



# Confidential Employees Compensation Plan

Effective January 1, 2026

**PLACER COUNTY WATER AGENCY  
CONFIDENTIAL EMPLOYEES  
COMPENSATION PLAN**

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**PLACER COUNTY WATER AGENCY  
CONFIDENTIAL EMPLOYEES  
COMPENSATION PLAN**

**ARTICLE 1  
PREAMBLE**

This Confidential Employees Compensation Plan, hereinafter referred to as Compensation Plan, and the policies stated in it, constitutes a description of the compensation, as well as other terms and conditions of employment, for members of the Confidential Employee Group. This document does not create a binding agreement between the Agency and the confidential employees. It is simply a statement of policy subject to change or modification at any time and at the sole discretion of the PCWA Board of Directors.

**ARTICLE 2  
COMPENSATION**

Employees holding a position that has been designated "Confidential" shall receive a 6% salary differential applied to their base rate of pay.

- (a) Effective the first full pay period of January 2026, employees shall receive a COLA of 4.0%.
- (b) Effective the first full pay period of January 2027, employees shall receive a COLA of 3.5%.
- (c) Effective the first full pay period of January 2028, employees shall receive a COLA of 3.25%.
- (d) Effective the first full pay period of January 2029, employees shall receive a COLA of 3.25%.

**ARTICLE 3  
LONGEVITY PAY**

Employees with continuous service, including temporary, part-time and/or full-time service, totaling ten (10) years shall receive a salary increase of 2.5% over and above their regular hourly rate. Employees with such continuous service totaling the equivalent of fifteen (15) years shall receive an additional salary increase of 2.5% over and above their regular hourly rate and the 2.5% longevity pay granted for their service over ten (10) years.

**ARTICLE 4**  
**HOLIDAYS/HOLIDAY PAY**

Subject to the needs of the Agency, eligible employees will be allowed time off with full pay for the following holidays:

- New Year's Day
- Martin Luther King, Jr. Day (the third Monday in January)
- President's Day Observance (the third Monday in February)
- Memorial Day Observance (the last Monday in May)
- Independence Day
- Labor Day Observance (the first Monday in September)
- Veterans Day Observance (November 11)
- Thanksgiving Day
- The Day after Thanksgiving Day
- Christmas Day
- Every day appointed by the President or Governor for a public fast, Thanksgiving, or holiday and approved by the Agency.
- Employees will receive a maximum credit of 24 hours per year of Floating Holiday leave. If Floating Holiday is not used by the employee within the calendar year in which it is granted, the Floating Holiday leave, or any balance thereof, may not be carried over into the next calendar year. In addition, employees are not entitled to be cashed out for any unused balances of Floating Holiday leave with the provision that there is no carry-over to the following years. Floating Holiday leave will be granted in a prorated amount to new employees based upon the amount of time remaining in the year in which they begin their employment with PCWA. Employees will receive two (2) hours per month for the number of months remaining in the year. Example: A new employee with a hire date of September 12th will receive eight (8) hours of Floating Holiday leave.

A work day for purposes of holiday pay and floating holiday pay accruals shall be defined as an eight-hour (8) work day, regardless of an employee's work schedule (i.e., 9/80 schedule, 4/10 schedule, or a traditional 5/8 schedule.)

When any of the above holidays fall on a normal day off for a regularly scheduled employee, regardless of their work schedule (i.e., 5/8, 9/80, 4/10), an additional eight (8) hours shall be added to an annual Holiday Banked accrual. A Holiday Banked accrual will be established for the purpose of banking holiday hours that fall on the employee's regular scheduled day off (RDO). When any of the above holidays fall on a normal day off for a regularly scheduled employee, regardless of their work schedule (e.g., 5-8s, 9/80, 4/10), an additional eight (8) hours shall be added to the employee's Holiday Banked accrual. Holiday Banked hours above sixteen (16) hours, not used by the end of the calendar year, after adjusting the balance for any hours earned or used during that same pay period, shall be paid in cash in the last paycheck of the calendar year. No holiday credit hours above sixteen (16) will carry forward into the following calendar year. Upon separation of employment, any hours in the holiday bank shall be paid in cash.

When any of the above holidays falls on a Sunday, the Monday following shall be observed as the holiday. When any of the above holidays fall on a Saturday, employees shall be entitled to a holiday on the preceding Friday.

