



**Manual for Human Resources Management
Updated 2009**

**UTILITIES COMMISSION
BUSINESS UNIT HUMAN RESOURCES DEPARTMENT**

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**MANUAL FOR HUMAN RESOURCES MANAGEMENT
POLICIES, PROCEDURES AND GUIDELINES**

Utilities Commission Human Resource Policies, Procedures and Guidelines

FOREWARD

The Commissioners of the Utilities Commission, City of New Smyrna Beach, recognize that Human Resource policies, procedures and guidelines are a necessary function of the Company and, therefore, declare that it shall be the responsibility of the General Manager/CEO, the Directors of the Utilities Commission Departments and specifically the Human Resource Development Partner/Director (HRDPD) to exercise direct supervision over the human resource functions and business personnel operations of the Utilities Commission.

The Manual for Human Resources Management provides guidance over the day to day human resource operations and is intended to convey to users the policies, procedures and guidelines involving all personnel employed by the Utilities Commission. Although the Utilities Commission contains multiple positions included within Local 2088 IBEW (International Brotherhood of Electrical Workers) bargaining unit, the Utilities Commission reserves all rights, powers and authority customarily exercised by management with respect to the Company's employees unless otherwise specifically deleted or modified by express provisions within the Collective Bargaining Agreement.

The function of the Human Resource Department is that of a business partner within the Utilities Commission, which involves not only policies, procedures and guidelines for employee behavior, but also Risk Management and Safety, employee Development and Training, the administration of Payroll and Benefits and support of all Utilities Commission strategic initiatives. All departments interface with the Human Resource Department and are expected to comply with the policies, procedures and guidelines put forth in this manual.

Except as otherwise provided by the General Manager/CEO of the Utilities Commission, the HRDPD shall serve as the principal authority with respect to the policies, procedures and guidelines contained within this manual.

The ultimate objectives of the Manual for Human Resources Management and the Human Resource Department of the Utilities Commission are as follows:

1. To provide professional guidance with respect to employee performance and professional employer behavior for all divisions and departments within the Utilities Commission.
2. To provide professional guidance with respect to Risk Management and Safety for all divisions and departments within the Utilities Commission.
3. To provide professional guidance with respect to developmental training for all divisions and departments as appropriate, within the Utilities Commission.
4. To provide professional administration of payroll for all employees in all divisions and departments of the Utilities Commission.
5. To provide professional administration of benefits for all employees and applicable retirees in all divisions and departments of the Utilities Commission.
6. To pledge Best Practices with respect to the adherence of all laws, regulations, policies and procedures related to human resources, safety and payroll with respect to the operation of the Utilities Commission.

7. To interface equitably with all employees and retirees of the Utilities Commission.
8. To administer the policies, procedures and guidelines found within this Manual with internal efficiency and effectiveness on a daily basis.

In summary, the Human Resource Department business structure aims to achieve, on a daily basis, the cultivation of internal customer relationships, drive personnel policy development, and add value for our external customers by supporting cost effective management policies, guidelines and procedures. The Human Resource Department collaborates and forms alliances both short -term and long-term with all other departments

Performance measurement systems at all levels of the organization will link individual, divisional and departmental metrics and will insure a competitive basis within the utility industry. Relationships with all employees will be focused on a “Best Total Solution” and will provide positive recognition and proactive approaches with employees, will assess knowledge, talents and abilities and will provide developmental opportunities when needed to improve core competencies.

The Human Resource Department welcomes you as our employee, will provide Company mentoring and will promote your business relationships within the UC.

“Connecting You With The Quality Of A New Smyrna Beach Life!”

Paula C. Di Chiara, M.S., SPHR
Business Unit Human Resource Development Partner/Director

MANUAL FOR HUMAN RESOURCES MANAGEMENT
2009
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Introduction

Hiring Policies: At-Will Policy:

In accordance with applicable laws all persons hired by the Utilities Commission (“UC”) are hired “at will” unless otherwise stipulated by provisions of a formal contract. “At will” employment means that either the employee or the Utilities Commission can end the employment relationship at any time, for any reason, or for no reason. Nothing in this policy manual will alter or limit the Utilities Commission’s right to maintain employment “at will.” The Manual is not a contract for employment.

Effect of Law:

It is understood and agreed that the terms and provisions of the Manual for Human Resource Management (the Manual) are subject to the laws of the United States government and the laws of the State of Florida. In the event any of the terms and provisions of the Manual are, or become violative of said laws, only such violative provisions shall become void and of no effect.

Management Rights:

The Utilities Commission reserves all rights, powers and authority customarily exercised by management and shall exercise at its sole discretion, but not confined only to the following matters, as they may affect UC employees, whenever the UC may determine it advisable to do any or all of the following:

- To manage its businesses;
- To hire, reduce in force, assign and promote employees;
- To determine the qualifications of employees;
- To determine and re-determine position content, qualifications and competencies;
- To determine the schedule of work and to assign work;
- To determine the number and time of shifts;
- To establish new positions, abolish or change existing positions;
- To increase or decrease the number of positions;
- To regulate or change services, materials, processes, products or equipment;
- To subcontract any of its operations and,
- To decrease or increase the number of working hours per day or per week.

Function and Objectives of Human Resource Department:

The Human Resource Department business objectives provide human resource strategic assistance to all departments of the Utilities Commission and to interpret and resolve on behalf of the Utilities Commission’s General Manager/CEO questions of policy and procedure concerning employee relations, labor relations and human resource administration. The alliance between the Human Resource Department and other departments will assure consistency of human resource policies, will increase organizational performance and will promote goal achievements within all UC departments. The Human Resource Department shall be responsible for the strategic positioning and growth of our service products and the internal offerings of each department relevant to all human resource matters within the scope of the Manual.

Authority of the Human Resources Development Partner/ Director (HRDPD):

The HRDPD exercises the delegated authority of the General Manager/CEO (GM/CEO) in interpreting and resolving questions of policy and procedure concerning employee and labor

relations and human resource administration. In exercising this authority the HRDPD will work closely with department Directors and other members of management to obtain their concurrence in such decisions. The HRDPD will provide guidance to department Directors when there is a clear deviation from human resource policies and/or procedures contained within the Manual or those the HRDPD may otherwise be charged with administering. Cases of disagreement may be referred to the GM/CEO for resolution.

Human Resource Practices:

The Human Resource practices contained within the Manual provide a basis for administrative action concerning human resource standards, value relationships with other departments and the promotion of organizational effectiveness. The specific practices herein provide guidelines by which the Human Resource Department can effectively interface with all UC employees. These practices are subject to periodic revision except that any such revision requiring adoption or change of Commission policy will first be presented to the Commission for approval.

Positions Covered:

These practices apply to all positions except those positions filled by direct Commission appointment, or for employee practices stipulated within a formal contract. Where there is a discrepancy between a practice in the Manual and an article contained in the Collective Bargaining Agreement (CBA), the CBA shall prevail only with respect to specific provisions relating to an employee represented through such an agreement.

The Utilities Commission will make a reasonable effort to ensure that employees outside of the bargaining unit do not perform bargaining unit work. However, bargaining unit work can be performed by non-bargaining unit personnel in emergencies, for the purpose of training employees, and in connection with experimental operations.

Posting of Vacancies:

Vacancies in non-bargaining unit full time entry level positions may be posted for 7 working days within the departments as a courtesy to all employees at the UC. It is at the discretion of management to post positions on the Internet or to advertise for positions outside the UC.

SECTION 1

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| Section 1.1: EMPLOYMENT PROCESS |
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Revised 01/07/09

Initiation of Employment Process:

When position openings in any department occur or are anticipated, the department Director will notify the HRDPD. The Human Resource Department will implement a flexible recruiting plan, will screen and interview applicants and will initiate the job posting and bidding procedure when applicable. Applicants may also be referred by the management staff of the department where the vacancy exists, but such applicants will be subject to the same screening process as all other applicants. Placement decisions will be made solely on the individual's qualifications as they pertain to the position being filled.

The Utilities Commission may exercise the option to fill or not to fill any vacancy that arises and to withdraw a position posting before it is filled.

Applications for Employment:

Applications for positions shall be submitted on forms provided by the Human Resource Department which are available at 200 Canal Street, New Smyrna Beach or via the Internet. Unsolicited applications for employment are not considered as formal applications of

employment. The Utilities Commission may cease accepting or processing applications at any time. All information provided by the applicant is subject to verification. Applications will be screened by the Human Resource Department. Applications which comply with the basic requirements for the position will then be forwarded by the HR department to the department Director/Supervisor for review. Applicants may be tested for skills by the Human Resource Department or may be asked to job shadow within the respective department. The HRDPD, the department Director/Manager and any other professional named to the team will interview the selected finalists.

Interview and Selection Process:

Interviews will be done preferably by a team of three UC professionals with expertise relevant to the open position. The team shall utilize a list of questions which will identify the applicant's ability to perform the position competencies listed on the interview checklist. Questions relating to family status, age, religion, nationality, sexual preference, shall not be asked. The presence of a disability that does not prevent the applicant from performing the essential functions of the position sought, with or without reasonable accommodation, shall not be taken into consideration for the selection process. The interview checklist should be filled independently during the interview process based on observation and answers to questions. After the interview, each team member will calculate the total points for the individual.

The Human Resource Department will rank the applicants based on total points. The HRDPD in conjunction with the Director and the CEO will make the final hiring decision. With the department Director's concurrence, a position offer will be made by the HRDPD. If the Director does not consent, he/she must provide documentation as to why a top ranking applicant is not acceptable. The GM/CEO will then make the final determination if necessary. However, the CEO retains final authority to veto any selection prior to the extension of a bona fide offer of employment.

Reference Checks:

At least two telephone reference checks will be completed before a conditional position offer is made to any applicant. References shall be checked by the Human Resource Department.

Hiring Authority:

Approval of new hires will be documented by the HRDPD signature on the appropriate Employee Change Notice (ECN) form, together with signatures indicating concurrence by the Department Director and final approval by the GM /CEO.

Making Position Offers:

Position offers will be made by the HRDPD in conjunction with the department Director and approval from the GM/CEO. All offers are conditional pending successful completion of the screening process.

Pre-Employment Physical Examination:

Individuals accepting conditional employment with the UC are required to have a physical examination at the UC's expense. The Human Resource Department will arrange to have the employee examined by a physician authorized to conduct pre-employment physical examinations on behalf of the UC. The physician will provide the Human Resource Department with documentation indicating the applicant's physical fitness for the position. Failure to pass the physical examination will rescind the employment offer.

Substance Abuse Policy:

A pre-employment drug test is required for employment at the UC. Unsatisfactory substance abuse test results will be cause of any offer of employment to be withdrawn.

Fingerprinting, Criminal Background, Credit Check:

New employees will be fingerprinted by the Police Department, City of New Smyrna Beach. A record of fingerprinting will be maintained in the employee's personnel record. New employees will be subject to a pre-employment criminal background check. Arrests within the last 10 years for felonies including assault, domestic violence or drug related crimes will exclude the applicant from hire. A driver's record check which reveals more than 10 points in any given year, or a DUI/DWI or reckless driving that resulted in a death, within the last 10 years, will exclude the applicant from hire. A credit check will be performed with review of loan defaults and bankruptcies when applicable.

Employee Orientation:

On the first day of employment, a new employee will report to the Human Resource Department for New Employee Orientation (NEO). The employee will receive a full day orientation of the policies and procedures at the UC, position expectations, benefits orientation, a tour of UC facilities and appropriate trainings relevant to his/her position will also be part of the orientation.

Employee Eligibility Verification:

During the pre-employment phase, the new employee will complete the Employee Information and Verification Section of U.S. Immigration and Naturalization Service Form I-9, Employment Eligibility Verification and present identity and employment eligibility documents as specified on that form. The Human Resource Department will examine, no later than the third day of employment, the documents presented and complete the Employer Review and Verification section. Copies of the documents presented and the completed Form I-9 will be kept in the employee's I-9 file.

Driver's Documents Required for Human Resource Files:

The documents presented to the Human Resource Department by a new employee must include a valid, insurable Florida driver's license if the employee is assigned to a position requiring the operation of vehicles on UC business or a valid Commercial Driver's License and current medical card if applicable. The UC reserves the right to determine which of its employee positions require the operation of UC vehicles.

Any employee who submits a request for mileage reimbursement or receives a mileage allowance acknowledges that the operation of his/her private vehicle has been required for UC business.

Educational Documents Required for Human Resource Files:

The new employee will also be asked to submit original documents, or other acceptable documentation, of a high school diploma or G.E.D. or college diplomas or other documents verifying educational or technical school credentials or licenses. The Human Resource Department will make copies of the above documents for the employee's human resource file and return the originals or other acceptable documentation to the employee.

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| Section 1.2: EQUAL EMPLOYMENT OPPORTUNITY AND COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT |
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Revised 01/09/09

Policy on EOE:

The Utilities Commission, City of New Smyrna Beach, Florida, has been and continues to be an Equal Opportunity Employer. It is the intent of the UC at all times to comply fully with all federal

civil rights legislation, in particular the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (ADEA), and the Americans with Disabilities Act of 1990 (ADA), and executive orders implementing such legislation, together with all state and local legislation and ordinances pertaining to equal employment and may be amended from time to time. To promote equal employment opportunity, the UC management will assure that the following practices are followed.

