
**MEMORANDUM OF
UNDERSTANDING**

BETWEEN

**LASSEN MUNICIPAL UTILITY
DISTRICT**

AND

**LOCAL NO. 1245
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS
AFL-CIO**

Effective July 1, 2015 through June 30, 2020

LASSEN MUNICIPAL UTILITY DISTRICT
(Electrical Operations & Customer Services Departments)

TABLE OF CONTENTS

	<u>PAGE</u>
ARTICLE I. RECOGNITION	1
ARTICLE II. TERM OF MOU	1
ARTICLE III. CONTINUITY OF SERVICE	1
ARTICLE IV. EMPLOYER'S RIGHTS.....	2
ARTICLE V. UNION SECURITY	3
ARTICLE VI. UNION'S RIGHTS	3
ARTICLE VII. STATUS OF EMPLOYEES.....	4
ARTICLE VIII. GROUP INSURANCE AND RETIREMENT PLANS	5
ARTICLE IX. HOURS OF WORK AND OVERTIME	7
ARTICLE X. SENIORITY	11
ARTICLE XI. GRIEVANCES	13
ARTICLE XII. WORKING SAFETY COMMITTEE	15
ARTICLE XIII. HOLIDAYS	16
ARTICLE XIV. VACATIONS	18
ARTICLE XV. SICK LEAVE	20
ARTICLE XVI. LEAVE OF ABSENCE	22
ARTICLE XVII. APPRENTICESHIP RULES.....	23
ARTICLE XVIII. WORKING RULES.....	24
ARTICLE XIX. GENERAL.....	26
ARTICLE XX. ENTIRE MOU	26
ARTICLE XXI. CONCLUSION.....	27

EXHIBITS

- A Wage Schedule
- B-1 Bargaining Unit Positions - Electric Operations Department
- B-2 Bargaining Unit Positions - Customer Services Department
- B-3 List of Positions within Departments
- C Policy for Employees on Long Term Disability (LTD)
- D Guidelines on Performance of Bargaining Unit Work

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") made and entered into the 1st day of July, 2015 between the designated representatives of the Lassen Municipal Utility District (hereinafter called "the District") and Local Union No. 1245 of the International Brotherhood of Electrical Workers, AFL-CIO (hereinafter called "the Union") hereby mutually establishes and agrees upon the working conditions and wage schedule hereinafter set forth in this MOU. (Amended 2015)

ARTICLE I.

RECOGNITION

1.1. For the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment, the District recognizes the Union as the exclusive representative of the employees from whom the National Labor Relations Board certified the Union in Case No. 20-RC-9494 and 20-RC-12536.

ARTICLE II.

TERM OF MOU

2.1. This MOU shall remain in full force and effect from July 1, 2015 up to and including June 30, 2020, and thereafter from year to year unless and until the District or the Union serves written notice on the other at least one hundred and twenty (120) days prior to said June 30, 2020, or any anniversary of said date, that it desires to modify, amend or terminate this MOU, or any of the terms or provisions hereof. (Amended 2015)

2.2. In the event that any provisions of this MOU shall be made invalid by applicable legislation or be declared invalid by any court having jurisdiction in respect thereof, such action as to such provision shall not affect the remainder of this MOU, and all other terms and provisions hereof shall continue in full force and effect as set forth herein. Upon any such judicial determination, the District and the Union shall promptly negotiate and endeavor to reach agreement upon a suitable substitute for the provision so found to be invalid.

ARTICLE III.

CONTINUITY OF SERVICE

3.1. Nothing in these rules is intended or shall be used to violate any municipal ordinance, state law or safety standard, or any other legal public requirement, nor is it intended to allow public or personal danger to continue to the detriment of the general public, the District or the employees.

3.2. The District is a public utility engaged in the public service of transmitting and distributing electric power and energy in Lassen County, California, and vicinities.

3.3. It is mutually recognized that the interests of the District and the Union and the welfare of the general public require the continuous rendering of service by the District, and the parties hereto agree that recognition of such obligation of continuous service is imposed upon both the District and its employees.

3.4. To facilitate the continuous performance of such service, the District agrees to meet with the Business Manager of the Union or his designated representative in reference to any matter coming within the scope of this MOU, and agrees that it shall cooperate with the Union in its efforts to promote harmony and efficiency among all employees of the District.

3.5. The Union agrees that the employees covered by this MOU, or any of them, shall not be called upon or permitted to cease or abstain from the continuous performance of duties pertaining to the positions held by them under the District and the District agrees on its part to do nothing to provoke interruption of or to prevent such continuity of performance by said employees insofar as such performance is required in the normal and usual operation of District's property. It is mutually agreed that any differences that may arise between the above parties shall be settled in the manner hereinafter provided.

3.6. The Union agrees for its members who are employees of the District that they shall individually and collectively perform loyal and efficient work and service and that they shall cooperate in promoting and advancing the welfare of the District and the protection of its service to the public at all times.

3.7. Neither the District nor the Union shall discriminate against any employee in the application of the terms of this MOU because of race, color, creed, sex, religion or national origin.

3.8. The use of masculine or feminine gender or titles in this MOU shall be construed as including both genders, and not as sex limitations.

ARTICLE IV.

EMPLOYER'S RIGHTS

4.1. The supervision and control of all operations and the direction of all working forces are vested in the District, including the right to hire, the right to suspend or discharge for proper cause, or to relieve employees from duty because of lack of work or for other legitimate reasons in accordance with the terms of this MOU.

4.2. The District retains the right to exercise discipline in the interest of good service and the proper conduct of its business provided that an employee who has been laid off, discharged or disciplined shall be advised of the reason or reasons for such action and shall have the right of appeal through the grievance and arbitration procedure provided by this MOU. No discipline by temporary suspension shall be administered to any employee which shall permanently impair his seniority rights.

- a) Such discipline could include, but is not limited to:
 - (1) Verbal Warning
 - (2) Written Warning
 - (3) Written Reprimand
 - (4) Disciplinary Suspension
 - (5) Exclusion from Overtime
 - (6) Exclusion from Stand-by
 - (7) Termination

(Amended 2015)

ARTICLE V.

UNION SECURITY

5.1. Any present or future employee who is or who becomes a member of the Union shall, as a condition of employment, maintain his membership in the Union in good standing in accordance with its Constitution and Bylaws. Thirty days after being employed, every employee covered by this MOU shall, as a condition of employment: (1) become a member of the Union, or (2) in the alternative, tender monthly an "agency fee" as established by the Union in an amount not to exceed the amount of the monthly dues and per capita fees required of members in their base wage rates. This agency fee requirement excludes temporary employees as defined in Article 7.3. (Amended 2007)

5.2. The District agrees to notify the Shop Steward of the name and address of any applicant for employment when such applicant is accepted for assignment to a job.

5.3. The District shall deduct from their wages and pay over to the proper officers of the Union, the agency fees or membership dues of the members of the Union who individually and voluntarily authorize such deductions in writing. The form of check off shall be approved by the District and the Union. (Amended 2007)

ARTICLE VI.

UNION'S RIGHTS

6.1. An employee who requests time off for the Union's activities in addition to regular time off shall be granted such request if such time off shall not inconvenience the operations of the District or increase its operating expenses; provided further, that such employee shall receive no compensation from the District for such time off, except as provided under 3505.3 of the California Government Code.

6.2. The District agrees to permit the Union to use reasonable space for the purpose of posting officially signed bulletins upon the bulletin boards which are furnished by the District.

6.3. The Union may designate Shop Stewards as it deems necessary for the proper administration of its affairs and for the proper execution of the provisions of this MOU. In those departments in which the Union deems it is necessary to maintain more than one Shop Steward, a Chief Departmental Steward shall be designated by the Union's Business Representative, with whom the District shall discuss items of mutual concern, other than specific grievance issues which any Shop Steward may raise with their supervisor pursuant to Section 11.1(a). The Union Shop Steward shall, on request to and permission from the General Manager, be allowed reasonable time during working hours without loss of pay to attend the Union matters which relate to employees covered under this MOU.

6.4. It is recognized the District has the right to contract work. However, the District agrees it shall not lay off employees as a result of work contracted. In case the District should contract any work, the District shall advise the contractor that certain working conditions and wages prevail in this area. All contractors and companies who contract with the District to provide

services shall meet or exceed the requirements of the District's Safety Rules. Such information can be obtained by contacting the District. (Amended 2010)

ARTICLE VII.

STATUS OF EMPLOYEES

7.1. Employees of the District covered under this MOU shall be designated as regular full-time, regular part-time, probationary, and temporary.

7.2. All new employees of the District shall be considered probationary employees for the first twelve (12) months of employment. During the initial probationary period, an employee may be terminated at the discretion of the District except as prohibited by law or for the purpose of keeping positions filled with probationary employees. An employee will be deemed to have successfully completed the initial probationary period when he or she: (1) has finished twelve (12) months of satisfactory service, and (2) has received a written "passes probation" notification from his or her supervisor. No probationary employee shall achieve "regular employee" status by mere passage of time.