#### EMPLOYEES ELIGIBLE FOR HOLIDAY PAY

- (a) Probationary and regular full-time employees shall be eligible for full holiday pay.
- (b) Regular part-time employees shall be paid for holidays at their normal rate of pay in the same ratios as their hourly work schedule bears to the normal work schedule of a full-time employee, provided that the holiday falls on the employee's regularly scheduled work day.
- (c) Temporary, seasonal and extra help employees shall not receive any holiday pay except straight-time pay for hours actually worked.

#### COMPENSATION FOR WORK ON HOLIDAYS

- (a) If an employee is required to work on a holiday, as defined in this article, excluding floating holidays, the employee shall be paid overtime compensation at one and one-half (1-1/2) times the employee's regular rate of pay. Additionally, the employee shall earn eight (8) hours of holiday pay at straight time for the Agency observed holiday, totaling 2.5 times their regular rate of pay. Compensatory time off (CTO) may be elected by the employee in lieu of overtime pay for the hours worked on a holiday.
- (b) If a holiday occurs during the time an employee is on a "leave of absence," the

employee shall not be entitled to receive pay for the holiday.

- (c) When any of the above holidays falls during a regular scheduled vacation period, the holiday shall be counted as holiday leave and not vacation.

## **ARTICLE 5**

### **WORK WEEK/REST PERIODS**

- (a) The official work week shall begin at 12:01 AM on Saturday and end at 11:59 PMon the following Friday. Except as otherwise provided, an employee who occupies a regular full-time position shall work forty (40) hours in each work week.
- (b) Each employee shall be entitled to take one fifteen (15) minute break for each four (4) hours of work performed by such employee in a work day. If not taken, such break is waived by such employee.
- (c) No employee shall work more than sixteen (16) consecutive hours without a rest period, except in an emergency. Each employee shall be entitled to a rest period of eight (8) consecutive hours following any combination of regular and overtime work totaling sixteen (16) hours. An employee shall be given a rest period of at least eight (8) hours between work assignments. If an eight (8) hour rest period extends into the employee's next regular work shift, they shall receive full pay for the work shift provided that the employee reports for work at the end of the eight hour rest period. In cases of emergency only, an employee may be required to work beyond sixteen (16) hours, in which event the employee shall be paid at an hourly rate two and one-half (2.5) times the employee's regular hourly rate for every hour worked over the sixteen (16) hours until the employee has had a rest period of at least eight (8) consecutive hours.

## **ARTICLE 6**

### **OVERTIME HOURS/AUTHORIZATION**

#### **PROCEDURE TO SECURE OVERTIME PAY**

- (a) Overtime is defined as authorized work performed by an employee in a full-time position in excess of forty (40) hours of actual work in a workweek, or eight (8) hours in a work day for employees working a 5-8 schedule; nine (9) hours in a work day for employees working a 9/80 schedule; and 10 hours in a work day for employees working a 4/10 schedule. Paid time off for vacation, holidays, sick leave, compensatory time taken, and that part of an eight-hour rest period which falls within an employee's regularly scheduled work day, shall be computed as actual hours worked. All overtime must be authorized in advance

by the employee's manager or designee.

- (b) Overtime paid as wages shall be compensated at one and one-half (1.5) times the employee's regular rate. Overtime earned may be paid in wages or taken in the form of compensatory time off (CTO) at the option of the employee. Overtime taken in the form of CTO, shall accrue at the rate of one and one-half (1.5) times the hours worked. No employee shall have in excess of 100 hours accumulated CTO on the books at any time. CTO in excess of the 100-hour limit will be paid as wages. Compensatory time off may be taken at any time with the prior concurrence of the Department Manager. Overtime shall be paid to the nearest one-quarter (1/4) hour at the appropriate rate.

#### **ARTICLE 7** **CALL BACK PAY**

When an employee, after completing the normal work shift and leaving the work station, responds to an authorized order to return to duty to perform emergency or non-scheduled services, they shall be entitled to overtime. The minimum overtime to which they are entitled shall be two (2) hours at time and one-half (1-1/2). Commuting time up to a maximum of one hour shall be counted as time worked in the case of Call-back Duty with the exception of responses to Hell Hole.

#### **ARTICLE 8** **SHIFT DIFFERENTIAL**

An employee whose regular work shift is temporarily changed so that their shift starts between the hours of 6:00 p.m. and 6:00 a.m. shall be paid an additional 5% differential unless such temporary change in scheduled is the result of a mutually agreed upon flextime arrangement or the employee is working overtime. All shift differentials require Administrative Services to be notified at least 14 days prior to the start of the differential.