Equal Employment Practices:

Persons will be recruited, hired and promoted without regard to race, religion, national origin, sex, age, marital status or the presence of a disability that does not prevent the applicant from performing the essential functions of the position sought, with or without reasonable accommodation.

Placement decisions will be made solely on the individual's qualifications as they pertain to the position being filled.

No employee will be subjected to sexual harassment, discrimination or intimidation. As an employer, the UC will not tolerate sexual harassment or discrimination of any type and supports every employee's right to raise issue under Title VII of the Civil Rights Act of 1964. Issues so raised will be investigated and appropriate action taken.

All personnel actions, including those pertaining to compensation, benefits, advancements, terminations, layoffs, returns from layoffs, training and education are administered without regard to race, religion, color, national origin, sex, age, marital status or non-disqualifying disability.

Every effort will be made to employ and advance in employment disabled individuals at all levels of employment, including the executive level, provided such disability does not prevent such an individual from performing the essential functions of the position or endanger the safety of other employees or the general public or equipment and facilities of the UC. Such action shall apply to all employment practices or recruitment, including, but not limited to, hiring, upgrading, demotion or transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship and on-the-job training programs.

The UC grants veterans' preference in initial employment to eligible veterans and spouses of eligible veterans. Every effort will be made to employ and advance in employment qualified disabled veterans and wartime veterans at all levels of employment, including the executive level. Such action shall apply to all employment practices, including but not limited to, hiring, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship and on-the-job training programs.

Communication of Equal Employment Opportunity (EEO) Policy:

The UC's EEO policy will be communicated to all Utilities Commissioners and to all employees. All new employees will review this human resource practice during the New Employee Orientation (NEO) training.

Employee Recruiting:

The UC's EEO policy will be indicated on all employment recruiting sources where jobs are listed including employment agencies, schools, colleges and newspaper advertisements.

Management Responsibility and the EEO Policy:

UC management will ensure compliance with the EEO policy. The continued assistance and support of management at all levels in the practice of Equal Employment Opportunity is requested and expected.

Designation of EEO/ADA/ADEA Coordinator:

The HRDPD is hereby designated EEO/ADA/ADEA Coordinator. The EEO/ADA/ADEA Coordinator's name, address and telephone number are listed as follows:

Paula DiChiara, M.S., S.P.H.R., Human Resource Development Partner/Director
Utilities Commission, 200 Canal St., New Smyrna Beach, Florida 32168
(386) 424-3055

Complaint Resolution:

Complaints of alleged discrimination should be submitted in writing to the EEO/ADA/ADEA coordinator, whose name, address and telephone are listed above. The EEO/ADA/ADEA Coordinator will maintain a record of the complaint and action taken and will render a decision within 15 working days. If the EEO/ADA/ADEA coordinator cannot resolve the complaint to the satisfaction of the complainant, the complaint will be forwarded to the GM/CEO for review. The GM/CEO will issue a decision in writing within 30 days of notification.

If the GM/CEO cannot resolve the complaint to the satisfaction of the complainant, the complaint will be heard by the UC at a regular meeting after first being placed on the agenda for that meeting by request of the complainant. The Utilities Commissioners will make a determination within 30 days after hearing the complaint and its decision is final.

A record of action taken on each request of complaint will be maintained as part of the records or minutes at each level of the grievance process.

The complainant's right to a prompt and equitable resolution of the complaint will not be impaired by his/her pursuit of other remedies, such as the filing of a complaint with the U.S. Department of Justice, the Equal Employment Opportunity Commission, or any other appropriate state or federal agency. Furthermore, the filing of a lawsuit in state or federal district court can occur at any time. The use of this grievance procedure is not a prerequisite to the pursuit of other remedies.

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| Section 1.3: TYPES OF EMPLOYMENT |
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Revised 01/07/09

Policy Regarding At Will Employment:

In accordance with applicable law, all persons hired by the UC are hired "at will" unless otherwise stipulated by a formal contract. "At will" employment means that either the employee or the UC can end the employment relationship at any time, for any reason which is not in violation of federal or state law, or for no reason.

Regular Full Time Employment:

An employee filling a position on a regular, continuous, full-time basis in accordance with the normal schedule of the particular department, usually 40 hours per week is considered a regular, full time employee. Regular full time employees are eligible for the full range of employee benefits.

Regular Part Time Employment:

An employee filling a position on a regular, continuous, part time basis, but required to work fewer hours than normally designated for others in the classification, usually less than 40 hours

per week is considered to be a regular, part time employee. Regular part-time employees who work at least 30 hours per week but less than 40 hours will earn benefits pro-rated at 75% of those earned by regular full-time employees. Regular part-time employees who work less than thirty hours per week but at least 20 hours per week will earn benefits pro-rated at 50%. Payment for the remaining benefits will be at the expense of the employee and will be coordinated through the Human Resource Department.

Each new employee shall be considered probationary until completion of 180 calendar days of continuous employment with the U C. During the probationary period, retention as an employee is solely at the discretion of the Utilities Commission, but upon completion of the probationary period the employee shall be considered a regular employee and subject to all the provisions within the Manual for Human Resources Management.

Temporary Full-Time Employment:

An employee hired for a special project, or whose employment is of a seasonal, temporary or transitory nature. The non-contract position requires the employee to work on a full-time basis in accordance with the normal schedule of the particular department, usually 40 hours per week. The duration of employment normally will not exceed 180 calendar days, unless the temporary assignment is extended by the department Director. The Human Resource Department will advise the department at the end of 179 calendar days of work that the employee's assignment is about to expire.

Temporary Part-Time Employment*:

An employee appointed for a special project, or whose employment is of a seasonal or other similar temporary or transitory nature. The job requires the employee to work fewer than the normal 40 hours per week. The duration of employment normally will not exceed 180 calendar days, unless the temporary assignment is extended by the department director. The Human Resource department will advise the department at the end of 179 calendar days that the temporary assignment is about to expire.

Employees hired on a temporary basis subsequently placed in a regular full-time position or regular part-time position shall have their service date established as their original date of employment, provided service has been continuous.

Contract Employment:

An employee appointed or hired for a special project or task who works under a formal contract is considered a temporary or transitory employee. The duration of employment will be based on the language within the formal contract and the employee will be managed by the department Director as assigned. An employee in this category is not eligible for any benefits other than social security, worker's compensation and those benefits as may be specifically agreed to in the formal contract agreement. This contractual agreement may be terminated at any time.

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| Section 1.4: PROBATIONARY PERIOD |
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Revised 01/08/09

Probationary Period:

New employees must serve a one hundred and eighty day probationary period before being eligible for regular employee status. During the probationary period, retention of an employee is solely at the discretion of the UC. Upon successful completion of the probationary period, the employee is then classified as a regular employee. Successful completion of the probationary period is not a guarantee of future employment.

Performance during Probationary Period:

Probationary employees will be given a performance status update prior to completion of the probationary period. This update will serve to provide the probationary employee with an update on their performance during the probationary period. If a probationary employee's performance during probation is less than satisfactory or if other circumstances warrant, the probationary period may be extended at the discretion of the department Director, or the employee may be terminated.

90 Day Proficiency Time:

When a current employee accepts a new position within the UC, the employee will be subject to a 90 day training period to demonstrate proficiency in the new position. If, during this 90 day period, in the opinion of management the employee does not demonstrate proficiency in the position, management has the option to return the employee to the prior position, as long as this position has not been filled and there are no disciplinary issues. If the position has been filled and there is no other available position for which the employee is qualified, the employee would be subject to termination.

Rehired Employees:

Any employee rehired after a break in service, with the exception of an employee required to serve mandatory military leave or an employee recalled from a reduction in force within the prescribed recall period, must serve the probationary period as a new employee. Any former employee of the Utilities Commission who may also have been employed by a public employer who qualified for the State of Florida retirement system (FRS) and is rehired by the UC within 60 days of the last date of continuous employment with the UC, for purposes of Personal Leave Time accruals only, will receive credit for his/her service with the Utilities Commission or the qualifying public entity. (Prior credit for FRS related service dates are retroactive to 1998 only.)

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| Section 1.5: EMPLOYMENT OF RELATIVES |
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Revised 01/08/09

Policy Regarding the Employment of Relatives:

It is the objective of the UC to attract and retain employees of the highest caliber. Consistent with this objective, it is the policy of the UC to permit employment of relatives of employees only when in the judgment of the GM/CEO it is clearly in the best interest of the UC to do so.

Employment of relatives shall be regulated to the extent that no member of an employee's family (children, step-children, spouse, father, step-father, mother, step-mother, mother-in-law, father-in-law, brothers, step-brothers, sisters, step-sisters, brothers-in-law, sisters-in-law, grandparents, grandchildren and spouse's grandparents or grandchildren) will be employed within the same department, building and/or division, whether it be in a temporary or permanent position. No family member will be permitted to act in a supervisory capacity over another family member where there would be accountability for promotion or timekeeping or the contingency for collusive acts. The GM/CEO, in conjunction with the (HRDPD), must review all such hires.

Procedure for Addressing Staffing Conflicts with Relatives:

Employment decisions, transfers, promotions and marriages that could result in conflict with the above restrictions on employment of relatives will be reviewed on an individual basis by the Directors involved and the HRDPD. If it is determined that reassignment is necessary, the final decision on which employee is to be reassigned to which department or division and position classification will be made in the best interest of the entire operation by the GM/CEO in conjunction with the HRDPD. If it is concluded that a transfer is not feasible for any reason, the affected employees will decide which will terminate employment. If neither wishes to terminate

voluntarily, the affected department Directors will meet with the HRDPD and a decision, will be made. Concurrence with the GM/CEO, as to which employee will remain in the employment of the UC must occur.

There is no effect on employment situations existing as of January 31, 1997, but any future decisions regarding promotions, transfers, marriages, and employment will be governed by the Manual for Human Resources Management effective January, 2009.

Section 1.6: OUTSIDE EMPLOYMENT

Revised 01/08/09

Policy Regarding Outside Employment:

It is the policy of the UC to permit employees to have outside employment within specified guidelines.

Outside Employment or Business Activity:

Regular full-time employees are expected to regard the UC as their principal employer. Outside employment may be permitted to the extent that it does not interfere with an employee's duties and responsibilities as an employee of the UC. In addition, outside employment must not result in additional absences, additional costs or negative public perceptions of the UC and must be compliant with the UC's Code of Conduct and Conflict of Interest Policy. Any employee accepting outside employment where there might be a conflict of interest as determined by the UC must notify his/her department Director in writing prior to beginning such outside employment. Forms for this notification are available for this purpose within each department or in the Human Resource Department. The supervisor/department Director should forward the completed forms to the Human Resource Department to be kept on file. It is the employee's responsibility to inform the supervisor when ceasing outside employment, so that the file can be documented as such. Requests for alterations in hours worked may be granted by the department Director, but shall not incur any additional cost to the UC, such as shift differential pay or overtime. Any outside employment, which is deemed to be in conflict with UC employment, will be reviewed with the employee on a case-by-case basis as it may affect the employee's continued employment with the UC.

Section 1.7: REDUCTION IN FORCE AND RECALL

Revised 01/07/09

Reduction in Force Policy:

In the event of a reduction in force, the UC will declare a surplus in the classification or classifications affected. The Department Director, in conjunction with the HRDPD and the GM/CEO will make the determination as to the reduction of an employee who is not represented by a formal contract. This decision will be based on needs of the UC, needs of the department, employee qualifications, safety and discipline records. With respect to those employees represented by a formal contract, contract language will be applied.

Recall:

Recall shall be at the discretion of the Department Director, the HRDPD and the GM/CEO. An employee may be recalled to the classification assigned at the time of reduction in force or to a position which the employee previously held in the department or to a position for which the employee is qualified to perform. The UC maintains the selection rights of recall. If an employee refuses a position with the UC in any classification in which he previously was employed by the UC, the employee shall forfeit their layoff status with the State Department of Unemployment. Recall notification of laid off employees will be made by certified mail to their last known address. Recalled employees shall notify the UC if they desire to return to work within 5

calendar days of receipt of the recall notice and must return to work within 10 working days from receipt of recall notice, unless good cause is shown.

Two-Week Notice:

In all cases of a reduction in force, the UC shall give not less than 2 weeks notice of contemplated reductions to the employees affected. Where, however, such notice is not feasible, the Utilities Commission will notify the employee as promptly as possible and give, in lieu of said notice, 2 weeks pay, not to exceed 80 hours at the employee's straight time hourly rate, or a combination of notice and pay not to exceed 80 hours.

Severance Pay:

Any employee with one year or more of continuous service credited shall be entitled to severance pay when his/her position is reduced in force because of lack of work for a period in excess of 90 calendar days, however, no employee shall be entitled to severance pay in cases where such reduction in force is due to fire, flood, explosion, bombing, earthquake or Act of God, causing damage at locations where work is performed or from work stoppages resulting in the inability to maintain normal operations.

