into consideration the recommendations of the JATC.
- C. Apprenticeship programs shall operate in accordance with the Apprenticeship Standards of the SMUD/IBEW Joint Apprenticeship Training Committee.

7. **JOINT LABOR-MANAGEMENT COUNCIL**

SMUD and the Union agree that it is essential to sound labor-management relations and to the economic progress of SMUD and its employees to make constant improvements in SMUD's operations in order to maintain efficiency and control costs. To accomplish this goal, it is essential that employees understand the basis for changes affecting their employment and working conditions.

It is also agreed that periodic discussions between Union and Management can promote good labor relations by preventing relaxation of standards with respect to training or the application of job specifications and other working conditions.

The parties to this agreement recognize that there are many issues outside of the collective bargaining agreement that are of mutual concern and interest to both labor and management and can best be handled through cooperative action. To this end, the parties agree to create a Joint Labor-Management Council.

A. **Purpose**

- 1) To provide a forum to understand issues of a general concern to both labor and management.
- 2) To provide a forum to evaluate ideas to improve productivity, quality of services and innovations within SMUD or the industry.
- 3) To refer matters to appropriate forums (i.e., Safety and Standards Committee, grievance procedure, etc.) for resolution.
- 4) To make joint recommendations to Executive Management on issues not resolved by other appropriate forums.
- 5) To provide appropriate communications to fulfill the charter of the council.

B. **Structure**

1) **Representatives**

The Council will be composed of a bi-lateral body of six (6) labor representatives appointed by the Union and an equal number of management representatives (one of which will be a member of the Executive Committee) appointed by SMUD.

2) **Meetings and Agenda**

The Council shall meet quarterly or as otherwise mutually agreed upon by the Council. The first meeting of the Council will be held within thirty (30) days of the ratification of this labor agreement.

Matters for consideration by the Council shall be addressed to the Union Business Representative or Supervisor of Labor Relations. They will set the agenda for Council. Either party may bring persons to the Council meeting whose input would be appropriate to understand the issues scheduled for discussion.

Joint Management Labor Council (Cont'd)

3) **Leadership**

The parties shall each select a representative to function as co-chairpersons of the Council.

4) **Authority of Council**

The Council will act by consensus.

8. **BULLETIN BOARDS**

SMUD will provide the Union adequate bulletin board space for the purpose of posting thereon matters relating to official Union business. The Union shall not post any matter derogatory to SMUD, its employees, or its customers.

Employees may advertise the sale or rent of their personal or real property on SMUD bulletin boards.

9. **TOWER CLIMBING**

The Telecommunications Technicians agree to learn tower climbing techniques and the proper use of associated safety equipment. SMUD agrees to provide tower climbing training on an as needed basis. The Telecommunications Technicians agree to be available for tower climbing on a volunteer basis. If a sufficient number of volunteers cannot be found, technicians will be appointed in inverse order of SMUD seniority. Technicians shall be allowed to decline such appointment for medical reasons or other reasonable circumstances.

10. **COFFEE BREAKS**

To provide consistency among all departments, employees will be allowed to consume coffee or other beverages at their work stations or work sites provided safe work practices are not compromised. It is recognized that in many work situations involving lengthy periods of high concentration, a brief pause to consume a beverage is reasonable so a quality work effort can be continued. However, it is the intent of this paragraph that these short intervals should have a minimum impact on productivity.

11. **SUCCESSOR CLAUSE**

SMUD agrees to make every effort to keep the Union informed of any discussions SMUD is having concerning the transfer of a significant SMUD asset to another entity. SMUD's ability to do so will depend to some extent upon the nature of the negotiations and the parties with whom SMUD is negotiating. However, it is the intent of the parties that as soon as practical, the Union will be informed of any such discussions and will become involved in the implementation of any severance pay program.

12. **CONTRACTING OUT**

A. SMUD shall not contract any work normally performed by the IBEW bargaining unit if such contracting is intended to reduce or has the effect of reducing the regular work force by attrition, demotion, displacement or lay off. Further, prior to any reduction in force of IBEW-represented employees, affected IBEW employees meeting the minimum

Contracting Out (Cont'd)

qualifications of the job being contracted will be offered any bargaining unit work being performed by contractors. These assignments will be of a temporary nature. All current rules concerning bumping and selection shall apply.

For the purpose of this agreement, contracting occurs when temporary positions are being filled by non-IBEW employees; outside contractors are performing work in the IBEW bargaining unit; and cross-training is in effect. SMUD agrees to notify IBEW in each instance of its intent to contract IBEW bargaining unit work.

