



Option B

Please find below the amended or added sections to the Proposed Employee Manual with salient points from the Employee Total Compensation Policy incorporated therein.

#### GENERAL COMPENSATION POLICY

The District considers its employees as the most vital resource for advancing its mission and programs and, as such, has developed a compensation and salary policy expressly designed to attract, retain and motivate a highly qualified and competent workforce.

The District considers internal equity and external market pressures when designing pay scales. Employee pay generally reflects the employee's level of contribution to the District, recognizes quality performance, and encourages growth and development. Jobs of like responsibility and labor market conditions are paid within comparable pay ranges based on an evaluation of each job and relevant market data. Individuals with comparable backgrounds are hired at comparable rates for the same or a similar job classification.

Performance evaluations are the driving component of the District's compensation program. ~~—strives to pay wages and benefits that are competitive with those in our community and industry and that recognize individual effort and contribution to the success of the District. The District's wage and salary plan classifies each position on the basis of: knowledge and ability requirements; variety and scope of responsibilities; and physical and mental demands. Established wage or salary ranges may be reviewed and adjusted periodically by the District, at its sole discretion. Employees may obtain the current wage or salary range for their employment positions from their respective supervisor.~~

#### ACCOUNTABILITY AND RESPONSIBILITY

The General Manager determines appropriate annual Wage range adjustments based on industry, regional, and local labor market data and other relevant factors.

The Board of Commissioners must ratify the General Managers annual Wage range adjustments before they become effective.

The General Manager sets appropriate performance strategies, goals, and objectives for employees at annual performance review and regularly tracks employee's progress on achieving those performance standards.

The General Manager determines appropriate annual wage increases based on performance for each employee.

The Board of Commissioners must ratify the General Managers annual wage increases before they become effective.

The General Manager is responsible for designing and administering the compensation and benefits program and assuring consistent and uniform application of this policy.

The General Manager is responsible for consistent application of the policy as it relates to staff actions initiated and/or requested by employees. The General Manager, also assure that current and accurate job descriptions are maintained for all employees within their positions, and that reclassification actions are initiated when appropriate.

Supervisors and managers are responsible for being aware of the goals of the program and for administering the policy consistently and in a timely and equitable manner.

#### **OVERTIME WORK**

From the very nature of the District's business, needs arise, from time-to-time, calling for additional work. During these times, the District expects all employees to cooperate with extended work schedules, as determined by the General Manager or his/her designee.

Regular employees who are not exempt from the federal and state overtime laws and who work more than forty (40) hours within a work week shall be paid overtime wages. All overtime work must be approved in advance by the employee's immediate supervisor; provided, that in the event of an emergency, authorization should be obtained as soon as reasonably possible.

Non-exempt (Hourly) employees may never waive their right to overtime pay. An employee who works overtime hours without prior approval from his or her supervisor may be subject to disciplinary action. Supervisors may not, on the other hand, require employees to work overtime but later refuse to compensate them accordingly.

Overtime shall be paid at the rate of one and a half (1½) times the employee's regular hourly rate of pay and shall be paid to the nearest quarter of an hour. Time paid for but not actually worked (such as holidays or vacation) shall not count as time worked for the purpose of computing overtime.

#### **ON-CALL DUTY**

Due to the essential public services the District provides, all full-time field personnel positions are expected to perform "on call" duty, as designated and assigned by the General Manager. On call duty begins each Wednesday at the close of the field operations and ends the following Wednesday at the close of field operations. Employees on call shall be available to resolve customer problems and/or to respond to emergency calls and perform emergency maintenance. All employees on call shall remain within a ~~thirty-fifteen~~ (3015) minute travel time to the District's office and shall carry the District cell phone or other equipment allocated for purposes of maintaining contact with the District. Employees on call are not engaged in actual work and not engaged to wait for work; accordingly, on call time shall not be considered compensable time. Notwithstanding, employees shall receive an additional per diem amount, as determined by the Board of Commissioners from time to time in its sole discretion, for the time they are on call. [OR] Notwithstanding, employees who serve their full on call duty shall receive seven (7) hours of pay, for that on call duty, at their overtime rate, which on-call pay includes compensation for the normal field rounds performed on Saturdays, Sundays, and Holidays.