The severance pay for an employee entitled to severance under the provisions of this paragraph shall be paid at the rate of their regular base salary as follows:

| Length of Service | Severance Pay |
|------------------------------|---------------|
| Less than one year | 0 days |
| 1 year to less than 2 years | 3 days |
| 2 years to less than 5 years | 2 weeks |
| 5 years through 10 years | 3 weeks |
| Over 10 years | 4 weeks |

Such severance pay shall be paid within the payroll period relevant to the date of such reduction in force. If an employee is recalled after receiving severance pay, the recalled employee's length of service for purposes of this section only will begin on the date of recall.

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| Section 1.8: TERMINATION OF EMPLOYMENT |
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Revised 01/06/09

Types of Termination Of Employment: Resignations, Discharged, Retire:

When an employee's employment with the UC ends, it will be classified as a termination of employment as follows:

- Employee resigns. (Employee chooses to leave the company)
- Employee is discharged. (With or without cause)
- Employee is discharged whose position was eliminated as a reduction in force then fails to report for work, without good cause, within a period of 10 working days after being recalled by certified letter sent to the last known address as shown on the records of the Human Resource Department.
- Employee is discharged /fails to report for work at the end of a leave of absence.

- Employee is discharged as a result of absenteeism without leave for 3 consecutive work days without notifying his supervisor or the Human Resource Department. Such absence will constitute a voluntary quit. Any extenuating circumstances will receive equitable consideration by the employee's department Director.
- Employee retires.
- Employee dies.
- Employee is terminated as a result of a worker's compensation injury that extends beyond 1 year.

Termination Procedures:

Employee Change Notice: All types of terminations will be accomplished by means of an Employee Change Notice form (ECN) accompanied by an Employee Termination Check completed by the Human Resource Department. The ECN form will be signed by the employee's supervisor, the department Director, the HRDPD and the GM/CEO before the termination is effective.

At the time of termination and prior to receiving final monies due, all records, identification cards, books, assets, uniforms, keys, tools and other items of Utilities Commission property in the employee's custody will be returned to the appropriate department and certification to this effect will be made by the department Director. When all department items have been completed, the Human Resource Department will complete the termination check-out process, including exit interview.

Exit Interviews:

Any employee leaving the UC will be requested to participate in an exit interview with the HRDPD. The completed exit interview form is to remain with the Human Resource Department and is to be utilized for management review.

Discharges:

An employee being discharged will be given a written notice of discharge and the reasons for the discharge. The employee will also be given an opportunity to respond to the reasons and provide written or verbal feedback prior to the discharge. The HRDPD will participate in the discharge conference. At the conclusion of the discharge conference, the department Director may either proceed with the discharge, elect not to discharge the employee or defer the decision until more information can be obtained. If the decision is deferred, the employee may be returned to work or suspended, with or without pay, until the final decision is made. Authority for the discharge decision resides with the Director, with the concurrence of the HRDPD and the approval of the GM/CEO. Depending on the circumstances, an employee being discharged may be given salary or wages in lieu of notice and the effective date of the discharge may be adjusted accordingly. The employee being discharged will be instructed to surrender all Commission property in his or her possession and will be supervised by a member of management while completing the check-out process, which includes packing belongings, and picking up his or her final paycheck in the Human Resource Department. At the employee's request, the final paycheck can be mailed to a location of the employee's choice.

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| Section 1.9: PREVENTION OF SEXUAL HARASSMENT POLICY |
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Revised 01/07/09

Prevention of Sexual Harassment Policy (See Appendix A):

Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination on the basis of race, color, religion, sex and national origin. Fair employment Laws and the Florida Civil Rights Act govern sexual harassment laws.

It is the policy of the UC to assure a work environment free of sexual harassment. In accordance with the EEOC Discrimination Guidelines, unwelcome sexual advances, requests for favors and other verbal or physical conduct of a sexual nature constitutes sexual harassment in the workplace and will not be tolerated in the context of UC employment. Sexual harassment has the effect of unreasonably interfering with an employee's work performance or creates an intimidating, hostile or offensive working environment and will not be tolerated. All claims or allegations of sexual harassment will be promptly and thoroughly investigated.

Quid Pro Quo and Hostile Work Environment:

Quid Pro Quo harassment occurs when a supervisor/manager/Director or person with implied authority makes submission to or rejection of a harassing sexual act, whether implied or expressed a condition of employment or a basis for an employment decision (i.e., a raise, promotion or shift change). The request is not limited to sex but can include companionship, requests for dates, request that the employee date others and unwanted social interaction. Hostile Work Environment is a workplace where sexually unreasonable employee conduct is pervasive and sufficient to alter working conditions and the behavior is intolerable to a "reasonable person".

Prohibited Conduct:

Conduct of the nature indicated above will constitute sexual harassment when any of the following factors occur:

- Submission to such conduct is made an explicit or implicit term or condition of employment;
- Submission to or rejection of the conduct is used as the basis for an employment decision;
- The conduct has the purpose or effect of interfering with an affected person's work performance, or creating an intimidating, hostile, or offensive work environment.
- Types of conduct that could result in a hostile environment include:
- Conduct focuses on the sexuality of another person and occurs because of the person's gender or is sexual in nature.
- The conduct/behavior is unwanted and unwelcome.
- It is severe and/or pervasive.
- Threats of physical harm or humiliation must pervade.
- Pervasive vulgar language or calling employees sexual or gendered names.
- Making sexual comments about a person's body or clothing, or spreading rumors about an employee's sex life.
- Includes leering, obscene gestures, lewd comments, sexual jokes, questions or comments.
- The recipient finds the behavior hostile, intimidating and/or offensive.
- Sexually oriented or suggestive pictures, posters, magazines, or other materials pervade the workplace.
- Sexually and/or hostile use of the internet or electronic communications (email) or telephone systems (office phone, work cell phone, work radios).
- Epithets, slurs, negative stereotyping relative to one's protected class status.
- Pervasive physical or psychological abuse such as name-calling, assaulting, sabotaging, segregating or threatening someone because of their protected class.
- A "reasonable person" would find it hostile, intimidating or offensive.

A single incident or remark does not constitute a hostile work environment. To be considered a sexually hostile work environment constituting harassment, the conduct must substantially affect the work environment from the viewpoint of a “reasonable person” and must be pervasive. An exception is that a single incident of touching a person in an unacceptable place is usually considered offensive enough to constitute sexual harassment.

Although an incident may not rise to the level of sexual harassment, the employee should report behaviors they feel are inappropriate for the workplace, which shall be addressed under other guidelines, such as working relations guidelines.

Employees at the UC work in a multitude of locations. An employees office might be in a non-traditional setting, such as a vehicle (meter reader trucks, linemen trucks), by the roadside (utility employees working on a roadside project), in the drive-through window, or other remote locations. Keep in mind that any location or non-traditional setting has the rules of sexual harassment applied.

Zero Tolerance:

A work environment based on sexual harassment is considered discriminatory and is forbidden.

Supervisory employees fall under the guideline of a “zero tolerance” policy (Quid Pro Quo). Sexual harassment is unacceptable misconduct and discipline will be enforced which may include immediate termination. Employees who engage in sexual harassment will be informed that their conduct violates the Commission’s policy against sexual harassment and will be subject to disciplinary action up to and including termination. Vendors who commit acts of sexual harassment or create a hostile work environment shall be investigated and may be denied access to UC staff and premises if such conduct continues or is repeated.

Management Responsibility:

The responsibility for communicating and enforcing the UC’s policy against sexual harassment rests with the UC’s senior management. Each Director will assure that this policy is communicated to and understood by all employees in their department. The Human Resource Department will ensure that appropriate training is provided, and Directors will enforce the attendance of these mandatory trainings. When allegations of sexual harassment are reported to Directors, Directors will assure that such allegations are promptly and thoroughly investigated and will enforce appropriate disciplinary actions.

UC management has a legal duty to investigate all allegations of sexual harassment brought to its attention, even if the affected individual(s) prefer not to have them investigated or are reluctant to come forward with a charge. Any reports of sexual harassment to any supervisor or director must immediately be reported to the HRDPD.

The HRDPD is the management official designated to take all complaints of sexual harassment/hostile work environment seriously and to respond quickly, decisively and prudently. Except as directed otherwise by the GM/CEO, all such allegations will be investigated with the aid of other management officials as may be necessary. . The HRDPD will advise Directors and the GM/CEO concerning any reports of sexual harassment in the respective departments, progress of investigations and new developments in sexual harassment laws and regulations.

Managers' and Supervisors' Responsibilities:

All Directors and Supervisors will be responsible for:

- The application and implementation of this policy within their respective areas, including the initiation and support of programs and practices designed to develop understanding, acceptance, commitment and compliance within the framework of this policy.
- The assurance that all employees are informed of this policy.
- Taking affirmative steps to encourage individuals who believe that they have been sexually harassed to report such incidents to management.
- Cooperating fully with any ongoing investigations regarding any sexual harassment incident.
- Including compliance with the intent of this policy in periodic evaluations of supervisors and subordinates.
- Complying with legal requirements and working with the Human Resource Department to stay aware of any changes in the law or its interpretation.
- Ensuring each employee complies with both the spirit and the letter of this policy.

Reporting and Investigation of Incidents of Sexual Harassment:

Sexual harassment allegations against other employees should be brought to the attention of either the affected employee's immediate supervisor, Director, or the HRDPD (ext. 3055). It is not necessary to follow the normal chain of command reporting structure when reporting sexual harassment.

In making a claim of sexual harassment, the claimant will be asked:

- If the conduct was unwelcome and asked to describe the behavior;
- If the claimant was offended by it;
- Who the perpetrator of the behavior was;
- Dates and times that the harassment occurred;
- To provide names of witnesses if applicable.

Potential outcomes of an investigation could include:

- Prompt and effective remedial action that is reasonably calculated to end the harassment.
- The affected individual receives and is satisfied with an immediate expression of regret and apology from the offending employee.
- The offending employee is informed that the conduct was unwelcome.
- The offending employee receives applicable discipline (which may be harsher under Quid Pro Quo guidelines). In many cases a verbal or written warning is not a sufficient response and more serious discipline will occur.
- Remedial action which may also include ongoing supervision, job transfer, demotion and job termination.

The incident may end at this point without further action. However, if the conduct persists, it should be reported again. If the harassed employee's supervisor is aware of the conduct, the supervisor should encourage the reporting of it even if the affected employee is reluctant to do so. The supervisor has the duty to report any such conduct to the HRDPD immediately upon becoming aware of the conduct.

A properly conducted investigation will include a detailed interview with all parties involved. The purpose of the investigation is to determine objectively what happened, form an appropriate resolution, inform the claimant of the results of the investigation and, where appropriate, the corrective action taken.

The investigator will make every reasonable effort to maintain confidentiality throughout the investigation, instruct all parties and witnesses to do likewise, and assure both the claimant and the accused that every effort will be made to limit discussion of the matters brought to the investigator's attention to only those individuals who need to know the facts.

In cases of sexual harassment allegations against a Director, or the HRDPD, the GM/CEO may investigate the charges personally or determine who is to investigate them and to what extent other UC staff will participate in the investigation. Should there be allegations of sexual harassment against the GM/CEO or against a Commissioner, the Chairman of the UC or the GM/CEO, as appropriate, will bring the matter to the attention of the UC, who will determine the procedure to be followed in consultation with the UC attorney.

If the parties to a sexual harassment claim are working in close proximity to each other, temporary arrangements will be made to separate them while the investigation is being conducted, in a manner that does not penalize the claimant or the accused. The accused party may be placed on administrative leave pending the outcome of the investigation.

If the allegation is sustained, the responsible employee will receive disciplinary action appropriate to the offense, up to and including discharge if the conduct is so offensive as to warrant such action. In addition, the harasser may be personally liable for any acts of harassment under state laws. A copy of the disciplinary action will be placed in the employee's Human Resource file. The harassed employee will not be unwillingly transferred or reassigned. If the conduct persists or is repeated after the offending employee has been warned, or if a second charge of sexual harassment is substantiated, the offending employee will be subject to discharge.

Retaliation:

No employee will be subjected to retaliation or any other adverse action by the UC or its management and supervisory staff for bringing sexual harassment charges against anyone employed by or associated with the UC, unless the charges are found to be deliberately false. False claims will result in disciplinary action.

Non-Qualifying Behaviors:

The following are examples of non-qualifying behaviors which the courts will not consider rising to the level of legal sexual harassment (otherwise known as a working relations issue):

- One isolated, minor incident of non-severe sexual harassment.
- Relatively isolated and innocuous propositions over two years.
- Relatively benign comments by a supervisor regarding a subordinate over a period of several months.
- Incidental, occasional or merely playful sexual utterances.
- Discourteousness or rudeness.

The employee may, however, report these issues to a supervisor, HRDPD if they disrupt workplace relations as this behavior may be in violation of UCNSB policies.

An employee should immediately contact the HRDPD if the employee feels that he/she is being subjected to inappropriate conduct that may be harassment.