Probationary employees shall be eligible for District health, dental and vision benefits, sick leave and District holidays upon date of hire¹ (subject to enrollment requirements of the applicable plan) and for other benefits beginning on the six-month anniversary date. Upon successful completion of the first six months of the probationary period, the employee will be credited with six months of vacation accrual. Prorated Optional Holidays will be awarded on January 1st following the date of hire. At the completion of the initial probationary period, an employee will receive the remainder of one-year's amount of vacation accrual. All paid time off may be used in accordance with normal District procedures. Seniority shall be calculated from the employee's date of hire. (Amended 2015)

7.3. A temporary employee is one who is hired for a period not to exceed three months, except that such period may be extended by mutual agreement between the District and the Union. Notwithstanding mutual agreement to extend, if an employee works beyond that period of time it shall be credited as part of the probationary period, and the employee shall be reclassified to regular status.

Temporary employees shall not be eligible for holiday, optional holiday or vacation pay, welfare plan coverage and bidding rights.

Temporary employees shall accrue and be allowed to utilize sick leave at the minimum levels as defined by California law. (Amended 2015)

7.4. A regular employee is one who has satisfactorily completed his or her probationary period.

7.5. A regular employee who is laid off because of lack of work shall resume his or her status as a regular employee in accordance with the rules and regulations of the District's Benefit Plans, if he or she returns to employment within two (2) years. However, employees who leave the

¹ For purposes of benefit eligibility only, the date of hire if between the 1st through the 10th of a month will be considered the 1st of the month in which hired. If the date of hire is the 11th of a month or later, the date of hire will be considered the 1st day of the following month.

service of the District for any other reason shall, if and when reemployed, be considered as new employees and shall be required to complete a new probationary period.

7.6. a) The District reserves the right to require the employees in the following classifications to obtain and retain in good standing an appropriate Class "A" Driver's License: Line Crew Foreman, Lineman, Service Technician, Troubleman and Apprentice Lineman (Top Step). (Amended 2010)

b) All employees shall be allowed three (3) good faith attempts within a one (1) year period to obtain a Class "A" Driver's License. If, after three (3) attempts, the employee fails to obtain such a license, the District and the Union shall meet to discuss the employee's options.

(1) The District shall not discharge an employee who was hired prior to January 1, 1991 for his or her failure to obtain a Class "A" Driver's License in three (3) good faith attempts as defined in Section 7.6(a) of this MOU.

(2) An employee who was hired prior to January 1, 1991 shall not be reduced in classification or suffer a loss of compensation for failure to retain a Class "A" Driver's License due to medical reasons.

c) The District shall pay all reasonable costs borne by an employee in obtaining and renewing a Class "A" Driver's License under this Section of the MOU.

ARTICLE VIII.

GROUP INSURANCE AND RETIREMENT PLANS

8.1. All group benefit plans shall remain in effect and shall not be changed or reduced with the signing of this MOU, except as mutually agreed, and shall hereby become a part of this MOU as is fully set forth herein; provided, however, except for the Retirement Plan, employees shall have the choice of accepting or rejecting the above-mentioned plans.

a) The District shall pay 100 percent of the full premium costs of the medical, dental, vision care, group life insurance, short-term disability, and long-term disability for all regular employees, regular part-time employees who work at least 20 hours per week, and employees on short-term disability. All employees who have dependent coverage shall pay twenty-five dollars (\$25) per month toward the dependent coverage. (Amended 2015)

b) When an employee terminates his or her employment with the District for any reason other than retirement, short-term or long-term disability, the benefits described in this Article shall terminate at the end of the month for which the premium is paid. When an employee qualifies for the District's Long-Term Disability Plan for sickness or injury on or off the job, his or her benefits shall continue for a period of time equal to the length of service with the District, but not less than two (2) years.

c) When an employee who was hired prior to July 1, 2011, retires from the District with ten (10) years or more of service and is fifty-five (55) years of age, or an employee who was hired after July 1, 2011, retires from the District with fifteen (15) years or more of service and is

fifty-five (55) years of age, the District shall pay the full premium of the medical, dental, vision care and life insurance as provided in Section 8.2 below. It is understood by the District and the Union that once a retired employee as described in this section reaches his or her 65th birthday, the premium costs for dental and vision care shall not be paid by the District and the benefits described in this section shall be considered secondary to other similar benefits to which the employee is entitled.

d) Employees who retire from the District on or prior to June 30, 2011, shall maintain retirement health and welfare benefits existing at the time of retirement.

e) The parties agree that persons who are eligible for retirement benefits under the District's retirement plan ("Plan") are vested in their benefits under said Plan.

8.2. The District shall provide a basic life insurance policy to all employees described in 8.1(a) of this MOU. The policy shall be for an amount equal to two times the employee's annual base salary, as determined on December 31 each year and rounded to next higher \$1,000. The policy shall be reduced by 35% on the first day of the month in which an eligible employee reaches age 65. When an employee retires in good standing from the District and has been employed by the District pursuant to Section 8.1(c) of this MOU for a minimum of ten (10) years, the District shall provide, at no cost to the employee, a basic life insurance policy in the amount of \$20,000. (Amended 2015)

8.3. The District reserves the right to make such changes, additions or deletions which are mutually beneficial. Whenever such changes occur, the District shall give prior notice to the Union.

a) The District shall provide a retirement plan for all employees, except temporary employees and regular part-time employees who work less than twenty (20) hours per week. The District shall make monthly contributions of fifteen percent (15%) of the employee's base wage. Employees on short-term disability or long-term disability shall not be eligible to receive monthly contributions of a percentage of the employee's former base wage rate or the employee's disability payment. (Amended 2015)

b) In addition to the District-funded plan above, the District will offer a deferred compensation retirement plan to those employees set forth in Section 8.3(a) and will match employees' contributions up to a maximum of six (6) percent of base wages, subject to the applicable contribution limits to employees defined in Section 8.3(a). (Amended 2010)

c) Employees described in Section 8.3(a) of this MOU shall be eligible for and vested in the retirement plan six months after their date of hire. (Amended 2007).

ARTICLE IX.

HOURS OF WORK AND OVERTIME

9.1. The regular day shift for all employees covered by this MOU shall be worked between the hours of 8:00 a.m. and 5:00 p.m., except the regular hours of work may be changed by mutual agreement between the District and the employees involved, exclusive of the lunch period which shall not exceed one (1) hour unless mutually agreed between the District and the Union. An employee's lunch period may be scheduled between 11:00 a.m. and 2:00 p.m. by mutual agreement between the employee and the supervisor in charge. An employee who is required by the Business Office Manager (clerical), Electric Operations Manager (physical), General Manager (either), or their respective designees, to work during his or her scheduled lunch period shall be paid for the lunch period at the rate of two (2) times the regular rate, except that the scheduled lunch period may be advanced or delayed one (1) hour without the payment of overtime if such change is due to operating necessity. (Amended 2010)

9.2. Five (5) consecutive days shall constitute the basic workweek. The basic workweek shall be Monday through Friday.

5:01 p.m. Friday to 5:00 p.m. the following Friday shall constitute the work period. (Amended 2010)

9.3. Time worked in excess of forty (40) hours per week shall be considered overtime and shall be paid at the rate of two (2) times the regular rate of pay. (Amended 2007)

a) (1) Paid vacation, sick leave, holiday, optional holidays and rest period time off shall be considered "hours worked" for purposes of calculating overtime pay.

(2) Paid vacation, sick leave, holiday, optional holidays and rest period time off shall be considered "hours worked" for purposes of calculating vacation earnings, sick leave accrual, optional holidays and holidays. (Amended 2010)

b) Employees who have scheduled vacation or scheduled sick leave usage, and whose total hours for the work period including such leave exceed 40 hours, shall only be charged the appropriate hours of vacation or sick time such that they achieve pay for a regular 40-hour week. For example, if by the 4th day of the typical work week, an employee has already worked 36 hours, and the employee already has the 5th day scheduled for vacation, the employee would only be required to use 4 hours of vacation on the 5th day, but would have the entire day as an excused absence. (Amended 2007)

c) By mutual agreement between the employee and the District, and subject to operational needs, an employee who has not scheduled leave as referenced in 9.3(b), but who has worked more than 40 hours prior to the end of the typical work week, may take the remainder of the work week (or portion of it) as excused time off without the absence being charged against the employee's vacation leave or sick leave balance. (Amended 2010)

9.4. In addition to receiving regular holiday pay (eight (8) hours at the straight-time rate), employees shall be paid two (2) times the regular straight time rate for time worked on the holiday. (Amended 2010)

9.5. Employees called out for overtime duty shall receive at least two (2) hours pay at the applicable overtime rate. Overtime work extending into or beyond scheduled hours of work on a workday shall be paid at applicable overtime rate for actual hours worked. Each employee shall receive travel time in the amount of fifteen (15) minutes each way for each call-out, at the applicable overtime rate, except that if such call-out extends into scheduled hours of work, travel time one way in the amount of fifteen (15) minutes shall be allowed. If overtime is an extension of regular scheduled hours of work, or prearranged, no travel time shall be allowed. All work performed on overtime call-outs shall be limited to emergency work and service calls. The foregoing shall not preclude the District from scheduling prearranged work outside of regular work hours. (Amended 2007)

a) An employee who has completed a normal work shift and is ordered back to work shall be credited with a minimum of two (2) hours work time.

b) When such an employee is called back under these conditions within two (2) hours of the beginning of a previous call or an additional call back is received while still working on an earlier call back, the employee shall not receive an additional two (2) hours credit for the new call back.

c) When such an employee is called back within two (2) hours of the beginning of the employee's next shift, the employee shall be compensated only for the hours remaining before the beginning of the employee's next shift.