#### **ARTICLE 9** **MEAL ALLOWANCES**

Travel/training within Placer County or a neighboring county (e.g., Sacramento, Nevada, El Dorado) for periods of six (6) hours or more shall be reimbursed at the actual cost of a meal, provided a meal is not included in the training registration cost. Reimbursement shall not exceed \$23.00 including tax and tip. Reimbursement is contingent upon the employee providing a receipt

## **ARTICLE 10**

### **SICK LEAVE**

Sick leave is defined to mean absence from duty by an employee because of:

- (a) An employee's own illness or injury or exposure to contagious diseases which incapacitates the employee from performing their duties, or medical, dental, vision (and related health) appointments of employee and employee's immediate family members when such appointments cannot be arranged during off-duty hours and when the employee's presence is required, or
- (b) Attendance upon a member of their immediate family because of illness, injury, death, or exposure to contagious disease and where the attendance of such employee is definitely required.
- (c) As used in this section, "immediate family" means parents, spouse, or children, by blood, marriage, or adoption, or a domestic partner, grandparents, grandchildren, siblings, or close relative who is demonstrably dependent upon the employee.

### **HOW COMPUTED**

- (a) Each full-time Agency employee shall be entitled to sick leave which shall accrue on the basis of 0.0462 hours for each paid regularly scheduled working hour of full-time employment. Part-time regular employees shall be entitled to sick leave which shall accrue in the same proportion to one day for each full month continuous service that their work time bears to the normal work day for a full-time employee.
- (b) Unused sick leave may be accumulated from year to year.
- (c) No probationary employee shall earn or accrue sick leave until they have been continuously employed for a period of ninety (90) days.
- (d) Beginning on the ninetieth (90th) day of employment, such employee shall receive 22.140 hours of sick leave and begin accruing at the rate stated in (a) above.

### **LIMITATIONS, GENERAL**

- (a) Sick leave absences for attendance upon an employee's husband, wife, child, brother, sister, parent, spouse's parent or close relative for illness, injury, or exposure to contagious disease shall be limited to not more than ten days during each calendar year.



- (b) Sick leave absences for attendance upon an employee's grandparent or grandchild for illness, injury, or exposure to contagious disease shall be limited to not more than 24 hours during each calendar year.
- (c) Employees absent on sick leave 15 working days or longer shall not be permitted to return to duty without a physician's certificate attesting to the employee's ability to perform his normal duties.
- (d) The ten day limitations provided for in paragraphs (a) and (b) of this section may be increased under special circumstances if approved by the General Manager or the General Manager's delegate.

#### HOW TAKEN

- (a) Sick leave shall be taken in minimum units of one-quarter hour.
- (b) It shall not be allowed, or taken, until earned or donated by others in conformance with the provisions of this Compensation Plan.

#### EVIDENCE OF ILLNESS

- (a) The General Manager or Department Manager may require satisfactory evidence of illness for any period of illness or disability.

#### BEREAVEMENT LEAVE

Employees may allocate up to 30 hours of Compensatory Time Off (CTO) to a Bereavement Leave Bank to be used because of a death in the employee's immediate family. The Bereavement Leave Bank may be replenished at any time, but in no event shall the number of hours banked exceed 30. In the event an employee suffers a serious health issue or injury resulting in the depletion of the employee's other leave banks, the Bereavement Leave Bank may be used as paid leave. Upon leaving employment, employees shall be paid the monetary value of their hours in the Bereavement Leave Bank.

Sick leave may be used for bereavement when the employee's Bereavement Leave Bank has been exhausted, but the total amount of time taken for bereavement purposes shall not exceed 10 days (80 hours) in each instance. Bereavement leave can be extended under special circumstances with approval by the General Manager or designee.

#### PAYMENT FOR UNUSED SICK LEAVE UPON SEPARATION OR RETIREMENT

Employees leaving the Agency's employ in good standing with more than one (1) year of continuous service will be paid the monetary value of the earned sick leave, subject to the following provisions:

- (a) "Good Standing," as used in this Section, shall mean employees who gave the required minimum two (2) weeks' notice and who have not been discharged for cause. It shall also mean employees who have been laid off.
- b) Accrued sick leave hours for employees shall be paid at the following percentages of the employee's hourly rate at the time of the employee's termination or retirement, with no maximum in the amount of payment.