Human Resources: 386-424-3055

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| Section 1.10: PREVENTION OF VIOLENCE IN THE WORKPLACE POLICY |
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Revised 01/07/09

Workplace Violence Prevention Policy (See Appendix B):

It is the UC's policy to provide a safe workplace for our employees. The UC has adopted a zero tolerance policy with respect to threats of violence or violent acts in the workplace. The following policy statement shall be adhered to by all UC employees and contractors:

Weapons in the Workplace Policy:

The carrying or possession of firearms or other weapons is prohibited at all times in UC buildings. It is permitted on UC property, including UC parking lots and in the employee's vehicle only within the parameters of the law. The carrying or possession of firearms or other weapons within a UC-owned vehicle is prohibited in any location while on or off duty.

Any weapon discovered to be in violation of the UC's policy may be seized by law enforcement authorities. Weapons for purposes of this policy are defined as:

- Any unregistered firearm that violates Florida law as a legal firearm.
- Any knife with a blade in excess of four inches and not issued by or utilized for work.
- Any item that is specifically designed or used to intentionally inflict bodily harm.
- Any item that the employee is using in an inappropriate fashion in the employee's work location (including a UC-owned vehicle) that could be used to instill a fear of violence or may be used in connection with threats. (Example: employee throws a stapler at another employee in anger).

Threats, threatening language, or any other acts of verbal or physical aggression or violence made towards or by a UC employee will not be tolerated. For purposes of this policy, threat includes verbal or physical harassment, attempts at intimidation or to instill fear in others, menacing gestures, flashing of concealed weapons, utilizing tools or office items as a weapon, stalking, verbal or physical abuse, threats conveyed in writing or other hostile, aggressive, injurious and destructive actions.

In addition, failure to comply with this policy may result in disciplinary action up to and including termination of employment.

Reporting Responsibilities:

All potentially dangerous situations, including threats, should be reported immediately to your supervisor, Director, Safety Officer/Risk Manager or to the HRDPD. All threats will be promptly investigated. Report if threats may be made anonymously. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat under this Policy, unless the report of the threat is found to be deliberately false. If an investigation confirms that the violence or threat is committed by an employee, the UC will take swift appropriate corrective action which shall result in discipline up to and including discharge.

Disciplinary action up to and including discharge may be taken against anyone who knowingly makes a false, merit-less or malicious claim under this policy.

The HRDPD will Chair the Threat Assessment Team in conjunction with the Safety Officer/Risk Manager and any other Director/Supervisor deemed to be relevant to the case at hand. The Threat Assessment Team will investigate all claims.

Examples of behavior by non-UC employees or vendors that would also merit reporting including the following:

- Someone who is acting suspicious in the building or on the grounds of any UC building.
- A suspicious vehicle parked outside any UC building.
- Threats made by irate customers or vendors either in person or by phone or in writing.
- Threats made by spouses and/or ex-spouses to the employee or any other UC employee.
- Acts of stalking by a non-UC employee or vendor.
- Unusual packages or letters brought to the site.
- Visitors who refuse to sign in and refuse to supply proper identification.

Probable Cause and Inspections:

If there is justifiable cause to believe that UC personally-used property (i.e., the employee's locker, desk, workspace and in some cases their UC-owned vehicle) may contain unlawful weapons, the UC has the right to request assistance from law enforcement, and to inspect UC personally-used property of employees on Commission property or contained within UC-owned vehicles, facilities or equipment.

Any employee who refuses to allow for an inspection, when probable cause exists, shall be considered insubordinate and subject to disciplinary action, up to and including discharge.

Procedures for Handling Violent Situations:

Pre-crisis Situations

When an employee identifies a potentially violent situation:

- The employee reports the situation to the HRDPD or the Safety Officer/Risk Manager or their immediate Director/Supervisor.
- Management will investigate immediately and document the information received. Based on the results of the investigation, management either:
- Resolve the situation utilizing existing procedures (e.g. counseling, discipline, EAP, or other resource) and will provide the HRDPD with this information.
- Will provide the information to the Threat Assessment Team comprised of the Human Resource Director and the Safety Officer/Risk Manager and any other relevant supervisory personnel.
- Inform the GM/CEO and applicable Director of the potential issues at hand.

Management or a member of the Threat Assessment Team will complete the investigatory process as follows:

- Personal safety must be the utmost priority.
- A designated member of the Threat Assessment Team shall contact local law enforcement and/or medical emergency personnel and the GM/CEO and shall act upon the directives given.
- All employees are empowered to contact local law enforcement in an emergency situation.

- Refer all media inquiries to the Public Information Manager (386-424-3003) and in the absence of the PIM, the HRDPD (386-424-3055).

Post-Crisis Situations

The Threat Assessment Team will coordinate an incident debriefing session with relevant employees. The EAP may be utilized when applicable.

Management will provide a follow-up assessment to the Director and to the GM/CEO.

Refer all media inquiries to the Public Information Manager.

Objectives of Workplace Violence Policy:

The objective of the Utilities Commission Workplace Violence Policy is to maintain the safety of and promote a positive working environment, for all of its employees. The UC will not engage in any conduct which would serve to escalate a hostile or threatening situation.

Nothing in the Violence in the Workplace Policy or Working Relations guidelines is intended or shall be used to violate any legal requirement or safety standard. If applicable laws or safety standards become effective which are in conflict with any provisions of the Policy or Guidelines, the Policy and/or Guidelines shall be deemed amended to conform to such conflicting provisions and all other provisions shall remain in effect.

Section 1.11: CODE OF ETHICS, UC CODE OF CONDUCT AND CONFLICT OF INTEREST POLICY

Revised 01/07/09

Code of Ethics Policy (See Appendix D):

To avoid misunderstandings and conflicts of interest which could arise, the following policy will be adhered to by all employees of the Commission. This policy is in accordance with Chapter 112 of the Florida Statutes entitled "Code of Ethics for Public Officers and Employees."

No UC employee shall solicit or accept any gifts, including Christmas gifts, favors, or service that might reasonably tend to improperly influence them in the discharge of their official duties.

No UC employee shall use or attempt to use, their position to secure special privileges or exemptions for themselves or others except as may be provided by policy and/or law.

No UC employee shall disclose confidential information gained by reason of their official position, nor shall they otherwise use such information for their personal gain or benefit.

No officer or UC employee shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he/she is an officer or employee; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his/her private interests and the performance of his/her public duties or that would impede the full and faithful discharge of his/her public duties.

If a UC employee is an officer, director, agent, or member of, or owns material interest in any corporation, firm, partnership, or other business entity which is subject to the regulations of or which has substantial business commitments with the UC, they shall file a sworn statement to this effect, with the Clerk of the Circuit Court of the County, in which the employee is principally employed.

No UC employee shall transact any business in their official capacity with any business entity of which he or she is an officer, director, agent, or member or in which he or she or their spouse or child owns a material interest.

No UC employee shall violate any provision of Florida Statutes, Chapter 112, as amended from time to time, and as more particularly set forth therein.

Any violation of the provisions of this policy shall be subject to review and appropriate corrective action.

When a UC employee has any doubt as to the application of this policy, they should discuss the possible violation with the Department Director or, where a Department Director is concerned, they should discuss the possible violation with the HRDPD.

SECTION 2

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| Section 2.1: HOURS OF WORK AND PAY CLASSIFICATIONS |
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Revised 01/07/09

Regular Work Week:

The regular work week shall be a total of 40 hours of work per week Sunday through Saturday consisting of 5 work days of 8 hours each, or 4 consecutive days, not exceeding 10 hours per day, as scheduled by the Department Directors. The regular work week for all employees begins at 12 a.m. Sunday and ends at midnight on the following Saturday.

Regular Work Day:

The regular work day consists of 24 consecutive hours from 12 a.m. to 12 midnight of that calendar day.

Normal Work Week:

The normal work week for regular full time employees, except for continuous operation shift employees and odd work week employees, consists of 5 consecutive days, Monday through Friday, not exceeding 8 hours per calendar day, with Saturday and Sunday as their first and second scheduled days off, or 4 consecutive days, Monday through Thursday, or Tuesday through Friday, not exceeding 10 hours per day, with Friday, Saturday and Sunday, or Saturday, Sunday and Monday as their first, second and third scheduled days off. Nothing in this section or article will be considered as a guarantee of any hours of work per day or per week. Schedules may be changed at the discretion of the Directors.

Regular Shift:

A regular shift is scheduled in advance and consists of 8 or 10 consecutive hours during a regular work day exclusive of meal periods. Once the regular shift starting time is established, it shall remain fixed unless changed upon 72 hours advance notice to the employee(s) affected. The 72 hour notice requirement is not applicable if it is due to circumstances beyond the control of the Utilities Commission and it shall not be used to avoid the payment of overtime. Shift work may differ in order to provide continuous service.

Irregular Shift:

An irregular shift may have a variation in scheduled days off. An example would be those employees working within the Systems Operation Department, in which they work six days on, two days off, then seven days on, two days off, then seven days on and four days off. The cycle then repeats itself.

At all times, it is at the discretion of the Director to develop the staffing patterns in the best interest of the UC business needs

Night Shift:

The night shift shall include any shift consisting of 8 or more consecutive hours starting at or after 1 p.m. and at or before 6 a.m. (excluding scheduled overtime, or call out). The time when an employee actually commences work will determine whether or not the employee has worked a night shift for the purpose of shift differential pay only. Any employee commencing a night shift at or after 1 p.m. or prior to 11 p.m. will receive a shift differential of \$.75 cents based on the employee's base rate for all time worked. An employee commencing a shift at or after 11 p.m. but prior to 7 a.m. will receive a shift differential of \$1 based on the employee's straight time base rate for all time worked. The night shift will be a permanent shift and employees selected to work on the night shift will cease rotation. Those employees on a rotating night shift schedule shall continue to do so.

Management reserves the right to reassign the night shift employee based on documented disciplinary issues.

Shift Differential:

An employee commencing a shift consisting of 8 or more consecutive hours at or after 1:00pm but prior to 11:00pm will receive a shift differential of \$.75. An employee commencing a shift after 11:00pm but prior to 7:00am (unless it is at the employee's request) will receive a shift differential of \$1.00 based on the employee's base rate of pay.

All shift differentials will be paid when employees are on PLT, or a holiday. An employee who has worked more than one week on shift differential will receive shift differential pay for unscheduled PLT.

If authorized, employees may take one or more brief breaks or rest periods each work day. Rest periods shall be considered a privilege and not a right and shall never interfere with proper performance of the work responsibilities of each department. Rest periods, when not used by the employee, will not be cumulative.

Midnight Shift:

A shift in which the employee works through midnight shall be regarded as falling entirely within the calendar day during which a majority of the hours are worked.

Intervening Shift Pay:

If two continuous operation shift employees who work on shifts that cover 24 hours/7days a week voluntarily agree to split an intervening shift (i.e. they agree to work two twelve hour shifts instead of three 8 hour shifts), the regularly scheduled 8-hour shift will be paid at the straight time rate for the first 8 hours and the extra 4 hours will be paid at the overtime rate (time and one half).

Scheduled Days Off:

Each employee has 2 consecutive scheduled days off in a 7day period (3 consecutive days off if assigned to a 4 day/10 hour work schedule).

Employee Pay Period:

Employees are paid by check, or direct deposit if they so desire, at intervals not exceeding two weeks.

Non-Eligible Classification:

In accordance with the provisions of the Fair Labor Standards Act, employees in salaried exempt classifications are not eligible to earn overtime compensation.

Holiday Pay:

When any designated holiday falls within the regularly scheduled workweek, and no work is performed, regular full-time employees (40 hour employees) will be paid for 8 hours (or 10 hours if they work 10-hour shifts) at their basic straight time rate. Unscheduled time off either the day before or the day after a holiday will result in non-payment of the holiday.

Working on a Designated Holiday:

If required to work on a designated holiday, an hourly employee eligible for overtime will be compensated at the regular straight time rate for all work actually performed on a holiday. In addition, two times (double time) the regular straight time rate shall be paid for all work performed on the holiday. In the event an employee works two shifts on a holiday (example, midnight – 8am, and then 4pm-midnight), the employee would be paid 16 hours of double time and 16 hours of straight time pay.

Failure to respond to work when called out five times in a row within a calendar year will result in a disciplinary letter to the file. A failure to respond will count only once in a twelve hour period on a regularly scheduled work week and once every 24 hours during scheduled time off.

Holiday Pay and Scheduled Days Off:

Should an observed holiday fall within the period an employee is on Personal Leave Time (PLT), the holiday will be considered holiday leave and will not be charged against an employee's personal leave account.

Odd Work Week Schedule and Holiday Pay:

Employees assigned to a 4 day/10 hour shift will receive 10 hours of pay for the holiday. Employees working an odd work week schedule with other than Saturday and Sunday as their scheduled days off shall be paid for the worked legal holiday, or the employee may request to be paid double time for the worked legal holiday and receive an additional day's straight pay (one regular day) in the PLT account within the next pay period following the worked legal holiday, as long as all other attendance rules have been met. Requests for holiday time off shall not be subject to the 5-work day advance notice but approval is at the Director's discretion.

Weekend Holiday Pay:

When a designated holiday falls on a Sunday, the holiday will be observed on the following Monday. When a designated holiday falls on a Saturday, the holiday will be observed on the preceding Friday. At all times the UC shall indicate the date of the designated holiday.