9.6. a) Except as provided for in Section 9.6(b), it is understood no employee is required to "stand-by" for emergency or service call-outs after the regular work day or work week; provided it is further understood employees shall be willing to respond to emergency or service call-outs, provided such employees are available when called. It is not expected that employees who are ill or on vacation shall be expected to respond to such call-outs. (Amended 2007)

b) Standby Duty: All journeymen line crew personnel shall be required to rotate standby on a weekly basis from Friday at the end of their regular shift to the following Friday at the beginning of regular shift. (In the event that a holiday falls on Friday, then standby for said week shall begin on the preceding work day at the end of their shift.) A District vehicle and cellular phone shall be provided to employees when assigned to standby duty. Effective July 1, 2015, the standby pay shall be \$800.00 per week. In addition, each employee who is on standby duty on a "Recognized Holiday" shall be entitled to an additional \$75.00 reimbursement. However, the District shall not pay this additional fee for more than ten (10) holidays per calendar year. (Amended 2015)

9.7. If an employee has worked for six (6) hours or more outside of their regular day shift or worked six (6) hours or more during non-scheduled work hours during the twelve (12) hour period immediately preceding the beginning of his regular work hours on a workday, he shall be entitled to a rest period of eight (8) consecutive hours on the completion of such work. (Amended 2015)

a) There shall be included as hours worked in such twelve (12) hour period as described above any travel time and in-lieu meal period time to which the employee is entitled when emergency or prearranged work is performed. (Amended 2015)

b) If the eight (8) hour rest period overlaps his regular work hours but does not extend into the second half of his workday, the employee may be excused from reporting for

work until the beginning of the second half of his workday. If the rest period extends into the second half of his workday, the employee may be excused from reporting for work until the following workday. Employees observing a rest period as defined here will receive pay at the straight time for either one-half shift or full shift. (Amended 2015)

c) Notwithstanding the foregoing, an employee may be required to work during regular work hours on a workday without having a rest period of eight (8) hours, in which event he shall be paid at the overtime, if applicable, rate for all work performed until he has been relieved from duty for at least eight (8) hours.

9.8. The District shall furnish board and lodging for all employees sent on out-of-District work. This rule is not to apply to noontime meals where employees are notified prior to the end of the preceding workday that they are to be sent out of District and they are returned to headquarters at the end of the day. In accordance with the foregoing provisions, only one notification shall be required prior to continuing out-of-District job assignments.

9.9. Employees of all departments shall travel from job to job on the District's time and shall report at their appropriate headquarters.

9.10. Employees relieved from duty during the first half of the day or shift shall be paid not less than one-half (1/2) day's pay. If relieved after having been on duty more than one-half (1/2) day, they shall be paid a full day's pay, except that if they are relieved at their own request, or for not being fit for duty, they shall be paid only for time worked and any accrued paid time they choose to use. (Amended 2007)

9.11. The District shall endeavor to distribute overtime as equally as practicable within a classification and post the overtime distribution list monthly.

9.12. a) The parties recognized that the intent of this provision is to provide a meal to employees whose normal meal practice has been disrupted. Such meals should be comparable to the normal one disrupted, adequate in quantity and quality and reasonable in price. In the event no such services are available, then an adequate substitute meal shall be provided. However, employees who must report to a remote location to perform work during the regular work day shall take lunch provisions with them to the job site. (Amended 2007)

b) Employees eligible for the paid meal benefit are those who:

- (1) Are required to work through their lunch period (as described in Section 9.1 and subject to the advance/delay limitation);
- (2) Are held over beyond the end of the regular shift for two (2) or more consecutive hours; or
- (3) Are called out and work more than four (4) consecutive hours.

c) When the meal period is triggered by §9.12(b)(2) or §9.12(b)(3) above, the intent of this provision is that the paid meal benefit would be available every four hours during the consecutive held-over or called-out hours worked until the employee is released from duty. (Amended 2007)

d) Employees qualifying for a meal as outlined above shall be paid at the applicable rate for the time necessary to consume the meal, except that when meals are eaten after release from work the time necessary to consume the meal shall not exceed one (1) hour.

e) Employees shall be paid for one hour at the applicable overtime rate in lieu of entitled meal periods completely missed due to critical operational demands. (Amended 2010)

f) Although the intent of the meal benefit is to encourage employees to eat a meal, employees who are eligible for the meal benefit as described above may, at their discretion, elect to receive an "in lieu of meal" cash payment of twenty-five dollars (\$25) for all in lieu of meals earned between 5:00 P.M. and midnight and a cash payment of eleven (\$11) dollars for all others. (Amended 2015)

9.13. When employees are instructed before the end of their last regular work shift to report for duty before their next regular starting time or during or outside of their regular work hours on non-workdays, the meal arrangements of a regular workday shall prevail.

9.14. a) If an employee is required by the General Manager, Electric Operations Manager, or Business Office Manager, or respective designee to work in a job classification higher than his or her regular classification (i.e., to perform substantially all of the duties of that higher classification) for two consecutive hours or more, the employee shall be paid an additional rate for all hours worked in the higher classification to the nearest one-quarter hour. Employees so assigned shall be paid at the first step of the classification to which they are assigned or 5% whichever is greater. (Amended 2015)

b) Subject to the requirements of Section 9.14(a) above, the District shall upgrade a Lineman to the position of Line Crew Foreman when the Line Crew Foreman is absent for an undetermined period of time, or for a known period of time, not to exceed three (3) months as follows:

- (1) The Lineman receiving the upgrade shall be from the same crew as the Line Crew Foreman.
- (2) In upgrading a Lineman as outlined in this section, the District shall use the criteria provided for in Section 10.4, Items 1, 2 and 3, of this MOU.
- (3) When the absence of the Line Crew Foreman exceeds, or is expected to exceed, three (3) months, the upgrade of Lineman shall be on a District-wide basis.

9.15. Flexible Makeup Time Policy. With advance approval of the Business Office Manager (for clerical), Electric Operations Manager (for physical), or General Manager (either) or their respective designees, employees may use up to four (4) hours of scheduled work time to attend to personal matters without utilizing accrued leave so long as he or she makes up that time elsewhere within the same workweek. Approval of makeup time requests is subject to management discretion based on the operational needs of the organization. (Amended 2010)

a) The District shall apply these provisions fairly and equitably. (Amended 2007)

b) Utilization of makeup time shall be by advance mutual agreement between the District and the employee, including determining when the time shall be made up. If the time is

not made up as agreed, accrued leave shall be required or the time shall be unpaid. (Amended 2007)

c) Nothing in the makeup time policy shall preclude employees from using accrued leave subject to Articles 14 and 15. (Amended 2007)

ARTICLE X.

SENIORITY

10.1. District seniority is defined as the length of an employee's continuous service with the District since his/her employment date, including predecessor companies. This District seniority shall be considered in such matters as: vacation selections/accruals, retirement, promotion, demotion, shift selection, rehire of laid off employees, and other benefits.

10.2. Whenever a vacancy occurs in a regularly established classification, (except College Student), the District shall post notice of such vacancy, along with the job description and wage rate, for a period of ten (10) working days. At the same time, the District shall furnish the Shop Steward a copy of this bulletin. If no written applications are received from regular qualified employees within a period of ten (10) working days after the job classifications are posted, the District may then fill the job from either within or outside the District with an employee of its choice.

10.3. Whenever a vacancy occurs in any job classification, the District may, at its discretion, temporarily fill such vacancy. If practical, any such temporary appointment shall be given to the employee who would be eligible therefore under the provisions of this MOU. In any event, temporary vacancies not exceeding ten working days may be filled by employees within affected departments at the sole discretion of management.

10.4. It is understood and agreed that in all cases of job bidding, the following factors shall be considered and where factors one (1) and two (2) are sufficient, factor three (3) shall govern:

1. Knowledge, training, ability, skill, adaptability and efficiency.
2. Physical fitness required for the job.
3. Seniority.

Notwithstanding any other provision in this MOU, employees demoted as a result of lack of work shall be given preferential consideration to fill their former classification should such classification become vacant.