B. When contracting out work normally performed by IBEW represented employees, SMUD will have such work done by the optimum use of volunteer IBEW represented employees. Exceptions to the foregoing for Power Generation are contractors may be used for the following circumstances:

- **OEM support;**
- **Capital funded projects; or**
- **Seasonal FERC/DSOD related work. (*Revised 1/1/2013*)**

13. CONFLICT OF LAW

If any provision of this MOU or the application of such provision should be found invalid by any decree of a court of competent jurisdiction or by the reason of any existing or subsequently enacted legislation, the remaining parts or portions of this MOU shall remain in full force and effect.

14. TECHNOLOGICAL CHANGES

SMUD shall continue to provide the Union with as much notice as practicable of technological changes in its business that may have a significant effect on its work force. In such circumstances, SMUD and the Union shall then meet to study and endeavor to adopt appropriate solutions.

15. NO STRIKES, NO LOCKOUTS

During the term of this Agreement, SMUD agrees that there shall be no lockout, and the Union agrees on behalf of itself and the employees represented by it that there shall be no authorized, concerted failure to report to work, cessation or interruption of work, slowdown, strike, boycott or any type of organized or concerted interference, express or implied, direct, indirect, coercive or otherwise, with SMUD's business. The Union further agrees that, should any such acts be committed by any employee or employees, it shall openly and publicly denounce and discourage said acts.

16. CONTINUATION OF OTHER TERMS AND CONDITIONS - ENTIRE AGREEMENT

This MOU sets forth the entire understanding of the parties regarding the matters contained herein and any other prior or existing understanding or MOU by the parties, whether formal or informal, regarding such matters are hereby superseded. Except as provided in this MOU, it is agreed and understood that all benefits and working conditions provided by this MOU shall remain unchanged during the term of this MOU, unless expressly modified by mutual agreement through the meet and confer process.

With regard to terms and conditions of employment not expressly covered by this MOU, the parties recognize that during the term of this MOU it may be necessary or desirable for SMUD to make changes on matters within the scope of representation. If and when SMUD finds it necessary to make such changes, it will notify the Union at least 30 days prior to the proposed implementation. At the request of the union, the parties shall meet and confer in a good faith effort to reach agreement over such matters that fall within the scope of representation.

If the parties are unable to reach agreement, the impasse shall be resolved through the use of MED (iation)-ARB (itration). Agreements or decisions resulting from this process shall be binding on the parties.

Except as provided herein; this MOU shall become effective January 1, 2013 and will remain in full force and effect through December 31, 2017. (Revised 1/1/2013)

Dated: _____

**International Brotherhood of
Electrical Workers, Local 1245**

By: _____
Sam Glero
Business Representative

IBEW Team Members:

John C. Moe

Scott Barker

Jim Notman

Corey Smith

Mike Gallagher

Dan White

Approved:

Tom Dalzell
Business Manager

Sacramento Municipal Utility District

By: _____
Zane Maddox
Labor Relations Analyst

SMUD Team Members:

Mike Wirsch

Scott Flake

Jason Shibata

Jennifer Phillips

Approved as to form:

Arlen Orchard
General Counsel

Approved:

John DiStatio
General Manager/CEO

APPENDIX A

WAGE RATES

SMUD Will Provide IBEW-Represented Employee Wage Schedules to the Local Union 1245 Business Representative at the Time of Each Scheduled General Wage Increase or at the Time of Major Changes

APPENDIX B

CLASSIFICATIONS REQUIRING COMMERCIAL LICENSES

(Class A and B)

Cable Splicer/Electrician

Cable Splicer/Electrician Frmn/Wn, Light

Crane Operator

Electrician, Substation

Electrician, Substation Frmn/Wn, Light

Equipment Operator

Garage Attendant 1

Hazardous Waste Foreman/woman, Light

Hazardous Waste Technician

Heavy Duty Equipment Operator

Hydrography Field Technician

Line Equipment Operator

Mechanic

Parts Clerk

Service Writer

Vehicle Mechanic, Lead

Vehicle Mechanic, Senior

Vehicle Attendant

Vehicle Maintenance Aide

Vehicle Mechanic

Vehicle Mechanic Welder

Employees in apprentice positions for these classifications will also be required to possess the Commercial driver's license of the appropriate level.