Years of Agency Service	Percentage Upon Termination	Percentage Upon Retirement
0-5	50%	50%

The percentage paid upon retirement shall be increased (up to a maximum of 100%) by 3-1/3% for each year of service over five (5) years. For purposes of determining years of service in this computation only, any fraction of a year consisting of six months plus one day of continuous employment shall be deemed one (1) full year of service. The percentage paid upon termination shall remain at 50% regardless of years of service.

- (c) The benefits granted hereunder shall not become a vested right of any employee, but rather are subject to amendment in the same manner as all other provisions relating to compensation.
- (d) Employees receiving compensation under this section shall not be eligible for reinstatement within ninety (90) days after effective date of termination.
- (e) If an employee with more than one (1) year of continuous service dies, the benefits payable under subparagraphs (a) through (c) above shall be payable to their surviving spouse or, if there is no surviving spouse at the time of such death, to their heirs.
- (f) Notwithstanding the provisions of subparagraph (b) above, any employee retiring from Agency's service and eligible to receive Public Employees' Retirement System benefits at the time of such retirement shall have the following options.
  - (1) To receive the pay-off specified in (b) above, or
  - (2) To apply accumulated unused sick leave toward an early retirement on a day-for-day basis but not to exceed 130 days or 1,040 hours, may apply unused sick leave up to the amounts they have accrued as of that date. An employee exercising this option shall not accrue any additional sick

leave, vacation leave or holiday leave during the time the employee is on early retirement.

- (3) If requested by the retiree, the retiree may have one month's premium for health for themselves only paid for each day of unused accrued sick leave, or in the alternative the retiree may have one month's premium for health for both the retiree and the retiree's spouse paid for each two days of unused accrued sick leave until eligible for Medicare.
- (4) Retiree may use his or her unused sick leave in any one or in any combination of the ways set forth in (1), (2), and (3) of this subparagraph
- (g) Any regular, full time employee who, upon terminating employment, accepts reinstatement with the Agency in a regular part time position, which is to commence within thirty (30) days after his or her termination of full-time employment, shall have any benefits payable to the employee pursuant to this section deferred until such employee terminates his or her regular part-time employment.

#### **SICK LEAVE BUY BACK**

Employees returning from medically caused leaves of absence may, with the approval of the General Manager or the General Manager's delegate, "buy back" sick leave time used as a result of the medical condition causing the leave of absence. Such sick leave can be bought back by the employee reimbursing the Agency in full for the compensation which the Agency paid to the employee for the time the employee was absent during such sick leave.

### **ARTICLE 11** **WORKERS COMPENSATION**

The Agency will integrate available employee paid leave banks with worker's compensation temporary disability benefits.

The Agency will continue to pay the employer's share of the group health insurance premium in the amounts listed in Article 15, including medical, dental and vision while an employee is drawing benefits for industrial injury or illness after that employee has exhausted all current income from salary and sick leave. This benefit will end at such time as the employee is no longer an employee of the Agency.

**ARTICLE 12**  
**VACATION**

**FULL TIME EMPLOYEES**

- (a) Each regular full-time employee having the following years of service shall earn the following hours vacation for each paid, regularly scheduled working hour. An employee may earn vacation credits only on 80 regularly scheduled working hours in any one pay period.

<b><u>YEARS OF SERVICE</u></b>	<b><u>EARNED PER HOUR</u></b>
0 through 4	.0461
5 through 9	.0577
10 through 19	.0769
20 or more	.0962

NOTE: Per year equivalents are:

.0461 = 12 working days

.0577 = 15 working days

.0769 = 20 working days

.0962 = 25 working days

- (b) No employee shall earn or accrue vacation leave until they have been continuously employed for 90 days. Upon successful completion of this period, such employee shall receive the appropriate vacation accrual for the hours worked during the initial 90 days and will begin accruing leave at the rate specified in section (a). An employee ceases to accrue vacation hours once they have accrued 320 hours until such time as they have used vacation hours.
- (c) Accrued vacation shall be taken in minimum units of one-quarter hour.
- (d) Employees covered under this Compensation Plan who have a vacation balance of at least 200 hours as of December 31 of any calendar year may make an irrevocable decision, by December 31, to "cash out" vacation that they will accrue in the upcoming year, subject to the terms of Constructive Receipt of Income requirements and Agency policy. Up to 40 hours of vacation may be "cashed out" at a time.
- (e) The Agency will give preference to the order in which vacation requests are received. In the event requests are received at the same time for the same period, and all cannot be granted, seniority will be the determining factor.