10.5. When it becomes necessary for the District to lay off regular or probationary employees due to lack of work, the District shall give employees concerned as much notice as possible, but in no event shall employees receive less than ten (10) working days' notice of layoff; or the District may give ten (10) days' pay in lieu thereof. Where temporary employees are involved, no notice of layoff is required. Layoff in all cases due to lack of work shall be determined by District seniority and qualifications. (Amended 2010)

Layoff and Demotion Procedure

1. Affected employees shall be those with the least District seniority in their classification, and shall, in return, affect the junior employee in the same wage range or next lower wage range. Upon exhaustion of department demotion rights, further demotions are to be made to the junior employee in the remaining departments. In the event the employee is not qualified to work in this classification, he may displace the next junior employee in a classification for which he is qualified.

It is understood that affected employees shall (seniority being sufficient) displace the employee junior to them in the District seniority in the same or next lower classification (determined by wage rate) unless they are, by their written admission, not qualified or choose not to fill said classification, in which event they may demote into the next successively lower classification/wage range. Unless the District can substantiate the employee's inability to perform the duties of said classification the employee shall be granted a thirty (30) calendar day trial period as set forth herein.

2. In the event more than one employee is to be demoted, the senior employee shall have the total number of options as there are demotions, with the next senior having one less than the total, and so on.
3. Journeyman who can demote an Apprentice shall retain Journeyman status.
4. All demotions and layoffs are to be based on the District seniority and qualifications. The "bumping" party must be willing and qualified to assume the job duties.
5. Employees shall have preferential rehire rights over persons outside the District to jobs for which they are qualified for a period of 24 months.

10.6. The District seniority for employees who are members of the Armed Forces shall accrue while they are absent on military duty.

10.7. The District shall prepare, upon request, a seniority list by classification for posting on the bulletin boards, and a copy of said list shall be provided to the Union. (Amended 2010)

10.8. a) When an employee moves to a classification, he shall be placed at the wage rate nearest to, but not lower than, his present wage rate.

b) When an employee moves to a classification having a lower rate than his present classification, he shall be placed at the wage nearest to, but not higher than his present wage rate, or 80% of his present wage rate, whichever is higher.

c) Notwithstanding the foregoing, an employee moving into an apprentice classification shall be placed at the beginning wage step or in a step commensurate with his previous experience and training.

10.9. Any new job classification or revision of present job classification covering work normally performed by employees within the bargaining unit shall first be discussed with the Union, and the rate established for such work shall be that mutually agreeable to the parties hereto.

10.10. Demotion/Layoff Clarification:

Both parties further agree that in the event of future demotion/layoffs, and seniority being sufficient, Linemen shall be allowed to bump Troublemens; and Meter Readers shall be allowed to bump Clerks. An individual who bumps into one of these positions shall be on probation in the new position for thirty (30) calendar days and can be removed from the classification if he/she is found to be unqualified or unable to perform the duties of the position. (Amended 2010)

ARTICLE XI.

GRIEVANCES

11.1. All questions or disputes relating to the interpretation or application of this MOU shall be considered grievances. Grievances shall proceed in the following manner:

a) Step 1 - Oral - Any Union or individual employee grievance shall be orally presented to the employee's supervisor or his alternate by the Shop Steward or his alternate. Such oral presentation shall be documented on the form approved jointly by the District and the Union. The parties agree to make every effort to resolve the issue at this step. If a grievance relating to discharge for cause or suspension is not presented within fourteen (14) calendar days from the date of said discharge or suspension, the right to grieve is waived and all further action is barred. Other grievances are similarly waived and further action thereon barred if they are not raised within thirty (30) calendar days after the occurrence or within thirty (30) calendar days after the employee knew or should have reason to know of the occurrence giving rise to the grievance. (Amended 2007)

b) Step 2 - Written - If the grievance is not resolved within ten (10) working days following its presentation in Step 1, the moving party shall reduce the grievance to writing on the form adopted for such purpose and the matter shall be presented within ten (10) working days to the District General Manager, who shall respond in writing within ten (10) working days. If not presented within ten (10) working days, the right to grieve is waived and all further action is barred.

c) Step 3 - Appeal - If the grievance is not resolved within ten (10) working days following the District General Manager's answer in Step 2, the moving party may, in writing, refer the grievance to the District Board of Directors who shall then hear the grievance on a date mutually agreed by the Union and the District. At such hearing, the Union shall present the grievance to the Board. If the grievance is not so referred to the District's Board in writing within such ten (10) working day period, the right to grieve is waived and all further action is barred.

d) Step 4 - Mediation - If a grievance is not resolved in the third Step, the fourth step shall be referral by the Union to mediation within twenty (20) working days of the action taken by the Board in Step three. Whenever a grievance is referred to mediation, either the Union or the District General Manager may request that the California State Mediation and Conciliation Service refer a State Mediator. The Mediator shall assist the parties in the resolution of the grievance in the same manner as that which is normally used in the mediation of interest disputes. The Mediator shall have a non-binding recommendation of settlement. Referral beyond Step 4 shall not occur until a Mediator has released the parties from the mediation process. (Amended 2010)

11.2. Step 5 - Arbitration - Any dispute arising hereunder which is not settled satisfactorily through Steps 1, 2, 3 and 4, shall at the request of either party, be submitted to, and decided by, a Board of Arbitration to be selected in the manner specified hereinafter.

a) The Board of Arbitration referred to above shall be comprised of three (3) members: one (1) appointed by the District through its Board of Directors, one (1) appointed by the Union through its Business Manager, and one (1) to be chosen by the two (2) so selected. In the event the two (2) members selected by the District and the Union are unable to agree on the selection of the third (3rd) within three (3) days after meeting for that purpose, they shall then request the Federal Mediation and Conciliation Service to nominate three (3) persons from which the third (3rd) member shall be selected. The District may challenge one (1) of these nominees presented and the Union may likewise challenge one (1). The party having first (1st) challenge shall be decided by lot. The nominee so selected shall become the third (3rd) arbitrator.

b) No sooner than thirty (30) working days, but no later than fifty (50) working days following Step 4 under Section 11.1(d), the moving party may notify the other party of its request for Arbitration. The request for Arbitration shall include the moving party's nomination of its Arbitrator. The responding party shall then, within twenty (20) working days from receipt of the moving party's request, serve written notice upon the moving party of its Arbitrator. Within twenty (20) working days thereafter, the two Arbitrators shall meet to choose the third Arbitrator.

c) The Board of Arbitration shall conduct a hearing on the matter at issue and both parties shall be allowed to present such evidence and make such argument as they see fit.

d) Either party may call any employee as witness in any proceeding before the Board of Arbitration, and if the employee is on duty, the District agrees to release him from duty so that he may appear as a witness. The Union agrees, in case it is necessary to call the District employees as witnesses that due consideration shall be given to efficient operation of the crews.

e) If an employee is called by either party to appear before the Board, the party calling him shall reimburse him for all expenses, including lost time.

f) Each party shall bear the expense of preparing and presenting its own case and the expense of its own Arbitrator.

g) The expense of the Third Arbitrator shall be borne equally by both parties.

h) The District and Union agree that the majority decision of such Board shall be final and binding on both parties.

11.3. By mutual agreement, the time limits may be extended in any step of this grievance procedure.

11.4. Notwithstanding anything elsewhere contained in this MOU, any individual employee shall have the right within the time limits specified above to present grievances to the District and to have such grievances adjusted without intervention of the Union, provided that the adjustment shall not be inconsistent within the terms of this MOU, and provided further that the Union shall be given the opportunity to be present at such adjustment.

11.5. Upon request by an employee, the District shall provide the employee with a Shop Steward during any discussion between management and the employee, which are investigatory or disciplinary counseling in nature or when meting out discipline.

ARTICLE XII.

WORKING SAFETY COMMITTEE

12.1. The District shall make reasonable provisions for the safety of employees in the performance of their work. The Union shall cooperate in promoting the realization of the responsibility of the individual employee with regard to the prevention of accidents.

12.2. The number of employees serving on the District Safety Committee shall be not less than two (2), one of whom shall be a member of the bargaining unit. Selection of the Committee shall be by majority vote.

In establishing said committee, it is specifically recognized and acknowledged that the employer is obligated to provide to the employee a safe and healthy place of employment and that the operation and/or establishment of the aforementioned committee shall in no way relieve the employer of that obligation.

12.3. Every employee is urged and expected to make recommendations in writing at the time a work deficiency or unsafe condition is discovered. This recommendation shall be made to the District Safety Committee.

12.4. A safety meeting shall be held regularly once each month; such meetings to be held during employee's work time.

12.5. The District shall draft reasonable safety rules. The Union may submit suggestions to the District regarding revisions and enforcement of such rules, and the District agrees to meet with the Union for purposes of discussion of the Union's suggestions. In the event any employee violates said safety rules set up by the District, the District reserves the right to take disciplinary action, including a written reprimand, suspension for a period of time without pay, or discharge, however, employee shall not lose his seniority which he might accrue during the period of suspension.

