

**MEMORANDUM OF UNDERSTANDING**

**Between**

**THE NORTHERN CALIFORNIA POWER AGENCY**

**And**

**THE HYDROELECTRIC EMPLOYEES**

**ASSOCIATION**

**DECEMBER 19, 2021 - DECEMBER 28, 2024,**



**MEMORANDUM of UNDERSTANDING**

**HYDROELECTRIC EMPLOYEES ASSOCIATION**

**INDEX**

	<u>Page No.</u>
Section 1 Recognition .....	1
Section 2 Definitions.....	2
Section 3 Compensation.....	3
Section 4 Days and Hours of Work.....	5
Section 5 Casual, Temporary and Regular Employees .....	7
Section 6 Holidays .....	7
Section 7 Agency Provided Equipment .....	10
Section 8 Overtime .....	10
Section 9 Meals and Transportation.....	18
Section 10 Temporary Assignments .....	19
Section 11 Leaves .....	20
Section 12 Vacation .....	22
Section 13 Education .....	23
Section 14 Insurance .....	24
Section 15 Retirement Plan.....	27
Section 16 Grievance Procedure .....	32
Section 17 Position Bidding.....	34
Section 18 Standby Pay .....	35
Section 19 Discipline and Evaluation .....	36
Section 20 Layoff or Reduction in Force .....	36
Section 21 Employer and Employee Rights.....	37
Section 22 Notice .....	38
Section 23 Term and Effect of Agreement.....	39
Section 24 Safety Committee Representation.....	40

**EXHIBITS**

Basic Wage Schedule - Hourly Rate Basis.....	A
Options added to CalPERS Retirement Plan.....	B

# MEMORANDUM of UNDERSTANDING

With

## HYDROELECTRIC EMPLOYEES ASSOCIATION

---

This Memorandum of Understanding is made and entered into by and between the Northern California Power Agency (hereinafter "Agency") and the Hydroelectric Employees Association (hereinafter "Association") on behalf of all employees of the Agency represented by the Association pursuant to California Government Code Section 3500 et seq. and Agency's Employer-Employee Relations Resolution (Policy No. 400-35-55).

If there is a conflict between this MOU and any state or federal statute, the statute will prevail.

The parties have met and conferred in good faith regarding employment terms and conditions of the employees represented by the Association and, having reached agreement on employment benefits and conditions, shall submit this Memorandum of Understanding to the Agency Commission with the joint recommendation that the Commission resolve to adopt its terms and conditions and take such other action as may be necessary to implement its provisions.

### Section 1 Recognition

The Agency formally recognizes the Association as the representative of those employees occupying the job classifications set forth below for the purpose of meeting and conferring in good faith with respect to wages, hours and other conditions of employment. The job classifications covered by this agreement are set forth in Exhibit A to this Agreement. The Association may retain the services of a professional business agent through Operating Engineers Local 3, but the Association remains the exclusive representative of the bargaining unit for the job classifications in Exhibit A. The Association will provide advance written notice to the Agency of any professional business agent that they wish to use in the meet and confer process.

The Agency and HEA agree to an informal process whereby HEA representatives have an opportunity to meet with and provide an orientation to new employees. Should the informal process fail to meet either the Agency's or HEA's needs, both parties will meet and confer on an acceptable process. Orientations will occur during the employee's and steward's normal work schedule at their regularly assigned work location or if outside the normal work schedule the orientation will be on an unpaid basis.

The Agency will advise the Union when a new employee in a represented classification is hired. Notification will occur as soon as possible once the employee's start date is known, but no later than the employee's actual start date. The notice will include the new employee's name, start date, job classification and work location. In addition, the Agency

will provide HEA, upon request but not more frequently than every 120 days, the following information for all HEA represented employees: name, job classification, department, work location, work phone, home phone, and personal cellular telephone numbers, personal email addresses on file with the employer and the home address of the new hire.

Agency employees, under Government Code 6254.3, may elect to withhold their home addresses, home telephone numbers, personal telephone numbers and personal email addresses. The Agency will advise HEA if an employee has made such an election.

## Section 2 Definitions

- 2.1 "Employment Date" means the latest date on which an employee began a period of service with the Agency.
- 2.2 "Service" is defined as the length of an employee's continuous employment as a regular employee. (For Layoff or Reduction in Force see Section 20.)
- (a) The following periods of absence shall count as service and shall not constitute a break in service:
- (1) Absence on a leave of absence authorized by the Agency provided the employee returns to active work with the Agency immediately following their leave of absence.
- a) (2) Absence due to a paid or unpaid illness or injury as long as the employee is entitled to receive benefits under provisions of the Disability Plan or to active work with the Agency immediately following their recovery from the illness or injury.
- (b) In the case of layoff, a regular employee shall retain their seniority date if they are re-employed within two (2) years of the date of layoff. Service time shall not include the period of layoff.
- (c) Except for (b) above, the continuity of an employee's service shall be deemed to be broken by termination of employment.
- (d) Under CalPERS rules, a leave without any Agency pay does not count toward CalPERS service credit.
- 2.3 "Impasse" means that the parties to a dispute over matters within the scope of meeting and conferring have reached a point in meeting and conferring at which their differences in positions are so substantial or prolonged that future meetings would be futile.
- 2.4 "Meet and confer in good faith" (sometimes referred to herein as "meet and confer" or "meetings and conferring") means the performance, by the General Manager or his duly authorized representative, and by the duly authorized representative of a formally recognized employee organization of their mutual obligation to meet and

confer promptly upon request by either party and continue for a reasonable period of time in order to exchange information, opinions and proposals, and to endeavor to reach agreement on matters within the scope of representation. "Meet and confer in good faith" does not require either party to agree to a proposal or to make concession.

## 2.5 Work Day

Definition of a work day or day in this MOU is understood to be eight hours.

## Section 3 Compensation

### 3.1 General

Salary ranges for the job classifications covered by this Agreement shall be as set forth in Exhibit A, attached hereto and incorporated herein.

### 3.2 Shift Premium and Temporary Upgrading

#### 3.2a. Temporary Upgrading for (Non-Supervisory) Personnel

1. An employee (non-supervisory) assigned to work in a supervisory classification, is paid for time worked in the supervisory classification at a rate of five percent above the Lead Worker provided that such time worked is not less than two hours during the work period. The employee still falls under the HEA MOU.
2. An employee (non-supervisory) temporarily assigned to work in a classification higher than their regular classification shall be paid for the time worked in the higher classification at the rate thereof, provided that such time worked is not less than two hours during the work period.
3. Assignment to classifications for a period in excess of fifteen consecutive working days shall require a Personnel Action initiated by the Manager, Hydro Facilities with appropriate approval.
4. When feasible, a non-supervisory employee temporarily assigned to a supervisory classification will be supplied Agency transportation to travel to and from home.

#### 3.2b. Wages

1. Effective the first payroll period of each calendar year of 2022, 2023 and 2024 and upon approval by NCPA's Commission, all employees listed in the job classifications shown in Exhibit A shall receive a base wage increase of 3.00% in 2022, 3.25% in 2023, and 3.50% in 2024.

2. If an employee on their annual performance appraisal receives an overall rating that is less than satisfactory, they will not advance to the next pay step until the overall rating is increased to at least “Meets Requirements” on a subsequent appraisal. A follow-up appraisal will be conducted within 90 days.
3. The wage progression of an employee who is absent on leave or absent without pay for more than ten (10) consecutive work days, will be delayed by a period of time equivalent to such leave of absence. The wage progression of an employee in a beginning or other training classification who is absent for more than twenty-five (25) consecutive days because of an industrial injury or for illness or disability, and is receiving sick leave with pay will be delayed by the period in excess of twenty-five (25) consecutive work days.

3.2c. Payment of Wages

Wages shall be paid in full in bi-weekly intervals on Fridays for a two-week payroll period. If the regular payday falls on a holiday, payment shall be made on the preceding workday.

3.2d. Shift Premium Eligibility

1. Employees scheduled to work the day shift as defined in Paragraph 4.2 do not receive a shift premium.
2. Employees regularly scheduled the night shift as defined in Paragraph 4.2 receive a shift premium of \$2.50.

Employees regularly scheduled to work the swing shift in Paragraph 4.2b receive a shift premium of \$1.25.

3. Payment of shift premium is applicable to a non-shift employee when with appropriate notice they are placed on a regular shift basis, i.e., a rotating maintenance schedule.

3.2e. Shift Premium Guidelines

1. Any shift premium payable for an employee’s regularly scheduled hours of work is paid for any time worked immediately before or following their regular hours of work. An employee required to work a shift regularly scheduled to another employee, that does not start just before or after their own regularly scheduled shift, is paid the shift premium applicable to the shift in progress at the time they starts such work.

2. When a shift premium is applicable to time worked at an overtime rate of pay, the appropriate overtime rate is applied to the shift premium.
3. Shift premiums are paid only for hours actually worked and are not paid for non-work time such as holidays, sick leave, vacation, etc. Such premiums are not paid to casual or part-time employees.
4. Shift employees working on a non-work day, a day not scheduled as a work day, receive a shift premium only when working a full, regularly established shift. Working any other eight-hour period on a non-work day does not qualify for a shift premium.
5. Shift employees' watch schedule will be posted by plant management as needed.