- (f) Changes in vacation schedules shall be allowed provided staffing/scheduling conflicts do not result and the change is acceptable to the Agency. The Agency shall respond to a request for time off no later than five working days after it has been submitted.

#### PART-TIME EMPLOYEES

- (a) Regular part-time Agency employees shall be entitled to vacation leave with pay. Vacation leave shall be earned in the same manner as specified above.
- (b) The provisions of this Article shall also apply to part-time regular employees.
- (c) The provisions of the Article above shall not be applicable to regular part-time employees not having definite, fixed hours of employment and whose positions have not been allocated to the Agency.

#### ADDITIONAL VACATION FOR TWENTY YEARS CAREER SERVICE

In addition to all other vacation benefits provided for in this Article and in recognition of loyal career service, an employee who completes 20 years of service in a regular full-time position shall be entitled to forty (40) hours paid leave to be taken at the convenience of the employee and his or her appointing authority within one year of completion of the 20 years of service. This one time forty (40) hours paid leave shall be in addition to all other vacation benefits earned by the employee.

#### VACATION PAY UPON TERMINATION OF EMPLOYMENT

- (a) Upon leaving employment, employees shall be paid the monetary value of their earned vacation leave but not exceeding the maximum amount of vacation leave that may be accumulated under the provisions of this Article.
- (b) If terminating employees take accrued vacation leave immediately prior to the effective date of their termination, it shall not be necessary to keep the position vacant for the equivalent time of the vacation period.

### **ARTICLE 13**

#### **INSURANCE BENEFITS**

The Agency maintains membership in the CalPERS Health Insurance program. Effective January 1, 2026, the monthly Agency contribution for health insurance is as follows:

\$1,301.95 per month for Employee Only  
\$2,039.00 per month for Employee Plus One  
\$2,651.00 per month for Employee Plus Family

Effective January 1, 2027, the Agency will pay the previous year's contribution plus 70% of the average premium increase for available HMO plans for employee plus one, and employee plus family coverage, and shall pay the BlueShield Access+ (Region 1) rate for employee only. Employees shall be responsible for any amounts over and above these Agency contributions.

Effective January 1, 2028, the Agency will pay the previous year's contribution plus 70% of the average premium increase for available HMO plans for employee plus one, and employee plus family coverage, and shall pay the BlueShield Access+ (Region 1) rate for employee only. Employees shall be responsible for any amounts over and above these Agency contributions.

Effective January 1, 2029, the Agency will pay the previous year's contribution plus 70% of the average premium increase for available HMO plans for employee plus one, and employee plus family coverage, and shall pay the BlueShield Access+ (Region 1) rate for employee only. Employees shall be responsible for any amounts over and above these Agency contributions.

#### **DENTAL AND VISION INSURANCE**

The Agency shall continue dental and vision plans that permit dependent coverage. The Agency shall continue to pay the premium for dental and vision coverage for the employee only. Dependent coverage shall be paid by the employee.

#### **LIFE AND AD&D INSURANCE**

The Agency will pay 100% of the premium cost for Term Life Insurance and AD&D coverage. The death benefit will be equal to twice the employee's annual salary (excluding overtime).

#### **LONG TERM DISABILITY**

The Agency will continue to provide a long-term disability insurance plan for all employees in the Confidential Employee Group. The cost of this plan will be paid by the Agency.

#### EMPLOYEE ASSISTANCE PROGRAM

The Agency will continue to provide an Employee Assistance Program (EAP) for employees. The Agency reserves the right to select the provider and the benefit coverage levels.

#### 125/FLEXIBLE SPENDING PLAN

The employee's out-of-pocket premium costs (i.e., that portion of the premium for which the employee is responsible) for eligible group insurance plans will be processed through the 125 Plan (flexible spending plan) with the Agency paying the administrative fee for the insurance premium account. All deductions will be made on a biweekly basis (24 deductions in a year).

#### MEDICAL OPT OUT

The Agency provides a "medical opt out" option whereby if an employee is eligible for medical benefits and demonstrates in writing medical coverage from another source, the Agency will provide a monthly stipend to the employee of \$400. This amount shall be paid in two installments each month (24 payments in a year) in the employee's regular payroll checks. The monthly stipend is considered taxable income.

### **ARTICLE 14** **STATE DISABILITY INSURANCE**

The employee and Agency agrees to integrate SDI benefits with available employee paid leave banks. The employee shall pay required premium costs which will be deducted from their paycheck and transmitted to the state by the Agency.