Call-Out Pay:

An employee in a position eligible for overtime who after departing the Utilities Commission premises and completing a regularly scheduled shift and is then officially called out and reports back to work for emergency service shall be compensated for all hours worked during the call-out period at one and one-half times the regular hourly rate. Regardless of time actually worked, the employee shall receive compensation for a minimum of three (3) hours at the overtime rate. If the hourly employee does not work the full three hours during the initial call-out and is called out again within three hours of the initial call-out, the employee will not receive another three hours of pay. Call out shall be paid to any employee required by management to attend a meeting on a scheduled day off or during hours outside, but not immediately preceding or following the employee's regular shift. If an employee is required to work prior to his regular starting time without advance notice (at least 12 hours in advance) the employee will be paid

the three hour call-out pay. The employee must provide a means in which to be notified (phone number, pager number, cell number).

In the event the eligible employee is called-out, and that call-out is cancelled within 15 minutes, there shall be no call-out pay.

Standby Pay:

Standby employees are prepared to work at any given time while being paid for standby time. Standby begins at a time in which the hourly employee's regular shift has ended. The Director shall determine who is on standby. The employee will receive three hours of standby pay at the regular straight time rate for each of the weekdays during the week for which the hourly employee is assigned. (Monday morning at 7:00 am through Saturday morning, 7:00am) in which the standby begins and ends. The employee will receive 4.5 hours of standby pay for standby assigned on a Saturday beginning at 7:00am, through Monday morning, 7:00 am.

Holiday Standby Pay:

If an hourly employee is required to standby at a time that he is not working on a designated holiday he will receive 5 hours of standby pay at his regular straight time rate. Employees on standby are required to be available for immediate contact and will have adequate and appropriate clothing to leave their location and go directly to the job area. Failure to respond to a call or promptly report to work when called will result in forfeiture of standby pay for that day and appropriate disciplinary action will be taken.

Working and Use of Cell Phone:

The Utilities Commission provides cell phones for work usage. The UC understands that a personal emergency may occur. The employee shall keep the usage of a personal cell phone to a minimum. Abuse of the cell phone or any other phone device may be grounds for disciplinary action.

Working During Meal Time:

All hourly employees shall be entitled to a meal period during their regular shift, during which they shall not be required to perform work. No employee shall be required to work more than 6.5 hours without being given a meal period. Such meal period shall start no earlier than 3.5 hours, and no later than 6.5 hours after the employee starts work.

In the event an hourly employee is required by his/her supervisor/manager to work during the meal period, or is not free from all job requirements, duties and responsibilities during the meal period, the employee will be compensated at the rate of one and one half times his regular base rate for the missed meal period.

This section does not apply if employees voluntarily elect to work through their meal period (in order to leave early and shall not incur overtime) or for continuous operation shift employees.

Meal Times Worked and Meal Allowance:

The Utilities Commission will pay meal allowances for work performed outside an hourly employee's regular or irregular shift as follows:

1. When an employee's shift is extended two hours or more immediately before or after a regular work day and the employee has not been given at least 12 hours advance notice and worked at least half the specified meal time.
2. When an employee is assigned scheduled overtime and has not been given at least 12 hours advanced notice and worked at least half the specified meal time.

3. When an employee (including standby) is called out for a period in excess of 2 hours and worked at least half the specified meal time.

Meal times in conjunction with meal allowances are as follows:

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|----|---------------------------|---------------|---------|
| 1. | 6:00am-7:00 am | Breakfast | \$ 7.00 |
| 2. | 12:00 noon to 1:00 pm | Lunch | \$ 8.00 |
| 3. | 6:00 pm to 7:00 pm | Dinner | \$12.00 |
| 4. | 12:00 midnight to 1:00 am | Midnight Meal | \$ 8.00 |

Gratuities are paid at 18% if submitted. The employee must sign their own ticket for the meal and submit to their departmental administrative assistant.

Additional Meal Allowances For Hours Worked:

After the initial meal allowance is paid, additional meal allowances will be paid for each additional 5 hours of call-out or extended shift work. Not more than 4 meal allowances will be paid in any 24 hour period. An employee will not be required to work more than 5 continuous hours on any call-out including call-out, without receiving a meal allowance.

Meal allowance payments will be paid in the next pay period as long as the employee submits a meal allowance request with receipt. The UC may meet its obligation under this article by providing a paid meal.

Travel Accommodations:

Any employee who attends a two day or more school at the request of the UC and who travels fifty miles or more may receive authorization from their Director for overnight accommodations. Selection of the hotel/motel must be pre-approved by the Commission. Meals during this type of travel are paid based on meal travel allowance rates. These rates are listed in the Finance Department.

Employees on holiday standby, in which the holiday is on a Monday, will cover Friday at 11:30pm through Tuesday, 7:00am and shall receive an additional 5 hours of standby pay for the Monday holiday.

Exchanging Work Hours:

Upon approval by the Supervisor or the Director, employees of the same classification may exchange hours of work within the work week with one another provided additional overtime is not created by such exchange.

Emergency Work Conditions Pay:

Emergency work conditions include working during hurricanes, tropical storms, tornadoes, floods, earthquakes or any catastrophic disaster.

All employees may be designated as essential or non-essential employees during an emergency, as determined by the UC. Non-essential employees may be released from duty by their Director and if so shall be paid up to the balance of their normal work week, not to exceed 20 hours, as long as the UC has determined that it shall remain closed. Any additional days closed by the UC during the normal work schedule, beyond the 20 hours paid by the UC, shall be paid with any available PLT within the employee's bank, or it will be LWOP (leave without pay).

Employees who are on approved leave with pay at the time of an emergency or who are scheduled to take authorized scheduled leave with pay during the time of the emergency shall be charged for the leave for that period like any other employee on administrative leave. In the

event of a disaster, previously approved leave of a non-medical nature may be cancelled by the Director or the GM/CEO and the employee may be required to report for work.

Employees who are already on previously approved leave without pay at the time of the emergency shall remain on unpaid leave.

If a holiday falls within the time that the UC is closed for a disaster the holiday shall be paid as holiday pay.

An employee will be allowed a “reasonable time” (unpaid four hours) to be released from work to return to their residence to ensure the safety of their family. The employee shall be required to report back to the designated work location for the emergency work.

Employees who are hourly and who are required to work during the emergency (an emergency has been declared by either their specific departmental Director or the GM/CEO) shall be compensated for the time worked at time and one half for the first eleven hours and double time for all hours in excess of eleven hours until there is a break of 8 hours or more and there is no interim 8 hour rest period. Employees shall be paid double time for all emergency hours worked on any regularly scheduled day off during an emergency.

Any hourly employee who is asked to direct a foreign crew (non UC crew) shall receive double time.

If an employee’s shift is changed, time worked during this shift change during an emergency will be at time and one half for an hourly employee.

Voluntary Closing and Pay:

Any time the GM/CEO voluntarily closes the UC and grants a paid, pre or post-holiday day off (the day before or the day after a holiday that is not currently listed on the UC Holiday schedule) employees shall not be asked to take time out of their PLT account and shall be paid by the UC. If an employee is required to work during a time in which the UC is voluntarily closed by the GM/CEO, employees will receive straight time pay for hours worked and will be credited with an additional 8 hours in their PLT account for their current straight time rate of pay. Employees assigned to a 4 day/10 hour shift will receive holiday pay prorated and paid just like any other employee for a holiday (10 hours of holiday pay).

Time Off To Vote:

Employees whose entire working period falls between the hours of 7 a.m. and 7 p.m. shall be allowed at least 2 hours without pay before starting or after finishing work, when possible, to vote in public elections. If the UC knows it will be impossible to allow an employee at least 2 hours to vote before or after his scheduled shift on that day, the employee will be allowed sufficient time without loss of pay to vote during work hours. The UC shall not incur any overtime premium as a result of that employee’s absence.

Furloughs:

The UC reserves the right to utilize an involuntary, unpaid furlough if budgetary issues arise.

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| Section 2.2: OVERTIME COMPENSATION—HOURLY, NON-EXEMPT EMPLOYEES |
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Revised 02/22/09

How Overtime is Earned:

PILOT PROGRAM: An hourly employee in a classification eligible for overtime who is required to work in excess of 8 hours in a day (or 10 hours in a day for a four day – 10 hour work

schedule) or beyond the normal work week (40 hours) will be paid at the rate of one and one-half times the regular hourly rate. Unscheduled Personal Leave with pay shall count as hours worked for the purpose of computing overtime. Abuse of this privilege, which would include a pattern of calling in for unscheduled leave after overtime has been attained on any given day, will be grounds for disciplinary action. Abuse of this privilege may result in this provision being rescinded.

In the event an hourly employee requests scheduled PLT to cover time that would not be worked because the employee wishes to leave early and then works longer than expected, overtime will only be paid if 1) the Supervisor requires that the employee stays or 2) the entire crew works through lunch and the employee must as well. In this case the employee would receive the PLT time off as requested and be paid for the overtime worked. If the employee works longer than expected by his/her own volition, then overtime will be paid however, because it was not approved disciplinary action could occur.

Overtime Selection:

Hourly employees selected for overtime are at the discretion of the Director. Probationary employees may be refused overtime work.

Overtime shall be authorized by the appropriate Director or designated Manager/Supervisor. No employee may authorize or approve his/her own overtime payment.

At the Department Director's discretion, and only if requested by the hourly employee, hours worked in excess of forty hours per week or beyond 8 hours in a day may be paid in the form of compensatory time off. Compensatory time shall be taken at the rate of 1½ hours for each hour worked in excess of forty hours a week/8 hours in a day. Compensatory time may be taken at a time mutually agreeable to the employee and supervisor and must be taken within the same pay period.

Exempt Employees:

Those employees whether they are managers, supervisors, professional classifications, or Directors are classified as exempt and do not earn monetary overtime wages, nor do they earn compensatory time. It is at the discretion of the Director to permit flexibility within an exempt employee's daily or weekly schedule depending on hours worked. Exempt employees are employed at the UC with an expectation of at least 40 hours per week of work performed, unless specified otherwise, including nights, weekends and holidays if necessary.

Holiday Overtime:

Overtime shall be paid at the rate of two times the employee's regular base rate for work actually performed on a designated holiday, provided such employee works all scheduled hours on the last scheduled work day before and the first scheduled work day after a holiday. Scheduled personal leave time will count as time worked for holiday pay purposes. If the employee does not actually work all scheduled hours immediately before or after the holiday due to unscheduled personal leave or any other unscheduled reason, the employee will be paid one and one half times their regular base rate for the time worked on the holiday.

In the event an employee works two shifts during a holiday (example: Midnight to 8am, and 3:00-midnight), the employee would be paid 16 hours at double time, and 16 hours of straight time. In addition, the midnight shift would qualify for shift differential pay.

Approval of Overtime:

All overtime shall be authorized by the appropriate department Director or designated Supervisor or Manager. No employee may authorize or approve his/ her overtime payment.

Overtime on Scheduled Day Off:

Overtime shall be paid at the rate of one and one-half times the employee's regular base rate when the Utilities Commission requires an hourly employee to work on their first scheduled day off. Double time shall be paid at the rate of two times the employee's regular base rate for the second day off when the Utilities Commission requires an employee to work on their second scheduled day off. In the event the employee has three scheduled days off, double time will be paid for the third day off. Overtime worked will be paid on the working rate (includes premiums) for that shift.

Overtime pay shall not be pyramided, compounded or paid twice for the same hours worked. Time on stand-by shall not be considered as time worked for the purpose of computing overtime pay.

Overtime and Different Shifts Worked:

Overtime worked will be paid on the working rate for that shift for hourly employees. In the event the employee volunteers to assist another employee and cover for a lesser paying shift, the employee who volunteered will be paid at his/her greater working rate.

Avoidance of Overtime Pay:

An employee will not be scheduled off duty during a regularly scheduled shift in order to avoid paying overtime during that work week.

Procedure for Requesting Compensatory Time Off:

A time off request should be signed by the hourly employee indicating a request for the use of compensatory time off and signed by the Director. This should then be submitted to the Payroll Specialist.

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| Section 2.3: EMPLOYEE STATUS AND PAY CLASSIFICATIONS |
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Revised 02/22/09

Changes in Employee's Salary or Position Classification:

It shall be the responsibility of each department Director to immediately advise the Human Resource Department of all changes in an employee's status. All salary and position classification changes must be approved and processed by the HRDPD and the GM/CEO before such changes become effective. Notice should be given to the Human Resource Department preferably as soon as notice is given, but at least 48 hours prior to the last day worked.

Promotions and Transfers:

In order to provide development of an employee's knowledge and skills, promotional transfers and lateral transfers which provide promotional opportunities shall be reasonably encouraged.

The department Director shall be notified by the HRDPD upon acknowledgement that an employee within his/her department wishes to accept a position outside his/her current department. This position may either be a promotional or lateral position, and in some cases may even be a request for a demotion. If the employee meets the qualifications of the position, such a transfer shall be effective preferably with two weeks' notice following the date the position is accepted, subject to mutual agreement by the two affected department Directors. If the Directors cannot mutually agree, the HRDPD shall facilitate arrangements in order to achieve an amicable final transfer date.