#### Section 4 Days and Hours of Work

##### 4.1 Normal Work Week

- (a) The normal work week shall be forty (40) hours in a seven (7) day period consisting of five (5) shifts per week of eight (8) hours per day.
- (b) The twelve-hour shift schedule is set up with a six-week work period. Each operator would work 240 hours in this period, averaging 40 hours per week. Hours worked in excess of 240 hours would be considered overtime.
- (c) The Nine-Eighty schedule shall be eighty (80) hours in a fourteen (14) day period consisting of eight (8) days of nine (9) hours, one day of eight (8) hours and five (5) days off. At supervisors discretion workdays may be scheduled for weekends when required by operational needs. Supervision will meet with the Association before weekend work commences in conjunction with a Nine-Eighty Schedule.
- (d) The Four-Ten schedule shall be eighty (80) hours in a fourteen (14) day period consisting of eight (8) days of ten (10) hours and six (6) days off. At the Agency's discretion workdays may be scheduled for weekends when required by operational needs. Supervision will meet with the Association before weekend work commences in conjunction with a Four-Ten Schedule. The Agency may also elect to have the standby Operator work a Tuesday through Friday work week.

##### 4.2 Shift and Non-Shift Employees

- (a) "Non-shift employees" are all employees who work from Monday to Friday and whose eight-hour work period is regularly scheduled to start between the hours of 0600 and 0900.

- (b) Nine-Eighty Schedule employees are all employees who work the hours described in Section 4.1C above and whose work period is regularly scheduled to start between the hours of 0600 and 0900. Start times can be adjusted as deemed necessary by supervision.
- (c) Four-Ten Schedule employees are all employees who work the hours described in Section 4.1D above and whose work period is regularly scheduled to start between the hours of 0600 and 0900. Start times can be adjusted as deemed necessary by supervision.
- (d) Employees working their assigned work schedule shall receive a one half hour paid lunch to be taken as the workload permits.
- (e) "Shift employees" are all employees whose eight-hour work period is regularly scheduled and/or regularly rotated to accomplish twenty-four hour coverage. For the performance of certain operation maintenance work, three shifts maybe required to accomplish twenty-four (24) hour coverage. The shifts and times of work are designated as follows:

0700	- 1530	Day Shift
1500	- 2330	Swing Shift
2300	- 0730	Night Shift

The start time for each of the above three shifts/day may be modified by supervision after consulting with the Association.

- (f) Twelve (12) hour "Shift Employees" are all employees whose twelve-hour work period is regularly scheduled and/or regularly rotated to accomplish twenty-four (24) hour coverage. For the performance of certain operation and maintenance work, two (2) twelve (12) hour shifts may be required to accomplish twenty-four (24) hour coverage. The shifts and times of work are designated as follows:

<u>Two Shifts/Day</u>		
0700	- 1900	Day Shift
1900	- 0700	Night Shift

#### 4.3 Nine-Eighty Work Schedule

At any time during the Nine-Eighty schedule, the Agency or the Association may discontinue the schedule after an official request has been made in writing. The Nine-Eighty work schedule will be deleted from the H.E.A. MOU at that time and the Association work week shall return to a five (5) day, eight (8) hour per day schedule. Should the Nine-Eighty schedule not comply with the Fair Labor Standards Act or not be acceptable to the Public Employer Relations Board, it will be discontinued.

#### 4.4 Four-Ten Work Schedule

At any time during the Four-Ten schedule the Agency or the Association may discontinue the schedule after an official request has been made in writing by either party. The Association work week shall return to the Nine-Eighty Schedule of eighty (80) hours in a fourteen (14) day period consisting of eight (8) days of nine (9) hours, one day of eight (8) hours and five (5) days off. Should the Four-Ten schedule not comply with the Fair Labor Standards Act or not be acceptable to the Public Employer Relations Board, it will be discontinued.

### Section 5 Casual, Temporary and Regular Employees

#### 5.0 Casual Employee

A casual employee is one hired for six months or less to fill the immediate needs of the Agency. A casual employee receives only salary. No fringe benefits are paid a casual employee. A casual employee will receive Sick Leave in accordance with the "California Healthy Families, Healthy Workplace Act."

#### 5.1 Probationary Employee

An employee hired for an authorized, regular Hydro Tech position who has not completed the probationary period for this classification.

#### 5.2 Regular Employee

A regular employee is any employee who is hired for continuous service to exceed six months and for which a permanent authorization exists. A regular employee shall acquire service and rights with respect to leave of absence, holidays, sick leave, vacation, benefit programs or similar rights and privileges. All regular employees must live and have their permanent residence within 50 miles, and within a one hour drive from the Hydro office to ensure availability for overtime and prompt response to call outs.

#### 5.3 Regular Shift Employee

Regular twelve (12) hour Shift Employees are guaranteed a minimum of 1,840 hours per calendar year under Title 29 of the FLSA unless one of the following conditions exist:

- (a) Employee voluntarily terminates
- (b) Employee is discharged
- (c) Employment begins after first day of year
- (d) Employee takes a leave of absence
- (e) Employee is laid off

### Section 6 Holidays

#### 6.1 Recognized Holidays - The following are recognized holidays:

New Year's Day	Personal Leave Day (Section 6.4)
President's Birthday	Veteran's Day
Memorial Day	Thanksgiving Day
June 19th	The Day After Thanksgiving
July 4 <sup>th</sup>	Christmas Day
Labor Day	Two Floating Holidays (Section 6.3)

- (a) In the event that any of the recognized holidays falls on a Sunday, the following Monday shall be considered the holiday. In the event that any of the recognized holidays falls on a Saturday, the preceding Friday shall be considered a holiday.

## 6.2 Holiday Pay

Holiday pay is defined as eight (8) hours pay at the employee's regular straight time hourly rate. To be eligible for holiday pay, the employee must work the last scheduled workday before the holiday or the first scheduled workday after the holiday, unless excused by the Agency. For the remaining hours required to cover a 9/80, 4/10 or 12-hour schedule the additional time (1, 2 or 4 hours) shall be taken at the option of the employee as leave without pay, vacation time, or compensating time.

- (a) Regular scheduled employees who work a holiday, which falls on a workday, will be paid one and one-half (1 ½) times for these hours in addition to their holiday pay.
- (b) The holiday pay of an employee, who is temporarily upgraded (pursuant to Section 3.2 of the MOU) other than on a time card basis, shall be based on the rate of pay for the job to which they are temporarily upgraded.

## 6.3 Floating Holiday

In addition to the recognized holidays, each employee is entitled to, two eight (8) hour floating holidays, which must be taken during the calendar year by requesting and receiving supervisory approval. Approval will be based on the Agency's operational needs as determined by the Agency. The Agency may limit the number of employees who take a floating holiday on a given day. If more employees elect a specific day than can be permitted off on that day, the preference will be given to employees with the greater service.

- (a) At the end of the last calendar pay period any unused floating holiday time will be converted to compensating time off (CTO) subject to the CTO accrual cap.

#### 6.4 Personal Leave Day

Each employee may take up to one personal leave day, which may be taken in hourly increments during the calendar year by giving the supervisor prior notice and the supervisor approving the absence based on no disruption of Agency operations. Personal leave not taken during the calendar year will be converted to compensating time off (CTO) subject to the CTO accrual cap. The Agency may limit the number of employees who take a personal leave day on a given day.

#### 6.5 Non-Work Day

If a holiday falls on a shift or non-shift employee's non-work day, the employee shall be entitled to have one (1) additional work day off with eight (8) hours pay. Such day shall be scheduled in conjunction with the employee's next scheduled vacation. Such day may be taken prior to their next scheduled vacation with the approval of the supervisor in charge:

- (a) At its option the Agency, in lieu of granting an employee an additional day off with pay, may elect to pay for one (1) day at the straight rate of pay for each holiday that falls on their non-work day.

#### 6.6 Scheduled Work Day

Shift employees may be regularly scheduled to perform work on holidays which fall on their workdays and shall be compensated therefore at 1 ½ times the base hourly rate of pay in addition to their 8 hours of holiday pay for the shift or work period involved, but shall not be entitled to travel time in connection therewith.

- (a) With supervisor approval the employees may elect to work the regular scheduled holiday at the overtime rate of pay and in lieu of receiving the holiday pay they may bank this time to be used in the following year as scheduled vacation time. This time will be posted at the beginning of each year and be scheduled the same as vacation time.
- (b) The number of such employees regularly scheduled to work on a holiday shall be kept to a minimum consistent with operational needs.
- (c) If the Agency determines that the services of an employee, who is regularly scheduled to work on a holiday, are not required, such employee, upon being notified prior to quitting time of his workday preceding the holiday, shall take the holiday off with pay.

#### 6.7 Pre-arranged or Emergency Work on a Holiday

An employee may be required to perform pre-arranged or emergency work on a holiday which falls on a work day in his basic work week, in which event they shall in addition to their holiday pay be compensated for at the overtime rate of pay.

## Section 7 Agency Provided Equipment

### 7.1 Boots

NCPA will allow employees to select a pair of work boots for winter and non-winter use. The Agency will pay up to a total of \$300 for non-winter boots; if the cost exceeds \$300 then the employee will pay the difference. The Agency will pay up to a total of \$225 for winter use boots; if the cost exceeds \$225 then the employee will pay the difference. Boots will be replaced on an as needed basis as related to fair wear and tear under normal working conditions and as demonstrated to the employee's supervisor. The minimum requirements for boots paid for by the Agency are: leather uppers, lug soles, provides full ankle support and laces up.

### 7.2 Vehicles

NCPA at its sole discretion may assign vehicles to HEA employees for use to conduct Agency business. Employees shall strictly adhere to the NCPA policy governing vehicle use by employees, and any violation of NCPA policy may lead to disciplinary action. NCPA reserves the right to modify/change the assignment and/or use of Agency vehicles for any reason. NCPA will provide written notice to an employee prior to terminating the employee's use of an Agency vehicle.