### **ARTICLE 15** **RETIREE HEALTH INSURANCE**

For purposes of this policy, health insurance does not include dental or vision care.

Following is a breakdown of benefits and eligibility based on the Agency date of hire:

#### **Employees Hired Prior to January 1, 2010**

<b>Minimum required CalPERS service:</b>	<b>5 years*Includes reciprocal agency service</b>
<b>Minimum required Agency service:</b>	<b>5 years</b>
<b>Basis of premium formula:</b>	<b>Agency active employee health insurance premium caps</b>

<b>Amount paid by Agency:</b>	The Agency's contribution amount increases annually by 5% of the active employee health insurance premium cap or \$100, whichever is less, until 100% of the active employee health insurance premium cap is reached.
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**Employees Hired On or After January 1, 2010**

<b>Minimum required CalPERS service:</b>	10 years <b>*Includes reciprocal agency service</b>
<b>Minimum required Agency service:</b>	5 years
<b>Basis of premium formula:</b>	CalPERS State Annuitant Contribution Rates, 100/90 Formula
<b>Amount paid by Agency:</b>	Fixed percentage based on CalPERS Years of Service, starting at 50% at 10 years of CalPERS service and increasing by 5% for each additional year of CalPERS service until 100% of the CalPERS health insurance premium cap is paid, which equates to 20 years of CalPERS service.

Years of CalPERS Service*	Percentage Paid by PCWA
0 through 9	0%
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20	100%



For the specific premium amounts, contact Administrative Services.

If a retiring employee opts to use unused accrued sick leave under provisions of Article 5 to pay the cost of retiree health insurance premiums, the Agency will pay the amount of the retiree health insurance premium cap directly to CalPERS and will pay directly to the employee any remaining monthly balance up to the current active employee health insurance premium cap, not to exceed the actual health insurance premium cost.

#### **ARTICLE 16** **RETIREMENT**

The Agency participates in the California Public Employees' Retirement System (CalPERS). The benefit formula for employees hired prior to January 1, 2013, or those hired after that date with prior CalPERS membership, is 2.7% at age 55 (single highest year). Classic employees pay the full 8% employee share of the cost. The benefit formula for employees hired on or after January 1, 2013 is 2.0% at age 62 (three-year average). Public Employees' Pension Reform Act (PEPRA) employees are required to pay 50% of the total annual normal cost of their pension benefit. The Agency also participates in Social Security.

#### **ARTICLE 17** **MILEAGE**

The Agency will reimburse mileage at a rate equal to the standard rate recognized by the Internal Revenue Service.

#### **ARTICLE 18** **TRAINING**

Training shall be available and uniformly applied to all employees.

#### **ARTICLE 19** **JOB DESCRIPTIONS**

Job descriptions shall not be changed without first meeting with the employees affected.

#### **ARTICLE 20** **FILLING OF VACANT POSITIONS**

- (a) All vacancies shall be posted in house at least two work days in one week and three work days in the following week.
- (b) Current interested employees must submit a completed application. A resume

may be required.

- (c) All interested current employees who meet the minimum qualifications will be examined. All employees passing the examination shall be interviewed in addition to the top three scores.
- (d) If all qualifications are met, the Agency shall endeavor to fill a vacant position from in house.

## **ARTICLE 21**

### **MODIFIED AND ALTERNATIVE WORK SCHEDULES**

It is agreed that modified and alternative work schedules may be established with the prior approval of both management and the employee(s) affected. Such schedules may include, but need not necessarily be limited to, work weeks consisting of four ten hour days, or other flexible schedules.

## **ARTICLE 22**

### **EMPLOYEE SERVICE CREDIT**

Employees who are thereafter advanced from probationary status to regular status without a break in service shall receive full credit for all time served as a probationary employee in determining employee benefits.

## **ARTICLE 23**

### **WORKING OUT OF CLASS**

An employee who is required to work outside of his class for more than four (4) hours in any working day and who has passed a proficiency test, if required, satisfactory to his or her supervisor to demonstrate his or her ability to perform at the higher class shall be paid at the rate of compensation in Step "A" of the class in which he or she is temporarily working; provided that if the pay ranges of their permanent and temporary classes overlap, he or she shall be paid at the next higher salary in the range for the temporary class which will provide for an increase of not less than five percent (5%). Any paid leave use during the out-of-class assignment period will be paid at the out-of-class rate. A competitive recruitment is not conducted for out-of-class assignments.