ARTICLE XIII.

HOLIDAYS

13.1. Regular full-time employees are entitled to receive eight (8) hours of holiday pay at their straight time rate of pay for the following holidays:

RECOGNIZED HOLIDAYS

New Year's Day (January 1st)
Presidents' Day (3rd Monday of February)
Memorial Day (Last Monday in May)
Independence Day (July 4th)
Labor Day (1st Monday in September)
Veteran's Day (November 11th)
Thanksgiving Day (4th Thursday in November)
Friday after Thanksgiving
Christmas Eve (December 24th)
Christmas Day (December 25th)

All regular part-time employees as defined in Article 8.1(a) are entitled to receive holiday pay at the straight-time rate of pay based on the formula below². (Amended 2010)

OPTIONAL HOLIDAYS

Beginning January 1, 2012, employees shall receive forty (40) hours of Optional Holidays annually.

Optional holidays may be scheduled anytime during the calendar year by mutual agreement between the District and the employee. Optional holidays not taken by October 1 of any year shall be scheduled for the remainder of the year as provided above.

The holidays set forth above shall be observed on the days of the week established by State or Federal statutes or by local custom, whichever is most prevalent.

13.2. When any of the above holidays falls on a Sunday, the Monday following shall be observed as the holiday and if on a Saturday, the preceding Friday shall be observed as the holiday. (Amended 2010)

13.3. If an employee takes off any of the above-named holidays and is absent without a bona fide reason on the workday either immediately preceding or following such holiday, he shall not receive pay for the holiday.

² Hours Defined as "Hours Worked" During the Pay Period ÷ Hours in the Pay Period (Typically 80) × Holiday Hours = Paid Holiday Hours

13.4. If any of the above authorized holidays occurs on a workday within the employee's paid vacation entitlement, it shall be counted as a holiday and a regular day of vacation shall not be charged in lieu of such holiday.

13.5. Employees shall not be entitled to holiday pay while on unpaid leave as described in Article XVI. (Amended 2010)

ARTICLE XIV.

VACATIONS

14.1 Regular full-time employees earn paid vacation on an annual³ basis as described in the following matrix: (Amended 2015)

Year of Service in Which Earned	Available for Use Annually within indicated year	Vacation Hours	Hours Earned Per Pay Period	Number of Paid Leave Days per Anniversary
1st-4th	2nd-5th	80	3.076923	10
5th	6th	88	3.384615	11
6th	7th	96	3.692308	12
7th	8th	104	4.000000	13
8th	9th	112	4.307692	14
9th	10th	120	4.615385	15
10th	11th	128	4.923077	16
11th	12th	136	5.230769	17
12th	13th	144	5.538462	18
13th	14th	152	5.846154	19
14th	15th	160	6.153846	20
15th	16th	168	6.461538	21
16th	17th	176	6.769231	22
17th	18th	184	7.076923	23
18th	19th	192	7.384615	24
19th	20th	200	7.692308	25
20 th	21 st	208	8.0	26
21 st	22 nd	216	8.307692	27
22 nd	23 rd	224	8.615384	28
23 rd	24 th	232	8.923076	29
24 th	25 th	240	9.230769	30

³ For this purpose, annual is defined as being the twelve month period beginning with date of hire which establishes the anniversary period (See Sec. 7.2 for definition of “date of hire”).

Regular part-time⁴ employees as described in Article 8.1(a) shall earn paid vacation to the extent vacation credits are earned during the preceding year based on the formula below. (Amended 2010)

As set forth above, vacation is earned on a basis consistent with the above matrix. An employee may not earn more than the maximum number of working days in vacation hours as set forth in the table within Section 14.1. Use of earned vacation is subject to the scheduling requirements noted in Section 14.4. Employees hired on or before the 10th of the month shall be allowed service credit for the full month. Service with LMUD and its predecessors shall be recognized in computing vacation accruals. (Amended 2010)

14.2 All employees who accrue 250 hours of unused sick leave during any calendar year (or a multiple thereof) shall be allowed an additional 40 hours bonus vacation in the following pay period. However, the employee shall only be allowed to use each 250 hours of unused sick leave or multiple once to receive additional bonus vacations, or otherwise reach the next 250 hours plateau before obtaining the right to additional bonus vacations.

- a. Employees may convert unused sick leave to vacation subject to the following restrictions:
 1. Conversions shall be at 35% of value, i.e., 10 hours of sick leave is converted to 3.5 hours of vacation
 2. Employees may only convert hours in excess of 500.
 3. Hours for which an employee has received “bonus vacation” are not eligible for conversion.
 4. Converted hours will be deducted from the employee’s sick leave balance.

Example 1: Employee has accrued 749 hours of unused sick leave and may convert a maximum of 249 hours at 35%. $249 \text{ hours of unused sick leave} \times 35\% = 87.15 \text{ hours of vacation.}$

Example 2: Employee has accrued 850 hours of unused sick leave and may convert a maximum of 100 hours at 35%. $100 \text{ hours of unused sick leave} \times 35\% = 35 \text{ hours of vacation.}$ (Amended 2015)

14.3 Employees shall not earn vacation while on unpaid leave as described in Article XVI. (Amended 2007)

Time off duty while on paid leave shall be counted as time worked when computing earned vacation leave accruals. Time off duty on any unpaid leave shall not be counted towards earned vacation.

⁴ Regular Part-time Employees (As defined in Sec.8.1(a)): Employees working part-time shifts shall be allowed annual vacations with pay to the extent vacation credits are earned during the preceding year in accordance with the following formula:

$$\text{Hours defined as "Hours Worked" During the Pay Period} \div \text{Hours in the Pay Period (Typically 80)} \times \text{Hours Earned per Pay Period (Table Preceding Sec. 14.1)} = \text{Accrued Vacation Hours}$$

14.4 (a) As provided in 14.1 above, and consistent with operational needs and the Union's seniority system for bidding vacations, earned vacation should be scheduled by employee and approved in advance by an employee's supervisor. (Amended 2010)

(b) Consistent with the District's operational needs, vacation allowances in excess of eighty (80) hours shall not be deferred to the following anniversary year without written approval from the District.

(c) Pay in lieu of vacation time shall not be granted unless written approval is obtained from the District. Such pay shall be given only in cases where it is impossible to grant the time off or for other acceptable reasons.

14.5 (a) Vacations may be changed or postponed due to illness, accident, approved leave of absence or other valid reasons by the District's approval. (Amended 2007)

(b) Scheduled holidays falling within a vacation period shall be counted as a holiday.

(c) Vacation Pay Upon Termination - On termination of employment, a regular full-time employee and regular part-time employee shall be paid for all earned but unused vacation time, which will be calculated on a daily prorated basis at the employee's final rate of pay in effect as of the date of the separation. In the event of death of a regular employee, vacation payment shall be made to the employee for distribution through his or her estate. (Amended 2010)

14.6 Vacation Schedules - Scheduling of vacations shall be arranged between the employees and the managers, supervisors, and department heads as early as possible each year, but no later than March 1 and posted on the District Bulletin boards by March 15th. The scheduling or assigning of vacations must, of necessity, be regulated by the District and departmental requirements.

Vacation schedules shall be arranged to avoid the necessity of work stoppage, slowing down work or the need of additional help. The employee's preference shall be taken into account as far as possible. Employees who have seniority shall be given the first choice of vacation periods.

Should an employee experience an unforeseeable change of plans, be absent on account of illness, accident or on approved leave of absence at the time his vacation would otherwise begin, the vacation may be postponed, provided arrangements are made consistent with the District and departmental requirements. (Amended 2010)

14.7 Vacation Pay - Vacation pay shall be computed at straight-time hourly rate of pay applicable to employee's regular classification as of the time vacation leave is taken.

ARTICLE XV.

SICK LEAVE

15.1 All regular full-time and regular part-time employees (As defined in Sec.8.1(a)) shall be granted sick leave privileges in accordance with the schedules contained in this Article. (Amended 2015)

Sick Leave Accrual - Sick leave time off duty shall be accrued on the basis of each pay period for regular full-time employees, and for regular part-time employees, in accordance with the formula below^{5,6}.

Regular employees hired on or before the 10th day of the month shall be allowed service credit for the full month. This makes it possible to accrue twelve (12) working days of sick leave for each year of continuous employment. Unused sick leave may be accumulated.

Time off duty while on paid leave shall be counted as time worked when computing sick leave accruals. Time off duty on any unpaid leave (as described in Article XVI) shall not be counted towards sick leave accrual.

Deductible days of absence on account of illness shall commence on and include the first workday on which the employee is absent and terminate with and include the workday preceding the workday on which the employee returns to work.

Each absence on account of illness shall be deducted from the employee's accumulated sick leave accrual in determining at any time the total number of days of sick leave to which such employee is entitled.