## Section 8 Overtime

### 8.1 Overtime

The Agency may schedule non-shift employees to work for periods other than their regular work hours when additional work is deemed necessary by the Agency.

#### (a) Non-Shift Employees - Schedule Change

Hours of work or work schedule for non shift employees are defined in Section 4.2. If the Agency changes the work schedule of a non-shift employee outside of the hours and days in Section 4.2, it will pay overtime compensation at the rate of 1½ times the regular rate for work performed outside the previous scheduled hours for the first four (4) workdays of any such schedule change. The first four days of overtime compensation are based on the days the employee worked under the prior schedule (e.g. if the employee did not work on Saturday/Sunday, Saturday/Sunday are not counted in the first four days). On the fifth workday, and thereafter for the duration of such schedule change, the employee will be paid at their straight-time rate, to include the applicable shift premium in Section 3.2 if the employee is working a schedule identified as "shift" under 4.2. If the change in schedule extends beyond four (4) weeks, the Agency will make its best effort to rotate the assignment of the affected employee. When the employee returns to their regular work schedule, the employee will be paid at their straight-time rate, even if less than sixteen (16) hours have elapsed between work periods.

(b) Shift Employees: Voluntary Exchange of Shift

Shift employees in the same job classification, may with their supervisor's approval, exchange shifts or work periods, provided that any such exchange is within the same workweek of the involved employees and no overtime compensation is made.

(c) Prearranged Overtime and Cancellation of Overtime

Notification prior to the end of the employee's preceding work period on a normal workday (including overtime) is considered scheduled (prearranged) overtime.

If scheduled overtime work on a non-workday or holiday is cancelled and the employee is not notified of the cancellation by the end of the employee's preceding work period on a workday (including overtime), the employee will be paid a minimum of two (2) hours overtime at one and one-half (1½) times the regular rate of pay.

(d) Overtime Compensation at One and One-half Times Regular Rate of Pay

Overtime shall be compensated to the nearest quarter-hour. If an employee is receiving cash-in-lieu of enrollment in Agency provided healthcare insurance, the cash-in-lieu monies will be included in an employee's FLSA regular rate for overtime pay purposes.

Pursuant to the Agreement reached between the Agency and the Union under Title 29 U.S.C. section 207(b) of the Fair Labor Standards Act, irregular shift employees may work a twelve (12) hour shift depending on operational needs\*.

Overtime shall be compensated at one and one half (1½) times the employee's regular rate of pay in the following circumstances:

- (1) When an eight (8) hour shift or non-shift employee works in excess of forty (40) hours in a work week.
- (2) When an eight (8) hour shift or non-shift employee works in excess of eight (8) hours in a work day.
- (3) When a twelve (12) hour shift employee works in excess of twelve (12) hours in a work day.
- (4) When a twelve (12) hour shift employee works in excess of 240 hours in a six (6) week work period.
- (5) When a Nine-Eighty employee works in excess for forty (40) hours in a seven day period.

- (6) When a Nine-Eighty employee works in excess of nine (9) hours on their long day or eight (8) hours on their short day, except as provided in Section 6.2 Holiday Pay.
- (7) When a Four-Ten employee works in excess of forty (40) hours in a work week.
- (8) When a Four-Ten employee works in excess of ten (10) hours in a work day.
- (9) When an employee works pre-arranged overtime on a non-workday.
- (10) When an employee works outside of regular scheduled work hours on a workday.
- (11) When an employee works on a scheduled holiday, which falls in the regular work week, in addition to holiday pay, they shall be paid one and one-half (1½) times for the hours worked.
- (12) When an employee reports for work on a regular workday outside of their regular work hours, the employee will be paid one and one-half (1½) times the regular rate of pay for actual work time and travel time. However, if the employee continues to work into their regular hours and beyond, the employee will be compensated by overtime only for travel time one way from their home and for actual work time up to their regular work hours. On non-workdays or holidays, they will be paid overtime for actual work time and travel time. Travel times shall be limited to a maximum of one hour each way. Excess travel time due to inclement weather or road condition delays may be paid only with supervisor approval.
- (13) If the Agency establishes a regular schedule by which a twelve (12) hour shift employee will have less than twelve (12) hours off between shifts, the employee will be paid one and one-half (1½) times regular rate of pay for anytime worked in the twelve (12) hour interval following the end of the employee's last preceding shift.
- (14) If the Agency establishes a regular schedule by which a shift employee will have less than sixteen (16) hours off between shifts, the employee will be paid one and one-half (1½) times the regular rate of pay for any time worked in the sixteen (16) hour interval following the end of the employee's last preceding shift.
- (15) If a shift employee is transferred from one schedule or work day or work hours to another, the employee shall be paid overtime compensation for work performed during regular hours of any day involved in the transfer if all following conditions are met:

- (a) The employee is notified of such transfer less than twenty-four (24) hours in advance of the starting time of the new shift.
  - (b) The employee has not had a minimum of eight (8) hours off between shifts.
  - (c) The employee has been required to work more than forty (40) hours at the straight-time rate in the affected work week.
  - (d) The employee has been required to work more than two (2) transfers from one schedule to another with only eight (8) hours off between shifts in the affected work week.
- (e) Overtime Compensation at Two Times Regular Rate of Pay

Overtime shall be compensated to the nearest quarter-hour.

Overtime compensation at two (2) times the employee's regular rate of pay will be paid in the following circumstances:

- (1) When a non-shift employee works in excess of twelve (12) hours in a twenty four (24) hour period.
- (2) When a shift employee works in excess of twelve (12) hours in a twenty four (24) hour period.
- (3) When a twelve (12) hour shift employee works in excess of sixteen (16) hours in a twenty four (24) hour period.
- (4) When an employee is called out after regular work hours or on a non-workday. The minimum time for which overtime will be paid on any call-out will be two (2) hours when the employee is required to report to the job site.
- (5) When an employee works through a rest period, until the employee is relieved from duty for eight (8) consecutive hours.
- (6) When a non-shift employee works in excess of eight hours (8) on:
  - (a) The employee's second of two scheduled days off, provided the employee has performed work on the first scheduled day off, or
  - (b) On the fourth day of four (4) consecutive days off, provided that such employee has also performed work on the third scheduled day off.

- (7) When a Nine-Eighty employee works in excess of twelve (12) consecutive hours.
- (8) When a Nine-Eighty employee work in excess of eight (8) hours on:
  - (a) The employee's second of two scheduled days off, provided the employee has performed work on the first scheduled day off, or
  - (b) The employee's third of 3 days off provided the employee has performed work on the second scheduled day off.
- (9) When a Four-Ten employee works in excess of twelve (12) consecutive hours.
- (10) When a Four-Ten employee works in excess of eight (8) hours on:
  - (a) The employee's second of two scheduled days off, provided the employee has performed 8 hours work on the first scheduled day off.
  - (b) The employee's third of three days off provided the employee has performed work on the second scheduled day off.
  - (c) The employee's fourth of four days off provided the employee has performed work on the third scheduled day off.
- (11) When a shift employee works in excess of eight (8) hours on the employee's second of two scheduled days off, provided the employee has performed work on the first scheduled day off. A work period is defined as any eight (8) hour shift or extension thereof.
- (12) When a twelve (12) hour shift employee works in excess of twelve (12) hours on the employee's second of two scheduled days off, provided the employee has performed work on the first scheduled day off.
- (13) An employee who provides telephone consultation services, when off duty and prior to 11:00 PM for trouble shooting or advice on operating or maintenance issues will receive one hour of pay at the overtime rate regardless of the time spent in consultation or the number of calls received. An employee who provides telephone consultation services between the hours of 11:00 PM and 4:00 AM shall receive two hours of pay at the overtime rate regardless of the time spent in consultation or the number of calls received. If called between 11:00 PM and 4:00 AM the employee will receive a

minimum of two (2) hours compensating rest time or time off equal to the time spent on calls (if they exceeded the two hour period). No employee shall receive more than two hours of pay at the overtime rate in any 24-hour period for telephone consultations. This paragraph does not apply to employees on standby.

(f) Relief Duties

An employee who is classified to perform relief duties shall be available for duty in revolving shifts on any day of the week and may be assigned for relief in any shift without advanced notice. Such employee shall not, as a result of relief assignments, be paid overtime for work performed during regular work hours. However, if the employee is required to report for work without having had eight (8) hours off following the end of the last preceding work period, the employee will be paid overtime for any time worked in eight (8) hour period following the end of the last preceding work period.

A work period is defined as any eight (8) or twelve (12) hour shift or extension thereof.

(g) Limit on Consecutive Work Days

Employees will not be required to work more than 21 consecutive work days without having two (2) consecutive days off at the straight time rate of pay:

- Except where hazard to life, property or emergency business situation exists;
- Employees may waive the 21 day provision and the days off with straight pay upon management approval;
- For the purposes of this section, work day is any day where an employee works at least 8 hours.

(h) Reporting for Work; Travel

An employee will report to the Operations and Maintenance office to which they have been regularly assigned and will return thereto at the end of the workday. The time spent in traveling between other assigned plant sites shall be deemed as time worked.

(i) Withholding on Paid Overtime

Income tax withholding on payments of overtime shall be based on the employee's W-4 unless the employee requests, in writing, flat rate withholding.

## 8.2 Compensating Time Off

Employees may, prior to December 15<sup>th</sup> of each year, elect to accrue overtime worked as compensating time off for the next calendar year. Thereafter, employees may stop and restart their Compensating time off during the calendar year if affected by a temporary travel assignment. Compensating time off shall be limited to one hundred forty-seven (147) regular hours in one calendar year.