Base wage rates for the above-listed classifications will be adjusted to include the appropriate Commercial driver's license premium as defined in Article 4, Section 3(B).

All employees in apprentice positions leading to status as a journey level employee in a classification that may require a Commercial driver's license must obtain and maintain a valid Commercial license throughout the period of their apprenticeship.

APPENDIX C

WORK AREA THRESHOLD LEVELS

General Services

	<u>Grounds Maintenance</u>	<u>Required #</u>
Gardener / Utility Worker		3

Fresh Pond

	<u>Commercial</u>	<u>Total #</u>
Building Maint Mech	1	
Electricians	1	
Heavy Duty Equip. Operator	3	
Heavy Duty Equip. Op, Foreman	1	
Hydro Field Tech	1	
Hydro Field Tech Foreman	1	
Hydro Op, Foreman	1	

Grid Assets

The number of Class A license holders within Grid Assets will be determined by the number of vehicles directly assigned to each workgroup plus 25% of the pool vehicles used by the workgroup. The number of drivers required will not exceed 150% of the workgroup's vehicles by classification series. All apprentices are required to acquire and maintain a Class A license throughout their apprenticeship, and they will be included in the 150% requirement. The 150% does not include any positions that require a Class A license as part of the job classification or positions that are excluded by the work they perform.

Work Area	Assigned Class A Vehicles	Pool Class A Vehicles (# x .25)	Total	Total Drivers (150% of Total)
Line	35	15(4)	39	59
Electrical	9	8(2)	11	17
Network	3	7(2)	5	8
Total	56	32 (9)	65	99

APPENDIX D

SUPPLEMENTAL LETTERS OF AGREEMENT

- Letter Agreement regarding Change of Titles for Lineworker Series (LR 01-91 dated December 18, 2001)
- Letter Agreement – Operational Boundaries For PSO/DSO (LR 02-047 dated March 22, 2002)
- Letter Agreement – Certify Meter Tech Apprentices to R/I 240 Volt and Below Meters (LR 03-203 dated October 29, 2003)
- Letter Agreement - Critical Classifications (LR 05-076 dated June 28, 2006)
- Letter Agreement – Rubbing Gloving (LR 06-048 dated June 16, 2006)
- Letter Agreement - Electrical Technician On-Call Policy (LR 06-076 dated November 22, 2006)
- Letter Agreement - Implementation of Rubber Gloving (LR 06-079 dated December 8, 2006)
- Letter Agreement - Mutual Aid Duty Assignments (LR 07-037 dated June 1, 2007)
- Letter Agreement - Revised DS Electricians On-Call Policy (LR 07-038 dated July 26, 2007)
- Letter Agreement - Administration of Sub-Station Electricians Overtime list (LR 07-040 dated July 26, 2007)
- Letter Agreement - Wage Premium for Helicopter Line Work (LR 09-035 dated August 4, 2009)
- Letter Agreement - Energy Supply Personnel 4/10 work Schedule (LR 10-007 dated January 29, 2010)
- Letter Agreement - Lane Control on Pre-arranged and Emergency Overtime (LR 10-033 dated August 25, 2010)
- Letter Agreement - Understanding of Meeting of January 13, 2011 (LR 11-004 dated January 18, 2011)
- Letter Agreement - Assignment of Overtime for Gardeners, Utility Workers, and Custodians (LR 11-006 dated March 24, 2011)
- Letter Agreement - Assignment of Overtime for Facilities Electricians (LR 11-007 dated February 4, 2011)
- Letter Agreement - Assignment of Overtime for Building Maintenance Mechanics (LR 11-008 dated March 24, 2011)
- Letter Agreement - IBEW Hiring Hall (LR 11-023 dated September 23, 2011)
- Letter Agreement - Elimination of Tree Trimmer Classification (LR 12-006 dated January 18, 2012)
- Letter Agreement - Extension of 2009 Fire Retardant Clothing (LR 12-007 dated February 29, 2012)
- Letter Agreement - Revised Material Specialists On-Call Policy (LR 12-013 dated March 23, 2012)
- Letter Agreement - Reduce Custodian Staffing Level (LR 12-019 dated March 23, 2012)
- Letter Agreement - Power System Operators Overtime Procedures (LR 12-023 dated April 9, 2012)
- Letter Agreement - Change Retirement Formula to 2% @62 (LR 12-037 dated September 10, 2012)
- Letter Agreement - New Hire Employees Starting Pay Rates (LR 12-038 dated September 21, 2012)

APPENDIX E

Standard District Policy 4.5.2.101

Relocation Agreements

As part of the hiring process, management may offer to reimburse reasonable relocation expenses for new employees in certain salaried or difficult-to-recruit positions in accordance with SMUD policy and the limitations set forth in this procedure.