A doctor's certificate covering the illness and recovery may be required.
(Amended 2010)

15.2 Holidays During Sick Leave - If a recognized holiday occurs on a regular workday during the time an employee is off duty on paid sick leave, it shall be accounted for as a holiday and not as a day of sick leave.

If a holiday occurs after expiration of paid sick leave while an employee is off work due to illness, no holiday payment shall be made unless the holiday falls on the next workday following the expiration of paid sick leave.

15.3 Sick Leave Pay - Sick leave pay shall be computed at straight-time rate of pay applicable to employee's regular classification as of the time sick leave is taken.

Payment of wages in lieu of sick leave shall not be made at any time during the course of employment nor upon termination of employment, except as provided for in Section 15.7.
(Amended 2010)

15.4 General - In case of illness, the employee should promptly notify his or her supervisor or the General Manager. Whenever possible, this should be done before the regular hours of work so that arrangements can be made to carry on the employee's duties.

The purpose of this plan is to avoid loss of pay by employees during periods of illness, and also to assist in making it possible for employees to avail themselves of proper medical attention when necessary. Any abuse of these privileges may be considered just cause for immediate dismissal.

⁵ Hours worked during the Pay Period ÷ Hours in the Pay Period (Typically 80) × Accrual Rate (96 ÷ 26 Pay Periods Annually) = Accrued Sick Leave Hours (Not to exceed 96 hours annually.)

⁶ Hours to accrue per pay period in the ratio that equates to ninety-six (96) hours per calendar year.

The provisions stated above for the sick leave plan are inoperative should an employee be absent from work due to illness or an accident which is compensable under the Worker's Compensation laws of the State. Employees shall be allowed to use sick leave to augment wages only when the District is not paying supplemental benefits as defined in Section 15.6.(Amended 2015)

15.5 An employee so needing may use up to one-half of their annual accrued sick leave per year in the event his/her presence is required to attend to an illness or injury of his or her family members, including spouse, children and step-children, parents and step-parents, registered domestic partner or child of a domestic partner as defined by California Labor Code §233 and any amendments thereto. Employees may carry-over unused family sick leave, with accrual of family sick leave capped at 96 hours. (Amended 2015)

15.6 In the event an employee is disabled resulting in a temporary total disability as defined in California Workers' Compensation Act, and is eligible for said weekly benefits under the Act, they shall qualify for supplemental benefits beginning with the eleventh workday of absence following the waiting period, if applicable. The amount of supplemental benefit for each day's absence shall be 85% of the employees basic daily wage rate, less the sum of any payment they are entitled to under the Act. Reference is hereby made to the District's Long-Term Disability Plan for employees permanently and totally disabled. Payment of supplemental benefits under this section shall not exceed six (6) months from the date an employee first started receiving benefits. (Amended 2015)

15.7 An employee who obtains ten (10) years or more of District seniority shall be entitled to receive 35% of the cash value of all unused sick leave upon leaving the District for any reason except "Just Cause" termination. Employees may elect to receive payouts under this section as deferred compensation, subject to statutory or plan limitations. (Amended 2010)

15.8 Subject to the approval of General Manager, employees may transfer up to 20 percent of their accrued unpaid sick leave (not to exceed 40 hours) to the Lassen Municipal Utility District Sick Leave Pool ("Pool") to be used by other employees who meet certain eligibility requirements. The District will establish a committee of four (4) District employees, consisting of two (2) Bargaining Unit and two (2) management employees, who will distribute these hours to eligible employees at its discretion based on individual employee requests. To be eligible to request donated sick leave, employees must: (1) have a medical hardship that prevents them from working; (2) have already exhausted all of their accrued sick leave and vacation hours; (3) be absent from work for a minimum of 120 hours during a consecutive three-month period; and (4) provide medical certification of their inability to work. Donated hours will be subtracted from the donor employee's accrued sick leave hours and cannot be returned to the donor employee, except in the circumstance where the donor becomes an eligible recipient herein. The maximum amount of donated sick time an eligible employee may receive is 250 hours while employed by Lassen Municipal Utility District. Sick hours donated will not be counted toward the 250 hours of unused sick leave as outlined in Section 14.2 of the MOU for recipient employees. (Amended 2010)

ARTICLE XVI.

LEAVE OF ABSENCE

16.1 Unpaid leave of absence may be granted to regular employees for urgent, substantial personal reasons, provided adequate arrangements can be made to take care of the employee's

duties without undue interference with the normal routine of work. Leave shall not be granted if the purpose for which it is requested may lead to the employee's resignation. (Amended 2015)

16.2 A leave shall commence on and include the first workday on which an employee is absent and terminate with and include the workday preceding the day his leave expires. The conditions under which an employee shall be restored to employment on the termination of his leave of absence shall be clearly stated by the District on the form on which application for leave is made.

16.3 Except as otherwise provided herein, or as provided by applicable law, an employee's seniority shall not accrue while he is on leave without pay. However, an employee's status as a regular employee shall not be impaired by a leave of absence, and shall be in accordance with rules and regulations of the District's benefit plans.

16.4 The District shall, at the request of the Union, grant a leave of absence without pay for one (1) year or less to an employee who is appointed or elected to any office or position in the Union whose services are required by the Union. A minimum of thirty (30) days' notice shall be supplied by the Union. The seniority of an employee who is granted a leave of absence under the provision of this Section shall accrue during the period of such leave. (Amended 2015)

16.5 Military leaves of absence shall be granted as required by, and subject to the conditions of Federal and California law. (Amended 2007)

16.6 If an employee fails to return immediately on the expiration of his leave, or if he makes application for unemployment benefits while on leave, he shall, thereby, forfeit the leave of absence and terminate his employment with the District.

16.7 Death in Immediate Family - Employees called away from work due to death in immediate family, shall, in accordance with the following, be allowed time off duty with pay to attend the funeral.

An employee may request, and shall be granted, up to three (3) days off duty with pay to attend such funeral. Any further extension of time off with pay must be approved by the General Manager. Each case shall be determined by its merits and based upon recommendations from the managers and supervisors.

Members of immediate family for purposes of this section are considered to be an employee's spouse, parent, grandparent, grandparent-in-law, parent-in-law, child, grandchild, son-in-law, daughter-in-law, step-child, brother, brother-in-law, sister, sister-in-law, half-brother, half-sister, foster parents, or a more distant relative who was a member of the employee's immediate household at the time of death. (Amended 2010)

16.8 Employees shall be allowed time off with pay to serve as jurors; however, any compensation, exclusive of mileage allowances, received while serving as a juror shall be deducted from an employee's regular pay.

ARTICLE XVII.

APPRENTICESHIP RULES

17.1 An Apprentice shall work under the direct supervision of a Journeyman.

17.2 An Apprentice who has completed his sixth six-month period shall be moved to journeyman status, provided he can pass qualifying examination; such examination to be approved by the District and the Union.

17.3 Apprentices shall not work on or above circuits energized at 600 volts or more until they have completed twelve (12) months of apprenticeship and shall be eligible to undertake rubber-gloving certification in accordance with the guidelines adopted by the District following consultation with the Union. (Amended 2007)

17.4 Apprentices shall be advanced to their next six-month period only upon recommendation of the Journeyman and Line Crew Foreman with whom they are working, the Electric Operations Manager, and the General Manager. (Amended 2010)

17.5 All study materials and manuals agreed to by the District and the Union shall be furnished by the District to the Apprentice and the Apprentice shall be subject to testing related to the study material prior to advancement to the next step of his apprenticeship, as provided in Section 17.4.

17.6 Apprentice Guidelines dated May 6, 2003 are hereby referred to and incorporated by reference. (Amended 2007)

ARTICLE XVIII.

WORKING RULES

18.1 Rubber gloves, hose, hoods and blankets must be used to make as safe as possible any work performed on any pole having conductors energized in excess of 600 volts. The safety precautions taken by the crew are the direct responsibility of the Foreman in charge.

18.2 Two (2) competent electrical workers together on the same pole or fixture shall be required when performing work on wires or equipment carrying voltages in excess of 600 volts. One (1) of them shall serve principally as a "stand-by" man to render assistance in case of an accident. In no case, when working in pairs, shall they work simultaneously on wires or parts of different phases or polarities. The Foreman, or a qualified employee, shall stand by on the ground and shall serve principally as a safety observer to the workman on the pole. (Amended 2010)

18.3 All Journeymen, Troublemens, Foremen, General Foremen, and qualified Apprentices shall become certified to perform "rubber-gloving" to 21,000 volts. New employees hired into any of these positions (other than Apprentice) shall have six months within which to obtain the required certification. District will schedule and provide the employee with such certification training within the six months. (Amended 2010)

18.4 When working on energized lines with live-line tools, two (2) qualified and authorized employees shall be on the pole to do the work. As an exception to this rule, one (1) such employee may be allowed to clean insulators in uncrowded conditions, do hot meggering, make current voltage tests, connect or remove the hot taps from the fuse holders to the line, provided the fuses are removed and adequate clearance can be obtained.