- (a) Employees may elect in writing to accrue all overtime as compensating time off. After such election, all overtime worked will automatically be accrued until the one hundred forty-seven (147) -hour limit is reached. New hires may opt for CTO within two (2) weeks of hire, otherwise they may elect it at the next designated sign-up period.
- (b) Overtime accrued as compensating time off shall be converted to and accumulated as regular hours and is not based on the employee's pay rate. These hours, labeled "comp time" will be shown on the employee's pay stub in a manner similar to vacation and sick leave.
- (c) All overtime accrued as compensating time off must be taken as time off or as additional compensation by the end of the calendar year. No accrued compensating time off may be carried over to the next calendar year. Accrued compensating time off that is not taken by the end of the calendar year shall be paid with the last payroll of the year.
- (d) An employee desiring to take compensating time off must receive approval through the Hydro Manager.
- (e) An employee desiring to be paid for compensating time off must notify the Agency Payroll Department in writing at least one week prior to the date of the payment. All payments of accrued compensating time off will be included in the next payroll disbursement; this may be done one time per year.

Standby pay can be accrued as compensating time off.

## 8.3 Rest Periods

- (a) If a non-shift employee has worked for eight (8) hours or more at the overtime rate during the sixteen (16) hour period immediately preceding the beginning of the employee's regular work hours on a workday, the employee will be entitled to a rest period of eight (8) consecutive hours on the completion of the overtime work. The employee will be paid up to the end of their normally scheduled work day.

There shall be included, as part of the eight (8) hours worked at the overtime rate in such sixteen (16) hour period, any travel time and meal time to which the employee is entitled, except that any travel time and meal time to which

they are entitled after being dismissed from work will not be included as hours worked in such period, but will be included in the computation of the eight (8) hour rest period.

- (b) If a Nine-Eighty employee has worked for seven (7) hours or more at the overtime rate during the fifteen (15) hour period preceding the beginning of the employee's regular work hours on a long work day, or eight (8) hours or more at the overtime rate during the sixteen (16) hour period preceding the beginning of the employee's regular work hours on a short work day, the employee will be entitled to a rest period of eight (8) consecutive hours on the completion of the overtime work. The rest period pay shall not extend beyond the employee's normal work day.

If a Four-Ten employee has worked for seven (7) hours or more at the overtime rate during the fifteen (15) hour period preceding the beginning of the employee's regular work hours, the employee will be entitled to a rest period of eight (8) consecutive hours on the completion of the overtime work. The rest period pay shall not extend beyond the employee's normal work day.

For both Nine-Eighty and Four-Ten employees, there shall be included, as part of the hours worked at the overtime rate, any travel time and meal time to which the employee is entitled, except that travel time and/or meal time in which they are entitled after being dismissed from work will not be included as hours worked in such period, but will be included in the computation of the eight (8) hour rest period.

- (c) A non-shift employee who is required to work between the hours of 11:00 PM and 4:00 AM shall depending on operational needs, receive paid rest time at the straight time rate (if the next day is a workday), at the start or end of their next shift, equal to the time worked.
- (d) If the rest period in whole or part overlaps the employee's regular hours, the employee will receive pay at the straight-time rate for the extent of the overlap. However, the time taken during such overlap for any meal to which the employee is entitled on dismissal, will be paid at the overtime rate.
- (e) If the rest period extends into regular work hours, but not into the second half of the workday, the employee may be excused from reporting to work until the beginning of the second half of the workday. This time will be compensated at the straight-time rate of pay.
- (f) If the rest period extends into the second half of the workday, the employee may be excused from reporting to work for that work day. This time will be compensated at the straight-time rate of pay.
- (g) If an employee is called back to work during the rest period, a new rest period will commence at the conclusion of such work.

## Section 9 Meals and Transportation

### 9.1 Meals - Non-Shift Employees

- (a) If an employee is required to report to work two (2) or more hours (not including travel time) before the employee's regular work hours and continues to work into regular work hours, at the Agency's option, the employee will be provided one meal on the job or be paid for the cost of one meal, (see amount in (d)) but does not qualify for a paid meal period.
- (b) If an employee is required to perform emergency work on a non-work day or solely outside pre-scheduled regular work hours on work days, at the Agency's option, the employee shall be provided meals by the Agency, or paid for meals (see amount in (d)), at intervals of four (4) hours. The employee shall receive one-half hour off for each meal period. This one-half hour shall be considered time worked. For meal periods missed, the employee shall be paid one-half hour in addition to hours worked.
- (c) If an employee is required to work one (1) hour beyond the employee's regular work hours, at the Agency's option, the employee shall be provided a meal by the Agency, or paid for meals (see amount in (d)), one (1) hour after their scheduled work hours and at intervals of every four (4) hours thereafter. The employee shall receive one-half hour off for each meal period. This one-half hour shall be considered time worked. For meal periods missed, the employee shall be paid one-half hour in addition to hours worked.
- (d) If the Agency does not provide a meal for the employee, \$20.00 will be paid to the employee for each meal. Agency provided meals shall be a comparable substitute to an employee's usual and average meal practice at a cost similar to the amount above, and as close to the approximate time interval as reasonable.

Meal periods taken and travel times shall not be included in the determination of intervals for providing meals.

### 9.2 Meals - Shift Employees

A shift employee held over one hour beyond their regular shift shall, at the Agency's option, be entitled to (1) a meal furnished by the Agency, or (2) \$20.00, if no meal is provided, and (3) a one-half hour meal period, which shall be considered time worked. Additional meals will be provided at intervals of four (4) hours. Agency provided meal shall be a comparable substitute to an employee's usual and average meal practice.

If a shift employee is assigned to non-shift work, then the meal provisions for non-shift employees become applicable.

### 9.3 Meals – Temporary Assignments and Education

Agency to provide meals or pay the standard Continental United States (CONUS) per diem rate established by the U.S. General Services Administration when employees are off site attending Agency sponsored training or meetings for an entire day, or are temporarily assigned per Section 10.1 to work at such distance from their established location that it is impractical for them to return there, or to their regular place of abode.

For an employee traveling a partial day before or after an 8 hour or more training, meeting, or temporary assignment, the Agency will provide a meal(s) or pay a pro-rated daily per diem rate of 1/2 for 2 hours of travel or less, and 2/3 for 5.5 hours of travel or less. Partial day travel in excess of 5.5 hours will qualify for the full daily rate.

## Section 10 Temporary Assignments

10.0 An employee assigned to work at a temporary work location for an assignment greater than one (1) week, will assume the same normal schedule (i.e. nine-eighty, four-ten, five-eight) and work the same assigned hours as the work crew they are assigned to. No assignment of more than one week will result in less than forty (40) hours of pay. Work schedules and details shall be worked out before the employee leaves for the Temporary Assignment.

When an employee can return to their normal living quarters or the regular headquarters from a temporary work location and Section 10.1 does not apply, they may be reimbursed for mileage for the employee's personal vehicle use in accordance with NCPA policy. Travel pay will only be provided if the time involved to travel to the temporary work location is in excess of the time normally taken in driving from the employee's living quarters to their regular assigned headquarters. The excess time will be considered hours worked.

10.1 Employees who are temporarily assigned to work at such distance from their established location that it is impractical for them to return there, or to their regular place of abode, shall for the duration of such traveling assignment be allowed expenses for lodging and for other incidental items of expense approved in advance of the assignment.

(a) Traveling employee to receive 10% increase in base wages for duration of assignment.

(b) Agency pays reasonable expense for motel.

(c) Agency to pay actual costs upon delivery of receipts or signed expense form, not to exceed \$12.00 per week for laundry expenses.

(d) If on their non-working days any such employees remain at such designated places, their expenses for board and lodging on such days shall be paid by the Agency.

- (e) If possible, Agency is to provide transportation at the ratio of one vehicle per two employees.
- (f) Travel to and from temporary location to permanent place of abode shall be considered as time worked.
- (g) Travel to and from motel to temporary work location in excess of fifteen minutes each way to be paid at the overtime rate.
- (h) An employee who is authorized by the Agency to use their personal vehicle in connection with their duties shall be entitled to a vehicle mileage allowance at the current mileage rate in accordance with NCPA's current Travel Policy.
- (i) When such temporary assignment extends beyond the second consecutive workweek, an employee may in any succeeding workweek be allowed to return to their regular place of abode over the weekend. Expenses to be as covered in this policy.

## Section 11 Leaves

### 11.1 Sick Leave

Regular employees shall be credited with sick leave, earned on a daily basis and computed at the rate of ninety-six (96) hours per year, with no limit on the amount that may be accumulated. There will be a payoff for accumulated sick leave only in the event of termination due to permanent disability. Casual employees shall be afforded Sick Leave in accordance with the California "Healthy Families, Healthy Workplace Act" and NCPA Policy 406.4.1.

- (a) With the approval of the Plant Manager, accrued sick leave may be used only in cases of actual injury, sickness, disability, or for medical or dental treatment and is coordinated with other disability benefits. Up to 48 hours of sick leave per year may be used for illness of a member of the employee's immediate family. Immediate family includes the employee's spouse, registered domestic partner, parents, children, sibling, grandparent or grandchild. Such time off shall be noted as Family Sick Leave on the Timesheet.
- (b) Sick leave will be charged by the hour with no charge made for increments of less than one hour.
- (c) If a holiday occurs on a work day during the time an employee is absent on sick leave with pay, the employee shall receive pay for the holiday. The holiday shall not be counted as a day of sick leave.