Pursuant to California Code of Regulation 571, Temporary Upgrade Pay (TUP) can be reported as an item of special compensation for classic members who are required by their employer or governing board/body to work in an upgraded position/classification of limited duration. TUP will be reported to CalPERS as allowed by CalPERS regulations for eligible out-of-class assignments.

**ARTICLE 24**  
**TRAVEL**

When travel is authorized, this will include reimbursement only for actual travel costs, bridge tolls, parking, lodging, and registration fees.

When employees are required to attend training away from the jobsite, employees will be compensated for the time required to and from the training as normal work time. If employees are permitted to drive their own vehicle, they will receive mileage at the rate currently recognized by the IRS.

Expenses incurred in the course of Agency travel shall be prudent and consistent with Agency policies and guidelines. Travel expenses shall only be reimbursed when they are approved, necessary, reasonable, appropriately documented and supported. When determining whether an expense is reasonable, IRS reimbursement amounts shall be used as a guide.

Employees seeking travel expense reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. Expense reimbursement is allowed only when reimbursement has not been, and will not be, received from other sources. If a circumstance arises that is not specifically covered by existing policies and guidelines, the most conservative course of action should be adopted. If a circumstance arises in which the business purpose for travel requires an exception to any of the Agency's travel policies and guidelines, that exception should be pre-approved by the Director of Administrative Services. The Agency reserves the right to deny any request for reimbursement deemed unreasonable and/or not acceptable.

**PER DIEM – OVERNIGHT TRAVEL**

- (a) Per IRS regulations (Publication 463, Travel, Entertainment, Gift, and Car Expenses), per diem shall only be given when the trip includes an overnight stay.
- (b) The Agency provides a per diem reimbursement based on U.S. General Services Administration ([www.gsa.gov/perdiem](http://www.gsa.gov/perdiem)) Sacramento Region for a traveler's meals and incidental expenses during an overnight trip:
  - (1) Incidentals include baggage handling and gratuities.
  - (2) Receipts for per diem meals and incidentals are not required.
  - (3) If the traveler spends an amount in excess of the per diem amount, the excess expense is not eligible for reimbursement.
  - (4) On occasions when the employee is traveling to a training or conference location where the cost of meals is typically higher, the employee can, with pre-approval from management, be reimbursed in accordance with

the U.S. General Services Administration (<http://www.gsa.gov/perdiem>) meals rate schedule for the area in which the costs were incurred.

- (5) If a meal is included in the cost of registration, or is otherwise provided at a meeting, conference, or training session, appropriate deductions must be made from per diem allowance. (Unless otherwise preapproved by management.)

- (c) The first and last calendar day of travel is calculated at 75%.

- (d) Per diem reimbursement requires the submission of a claim form once travel is completed. The prescribed per diem rates will be updated annually (October 1) in accordance with GSA changes.

## **ARTICLE 25**

### **PROMOTION OR RECLASSIFICATION PAY**

#### **APPLICABLE PAY RATES FOLLOWING PROMOTION OR RECLASSIFICATION**

If an employee is promoted or reclassified to a position in a class with a higher pay range, such employee shall be entitled to receive the rate of compensation in "Step A", the entrance step of the class to which he or she has been promoted.

If the pay ranges overlap, promotion or reclassification shall be increased to the next higher salary in the range of the new class which will provide for an increase of not less than five percent (5%). In no event shall the new salary be higher than the maximum of the salary range of the class to which the employee is promoted or reclassified.

#### **APPOINTMENT BASIS**

Promotions can be made on a regular or temporary basis for regular and probationary employees. Temporary promotional opportunities for regular and probationary employees will be advertised through an internal recruitment as a Temporary Rotational Opportunity or a Temporary Upgrade Opportunity and will be processed through a temporary personnel action form. Employees are entitled to return to their regular classification at the end of their temporary promotional opportunity.

**ARTICLE 26**  
**EXEMPLARY PERFORMANCE AWARD PROGRAM**

A program described in the attached Appendix shall be maintained for the term of this plan.

**ARTICLE 27**  
**JOB ABOLISHMENT/LAY OFF**

In the event of the abolishment of any position or class now approved by the Board, or as may be subsequently approved by the Board, an employee or employees in such position or class shall be given thirty (30) days written notice setting forth the termination date of employment and the reason(s) for such abolishment.