18.5 a) Inclement Weather - Employees who are not required to work in the field due to inclement weather or other similar causes shall receive pay for the full day. They may

nevertheless be held pending emergency calls, given first aid, safety or other instruction or provided work in a sheltered location.

(b) In determining whether or not conditions warrant cessation of work the following factors shall be considered:

- (1) Employee safety
- (2) Public safety
- (3) Operating necessities

18.6 The Foreman, or a qualified employee shall be in attendance as safety watcher when crew is engaged in hazardous work. (Amended 2010)

18.7 (a) The District shall provide safety straps, gloves, replaceable gaffs and straps on climbers. The District shall also replace worn out climbing belts.

(b) The District shall replace, at no cost to the employee, broken or worn-out hand tools (as listed below). It is understood that any broken or worn-out hand tools, for which a replacement is requested, shall be turned in to the Storekeeper or other employee designated by the Electric Operations Manager. Personal tools, as set forth in numbers 1 through 6 below, which are lost or misplaced, will be replaced at the employee's own expense. (Amended 2010)

- (1) Pliers.
- (2) Hammer.
- (3) 12" Crescent Wrench.
- (4) Skinning Knife.
- (5) Channel Locks.
- (6) Screwdriver.

Records of tool replacement shall be maintained for the purpose of determining costs and the frequency with which tools are submitted for replacement.

(c) The first set of tools referenced in §(b) above shall be furnished by all new linemen hired.

18.8 The District shall provide prescription safety glasses (must meet Z-87 certification) (photogrey where medically appropriate) at no cost to the employee. Those employees eligible for prescription glasses include: Meter Readers, Fieldmen, Groundmen, Service Technician, Storekeeper, Warehousemen, Apprentice Metermen, Metermen, Apprentice Linemen, Linemen, Foremen, Troublemens, General Foreman and Laborers who have a need for prescription eye-wear.

The District shall contract with a local dispenser to provide District approved safety lenses and frames upon the employee providing his or her current prescription.

For those employees who do not require prescriptive lenses, the District shall supply suitable photogrey non-prescription glasses (must meet Z-87 certification).

ARTICLE XIX.

GENERAL

19.1 The District shall advise all new employees that "meter reading" may be required on their job.

19.2 All wages shall be paid in a single paycheck distributed every other Friday, and the pay period for each payday shall be the period ending at 5:00 p.m. on the Friday preceding the payday. (Amended 2007)

Direct deposit is mandatory where an employee desires an amount of their check be deducted and delivered to another financial entity requiring an individual check or other distribution to be created, other than normal payroll deductions such as Union Dues, retirement contributions, or LMUD utility payments. (Amended 2015)

19.3 (a) Quarterly joint labor-management meetings shall be held at the District offices during the months of January, April, July, and October for the purposes of improving and fostering communications and promoting harmony and cooperation between the District and the Union. At least five (5) business days prior to the meeting, and sooner if practicable, each party shall provide to the other a written agenda of the topics they wish to discuss at the meeting. (Amended 2007)

(b) The District's participants shall include the General Manger, or his designee, and other management personnel as designated by the District's General Manager. The Union's participants shall include the Union's Business Representative assigned to the District, or his designee, the District's Shop Stewards, and other full-time Union personnel as may be designated by the Union. Upon mutual agreement, other employees or non-employees, not specifically mentioned herein, may be invited to attend a particular labor-management meeting.

(c) Meeting dates in the months designated above shall be scheduled by mutual agreement of the parties, and may be canceled or rescheduled by mutual agreement.

19.4 The first six (6) months of Workers' Compensation leave and Short Term Disability leave shall be considered "hours worked" for the purposes of calculation of earned vacation, sick leave accrual and Optional Holidays. Overtime hours shall not be considered "hours worked" for purposes of calculation of earned vacation, sick leave accrual and Optional Holidays.

ARTICLE XX.

ENTIRE MOU

20.1 This MOU sets forth the full and entire understanding of the District and the Union regarding the matters contained herein. Any other prior existing understanding or agreement by the District and the Union, whether formal or informal, regarding such matters is hereby superseded. Except as provided in this MOU, it is agreed and understood that each party to this Agreement voluntarily waives its right to negotiate with respect to any matter raised in negotiations or covered by this MOU for the duration of the MOU.

ARTICLE XXI.

CONCLUSION

21.1 This MOU shall be binding upon the successors and assigns of the District and IBEW Local Union 1245. (Amended 2007)

21.2 Attached hereto and made a part hereof and marked "Exhibit A" is the schedule of wage rates applicable to all job classifications in the Lassen Municipal Utility District bargaining unit covered by this MOU.

IN WITNESS WHEREOF, the parties have executed these amendments and ratified the balance of this Memorandum of Understanding on the dates below indicated to be effective July 1, 2015.

LASSEN MUNICIPAL UTILITY DISTRICT

By: [Signature] 7-28-15
Richard Vial Date
President

By: [Signature] 7/28/15
Jay Dow Date
Treasurer

By: [Signature]
Fred Nagel Date
Vice President

By: [Signature]
H.W. "Bud" Bowden Date
Director

By: [Signature] 7-28
Jess S. Urionaguera Date
Director

LOCAL UNION NO. 1245
INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, AFL-CIO

By: _____
Tom Dalzell Date
Business Manager

By: [Signature] 8/4/15
Randy Osborn Date
Business Representative

By: _____
James Lovercheck Date
Negotiating Committee

By: [Signature] 8-4-15
Sean Norvell Date
Negotiating Committee

By: [Signature] 8-4-15
JoAnn Villalovos Date
Negotiating Committee

By: [Signature] 8/4/15
Lisa Hay Date
Negotiating Committee

APPROVED
INTERNATIONAL OFFICE - I.B.E.W.

11/23/2015

Lonnie Stephenson, President
This approval does not make the
International a party to this agreement.

EXHIBIT "A"

As explained by classification in the chart below, the following general wage increases shall be implemented under this MOU:

- 1) Effective 07/01/2015 – 2.5% GWI
- 2) Effective 07/01/2016 – CPI-U +1% (maximum 3%) see Note 1
- 3) Effective 07/01/2017 – CPI-U +1% (maximum 3%) see Note 1
- 4) Effective 07/01/2018 – CPI-U +1% (maximum 3%) see Note 1
- 5) Effective 07/01/2019 – CPI-U +1% (maximum 3%) see Note 1 (Amended 2015)

**Includes Rubber Glove incentive of 6%

Classification	Contract Year				
	<u>7/1/2015</u>	<u>7/1/2016</u>	<u>7/1/2017</u>	<u>7/1/2018</u>	<u>7/1/2019</u>
GENERAL FOREMAN**	54.96	(2)	(3)	(4)	(5)
LINE CREW FOREMAN**	52.33	(2)	(3)	(4)	(5)
LINEMAN**	47.58	(2)	(3)	(4)	(5)
TROUBLEMAN**	47.58	(2)	(3)	(4)	(5)
METERMAN	44.88	(2)	(3)	(4)	(5)
SERVICE TECHNICIAN	44.88	(2)	(3)	(4)	(5)
STOREKEEPER					
START	26.99	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	28.00	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	28.89	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	30.15	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	30.92	(2)	(3)	(4)	(5)
END OF 5TH SIX MONTHS	32.06	(2)	(3)	(4)	(5)
END OF 6TH SIX MONTHS	34.87	(2)	(3)	(4)	(5)
WAREHOUSEMAN					
START	26.99	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	28.00	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	29.73	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	31.44	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	33.34	(2)	(3)	(4)	(5)

Classification	Contract Year				
	<u>7/1/2015</u>	<u>7/1/2016</u>	<u>7/1/2017</u>	<u>7/1/2018</u>	<u>7/1/2019</u>
APPRENTICE LINEMAN					
START	33.77	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	35.33	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	36.23	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	37.63	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	38.80	(2)	(3)	(4)	(5)
END OF 5TH SIX MONTHS	40.35	(2)	(3)	(4)	(5)
APPRENTICE METERMAN					
START	33.77	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	35.33	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	36.23	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	37.63	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	38.80	(2)	(3)	(4)	(5)
END OF 5TH SIX MONTHS	40.35	(2)	(3)	(4)	(5)
GROUNDMAN					
START	31.20	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	32.28	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	33.31	(2)	(3)	(4)	(5)
SENIOR CUSTOMER SERVICE CLERK					
START	29.56	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	30.82	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	31.86	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	33.20	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	34.30	(2)	(3)	(4)	(5)