- (d) The Plant Manager may request from the employee written proof of illness from a licensed physician for any days charged as sick leave. Such request must be made within a reasonable time.
- (e) A new employee may, if necessary, use up to forty-eight (48) hours of unearned sick leave at any time during the first six (6) months of employment. Any negative balance generated by such utilization will be charged against future accrual or deducted from the employee's final paycheck in the event of termination of employment.

#### 11.2 Medical (FMLA), Maternity and Family Care Leave

The Agency agrees to provide leaves under Agency Policy 406.6 Family and Medical Leave under the Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA).

#### 11.3 Bereavement Leave

Leave of absence with pay for three (3) working days; plus an additional two (2) working days chargeable to sick leave, vacation, or compensating time off, may be granted to an employee by the Plant Manager or their designated representative, in the event of death in the employee's family. For the purpose of this section, family is defined as: spouse, parent, parent-in-law, foster parent, child, stepchild, brother, sister, half-brother or half-sister, daughter-in-law, son-in-law, brother-in-law, sister-in-law, grandparent, grandparent-in-law, grandchild, registered domestic partner or more distant relative residing in the household of the employee.

Request for leave with pay in excess of the limits defined above shall be subject to the approval of the Plant Manager. Approval of additional leave will be based on the circumstances of each request with consideration given to the employee's need for additional time.

Consistent with the Agency's operational needs, an employee may be granted the time off with pay necessary to attend the funeral of a person the employee may be reasonably deemed to owe respect, but not to exceed one (1) working day.

#### 11.4 Military Leave

Military leave shall be granted as required by law.

#### 11.5 Jury Duty and Subpoenas

Employees required to serve on jury duty shall be granted a leave of absence with pay from their assigned duties until released by the court, provided the employee remits to the Agency all fees received from such duties, other than mileage or subsistence allowed, within thirty (30) days from the termination of jury duty.

Employees who are witnesses on behalf of, or at the request of, the Agency in any court proceeding or who are subpoenaed in any court proceeding by a third party shall be entitled to leave with pay for those hours reasonably necessary to serve as a witness, provided the employee remits to the Agency all fees received from such duties, other than mileage or subsistence, within thirty (30) days from the time the employee appears as a witness.

In all other court matters, the employee must obtain approval from the Agency before taking time off. Such time off will be treated as leave without pay.

#### 11.6 Voting

Time off with pay to vote in any general or direct primary election shall be granted as provided in the State Elections Code, and notice that an employee desires such time off shall be given in accordance with the provisions of said Code.

#### 11.7 Leave Without Pay

Leave of absence without pay may be granted to an employee in cases of personal emergency. Any leave of absence requested must be approved by the General Manager or his designee and such approval shall be based on the nature of the emergency, the estimated length of the leave and the staffing needs of the Agency.

#### 11.8 Light Duty Work

At the sole discretion of the Agency and with proper medical approval, an employee may be allowed to return to work on a light duty basis after an illness or disability. The Agency agrees to make reasonable accommodation of employee initiated requests to return to light duty.

### Section 12 Vacation

#### 12.1 Accrual of Vacation Leave

Employees shall complete six (6) months of continuous service with the Agency before using accrued vacation leave. Each employee shall be entitled to vacation accrual each year as follows:

- From date of employment to the fourth (4<sup>th</sup>) anniversary of continuous full-time service=10 days/80 hours per year.
- From the day after the fourth (4<sup>th</sup>) anniversary of continuous full-time service through the eighth (8) anniversary of continuous service=15 days/120 hours per year.
- From the day after the eight (8<sup>th</sup>) anniversary and beyond of continuous full-time service=20 days/160 hours per year.

## 12.2 Holidays During Vacation

Any holiday occurring during a scheduled vacation shall be considered a holiday and not vacation.

## 12.3 Maximum Accrual; Deferral of Vacation Leave

It is the intent of the Agency to allow represented employees to accrue up to two and one-half (2.5) times the annual accrual level for which the employee is eligible and to STOP any further accrual of vacation in excess of that level. Employees shall have opportunity to sell back any excess prior to November 30th of each calendar year. See NCPA Policy 406.3, which shall apply to staff covered under this MOU, effective the first pay period of 2016.

## 12.4 Scheduling of Vacation

Vacations must be scheduled in advance and approved by the Agency. Vacation sign-ups completed by April 1 each year shall be scheduled in accordance with seniority. If signed up by April 1, an employee who elects to divide their annual vacation into two or more periods, shall be given consideration on the basis of seniority over other employees for only one of such periods until all other employees have indicated their first choice of a vacation period.

The Agency may designate the number of employees in a classification or line of progression, which may be on vacation at one time.

## Section 13 Education

### 13.1 Training Classes, Meetings, Workshops

When an employee is temporarily assigned to attend training classes, meetings and workshops at other than employee's regular headquarters, the following provisions will apply:

- (a) When arrangements are made for an employee to travel each day between their living quarters and the location, the employee shall be given allowance for the time involved which is in excess of the time normally taken in traveling between their living quarters and employee's regular headquarters, and such compensation shall be considered time worked.
- (b) If it is impracticable for an employee who attends training classes, meetings and workshops to return to their living headquarters each day, Agency shall, for the duration of the assignment, provide the employee expenses for lodging, local transportation expense and other incidental expenses.
- (c) An allowance for reasonable travel time incurred by an employee in traveling between their regular headquarters and the location at the

beginning and at the end of their assignment to the extent that it exceeds the employee's normal commute shall be authorized. The time spent attending and traveling to and from such event shall be considered time worked.

### 13.2 Educational Leave and Tuition Reimbursement

Solely at the Agency's discretion, the Agency may provide an educational leave and tuition reimbursement plan. The Agency may choose to reimburse for IRS approved educational expenses which may include tuition, books, and curriculum fees incurred by an employee up to an established maximum as determined by the IRS for classes given by accredited institutions of learning or approved specialized training groups. Such programs must be related to the employee's job duties and must be approved in advance by the Human Resources Manager or their designee upon recommendation of the employee's Assistant General Manager or Plant Manager.

An employee may request an advance of funds subject to the approval of the Human Resources Manager or their designee. Advances may be granted for IRS approved educational expenses. If an advance is granted, the employee must present evidence that each course is satisfactorily completed. If a course for which an advance has been made is not satisfactorily completed, the employee will repay the Agency through deductions from the employee's pay in a sum to be determined at the sole discretion of the Agency. The Agency's administrative directives shall govern implementation of this policy.

## Section 14 Insurance

### 14.1 Medical Insurance

A. Effective the first of the month following NCPA Commission's approval or as soon as administratively possible, the Agency's maximum monthly contribution for each eligible active employee shall be equal to 100% of the CalPERS Kaiser Senior Advantage- Employee & 1 Dependent Region One (1) (CalPERS Supplement/Managed Medicare) monthly rate as required under the equal contribution requirements of the Public Employee's Medical and Hospital Care Act (PEMHCA).

#### B. Cafeteria Plan

1. The Agency agrees to maintain a Cafeteria Plan, pursuant to Section 125 of the Internal Revenue code and any related regulations, for the purpose of providing employees with access to various health and welfare benefits. Benefits currently available through a Cafeteria Plan include medical insurance, flexible spending health care contributions, and flexible spending dependent care contributions.
2. Effective January 1, 2019 or as soon as administratively possible, the Agency agrees to provide a monthly Cafeteria Plan allowance to all

active employees eligible to participate in Agency sponsored health and welfare benefits under Section A of this Article. Employees enrolling in health coverage will receive the lessor of the actual health premium cost less the direct PEMHCA premium provided in paragraph A or 90% CalPERS Kasier Region One (1) Family Rate less the direct PEMHCA premium provided in paragraph A for the term of the agreement.

In addition, where Kasier is not available, Hydro based Active employees will receive an additional cafeteria plan allowance of \$75/month toward medical coverage.

If an employee selects a medical plan with a monthly premium in excess of the combined amount of the Agency's cafeteria plan contribution and the Agency's CalPERS direct PEMHCA maximum the employee shall pay the cost difference via a payroll deduction.

3. Employees may elect a monthly payment via paycheck in-lieu of the medical insurance coverage if they present proof of alternate medical insurance, excluding coverage through Covered California or another "healthcare exchange" provider. The amount of the monthly payment will be:

Employee only coverage	30% of the Agency's maximum monthly contribution towards medical insurance
Employee plus one coverage	30% of the Agency's maximum monthly contribution towards medical insurance
Employee plus two or more coverage	30% of the Agency's maximum monthly contribution towards medical insurance.

4. Any Cafeteria Plan Allowance provided for under Section B (2) of this Article can only be used to offset the cost of participation in Agency sponsored medical insurance benefits for the employee and any eligible dependents.
5. The Agency agrees to continue its existing Section 125 FSA plan. The Agency reserves the right to select the program administrator or self-administer this program and to set limits for medical reimbursement accounts.

#### 14.2 Dental Insurance

Dental insurance premiums for the employee and their other dependents will be paid by the Agency. There will be no co-pay on preventive work. There will be no co-pay on basic work if a preferred provider dentist provides the service. Otherwise, basic and major services require a 15% co-payment. See the plan document for more details.

#### 14.3 Life Insurance

Life insurance in the amount of approximately three times an employee's annual salary up to a maximum of \$350,000 will be provided by the Agency to each employee through a carrier selected by the Agency. Proof of insurability may be required for any additional life insurance, see plan document for more details. The employee may add an additional amount of life insurance totaling up to their annual salary by paying the applicable premium per month for each additional thousand dollars of coverage. The payment will be made through payroll deduction.