Posting of Vacancies:

All represented positions with vacancies within the UC shall be posted first for represented employees for 7 working days. If a represented employee does not bid on the position, the

position will be open to non-represented, qualifying employees within the UC. All non-represented positions may be posted within the UC at the discretion and decision of the respective management team. The UC reserves its management rights to hire either from within, or outside of the UC at any given time and may fill a position from any available source. The UC also reserves the right to fill or not to fill any vacancy that arises and to withdraw any position posting before it is filled. The GM/CEO reserves the right to approve all position movements prior to any award.

Accepting a Position In A Lesser Classification:

An employee who accepts a position in a lesser position will be paid at the lesser position pay grade relevant to the employee's years of experience and qualifications. The employee shall not be guaranteed his current pay.

Changes in Employee's Personal Status:

It will be the responsibility of the employee to notify the Human Resource Department of any changes in personal status, such as a change of address, dependents, or marital status. Employees must notify the Payroll and Benefits Specialist in writing within 15 days of the change.

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| Section 2.4: WAGES AND PAY FOR PERFORMANCE REGULATIONS |
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Revised 02/25/09

Wage Rates (hourly employees):

Wage rates are set forth by the UC for all hourly employees. Wage rates are effective on the dates specified by the UC for the employee in that position.

Salary Ranges:

Salary ranges have been established to provide a means of recognizing individual differences in overall job performance by professional employees, managers, supervisors and Directors in positions allocated to the same classification. It is at the discretion of the Director or the GM/CEO to provide incentives to improve performance or to reward employees for outstanding performance.

Temporarily Working in a Higher Class:

Any hourly employee temporarily performing the work of a higher pay classification shall be paid for all time worked in the higher classification, provided the employee works in the higher classification for at least 4 hours per day. When temporarily assigned to a higher classification, the employee shall receive the minimum rate for that classification, or 5% above the employee's current straight-time rate, whichever is higher.

Temporarily Working in a Lower Class:

When an employee temporarily works in a lower classification, the employee shall continue to receive the rate of pay of the employee's own classification, as long as the request for the change in duties was initiated by UC management.

Bi-Weekly Pay:

Wages shall be paid bi-weekly on Thursday and shall include all monies owed the employee for the two week pay period ending on the previous Saturday at 12:00 midnight.

Starting Pay/Step Advancement:

The UC may, at its sole discretion, hire employees at the rate of pay so chosen within the position classification but at a step not to exceed Step D without approval from the GM/CEO.

Pay Rates in Promotion, Demotion or Transfer:

When an employee is promoted the rate of pay shall be advanced at least to the next step or a minimum 5% increase, provided the new pay rate does not exceed the midpoint (Step D) for the new classification. The promoted employee will be given a performance evaluation after 6 months in the new classification, and the employee may receive an adjustment at that time not to exceed the midpoint of the salary range. Following the initial 6 month evaluation (which may or may not have included an adjustment in salary), the employee will be evaluated annually on their anniversary date (date of initial hire to the UC) of each year. At the discretion of the Director and the GM/CEO, a pay adjustment may occur at that time.

When an employee is transferred there shall be no change in the rate of pay if the position is of the same pay grade. If an employee is transferred to a position in a higher classification, such change shall be deemed a promotion and the provision governing promotions shall apply.

When an employee is demoted the employee will be paid at a rate which is within the approved range for the lower position. The rate of pay shall be set by the HRDPD, the department Director, and the GM/CEO. Demotions resulting from organizational changes and reductions in force may not be appealed.

Salary Changes:

All salary changes will be effective at the beginning of a pay period. Exceptions may be made when circumstances warrant, subject to the approval of the HRDPD and the GM/CEO.

Reallocation of Position:

When an employee's position is evaluated and assigned greater duties resulting in a higher pay grade being assigned to that position, the employee shall be paid within the range of the higher pay grade. Such change shall be deemed a promotion and the provisions governing promotion shall apply. Reallocation of a position requires approval by the Director, the HRDPD and the GM/CEO.

Reinstatement of Employees:

An employee who is reinstated (i.e. rehired, returned to former position, recalled from a reduction in force, and returned from leave of absence) shall be paid at a salary wage within the approved pay range for the position in which he or she is reinstated. Reinstatements require approval of the Director, HRDPD and GM/CEO.

Pay for Performance Policy:

It is the policy of the UC to reward employees for performance rather than longevity. It is at the discretion of the Utilities Commission and the GM/CEO to offer performance recognition for employees at the midpoints of their salary ranges or beyond the midpoints. The UC reserves the right to implement a Pay for Performance Plan which will provide income in addition to that set forth in this Human Resource Guidelines manual.

Performance Evaluations:

Each employee shall receive a performance evaluation annually. The purpose of the performance evaluation is to provide constructive feedback to the employee regarding the quality of work performance and to provide guidance to those areas requiring improvement. All documentation provided in the Human Resource record, safety and attendance records shall be considered in compiling the performance evaluation. Major emphasis is to be placed on the documentation of performance not longevity, when considering a salary increase. Salary increases at the time of an annual performance evaluation are at the discretion of the Director and with the approval of the GM/CEO.

Merit Performance and Incentive Increases:

In cases of outstanding and meritorious service and with the approval of the department Director, HRDPD, and the GM/CEO, an employee may be granted a merit increase. Merit performance and incentive may be awarded based on meritorious performance and achieving specific goals and objectives. Final authority for increases is solely at the discretion of the GM/CEO.

Responsibility for Administration and Interpretation:

The HRDPD, shall be responsible for administering the wages/salaries, position direct compensation ranges, and supplemental benefit compensation for all positions.

SECTION 3

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| Section 3.1: EMPLOYEE MEDICAL AND LEAVE BENEFITS |
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(Revised 08/14/09)

Group Life Insurance:

The UC Life Insurance provider shall provide employee group term life insurance at no cost to the employee. The amount of coverage is currently one times the employee's annual base salary, rounded up to the nearest \$1,000 per annum increment and may be subject to revision from time to time in accordance with the UC's group insurance plan.

Life insurance benefits for retirees shall be provided as defined within the plan document. The employee has the ability to purchase \$25,000 worth of life insurance at the rate of \$25.00 per month up to the age of 69. The employee also has the option to purchase \$10,000 worth of coverage for \$11.00 per month prior to the age of 70. At the age of 70 the principle shall be reduced to \$10,000. The cost for this premium will be \$17.50 per month. The employee must select this benefit within 30 days of leaving employment.

Group Health Insurance:

Group health insurance for employees and dependents will be optional for both employees and dependents to the extent provided hereinafter. In the event less than one hundred (100) employees elect to be covered by the Commission's employee group health insurance plan, the Utilities Commission retains the right to require all employees to participate as insured in the employee group health insurance plan.

The UC offers a Section 125 flexible benefit Cafeteria Plan, which includes choices in group benefits as allowed under IRS rules. Employees will be permitted to designate a portion of their earnings as tax free to reimburse the employee for eligible expenses. Coverage and premiums are subject to revision from time to time according to applicable group insurance plans.

The UC will contribute 100% of the medical insurance health care premium for full time regular employees (40 hours per week) and 75% of the benefit for regular part time employees working at least 30 to 39 hours a week. Regular part-time employees working at least 20 hours but less than 30 hours a week will receive 50% of the premium paid by the UC.

Employees from 0 to 5 years of continuous service as of their anniversary date will receive a contribution of 50% from the UC for their dependent coverage. For employees with 6-15 years of service, dependent coverage will be paid at 65% and for employees with 16-25 years of service dependent coverage will be 80%. Employees with greater than 25 years of service will have dependent coverage paid at 100%.

If the employee does not choose individual health insurance coverage, the employee must demonstrate to the UC that he/she has and will maintain health insurance coverage through another source that is substantially equivalent to one of the health insurance options offered by the UC. The UC will contribute \$150 per month to the full time employee covered by outside insurance (proof of insurance is required annually). The part time employee, who works 20-39 hours per week will receive 75% of \$150 with proof of outside insurance.

Eligibility for Medical Benefit:

Employees become eligible for benefits on the first day of the month after completing a 60 day waiting period.

New and Amended Coverage:

Employees recognize that the UC may find it necessary to seek new insurance coverage or to amend coverage in its existing group plans in order to contain costs and for other bona fide reasons. Employees recognize and accept the fact that the new or amended coverage may be different from those provided by the current group plans. In determining such new or amended coverage, the Commission agrees to maintain high quality health insurance plan options for its employees that are consistent with current trends in the health insurance industry and are similar in as many respects as possible to prior plans.

Group Medical Plan for Retirees:

The UC shall permit employees who have worked a minimum of 30 full time, consecutive years the ability to purchase the same medical plan as active employees at the COBRA rates (102%) paid by UC employees. The employee, upon retirement, must apply for this benefit within COBRA guidelines (60 days). Upon attaining the age of 65, this benefit shall cease, consistent with Medicare eligibility at age 65 (or at such age that the employee becomes Medicare eligible). This benefit is for employees and their eligible dependents and the employee shall also absorb the COBRA cost for their dependents. Dependents must meet the definition within the medical plan.

Termination of Group Coverage:

Group coverage will cease for all employees as provided in the group plan contract or in compliance with applicable law once an employee is no longer an employee of the UC. All applicable COBRA regulations shall be applied.

Continuation of Group Coverage During Unpaid Leave:

In the case of extended illness, disability or other unpaid leave or approved absence, not covered by the Family Medical Leave Act, where the employee is no longer receiving a UC salary/wage, the employee may continue group plan coverage by paying the total premiums for the employee and dependent coverage, if applicable. Premium payments should be made payable to the Utilities Commission and will be processed by the Payroll and Benefits Specialist within the Human Resource Department.

Short Term Disability Coverage:

Short-term disability coverage is provided at no cost to the employee, pursuant to the UC's contract with its group plan carrier. Subject to the terms, conditions and limitations of the group plan, benefits may be paid for up to twenty-six weeks for a non-occupational disability, beginning with the thirteenth (13th) day of the disability. In such cases, the Payroll and Benefits Specialist within the Human Resource Department should be notified immediately in order for claims procedures to be initiated.

Short term disability coverage is paid in accordance with the provisions of the short-term disability contract. Personal leave time may be used to off-set the balance of wages not paid by short term disability coverage. In no case shall an employee receive more than

100% of normal wages. Employees must notify the Payroll and Benefits Specialist if they wish to supplement their STD benefit.

Section 3.2: PERSONAL LEAVE TIME

REVISED 08/14/09

Rate of Accumulation:

Employees shall earn and accumulate Personal Leave Time (PLT) based on the schedule set forth in Section 3.2(2). Employees shall be eligible to use paid Personal Leave Time after completing their probationary period based on their anniversary date.

Employees shall start to earn Personal Leave Time allowances as of their date of last hire, unless additional service time has been added, for the purpose of determining the employee's benefits. Any eligible employee whose regularly scheduled work period is less than 40 hours but at least 30 hours per week will earn Personal Leave Time at the rate of 75% of that earned by regular full-time employees. Employees regularly scheduled to work fewer than 30 hours per week will not earn Personal Leave Time.

Emergency Use of PLT:

An employee who has completed three months of probationary time, but has not completed the full six months may, at the Director's discretion, be granted one paid PLT for each month worked. These days (three Personal Leave Days) will be repaid to the UC upon completion of the 6 month probationary period. The Payroll and Benefits Specialist will deduct the days from the employee's account. In the event the employee "borrows" these days and then does not complete the probationary period, the employee's final paycheck will be reduced in pay by the number of days utilized.

Personal Leave Time Schedule:

Personal Leave Time, which includes three personal days, shall accrue at the rate set forth below for each full calendar month of service. The employee's anniversary date of last hire will be the starting point for all employees. Unless otherwise specifically stated herein, "year" means the anniversary date of last hire.

| SCHEDULE | | |
|--|-----------------|---------------|
| | HOURS PER MONTH | DAYS PER YEAR |
| Beginning with anniversary date of hire through 5 full years of employment | 13.333 | 20 |
| Beginning anniversary date through 6 full years of employment | 14.0 | 21 |
| Beginning anniversary date through 8 full years of employment | 14.667 | 22 |

| | | |
|--|--------|----|
| Beginning anniversary date through 10 full years of employment | 15.333 | 23 |
| Beginning anniversary date through 12 full years of employment | 16 | 24 |
| Beginning anniversary date through 14 full years of employment | 16.667 | 25 |
| Beginning anniversary date through 16 full years of employment | 17.333 | 26 |
| Beginning anniversary date through 18 full years of employment | 18 | 27 |
| Beginning anniversary date through 20 full years of employment | 18.667 | 28 |
| Beginning anniversary date through 22 full years of employment | 19.333 | 29 |
| Beginning anniversary date through 24 full years of employment | 20 | 30 |

Personal Leave Time and Termination:

Upon termination of employment for any reason the employee shall be entitled to a lump sum payment for all Personal Leave Time accrued which will be paid with the final paycheck, following termination or death. In the event of death, the PLT will be payable to the estate of the deceased employee unless the employee has, on a form provided for that purpose, signed and filed with the Human Resource Department, a designated beneficiary (or beneficiaries) to receive the benefits.