Classification	Contract Year				
	<u>7/1/2015</u>	<u>7/1/2016</u>	<u>7/1/2017</u>	<u>7/1/2018</u>	<u>7/1/2019</u>
FIELDMAN					
START	27.76	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	28.84	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	30.07	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	31.20	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	32.30	(2)	(3)	(4)	(5)
END OF 5TH SIX MONTHS	33.57	(2)	(3)	(4)	(5)
END OF 6TH SIX MONTHS	34.87	(2)	(3)	(4)	(5)
METER READER/COLLECTOR					
START	29.73	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	31.44	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	33.34	(2)	(3)	(4)	(5)
DRAFTSMAN					
START	27.83	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	29.57	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	31.41	(2)	(3)	(4)	(5)
CUSTOMER SERVICE CLERK					
START	21.97	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	23.09	(2)	(3)	(4)	(5)
END OF 2ND SIX MONTHS	24.15	(2)	(3)	(4)	(5)
END OF 3RD SIX MONTHS	25.28	(2)	(3)	(4)	(5)
END OF 4TH SIX MONTHS	26.29	(2)	(3)	(4)	(5)
LABORER					
START	22.29	(2)	(3)	(4)	(5)
END OF 1ST SIX MONTHS	23.63	(2)	(3)	(4)	(5)
COLLEGE STUDENT					
	17.78	(2)	(3)	(4)	(5)

Note (1):

1%, up to an additional 2% based on the previous calendar year CPIU average, which shall be calculated as published in the US Bureau of labor statistics table 3. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, all items index for the West Urban, Class Size D (Non-metropolitan less than 50,000). Index at February 2010 = 210.098. <http://www.bls.gov/news.release/cpi.t03.htm> Consumer price index for all urban consumers (CPI-U); selected areas, all items index for the West Urban, Class size D (Non-Metropolitan less than 50,000). Rounding will be to the nearest .5% with a maximum increase of 3%.

EXHIBIT "B-1"

BARGAINING UNIT POSITIONS -- ELECTRIC OPERATIONS DEPARTMENT

FOREMAN, LINE, WORKING

An employee who performs all classes of overhead and underground transmission and distribution line work. Must be a Journeyman Lineman and possess leadership qualifications required to have full charge of and direct a line crew. As Foreman, he is responsible for the safety of men in his charge and the progress and quality of work. A valid State Class A Driver's License is required before assignment to the job.

LINEMAN

An employee who has satisfactorily completed his apprenticeship and who performs all classes of overhead and underground transmission and distribution work. Must possess a valid State Class A Driver's License before assignment to the job.

SERVICE TECHNICIAN

An employee who has attained, by training and education, Journeyman Service Technician status. Must be thoroughly trained in all aspects of gasoline and diesel engines. Must be fully trained in performing repairs on all vehicles, ranging from passenger cars through heavy duty line equipment. Must be knowledgeable in compiling and maintaining all required fleet maintenance records and must possess a valid State Class A Driver's license within six months of hire date.

METERMAN

An employee who has successfully completed his/her apprenticeship, or equivalent training. Must have sufficient knowledge to install, test and repair electric meters, metering equipment and related electrical instruments. Employee must also be capable of using the necessary instruments to determine power, volt amperes, power factor and reactive component in electric circuits. Must possess a valid State Driver's License.

TROUBLEMAN

An employee who possesses the qualifications of Journeyman Lineman. May be assigned to work alone to answer trouble calls and service assignments on electric overhead/underground facilities. May do minor maintenance and repairs on customer equipment. Must possess a valid State Class A Driver's License.

STOREKEEPER

An employee who has charge of the District's stores and is qualified to perform all work relating to ordering, receiving, shipping, handling, storing, disbursing, and salvaging of materials and supplies. The employee shall be familiar with the District's stores accounting procedure and possess a valid State Driver's License. May at times be required to operate warehouse loading/unloading equipment.

WAREHOUSEMAN

An employee who is qualified to perform, without direct supervision, and subordinate to the Storekeeper or supervisor in charge, all work relating to the ordering, receiving, shipping, handling, storing, delivering, and salvaging of materials and supplies. Must possess a valid State Driver's License. May be required to operate warehouse loading/unloading equipment.

APPRENTICE LINEMAN

An employee who performs work as an assistant to or under the general direction of a Lineman while training for Journeyman Lineman status. May be required to work alone on jobs for which the employee has been trained or instructed. Education and general qualifications must be such that the employee is capable of attaining Journeyman status. Must possess a valid State Class A Driver's License within 12 months of appointment.

APPRENTICE METERMAN

An employee who is engaged in performing work as an assistant to or under the general direction of employees in higher rated classifications within the Meter Department while training for Journeyman. In order to gain experience for advancement he may be required to work alone or under direct supervision on jobs for which he has been trained and instructed. The employee's educational and general qualifications must be such that he is considered capable of attaining Journeyman status. Must possess a valid State Driver's License.

GROUNDMAN

An employee who performs semi-skilled work while assisting a Journeyman or Apprentice, including the use of hand tools and portable power tools; assists in overhead and underground line construction and maintenance. For training purposes, employee may be permitted to learn to climb on the job, but shall not do line work. Must possess a valid State Driver's License.

DRAFTSMAN

An employee who, under general direction prepares sketches, diagrams, single line job drawings and system maps. Make masters for job drawings and maps including operation and care of blueprint or other duplicating equipment. May assist in field work related to the foregoing and must possess a valid State Driver's License.

LABORER

An employee who performs manual work such as digging ditches, digging holes and clearing rights of way and other repetitive, unskilled work as required. Must possess a valid State Driver's License.

EXHIBIT "B-2"

BARGAINING UNIT POSITIONS -- CUSTOMER SERVICES DEPARTMENT

FIELDMAN

Is an employee who shall be required to perform electric service connects, disconnects, and collections. May also be required to assist line crews with miscellaneous duties as required. Must possess a valid State Driver's License.

SENIOR SERVICE CLERK

An employee who possesses a thorough understanding of all the District's customer service policies, customer accounting procedures, credit practices, and business office operations, and shall be required to direct the activities of others.

Qualifications:

1. Must be able to perform all clerical functions related to computer-printed lists, revenue adjustments, corrected bills and other related off-line functions as required.
2. Must be able to understand service bills, billing rates, deposit requirements, termination of service rules, tariffs, credit, and collection procedures.
3. Must be qualified to meet and talk to customers and other qualifications generally accepted as being desirable to work with the public.
4. Must be able to perform all clerical functions related to the Business Office operation.

METER READER/COLLECTOR

An employee who reads meters for any purposes, checks meter numbers to the records, reports unusual or abnormal consumptions or conditions. Performs collections at the direction of the supervisor in charge. Must possess a valid State Driver's License.

CUSTOMER SERVICES CLERK

An employee who is capable of attaining Customer Services Clerk status through the District's on-the-job training program, and who shall be required to perform all clerical duties related to customer services under the supervision of an experienced clerk and/or the supervisor in charge. The employee shall have direct and indirect customer contact and must be courteous.

EXHIBIT "B-3"

LIST OF POSITIONS WITHIN DEPARTMENTS

CUSTOMER SERVICE DEPARTMENT

ELECTRICAL OPERATIONS DEPARTMENT

Fieldman

General Foreman (1)

Sr. Cust. Svc. Clerk

Line Crew Foreman (1)

Meter Reader/Collector

Lineman (2)

Service Technician (3)

Customer Service Clerk

Meterman (4)

Troubleman (2)

Storekeeper

Warehouseman

Apprentice Lineman

Apprentice Meterman

Groundman

Draftsman

Laborer

Bidding Notes: All Bids are awarded based on the provisions of Article X.

A. Bidding Procedures:

- (1) Bidders to these positions must be qualified Journeyman Lineman.
- (2) Bidders to these positions must have completed a qualified Apprentice Lineman Program.
- (3) Bidders to this position must possess Journeyman Service Technician qualifications.
- (4) Bidders to this position must have completed a qualified Apprentice Meterman program (unless qualifications are waived by District and Union)

EXHIBIT "C"

Policy for Employees on Long Term Disability (LTD)

1. For an employee who is off duty on LTD, the entire period off duty counts toward District seniority, credited service under our retirement plan and seniority for determining future vacation credits after the employee has returned to work.

2. For an employee who is on LTD and returns to work, the only change from the above would be that the time away does not count for purposes of granting progression step wage increases in the event that the employee was not at the top step of the job classification prior to going on LTD.

3. Relative to reinstatement rights, the District uses the following criteria:

a) The District's current practice with respect to employees returning to work from LTD is to reinstate them to their former job; providing the employee is qualified, willing and able to perform all former essential job requirements, and that the employee has not been absent for more than two (2) years (on LTD).

EXHIBIT "D"

Guidelines on Performance of Bargaining Unit Work

Supervisors and other employees shall not perform work usually assigned to employees in the IBEW, Local 1245 bargaining unit classifications except:

- (a) During emergencies wherein life, limb or risk of property damage is evident and no bargaining unit personnel are immediately available.
- (b) Training or instructing District personnel.
- (c) Testing and/or inspecting District equipment.
- (d) To maintain or restore service when no bargaining unit personnel are available at all due to situations beyond the District's control.