#### 14.4 Long-Term/Short-Term Disability

- (A) Short-term disability will be provided by the Agency for each eligible employee through a carrier selected by the Agency. The maximum weekly benefit is up to \$1,860 and for up to a maximum of 180 days.
- (B) Long-term disability will be provided by the Agency for each eligible employee through a carrier selected by the Agency. The maximum benefit is \$8,100/month and would take effect after 180 days of disability.
- (C) For non-work related injury, the amount of short or long term disability pay shall be 60% of standard monthly earnings (excluding overtime), or the maximum monthly benefit determined by the plan. This benefit supplements State Disability Insurance. For work related injuries, please see the Workers' Compensation section below. There may be a waiting period before these benefits begin.

#### 14.5 Workers' Compensation

Workers' Compensation is provided by the Agency to provide coverage for work related injuries. Since Workers' Compensation rules and regulations are dictated by legislation they are subject to change from time to time. Information concerning Workers Compensation is available through your Facility Office Administrator, Payroll or Human Resources.

If an employee receiving Workers' Compensation wishes to supplement the benefit, the employee must endorse the Workers' Compensation benefit check to the Agency. The Agency will then supplement the compensation up to one year as follows: For the first six (6) months the employee shall receive 85% of the standard base rate earnings for their job classification. For the second six (6) months of

continuing disability the employee shall receive 75% of the base rate earnings for their job classification.

At the employee's option, they may give direction to payroll to utilize sick or vacation accrual in order to receive compensation comparable to base earnings for that pay period.

#### 14.6 Vision Care Insurance

The Agency will provide vision care insurance for each employee and their dependents. Vision Care Insurance for the employee and their dependents will be paid by the Agency.

The Agency will pay for prescription safety glasses, as required for specific job classifications identified by the plant manager and approved by the appropriate AGM. Agency to select prescription safety glass supplier in addition to lens and frame options. Employees may select lens and frame options from the vendor's lens and frame options or employees may be reimbursed up to \$250.00 for prescription safety glasses from their own optician regardless of the Agency's vendor as long as such safety eyewear meets the ANSI Standards for safety glasses. Replacement glasses will be furnished only when the employee's prescription changes or upon approval of the Hydro Manager. This is in addition to the benefit provided under the vision plan.

#### 14.7 Flexible Spending Account

NCPA will establish flexible spending accounts per NCPA policy 405.11 and will supplement the employee's accounts with a \$500/year contribution to the Medical Reimbursement account.

#### 14.8 Business Travel Accident Insurance

A benefit of \$500,000 is provided in AD&D insurance if an employee is killed while traveling on business (as defined in the BTA policy). Eligible spouses and dependent children may also be covered.

### Section 15 Retirement Plan

#### 15.1 CalPERS

Retirement income is provided for employees hired by the Agency prior to 01/01/2013 (and those who qualify as a "classic member" under PEPR) under the CalPERS Local Misc 2.5% at age 55 retirement plan (see CalPERS Local Misc. 2.5% at age 55 booklet). Employees on the payroll as of the end of 2012 participate in this 2.5% at 55 plan and are called "classic members".

There is a 50% prior service credit for NCPA employees on the payroll as of April 7, 2002. Options added by NCPA to the plan are identified in Exhibit B and apply to both “classic” and “new” members.

Effective 6/28/2015, Classic members make pre-tax contributions of 8% into the retirement plan. Classic members are also subject to the provisions of the Public Employee’s Pension Reform Act of 2012 (PEPRA).

Employees hired on or after 1/1/2013, who were not previously a “classic” member of CalPERS, are known as “new members” and are subject to PEPRA cost sharing of one-half of the employer’s total normal cost as outlined in PEPRA. These employees are subject to the provisions of PEPRA, and are enrolled in the 2% at age 62 Local Misc formula under CalPERS. Effective 6/28/2015 “new members” will contribute a 6.5% employee share.

The acceptance of this plan is a condition of employment for new employees.

New members as of 1/1/2013 shall also participate in a 401(a) plan. Classic members are not eligible to participate in the 401(a) plan.

New members as of 1/1/2019 are eligible to participate in the 401(a) plan however Agency contributions into the plan will not begin until the employee has completed five (5) years of service.

## 15.2 Post Retirement Health Insurance

### A. Medical Insurance Benefits:

The Agency agrees to contract with the California Public Employees Retirement System (CALPERS) for the purpose of providing employees and their eligible dependents with medical insurance benefits. Effective the first of the month following approval by the NCPA Commission or as soon as administratively possible, the Agency’s maximum monthly medical contribution for each eligible retiree shall be no more than 100% of the Kaiser Senior Advantage –Employee & 1 Dependent Rate Region One (1) (CalPERS Supplement/Managed Medicare) rate for that calendar year based on the member’s vesting schedule upon hire.

The parties agreement to move to the CalPERS equal contribution method equal to 100% of the Kaiser Senior Advantage - Employee & 1 Dependent Rate Region One (1) (CalPERS Supplement Managed Medicare). This monthly rate does not modify retiree health benefits for employees in Tiers I and II pursuant to Section 15.2 (b) and (c) below.

Tier I employees shall be given an opportunity to make a one-time irrevocable election to move onto Tier II plan no later than January 31, 2019.

B. For Employees Hired Prior to January 1, 2009 (Tier 1)

Under this vesting schedule, active employees hired prior to January 1, 2009 that meet CalPERS eligibility requirements shall qualify for retiree health benefits based on rules in effect prior to January 1, 2009, i.e. those who retire from the Agency after working for NCPA for at least five years, have reached the age of 50 or have been retired earlier, and the employee retires under the CalPERS retirement plan within 120 days of separating from the Agency, with eligibility for the health plan at the time of separation. Under this vesting option, a retiring employee and their eligible family members or a surviving spouse or surviving domestic partner are eligible to receive a monthly employer healthcare contribution equal to the lesser of:

1. Actual medical premium cost; or
2. Up to 90% of the Region One (1) Kaiser Family rate, for the effective calendar year, less the amount established in 15.2(a) for that calendar year.
3. In addition, retired employees who were Hydro based, where Kaiser is not available, shall also receive an allowance of \$75/month toward post-retirement healthcare.

C. For Employees Hired On or After January 1, 2009 and Prior to January 1, 2019 (Tier II)

Under this vesting schedule, employees hired on or after January 1, 2009 and prior to January 1, 2019 or for Tier 1 employees who elect this vesting option, to be eligible to receive post-retirement health benefits, an employee must complete at least five (5) years of CalPERS-credited service with the Agency. Employees who retire from the Agency after meeting the service requirement stated above and who have at least ten (10) years of CalPERS-credited service will receive an Agency contribution towards their post-retirement health benefits based on the following table:

Total Credited Years of Service	% of Agency Contribution
10	50 %
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 +	100

The Agency's healthcare contribution is based on a percentage of the total credited years of service times 90% of the Region One (1) Kaiser Family rate less the

amount established in 15.2(a) for that calendar year. For example, with 10 years of CalPERS credited service an employee is eligible to receive a monthly employer healthcare contribution equal to the lesser of:

1. Actual medical premium cost; or
2. 50% of 90% of the Region One (1) Kaiser Family rate, for the effective calendar year, less 50% of the amount established in 15.2(a) for that calendar year.
3. In addition, retired employees who were Hydro based, where Kaiser is not available, shall also receive an allowance of \$75/month toward post-retirement healthcare.

D. For Employees Hired on or after January 1, 2019 (Tier III)

Employees in Tier III are only eligible for the medical benefits identified in Section 15.2 (A), except that retired employees in Tier III who were Hydro based, where Kaiser is not available, shall also receive an allowance of \$75/month toward post-retirement healthcare.

To summarize, employees must have at least 10 years' of CalPERS credited service, five (5) of which must be served at NCPA, to be eligible to receive post-retirement health benefits up to 50% of the Kaiser Senior Advantage –Employee & 1 Dependent Rate Region One (1) (CalPERS Supplement/Managed Medicare) monthly rate as established in 15.2 (A). The Agency's monthly contribution as a percentage of the Kaiser Senior Advantage – Employee & 1 Dependent rate Region One (1) increases by 5% per year thereafter so that by 20 years' of service the employee is eligible to receive up to 100% of the Kaiser Senior Advantage Employee & 1 Dependent Rate –Region One (1) (CalPERS Supplement/Managed Medicare) monthly rate.

Under this vesting schedule, employees who retire from the Agency with at least five (5) years of Agency service and ten (10) years of CalPERS credited service shall receive a contribution towards their post-retirement health benefits based on the following table:

Total CalPERS Credited Years of Service	% of Agency Contribution
10	50 %
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 +	100

E. Administration of Benefits

NCPA shall pay directly to CalPERS the lesser of (1) the retiree’s actual insurance cost or (2) an amount up to 100% of the Kaiser Senior Advantage – Employee & 1 Dependent Rate Region One (1) (CalPERS Supplement/Managed Medicare) rate, contributions are based on the above vesting schedule.

NPCA shall also establish a Health Reimbursement Arrangement (HRA) for those Tier I and Tier II retirees whose monthly healthcare premium exceeds 100% of the Kaiser Senior Advantage –Employee & 1 Dependent Rate Region One (1) (CalPERS Supplement/Managed Medicare) monthly rate. The Agency shall reimburse to the retiree the lesser of (1) the remaining medical premium or (2) the remaining medical insurance benefit.

F. Opting Out of Medical Insurance

Retirees may elect a monthly payment via paycheck in-lieu of the medical insurance coverage if they present proof of alternate medical insurance, excluding coverage under a “Covered California” plan or another health exchange.