Usage of PLT:

Personal Leave Time may be used as earned, provided the employee makes written request on appropriate form(s) to the Director or his designee with at least five days notice. The request shall be approved or disapproved either as soon as possible or at least (3) three working days from the submission of the request.

The Director or his designee shall determine the time when Personal Leave Time may be taken and shall forward all such approved leave requests to the Human Resource Department for record keeping purposes. The Director or designee, when working conditions permit, may allow an employee to take "scheduled" Personal Leave Time

without the 5 working days advance notice; provided that any such leave will be at the sole discretion of the Director and will be on a non-precedent setting basis. Leave time not approved as described above will be considered unscheduled Personal Leave Time, and will not be counted as time worked for overtime purposes.

Mandatory Use of Annually Accrued PLT:

Each employee must use or sell at least 50% of the PLT earned during the anniversary year and may retain the balance for use in succeeding years. Failure to utilize or sell the days shall result in loss of the PLT.

PLT may be sold at the regular straight time rate at any time during the fiscal year with 5 working days notice. Payment will occur within the next payroll period and as a separate check.

If the hours of PLT exceed 480 hours for an hourly employee and 600 hours for an exempt employee, payment for the accrual beyond this amount will be made at the end of each pay period based on the employee's current regular straight time rate.

Occurrences:

An occurrence is the unexcused absence of the employee from work, including stand-by time, when proper advance notice is not given, excluding extenuating circumstances such as a medical emergency (substantiated by a doctor's note) or a death in the family. This unscheduled time off is in minimum increments of 30 minutes. Only one occurrence shall be charged to the employee per day. (Increments of 29 minutes or less will not count as an occurrence but may still warrant disciplinary action).

For non-exempt employees, up to five (5) occurrences per year can be charged to Personal Leave Time without advance notice for personal or family illness, or unforeseen personal needs. Unscheduled Personal Leave Time is not to be used for vacation purposes. Employees shall notify management of an absence, or if they are going to be tardy, prior to the start of any scheduled work period. This notice should be at least one half hour before their shift starts, at the very latest. The Benefits and Payroll Specialist will advise the employee in writing on the fifth occurrence of unscheduled Personal Leave Time during the fiscal year. On the sixth occurrence, the employee will receive a written warning from their Supervisor, Manager or Director. On the seventh occurrence, the employee will be terminated from the UC.

Although exempt employees do not incur occurrences, abuse of the privilege of the exempt status may be grounds for disciplinary action.

(a) Employee absences while on approved FMLA leave, including intermittent leave, will not count as an occurrence under this Section. It is management's responsibility to be aware of an FMLA leave day.

(b) If an employee has properly scheduled Personal Leave Time, but, due to circumstances beyond control, the employee's scheduled time off is changed because the appointment/schedule was changed by a third party, the revised time off will be considered "scheduled personal leave time", provided the employee works during the time initially scheduled off. For example, an employee has a doctor's appointment scheduled at 2:00 p.m. Friday and the employee gave the appropriate notice. On Tuesday the doctor moved the appointment to 10:00 a.m. on Wednesday - the time off on Wednesday will be considered "scheduled," assuming the employee works Friday during the hours originally scheduled off. The Employer reserves the right to require documentation supporting the change.

(c) If an employee has reported to work and as a result of a bona fide emergency must leave work (for example, a child breaks his arm; a spouse is in an automobile accident; a child's school calls and requires the employee's presence at school due to an emergency), the required time off will be considered as "scheduled" PLT. The Employer reserves the right to require documentation of the emergency.

UC Scheduled Holidays and PLT:

The UC may designate any Monday where a scheduled holiday falls on Tuesday or a Friday where a scheduled holiday falls on Thursday, as a holiday. The employee's Personal Leave Time will not be charged.

Non-Rotating Shift Holiday: Pay and PLT Accrual:

If a non-rotating shift employee is required to work on the designated Monday holiday or the designated Friday holiday the employee will be paid the appropriate leave time plus two (2) times the employee's regular base rate for each hour worked.

Rotating Shift Holiday Pay and PLT Accrual:

Rotating shift employees who work the Tuesday through Saturday or any other irregular work week as their regular work schedule will have the choice to select which day they will be paid at their regular hourly rate and which day will be their designated holiday. An example is: If an employee works Tuesday through Saturday, and Friday is the holiday, the employee may choose to have either Friday or Saturday as the designated holiday, and shall work the other day at straight time pay.

Short Term Disability Pay and PLT Bank Supplement:

Any employee may take time out of the PLT bank to supplement short-term disability payments not to exceed 100% of normal pay. The employee must notify the Benefits and Payroll Specialist within the first 5 working days that payment for the short term disability benefit is started and the PLT supplement is requested.

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| Section 3.3: WORKERS' COMPENSATION BENEFIT |
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REVISED (06/02/09)

Notification Requirements:

Employees shall notify their Supervisors and the Safety Officer/Risk Manager immediately of any on the job injury or job-related illness. An incident report will be completed by the employee's Supervisor and forwarded to the Safety Officer/Risk Manager for review immediately.

Medical Treatment:

Employees sustaining job related injuries or illnesses will be referred to a treatment provider within the UC's Worker's Compensation network. Authorization for treatment must be obtained from the Safety Officer/Risk Manager or his designee, which would be the HRDPD; such authorization shall not be unreasonably withheld. In the event of an emergency, authorization is not required and the employee should go to the closest urgent care center or emergency room. The Safety Officer/Risk Manager should be notified as soon as possible. If the employee is not satisfied with the treatment received from that provider, the Safety Officer, with the employee, will coordinate the selection of another. If the treating provider recommends treatment by a specialist, the specialist will be selected by the Worker's Compensation carrier in consultation with the treating provider. Employees who select their own treatment providers without coordination with the Safety Officer/Risk Manager risk a lack of coverage on the part of the Worker's Compensation carrier and potential denial of the claim.

Approved expenses incurred during the course of an approved Worker's Compensation claim, will be borne by the Worker's Compensation carrier and payment will not be unreasonably withheld. Reports of such examinations received from the designated treatment provider will become a part of the employee's worker's compensation medical record.

Employee Reporting Requirement:

An employee on workers' compensation while still employed by the UC is required to keep the Safety Officer/Risk Manager informed of progress toward recovery and the anticipated date of return to work via treatment provider notes.

Impact on Employment:

Employees on workers' compensation may be discharged consistent with applicable federal or state law, including an inability to return to work after reaching maximum medical improvement (with or without reasonable accommodations as may be appropriate) but not sooner than 12 months from date of injury (unless the treating provider determines that the employee is permanently disabled prior to the one year cap). Employees in these circumstances may be discharged subject to rehire under the following conditions:

No other work within the employee's capabilities, with or without reasonable accommodations as appropriate is available at the time of discharge. An employee on restricted duty will continue to fall under the Maximum Medical Improvement (MMI) guidelines and must be able to return to full duty within one year from date of injury. Based on the return to work date, the employee shall be allowed at least 90 days at a restricted duty classification and then must be reevaluated by the treating provider. This will continue in 90-day increments until the employee has been on restricted duty for a full year and then may be subject to medical termination.

The employee may be re-employed in their previous position if within 12 months from discharge date they are released to return to work with no restrictions and their former position is available.

If, within 12 months of their discharge date, the employee is released to return to work and the former position is not available but another position within their capability, with or without reasonable accommodations, becomes available, the employee may be re-employed at a rate that is within the pay range for the position assigned. If such an employee accepts a lower paying position than the position held immediately prior to discharge, the employee may return to his former position if within 12 months of the discharge date the former position becomes available and the employee is able to perform the work with or without a reasonable accommodation.

Determination as to the employee's ability to perform the available or former position duties, with or without reasonable accommodations as may be appropriate, will be made by the department Director and the HRDPD, in consultation with the Safety Officer/Risk Manager and the employee's treating provider.

Refusal to accept any offer of re-employment may invalidate the employee's future employment rights. Employees returning from a work-related absence (within the 12 month time frame) will have first opportunity to fill a position before the position is filled from any other source if the employee can successfully perform the duties within the position. Order of preference for returning employees (if more than one employee is out on worker's compensation) to a position is at the discretion of applicable UC management and the need of the position for daily operations of the UC.

Any employee who is discharged solely because of physical limitations or medical restrictions resulting from a work-related injury or illness beyond the 12 month time frame may only be reemployed as a new hire.

Section 3.4: HOLIDAY PAY (Also see Section 2)

REVISED 06/02/09

Observed Holidays:

The following holidays will be granted with pay each year: Holidays will be taken on the actual day of the holiday except as follows: For employees who have Saturday and Sunday as their regularly scheduled days off, when the holiday falls on a Saturday, the preceding Friday will be observed as the designated holiday. When the holiday falls on a Sunday, the following Monday will be observed as the designated holiday.

New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving Day, and Christmas Day

Employee Birthday Holiday:

The employee's birthday holiday may be taken at any time during the employee's birthday year, but must be taken no later than the last day preceding the birthday. If the employee's birthday is June 12, 2009, then the birthday holiday must be used by June 11, 2010. Probationary employees are not eligible for the birthday holiday until they have completed their probationary period. Unused birthday holidays are not carried over.

Holiday Pay During A Regularly Scheduled Work Week:

When any designated holiday falls within the regularly scheduled workweek, and no work is performed, regular full-time employees will be paid for 8 hours (or 10 hours if they work a 10 hour shift) at their basic straight time rate. Unscheduled time off either the day before or the day after a holiday will result in non-payment of the holiday.

Working on a Designated Holiday:

If required to work on a UC designated holiday (a designated holiday is a day observed as a holiday by the UC when the legal holiday falls on a Saturday or a Sunday), an hourly employee eligible for overtime will be compensated at the regular straight time rate for work actually performed on a holiday, in addition to two times (double time) the regular straight time rate for work actually performed on the holiday. The UC shall indicate the date of the designated holiday.

Holiday Pay While On Scheduled Personal Leave Time:

Should a legal or designated holiday fall within the period an employee is on Personal Leave Time, the holiday will be considered holiday leave and will not be charged against an employee's Personal Leave Time account. Legal or designated holiday pay will be paid while the employee is on scheduled PLT including while on FMLA, but excluding unscheduled PLT, or while on worker's compensation, which is already paid by the worker's compensation carrier within the limits of the law.

Holiday Pay – Odd Work Week Schedule:

Employees assigned to a 4 day/10 hour shift will receive 10 hours pay for a holiday. Employees working an odd work week schedule with other than Saturday and Sunday as their scheduled days off shall be paid for the worked legal holiday, or the employee may request to be paid double time for the worked, legal holiday and receive an additional day's straight pay (one regular day) in the PLT account within the next pay period following the worked, legal holiday

as long as all other attendance rules have been met. Requests for the holiday time off shall not be subject to the 5-work day advanced notice.

Holiday Pay for a Work Week Which Includes Weekends:

When a designated holiday falls on a Sunday, the holiday will be observed on the following Monday. When a designated holiday falls on a Saturday, the holiday will be observed on the preceding Friday. At all times the UC shall indicate the date of the designated holiday.

Voluntary Closings and Holiday Pay:

Any time the GM/CEO voluntarily closes the UC and grants a pre-holiday day off, employees shall not be asked to take time out of their PLT account. If an employee who is required to work during a time in which the UC is voluntarily closed by the CEO, employees will receive straight time pay for hours worked and an additional 8 hours in their PLT account for their current straight time rate of pay. Employees assigned to a 4 day/10 hour shift will be paid just like any other employee (10 hours of paid time off). This does not apply to a furlough.

Section 3.5: BEREAVEMENT LEAVE

REVISED 06/04/09

Amount of Leave:

Up to four days leave with pay will be allowed for a death in the employee's immediate family.

Definition of Immediate Family:

Immediate family shall consist of spouse, children, stepchildren, foster children, father, stepfather, mother, stepmother, mother-in-law, father-in-law, brothers, stepbrothers, sisters, stepsisters, brothers-in-law, sisters-in-law, aunts, uncles, grandparents, grandchildren and spouse's grandparents and grandchildren.

Unpaid Bereavement Leave:

Accrued Personal Leave Time or Leave Without Pay (LWOP) may be used as necessary if more than the above allowable days are needed. A request must be submitted to the department Director for authorization for the use of extra time. Employees on probation are not excluded from receipt of this benefit.

Section 3.6: COURT DUTY LEAVE

REVISED 06/04/09

Court Ordered Appearance:

Any employee subpoenaed for jury duty or subpoenaed to Court beyond his/her control for a work-related matter will be paid at the straight time rate for all work time lost due to such court service and all time spent in court. The employee shall report directly to work after release from court duty if such release provides reasonable time to arrive at work prior to the end of the regular shift. Any second and third shift personnel required to perform court service will be temporarily transferred to a day shift for the period of court duty when possible. If this is not feasible, the employee shall not be required to report for their shift upon the completion of the jury duty day and will receive pay for their shift at straight time pay.

Court Appearance – Personal Matter:

Employees attending Court with or without a subpoena for a matter that is personal are required to use PLT and shall notify their supervisor five days in advance, or as soon as possible, in order to avoid an occurrence. Failure to provide this five-day notice will result in an occurrence.