#### **CALL BACK PAY**

All employees (including but not limited to those on call) are subject to mandatory call back in emergencies or as needed by the District to provide necessary services to the ratepayers. An

employee who is off duty or on call and is called back to work shall be paid a minimum of two (2) hour(s) at one-and-one-half (1½) times the employee's regular straight-time hourly rate of pay as "call back pay;" provided, however, that if the employee's regular shift starts less than one (1) hour from the time the employee is called back, the employee shall receive call back pay for only such time as occurs before the employee's regular shift. The District shall pay the minimum two (2) hour(s) of call back pay for up to two (2) call backs per day (4 hours maximum). All calls after the first two calls per day shall be paid at the call back rate for time actually worked. Notwithstanding the foregoing, where an employee is able to respond to a call via telephone, computer or any other means that does not require the employee to physically report to the site or the District's office, the employee shall not be paid the minimum 2-hour increment set forth in this policy but rather shall be paid call back pay in 30-minute increments, regardless of the number of calls received within that 30-minute time frame.

The expected response time for a "Call Back" is thirty (30) minutes except for the "On Call" employee who is subject to the response time for the "On Call" status. Employees who are not "On Call" who are not able to respond to a "Call Back will not be subject to disciplinary action.

Employees called back to the office or a job site must wear a District uniform at all times while performing District business.

#### **FLEXIBLE SCHEDULING**

A supervisor/manager may adjust the work schedule for an employee so that an employee does not exceed forty (40) hours in a work week.

#### **ACTING OR INTERIM PAY**

A temporary Wage differential or a one-time, lump-sum payment may be appropriate when an employee temporarily fills a position at a higher job level and in a higher market rate for a consecutive period of two or more months. The general guidelines for compensating an employee serving in an interim or acting capacity is determined by temporarily adjusting the employee's Wage from 5 percent of his or

her base pay or an elevation in pay to at least the minimum of the hiring rate of the temporary, interim position, whichever is greater.

#### SETTING HIRING RATES (NEW OR RECLASSIFIED EMPLOYEES)

The pay rate for a new employee is set at an amount between the minimum hiring rate and market rate for the job description. In determining the starting rate of pay, consideration is given to the new employee's education, certification, and experience, as well as the pay rates of other employees within the hiring unit who perform similar jobs and with similar education and experience. The beginning Wage is set by the General Manager and ratified by the Board of Commissioners.

#### CHANGE IN FLSA STATUS

Exemption from the Fair Labor Standards Act is determined by an employee's Wage level and the nature of the work performed. A change from one exemption status to the other has implications for employees.

##### Employee Moving from Hourly to Salaried

The employee's rate of pay will be converted from hourly to an annual rate of pay.

Unused vacation and sick time will be converted to Personal Leave Time (PLT) allotment for salaried employees up to the maximum of 30 days annually.

##### Employee Moving from Salaried to Hourly

The employee's rate of pay will be converted from an annual to an hourly rate of pay.

All earned but unused Personal Leave Time (PLT) will be converted to vacation up to the maximum of 160 hours and sick time up to a maximum of 80 hours.

Hourly employees must maintain time records for hours worked and absences.

The following changes were requested by the Board:

#### Non-Tobacco Use Policy

The District has a non-~~smoking tobacco use~~ policy for all of its facilities, District vehicles and customers' premises. Additionally, it is the policy of the District to hire ~~only non-smokerstobacco users to the extent possible~~.

Smoking, if done outdoors, must be far enough away from all entrances and air intakes to the building facilities and vehicles so the smoke stays outside of the buildings and vehicles and complies with Washington law prohibiting smoking within 25 feet of such entrances and air takes.

#### EMPLOYMENT OF RELATIVES

To avoid the reality or appearance of improper influence, favor or conflict of interest, the District limits the hiring of individuals related by blood or marriage, or sharing living quarters with or having a romantic relationship with, a regular employee of the District.

Such a person will not be hired as a regular District employee under any of the following circumstances:

- Where one of the parties would have authority (or practical power) to supervise, appoint, remove or discipline the other.
- Where one party would be responsible for auditing the work of the other, or performing any payroll or benefits determination for the other.
- ~~Where both parties would report to the same immediate supervisor.~~
- Where other circumstances might lead to potential conflict among the parties or conflict between the interest of one or both parties and the best interests of the District.
- ~~Where one of the parties is a policy level official of the District.~~

~~For the same reasons and for reasons of confidentiality, the District will not hire a close relative of a policy level official of any agency or organization currently dealing with the District, or which could be reasonably expected to deal with the District in the future.~~



Existing employees will not be transferred or appointed to any position where the employee would enter a workplace relationship barred for new employees under this policy. However, the General Manager may approve such appointment or transfer when it is deemed by the General Manager to be in the best interest of the District and not likely to result in an actual conflict of interest.

When a real or potential conflict of interest occurs between employees due to nepotism or fraternization, the District, in the District's sole discretion, may transfer or terminate one of the employees.

The following statement is in the Introduction to the Employee Manual:

*The Board of Commissioner's reserves the right to suspend, revise, supplement or repeal any policies, or portions thereof, in this Employee Manual at its sole discretion and as it deems appropriate.*