The amount of the monthly payment shall be the lesser of the vested medical benefit or the following amounts:

Retiree only coverage	30% of the Agency’s maximum monthly contribution towards medical insurance
Retiree plus spouse coverage	30% of the Agency’s maximum monthly contribution towards medical insurance
Retiree plus family coverage	30% of the Agency’s maximum monthly contribution towards medical insurance

Should NCPA cease contracting for health coverage through CalPERS, both sides agree to meet and confer regarding an appropriate funding level for retiree health insurance going forward.

## Section 16 Grievance Procedure

### 16.1 General

The purpose of this grievance procedure is to provide a just and equitable method for resolving complaints and disputes, not including discipline, between the parties to this Agreement.

### 16.2 Grievance -Defined

Grievance shall mean and refer to a complaint or dispute regarding the interpretation or application of a specific provision of this Agreement and/or written, Agency rules, regulations and policies referring to the employee's wages, hours or conditions of employment.

Subject to the definition set forth above, a grievance may be filed by an individual employee or by the Association on behalf of unit members or the Association as a whole.

### 16.3 Representation

During all stages of the Grievance Procedure an employee may represent themselves or be represented by an association representative.

### 16.4 Formal and Informal Grievances

A grievance may be either formal or informal. An informal grievance is a prerequisite to a formal grievance.

### 16.5 Informal Grievance

- (a) An employee with a grievance shall first discuss the matter with the employee's immediate supervisor within fifteen (15) calendar days of the date the employee knew of or should have known of the matter supporting the grievance. The supervisor and the employee shall attempt to informally resolve the dispute.
- (b) If the dispute is not resolved, the employee shall next discuss the matter with the next level of supervision within fifteen (15) calendar days of the unsuccessful discussion. The decision of this supervisor shall be final unless the employee files a formal grievance.

### 16.6 Formal Grievance

Any grievance not resolved by the informal grievance procedure may be appealed by filing a formal grievance with the Assistant General Manager, Generation Services within ten (10) calendar days after the final decision on the informal grievance. A formal grievance shall be in writing and shall describe the grievance

and the remedy requested as well as any relevant information relating to the grievance that the employee wishes the Assistant General Manager to consider. The Assistant General Manager shall meet with and respond in writing to the employee within ten (10) calendar days of the receipt of the grievance.

#### 16.7 Time Conditions

If the grievance is not presented by the employee within the time limits set forth above, it shall be considered waived and may not be pursued further. If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof it shall be considered settled on the basis of NCPA's last answer. If NCPA does not answer a grievance or an appeal thereof within the specified time limits, the aggrieved employee or the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step.

#### 16.8 Grievance Committee

- (a) If the employee/steward is not satisfied with the decision of the Assistant General Manager the employee may appeal by requesting the Human Resources Director, in writing to submit the grievance to a Grievance Committee. Such request must be made within 10 working days after receiving the decision of the Assistant General Manager.
- (b) The Grievance Committee shall consist of five (5) individuals. Two (2) individuals shall be designated by the Human Resources Director, provided that the immediate supervisor of the employee shall not be one of the individuals so designated. The employee shall select two (2) other committee members from a list of employees eligible to participate (as defined below) on the Grievance Panel. No participant (i.e., grievant, witness or otherwise involved party) may sit on the Grievance Committee. The Union may annually ask its members if they wish to be on the Grievance Panel. A list of volunteers shall be supplied to NCPA. The fifth member of the committee shall be assigned by the California Office of Mediation and Conciliation. The fifth member shall be referred to as the "Hearing Officer".
- (c) The Grievance committee shall meet at the time and place designated by the Human Resources Director. The Hearing Officer shall serve as the chairperson for the Committee. The Grievance Committee shall allow the Grievant and the Agency to speak and to present evidence and witnesses, and shall issue a written report on the grievance. The written report shall state one of the following: (1) grievance upheld; or (2) grievance denied. A majority vote of the Grievance Committee shall constitute the action on the grievance.

#### 16.9 Review by General Manager

If the employee is not satisfied with the decision of the Grievance Committee or if the Grievance Committee is deadlocked, the employee may appeal in writing to the General Manager within ten (10) calendar days of the decision of the Grievance Committee. The appeal shall state the reasons therefore. The Human Resources Director shall submit the documentation and information submitted to the Grievance Committee to the General Manager. The General Manager's decision shall be final and rendered within thirty (30) working days.

#### Section 17 Position Bidding

- (a) All physical employee employment openings within the Agency will be posted before considering applicants outside the Agency. NCPA may advertise outside the Agency at the time openings are posted. Consideration for the job opening will be given to the employee if he meets the qualifications.
- (b) Continue using the structured oral interview process for employee selections based on education, experience, seniority and training. Employees in the line of progression will be given first consideration for promotion in the line of progression. Bid postings will be posted a minimum of fourteen calendar days.
- (c) Selection panels will be comprised of the Human Resources Director and at least two other supervisory employees selected by NCPA.
- (d) The Human Resources Director will at their option prepare a supplemental application for each position listing the qualifications that are required for the position. Each bidder is required to complete the supplemental application to be considered.

#### 17.1 Confirmation of Required Driver's License

Employees who drive Agency vehicles or personal vehicles in the course of their job duties must have a valid driver's license and insurance.

- (a) The Agency shall have the right, upon request, to demand confirmation that any employee or applicant whose job description includes the requirement that the employee possesses a valid and appropriate driver's license, possesses such a license. The employee shall cooperate with the Agency in filing any request for information through the Department of Motor Vehicles.
- (b) Employees must immediately notify their Plant Manager if their license is suspended or revoked and they may not drive an Agency or personal vehicle in the course of their job.

## 17.2 Background Checks

New hires and existing employees may be subject to comprehensive background checks covering the prior seven year period to ensure compliance with new NERC requirements and other regulations. Applicants and employees who become subject to a background check which includes a consumer report will receive a written disclosure and must give consent before the report is obtained. If any adverse employment action is required based on whole or in part upon background check that included a consumer report the following will be provided: (1) notice to the applicant or employee; (2) a copy of the consumer report; (3) a summary of rights under the FRCA; and (4) notice of the adverse action.

## Section 18 Standby Pay

### 18.1 Operator Selection

Standby assignments shall be divided equally between journeymen trained in Hydro operations and qualified as Hydro Tech Operators. Employees are allowed to trade shift with approval of management.

NCPA may in its sole discretion start and stop the standby provision with two weeks' notice to employees.

### 18.2 Rotation

The standby operator will be on duty for (7) seven days, 24 hours per day. Operator must be fit for duty and able to respond to a cell phone call/page from the NCPA Dispatch or the on-call supervisor within 15 minutes, and be physically located within 50 miles or a one hour drive of the Murphys office. NCPA will provide a pocket pager and/or cell phone. An employee who is on any type of leave as determined by the Plant Manager (excluding a NCPA designated holiday) is not eligible for standby duty or pay.

Compensation:

#### (a) Standby Pay

- 1) 2 hours straight time pay per day from Monday at 0700 to Saturday at 0700.
- 2) 3 hours straight time pay per day from Saturday at 0700 to Monday at 0700.
- 3) 8 hours straight time pay from 0700 on scheduled holidays.

#### (b) Call In

- 1) Standby pay as described above plus normal overtime rate for time worked, as herein.

- 2) Standby pay to be paid only once per day regardless of the number of times called in.

(c)

- 1) An employee on standby who is called out and works between the hours of 11:00 P.M. and 4:00 A.M. may, depending on operational needs, receive paid rest time at the straight time rate (if the next day is a work day), at the start or end of their next shift, equal to the time worked.
- 2) An employee on standby who provides phone consultation services between the hours of 11:00PM and 04:00AM may, depending on operational needs, receive one hour of paid rest time or time equal to services provided, whichever is greater, at the straight time rate (if the next day is a work day), at the start or end of their next shift.

#### Section 19 Discipline and Evaluation

19.1 Regular employees shall receive annual performance appraisals on or about the anniversary date of their employment.

19.2 Employees shall be disciplined in accordance with NCPA Discipline Policy.

#### Section 20 Layoff or Reduction in Force

For purpose of layoff determination, seniority is defined as the length of employment within the division. In case of a tie, the tie shall be broken by the length of continuous service Agency wide.

An employee's service, as defined in Section 2.2 "Service" shall be the determining factor in the application of this Section. The Agency will give an employee, who is to be laid off or demoted in connection with a reduction in force as much notice as possible; but, not less than ten (10) working days. The employee will be further advised as to whether there are any other jobs to which such employee may exercise an election by filling a vacancy or by displacing another employee.

An employee may not elect to displace another employee whose service is equal to or greater than their own. An employee may not displace an employee in a classification having a wage rate higher than that of their own classification, except where such classification is considered to be the same.

In the application of this section; casual, provisional and part-time employees are considered to be a different classification than full-time employees under the same job title.

Casual, provisional and part-time employees will not be able to displace full-time employees regardless of seniority.

An employee shall not be placed in a job unless qualified to perform the duties.

When a demotion or displacement is to be made, the employee with the least service in such classification shall be demoted to the next lower classification. If successive demotions, the same procedure shall apply at each step until the employee is placed in another job or is laid off.

If more than one demotion is to be made, the procedure shall first be applied to the highest classification to be affected, and then to successively lower classifications.

Casual, provisional and part-time employees can only displace other casual, provisional and part-time employees in the same or lower classifications within their normal line of progression, with respect to their "employment" date. The Agency shall attempt to avoid the layoff of full-time employees until all casual, provisional and part-time positions in the division have been reviewed and considered for elimination.

#### 20.1 Demotion into the Bargaining Unit

No employee shall be allowed to demote into the bargaining unit who has completed the probationary period in the position from which the employee is being demoted. As used in this section, the term "demotion" pertains to displacement due to layoff and does not refer to disciplinary demotions.