Thirty (30) days before the effective date of a layoff, the Appointing Authority shall file notice of the intended action with reasons therefore. A copy of such notice shall be personally served on the employee affected.

**ARTICLE 28**  
**CATASTROPHIC LEAVE CONTRIBUTION**

Regular full-time employees may voluntarily donate vacation hours to another regular employee based on the following criteria:

- (a) To be eligible as a recipient, an employee must have a verifiable long-term illness or injury that is expected to incapacitate the employee, i.e., cancer, heart attack, stroke, serious injury, etc. Employees may also be eligible if they need to care for an immediate family member who has a verifiable, debilitating injury or illness. The employee must have exhausted all personal vacation, sick leave and CTO, or will soon have exhausted such leave resulting in the employee being in a non-paid status.
- (b) Donations must be made to a specified individual(s) only. In order for the donor to be eligible to donate, they must have at least 80 hours of combined leave in their vacation and/or CTO banks.
- (c) The person receiving the donated hours must have achieved regular status with the Agency.
- (d) Donated vacation hours must be in increments of one (1) hour. Hours donated will be converted at the donor's hourly rate and credited to the sick leave balance of the recipient by converting the dollar amount donated to the recipient's hourly rate.
- (e) Example: Employee A is paid at ten dollars (\$10) per hour and donates one hour

to employee B who is paid at five dollars (\$5) per hour. Employee B would be credited with two (2) hours of sick leave. Conversions for crediting will be rounded to the nearest one-half ( $\frac{1}{2}$ ) hour increment.

- (f) Once donated, vacation hours cannot be reclaimed by the donor.
- (g) When an employee is using donated hours, the employee will not accrue vacation or sick leave time.
- (h) The maximum time that may be initially donated into an employee's account is one thousand and forty (1040) hours. Additional time may be donated if the initial donation is exhausted to a maximum of one thousand and forty (1040) hours. To be eligible to receive more than the aggregate total of two thousand and eighty hours, there must be a favorable prognosis for recovery and a predictable date of return to work.
- (i) In no event shall donated time have the effect of altering the rights of the Agency or the recipient relevant to employment, nor shall it extend or alter the limitations otherwise applicable to leaves of absence or sick leave.
- (j) After catastrophic eligibility is approved by Administrative Services, the employee shall be responsible for initiating the catastrophic leave donation process. All donations must be done in writing and include the dated signature of the donor on a form mutually agreed upon by the Agency and the Confidential Employee Group.

## **APPENDIX**

### **Exemplary Performance Award Program**

**Purpose:** *Believing its employees to be its most valued resource, it is the Agency's intent to recognize, encourage, and reward exemplary performance by its employees.*

#### **Awards:**

The Exemplary Performance Award is an annual award. The total of all cash awards shall not exceed \$5,000 in a calendar year. Each program award shall consist of a cash award of \$1,250 (less tax), an award plaque, and a letter of commendation.

#### **Ceremony:**

The Exemplary Performance Award ceremony celebrates employees who excel above and beyond what is expected and also recognizes them within each calendar year at a PCWA facility. The ceremony is scheduled for no longer than two hours and takes the place of regularly scheduled work. All recipients and PCWA employees are invited to attend the event. Award recipients are encouraged to invite family and friends. Award recipients are also recognized by the General Manager and the Board of Directors at a public Board meeting.

#### **Committee:**

The committee shall be comprised of five voting members with one representative from Customer Services, Field Services, Technical Services, Power System, and Administration (Administrative Services, Financial Services, Strategic Affairs, Energy Marketing, Legal, and the General Manager's Office). One of the five voting members may be a management employee. The intent of the committee is to have broad representation and perspective across the Agency, not departmental representation. Committee members shall not serve as advocates for their particular departments but, rather, shall evaluate each nomination objectively in accordance with the award evaluation criteria. In addition to the five voting members identified herein, a non-voting facilitator from Administrative Services (Director of Administrative Services or designee) will also be included on the committee.

#### **Eligibility:**

Eligible recipients must be designated as a Confidential Employee, be in good standing, and have not received the award in the past three (3) years.

#### **Nominations**

Nominations are accepted no later than July 31<sup>st</sup> of each year. There will be no obligation on the part of the Agency to select an Exemplary Employee if, in the opinion of the committee, no employee is found eligible for an award or if no nominations are submitted. If there are remaining funds in a calendar year, they will be used for additional Employee Recognition and Rewards Program expenses.