Hiring managers shall notify HR Services when they wish to make offers to reimburse potential candidates for relocation expenses. HR Services shall document the reasons for the recruitment incentives and the approving authority.

HR Services shall prepare and process all written employment offers, including offers to provide recruitment incentives. As part of the acceptance of an employment offer, the prospective employee must agree to repay SMUD in full for all incentives if he/she separates from SMUD employment, for any reason other than a SMUD-initiated reduction in force, within one year from the start date.

Payment Limitations

SMUD shall pay for air transportation at coach class rates only. All reimbursements for lodging, meals, and incidentals shall be limited to the maximum IRS per diem rate for the greater Sacramento area. IRS rates are available at www.gsa.gov/perdiem.

SMUD shall not pay or reimburse for expenses above the specified limits or for expenses not specifically covered in this procedure unless approved by executive management as part of a signed employment agreement.

Payment Arrangements

Once SMUD receives the signed employment offer, the hiring department shall be responsible for arranging direct payments to vendors on behalf of the employee and for processing any reimbursements to the employee.

The hiring department shall ensure that candidates obtain pre-approval for all arrangements related to air and rail transportation and the movement and storage of personal property. SMUD shall pay vendors directly for such expenses.

SMUD shall reimburse the employee directly for other authorized travel and living expenses upon completion of the move and commencement of employment. SMUD does not provide any advance payment of relocation expenses.

Search For Housing

As part of a prospective employee's employment offer, management may authorize the payment for up to five days and four nights of travel for the prospective employee and legal spouse/domestic partner to search for new housing prior to relocating to the greater Sacramento area. Covered

expenses include one-time, round-trip transportation (mode determined by mutual agreement) to and from the greater Sacramento area, lodging, car rental (plus fuel, parking, etc.), and meals and incidentals while in the area. This allowance is not available once the prospective employee relocates temporarily or permanently to the greater Sacramento area.

Personal Property and Vehicles

SMUD shall pay moving costs including packing, loading, and transporting up to a maximum of 15,000 pounds (excluding the weight of passenger vehicles) of household effects and personal property from the primary previous residence, and unloading and unpacking at the destination. SMUD shall pay for moving protection insurance to cover up to 15,000 pounds of household effects and personal property.

SMUD shall also pay the cost of transit insurance and commercial shipping for two passenger vehicles on moves of 500 or more miles or for one vehicle on moves of less than 500 miles. An employee who chooses to drive his/her own vehicle(s) shall be reimbursed for mileage by the most direct route for one vehicle and for 75% of total mileage rate for a second vehicle on moves of more than 500 miles.

SMUD shall pay for temporary storage of personal property in the greater Sacramento area for up to 30 days and for the one-time handling and delivery of personal property to the storage facility and the one-time handling and delivery out of storage.

Transportation and In-Transit Expenses

SMUD shall pay the cost to transport by air or rail the employee, legal spouse/domestic partner, and legal dependents from the former residence to the new residence in the greater Sacramento area. Transportation reimbursement shall be limited to the most direct route of travel.

SMUD shall reimburse employees who choose to relocate themselves and their families by means of personal transportation in accordance with above provisions for the transport of personal vehicles.

SMUD shall reimburse the cost of lodging while in transit only for the employee. The employee shall be responsible for any additional lodging expenses incurred for members of his/her household.

SMUD shall reimburse per diem meals and incidentals for the employee, legal spouse/domestic partner, and legal dependents while in transit.

SMUD reimbursement for transit costs shall be limited to one day for travel by air or one day for every 350 miles for travel by personal vehicle.

Temporary Housing

Upon relocation to the greater Sacramento area, SMUD shall reimburse the employee for temporary lodging for up to 30 days while the employee arranges permanent housing. Reimbursement shall be for lodging only and shall not include meals and incidentals.

Taxation Issues

The IRS considers the payment of some relocation expenses as employee compensation subject to taxation. SMUD may deduct federal and state withholding taxes from certain relocation expense reimbursements. SMUD shall include taxable amounts in the W2 for the employee in the year of reimbursement. The employee shall be responsible for obtaining tax advice about relocation expenses and maintaining receipts for tax purposes.

Related References

IBEW/OSE Memorandums of Understanding

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