#### 20.2 Re-Employment Rights

Employees shall have re-employment rights to future vacancies in such classifications from which they were laid off, including employees who elected to take a demotion in lieu of a layoff. The name of laid off and demoted employees shall be placed on the preferred list for their classification, in the inverse order of layoff or demotion. Employee is obligated to keep NCPA advised of their current address.

For a period of two (2) years from the date of layoff or demotion, all vacancies in the effected classification must first be attempted to be filled from the preferred list.

### Section 21 Employer and Employee Rights

#### 21.1 Employer's Rights

Subject to state law and the provisions of the Agency's Employer-Employee Relations Policy, the rights of the Agency through its commission and management include, but are not limited to: the exclusive right to determine the mission of its constituent departments; set standards and work of service; determine the procedures and standards of selection for employment and promotion; direct its

employees; take disciplinary action in accordance with law and the rules and procedures of the Agency; relieve its employees from duty because of lack of work or other lawful reasons; maintain the efficiency of Agency operations; determine the method, means and numbers and kinds of personnel by which Agency operations are to be conducted; determine the content and intent of job classifications; determine methods of financing; take all necessary actions to carry out its mission in emergencies; and exercise control and discretion over its organization and the technology of performing its work.

## 21.2 Employee's Rights

As provided in state law and the Agency's Employer-Employee Relations Policy, employees of the Agency shall have the right to form and participate in the activities of an employee association of their own choosing for the purpose of representation on matters of employer-employee relations, including but not limited to wages, hours and other terms and conditions of employment. Employees of the Agency shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the Agency.

## 21.3 Personnel Rules and Regulations not Affected

It is understood that the Agency has adopted personnel rules and regulations, which are applicable to all employees of the Agency, including those covered by this MOU. Unless specifically addressed and/or modified by the express terms of this MOU, the Agency's personnel rules and regulations shall remain in full force and effect and shall be applicable to employees covered by this MOU. To the extent there is a specific conflict between the Agency's personnel rules and regulations and provisions of this Agreement, the MOU shall prevail.

## 21.4 Payroll Deductions

Upon receipt of an authorized payroll deduction form, the Agency shall deduct Association dues/fees from employees pay and promptly pay over to the designated payee all sums so deducted. The employee's earnings must be sufficient after other legal and required deductions are made to cover the amount of deduction authorized.

## Section 22 Notice

### 22.1 Notice

Agency and Association recognize and agree to be bound by the notice requirements of Government Code section 3504.5.

Notice of proposed act relating to matters within scope of representation;

Except in cases of emergency as provided in this section, the governing body of a public agency, and boards and commissions designed by law or by such governing body, shall give reasonable written notice to each recognized employee organization affected by any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or such boards and commissions and shall give such recognized employee organization the opportunity to meet with the governing body or such boards and commissions.

In cases of emergency when the governing body or such boards and commissions determine that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the governing body or such boards and commissions shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution, or regulation.

### Section 23 Term and Effect of Agreement

#### 23.1 Term

This Agreement shall be effective the pay period beginning on December 19, 2021, and shall remain in effect through the last pay period ending in 2024.

#### 23.2 Effect

During the term of this Agreement, its provisions shall govern the wages, hours, benefits and working conditions of employees within the job classifications covered by this Agreement. Neither party hereto shall be required to meet and confer upon matters set forth in this Agreement, except that the parties may meet and confer during the term of this Agreement on any matter within the scope of representation where:

- (a) The matter is not covered by this Agreement or was not expressly raised as an issue during the meet-and-confer process by which this Agreement arose; and
- (b) There has been a significant change in circumstances with respect to such matter, which could not have been reasonably anticipated by the parties at the time they signed this Agreement.

Nothing in this section shall relieve the Agency of its obligations to the Association as recognized in Section 14.1.

#### 23.3 Successor Agreement

The parties agree that the meet-and-confer sessions pertaining to a successor agreement shall begin as soon as possible after the request of either party.

Section 24 Safety Committee Representation

- 24.1 The HEA shall be entitled to assign one member and an alternate from the hydroelectric organization to the Agency's Safety Committee. Only the one member will attend Safety Committee meetings and be paid by the Agency unless prior approval of management is agreed upon.

NORTHERN CALIFORNIA POWER AGENCY

By: Gerald Santoro Dated: 10/5/2021  
GERALD SANTORO, President, Hydroelectric Employees Association

By: Matthew Parker Dated: 10/05/21  
MATTHEW PARKER, Vice President, Hydroelectric Employees Association

By: Randy S. Howard Dated: 11/1/21  
RANDY S. HOWARD, General Manager, Northern California Power Agency

Exhibit A- Wage Schedule/Broadbanding

Exhibit B- Options Added by NCPA to PERS Retirement Contract

EXHIBIT A

NORTHERN CALIFORNIA POWER AGENCY HYDROELECTRIC EMPLOYEES WAGE SCHEDULE HOURLY RATE BASIS					
Wage Increase Percent <sup>(A)</sup>		3.00%	3.25%	3.50%	
CLASSIFICATION	PROGRESSION	Hourly Rate			
		2021	2022	2023	2024
Hydro Tech Apprentice	Start	\$35.11	\$36.16	\$37.34	\$38.65
	End 6 months	\$39.32	\$40.50	\$41.82	\$43.28
	End 12 months	\$44.01	\$45.33	\$46.80	\$48.44
	End 18 months	\$47.99	\$49.43	\$51.04	\$52.82
Hydro Tech	End 24 months	\$51.83	\$53.38	\$55.12	\$57.05
	End 30 months	\$55.42	\$57.08	\$58.94	\$61.00
	End 36 months	\$58.76	\$60.52	\$62.49	\$64.68
	End 42 months	\$61.72	\$63.57	\$65.64	\$67.93
	End 48 months	\$64.49	\$66.42	\$68.58	\$70.98
	End 54 months	\$67.06	\$69.07	\$71.32	\$73.81
	Hydro Tech - Designated Skills <sup>(C)</sup>	71.89	\$74.05	\$76.45	\$79.13
Hydro Tech Operator <sup>(B)</sup>	Start	\$70.43	\$72.54	\$74.90	\$77.52
	Hydro Tech Operator -Designated Skills <sup>(D)</sup>	75.48	\$77.74	\$80.27	\$83.08

Notes: <sup>(A)</sup> Effective 12/19/21 for 2022 and with the first payroll period ending on or after January 1 for 2023 and 2024.

For casual positions, see Administrative & General Wage Structure.

A new employee can be brought into the Hydro Tech Program at any pay level depending on his/her experience level.

If an employee on his/her annual review receives an overall rating of "Less Than Satisfactory" they will not advance to the next pay step until they increase their overall rating to as least "Meets Most Requirements" on a subsequent annual appraisal.

<sup>(B)</sup> Requires minimum of 6 months as a Hydro Tech (54 months) and must successfully complete the Competency Test.

<sup>(C)</sup> Qualified employees with Instrumentation & Control / Communication / Electrical Technician skills and abilities as demonstrated by successfully completing the Technical Skills Assessment.

<sup>(D)</sup> Requires minimum of 6 months as a Hydro -Tech - Designated Skills and succussfully completing the Competency Test, or 6 months as a Hydro Tech Operator and successfully completing the Technical Skills Assessment.

On a temporary basis at its sole discretion NCPA has the right to appoint an employee as a lead during outages or for a specific project. When any employee is upgraded to lead, the minimum pay shall be at the Hydro Tech Operator pay rate. It is understood that the lead pay is built into the Hydro Tech Operator pay rate. If the appointment to lead is going to last longer than 8 weeks, the employee at his/her option may elect to be replaced after 8 weeks only if another employee determined to be qualified by management for the assignment lead is available.

## **Exhibit B: Options Added by NCPA to PERS Retirement Contract**

A. Section 20938 (Limit Prior Service to Members Employed on Contract Date)

The Agency may limit prior service credit (service rendered to the Agency prior to its contract date with CalPERS) to persons in employment with the Agency on the effective date of its CalPERS contract. This means that employees who are not employed by the Agency on the contract date cannot receive the 50% service credit buy-in paid for by the Agency. They may receive prior service credit in certain situations, but it would be at the employee's own expense.

B. Section 20965 (Credit for Unused Sick Leave)

Unused accumulated sick leave at time of retirement may be converted to additional service credit at the rate of 0.004 year of service for each day of unused sick leave (i.e., 250 days of sick leave equals one additional year of service credit). This section applies to retirees whose date of retirement is within four months of separation from employment and who retire after the effective date of the contract amendment.

C. Section 21335 (3% Cost-of-Living Allowance, base year 2001)

Retirees are covered by an annual 3% *maximum* cost-of-living increase based on the CPI. E.g.-If the base year of 2002 is chosen for the contract, the first cost-of-living adjustment increase would be effective April 2004.

D. Section 21548 (Pre-Retirement Optional Settlement 2 Death Benefit)

The spouse of a deceased employee, who was eligible to retire at the time of death, may elect to receive the Pre-Retirement Optional Settlement 2 Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired from service on the date of death. This benefit is payable to the spouse until death or remarriage.

E. Section 21031 (Public Service Credit for Limited Prior Service)

This option permits employees to purchase prior NCPA service, which was not included in the 50% prior service buy-in by the Agency.

F. Section 21024 (Military Service Credit as Public Service) 1976

An enrolled employee may elect to purchase up to four years of service credit for any continuous active military service or merchant marine service prior to employment. The benefit only applies to active employees while in employment with the Agency.