Section 3.7: MILITARY LEAVE

REVISED 06/04/09

Active Duty Leave:

Employees who are a member of, apply to be a member of, perform in or have an obligation to perform service in the uniformed services of the United States shall be granted a military leave of absence to perform such service. Upon release from active service, the employee will be reinstated to his or her former position (as long as the employee is qualified or can become re-qualified in a reasonable period of time) or to a position of similar status and pay (if the UC's circumstances have so changed as to make such reemployment at the prior position impossible or unreasonable), without loss of UC service time, in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA) Title 38 U.S.C. Chapter 4301-4335.

Active Duty Leave with Pay:

Employees in the Armed Forces Reserves or the National Guard who are ordered to active duty shall be paid by the UC the difference between the employee's regular straight time rate of pay and the employee's military pay earned for each of the employee's regularly scheduled UC working days during the military leave period, up to ten (10) working days per fiscal year.

The employee must provide a copy of the order and the pay scale in order to receive the supplemental UC pay in any of the applicable categories listed above.

Reserve Duty Leave with Pay:

The UC will grant the difference between the reserve duty pay and the employee's straight time pay to any employee presenting notification for temporary active duty with a reserve unit of the Armed Forces of the United States or a National Guard Unit for a period not exceeding ten (10) working days in one fiscal year.

Reserve Duty Leave without Pay:

An employee attending inactive evening or weekend military training (drills) which conflicts with his or her Commission work schedule shall be granted time off without pay for the purpose of attending the military training if the work or drill schedule cannot be rearranged to resolve the conflict.

Inactive Training Leave and Work Scheduling Conflict:

In cases where a work-related emergency requires the employee to be present at work during a scheduled inactive military training time, the employee should make every effort to reschedule the military training. (Most reserve and guard units have provisions for such work-related emergencies.)

Military Leave and Accrual of Benefits:

Benefits shall continue to accrue as entitled under USERRA.

Request for Military Leave Time:

An employee whose absence from their position of employment is necessitated by reason of service in the uniformed services shall submit to the appropriate department Director a copy of written orders or shall provide verbal notice of such service. If the giving of such notice is precluded by military necessity/emergency or is impossible or unreasonable the UC shall accept verbal notification.

If at all possible, the employee should provide the UC with a military leave request submitted in advance of the scheduled date of departure in order to provide sufficient time for scheduling of work.

Reemployment after Leave:

The employee is required to follow all USERRA procedures for returning from leave and gaining reemployment. An employee who fails to follow these procedures and does not apply for reemployment within the appropriate period shall then be subject to the UC's general practices with respect to absence from scheduled work.

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| Section 3.8: NON-WORK RELATED LEAVE OF ABSENCE |
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(Revised 08/08/09)

Applying for Leave of Absence Without Pay (Non- FMLA):

Upon written application an employee may be granted a leave of absence without pay for an initial period of 180 calendar days., The leave may be extended for additional periods of 30 calendar days at the discretion of the UC. UC service shall accumulate only during the initial 180 calendar days of leave and shall be retained thereafter. The employee shall notify his Director of the need for leave as soon as reasonably possible and must get written approval from the Director prior to taking the leave. An employee who works for another employer during this leave without written approval from the UC or who gives a false reason for leave shall be disciplined up to and including termination. An employee shall notify his supervisor or Director if the employee plans to return to work prior to the expiration of his leave.

Medical Leave of Absence Return to Work With Restricted Duty Note:

In the case of a non-work related, non-FMLA medical leave, the employee must first furnish a medical release from his or her treating provider stating that the employee may return to work, and the date of the return. In addition, if there are restrictions, the note must, state physical limitations or medical restrictions if any, before returning to work. If there is a restricted duty note and the employee cannot perform the essential duties within the job description, with or without reasonable accommodations as appropriate, the Utilities Commission may attempt to provide the employee with work similar to his job duties. If there is no such position, the leave status will continue until the employee receives a doctor's note eliminating any restrictions. Restricted duty notes shall be placed in the employee's medical file and updated notes will be required until such time as the employee can return to full duty. The HRDPD has the right to request clarification on the restrictions on notes and to request follow-up notes when the note has expired in order to keep the Director current on the employee's medical status relevant to work assignment. Employees who cannot return to full duty after 6 calendar months may be subject to termination for medical reasons.

Medical Leave of Absence Return to Work - Unrestricted Duty Policy:

In the case of a non-work related, non-FMLA medical leave, an employee returning from leave of absence without medical restrictions may be re-employed at work generally similar to that last performed. A fitness for duty, return to work note is required indicating the returning employee is without restrictions.

The employee may then return to the work which is available, at a rate of pay that is within the established range for the job assigned. However, if generally similar work is not available, the employee may be offered any available position he or she is able to perform and may apply for an appropriate position when it becomes available. Leave status will end effective the date of return to work.

Benefits During Non-FMLA Leave of Absence:

Employee leave of absence shall not be counted as time worked for any purpose when the leave is not covered under FMLA. Personal Leave Time will not accrue beyond 180 days while the employee is on a non-FMLA leave of absence. The employee may continue group plan coverage by paying the total premiums for employee coverage and dependent coverage, if applicable. Premium payments should be made payable to the UC or the appropriate vendor and will be processed by the Human Resource Department by the Benefits and Payroll Specialist. Life insurance plan language must be followed to ensure continued coverage (Waiver of Premium).

The employee may utilize accrued PLT to cover the leave. The employee must notify the Benefits and Payroll Specialist in writing if the employee wishes to cover the leave with PLT

Reassignment Due to Disability:

The UC will make a reasonable effort to reassign any employee with a permanent partial disability (as determined by the treating provider) to an existing position he or she is able to competently perform. . This assignment must be approved by the Director, the HRDPD and the GM/CEO and is not a guarantee of employment.

Leave Extending Beyond 180 Calendar Days:

If an employee has not returned to work at the end of a 180 calendar day medical leave of absence or an authorized extension thereof, a review by the Director, the HRDPD and the GM/CEO will occur. If necessary a consultation with the treating provider will occur to determine whether or not the leave should be extended. The employee's progress toward recovery based on the provider's medical notes, operational needs of the employee's department and any other factors that would contribute to an informed decision will be the basis for any further extension of the leave. The decision will be subject to final approval by the GM/CEO.

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| Section 3.9: EMPLOYEE ASSISTANCE PROGRAM (EAP) |
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(Revised 08/09/09)

EAP Benefits Overview and Program Design:

The Employee Assistance Program (EAP) is an employee benefit program designed to support and assist employees whose work performance has been compromised by daily challenges within their work and personal lives. EAP services are also available to covered dependents whose behaviors are impacting the employee's work performance. Deteriorating performance may be attributable to behavioral problems such as drug or alcohol abuse or to personal crisis situations such as marital or financial problems. The EAP is available to address all UC employees either with or without a supervisor referral.

Management Services:

The EAP offers several levels of assistance. Management Services include providing training and assistance to enable Supervisors, Managers and Directors to identify employee problems and challenges which present themselves at work, at an early stage. This allows the management team to maximize efficiency, boost productivity and assist the employee in overcoming daily challenges within their workplace.

EAP Employee Services Provided:

The EAP encourages employees to accept confidential assistance and to help them obtain the most effective treatment available if treatment is required. Phone consultations, face-to-face counseling, goal and success planning and resource materials are available to the employee at no cost. Ongoing support services are also in place to promote effectiveness of treatment and job efficiencies.

Other services include financial and legal assistance, tax preparation, fraud resolution, Critical Incident Stress Management and disaster relief.

The UC's Employee Assistance Program Coordinator:

The Employee Assistance Program is coordinated by the Human Resource Development Partner/Director (HRDPD), who oversees the Employee Assistance Program. The HRDPD serves as the internal organizational liaison between all levels of management and the EAP to assist those employees with issues impacting the workplace.

Utilizing the UC EAP Coordinator:

The UC EAP Coordinator, who also holds the position of the HRDPD, serves as the UC organizational consultant in establishing and implementing guidelines to assist employees with changing unproductive workplace behaviors

Directors, Managers, Supervisors and all employees should contact the UC EAP Coordinator to receive information which will assist them in meeting day-to-day personal and workplace challenges.

The UC EAP Coordinator provides guidance to Directors, Managers and Supervisors utilizing the EAP tools available to address employees whose job performance is deteriorating.

The UC EAP Coordinator provides expertise to Directors, Managers and Supervisors when there is reasonable suspicion of substance abuse and/or assists with both voluntary and involuntary referrals for employees to appropriate treatment agencies through the EAP.

The UC EAP Coordinator monitors follow-up and status of mandated EAP referrals for all employees.

The EAP will be available to employees during normal working hours and at other times on an emergency basis. Employees are encouraged to seek out EAP guidance and assistance. The rules of confidentiality must be observed and Directors and Supervisors should not expect to obtain confidential information regarding a specific employee's treatment except as to factors essential in discussing job performance capabilities and staff scheduling.

Voluntary Use of the EAP:

The HRDPD ensures that employees who voluntarily request treatment for EAP-covered problems are given confidential opportunities to obtain assistance through the EAP. In doing so, the HRDPD can assist the employee to facilitate communication with an outside agency or assist in directing the employee to other available services through the EAP. Employees who wish to contact the EAP voluntarily may do so without notifying their supervisors or the HRDPD. In these cases, no other UC management personnel are notified of the problem without the consent of the employee. The HRDPD may have an alternate professional of the opposite sex to provide assistance in cases that might become sensitive because of gender.

Involuntary Use of the EAP:

A management referral is usually performed in conjunction with a disciplinary or performance problem. If a referral to the EAP is put in writing by management, it is made when other forms of discipline or other methods for changing or enhancing performance have failed. EAP referrals are an assistance to discipline, not discipline in and of it's self.

Section 3.10: FAMILY MEDICAL LEAVE ACT (See Appendix C)

(Revised 08/09/09)

Usage of FMLA Benefit:

In accordance with the Family and Medical Leave Act of 1993 (FMLA), the UC will grant FMLA leave to eligible employees. In order for an employee to be eligible, the employee must have worked 1,250 hours at the UC within the year prior to requesting leave. If the employee is eligible, he/she will be permitted to utilize up to 12 weeks of FMLA qualifying leave within a rolling, 12 month period. This 12 month period begins on the first day the leave is used, through the completion of the 12 month period, for both consecutive and intermittent leave. The employee must exhaust all but 80 hours of personal leave time (PLT) before going on unpaid leave, at which time the employee will have the option of continuing on paid leave or reserving the final 80 hours of PLT for future use. Using PLT benefits does not ad to the total length of leave.

Employees will continue to accrue PLT for the period of FMLA leave that is charged to the employee's PLT account. Holiday pay will be paid while on FMLA.

The UC will follow FMLA guidelines for qualifying events which include:

- The birth of a son or daughter, and to care for the newborn child;
- Placement with the employee of a son or daughter for adoption or foster care;
- To care for the employee's spouse, son, daughter, or parent with a serious health condition;
- A serious health condition that makes the employee unable to perform the functions of the employee's job.
- For military service qualifying events (qualifying exigency).

Definitions with the FMLA:

"12 month Period": The UC utilizes a rolling 12-month period measured backward from the date leave is first taken and continuous with each additional leave day taken through the 12th month. If both spouses work for the Utilities Commission, their total FMLA leave in any 12-month period may be limited to an aggregate of 12 weeks total if the leave is taken for the same reason (i.e. the birth of a child). If they have two different reasons, each is entitled to their respective 12 weeks.

"Spouse" means a husband or wife as defined or recognized under state law .

"Son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is either under age 18, or age 18 and older and "incapable of self-care because of a mental or physical disability."

"Parent" means a biological parent or an individual who stands or stood in loco parentis to an employee when the employee was a son or daughter as defined in (c) above. This term does not include parents "in law".

“Serious Health Condition” means an illness, injury, impairment, or a physical or mental condition that involves one of the categories described within the FMLA mandated definitions.

“Health Care Provider” means a doctor or other person capable of providing health care services, as more fully defined in section 825.118 of the FMLA regulations on file in the Human Resource Department.

“Immediate Family Members of Soldiers” means spouses, children or parents of soldiers, reservists and members of the National Guard who have a “qualifying exigency” to care for wounded U.S. military personnel.

Providing Notice for Use of FMLA:

The employee should contact the Payroll and Benefits Specialist when there is a need to utilize FMLA leave time. The employee will receive the appropriate paperwork and will receive guidance on the use of the benefit. FMLA usage can then be properly tracked and appropriate Directors/Managers and Supervisors will be made aware of the leave for purposes of staffing needs. It is preferred that the employee notify the Supervisor when a time off request is made for FMLA. At any time, the Human Resource Department can be contacted and the employee can be informed of the amount of FMLA time that has been used.

It is the employer’s ultimate responsibility to credit an FMLA- applicable absence to FMLA time taken. The employer has the right to ask if the employee’s request for time off is FMLA related.

Use of Intermittent FMLA Leave:

An eligible employee may utilize intermittent FMLA leave as the law permits (example: daily or hourly) or on a reduced leave schedule for the reasons outlined within the above-mentioned FMLA guidelines.

“Medically necessary” means there must be an FMLA qualifying medical need for the leave and that the leave can best be accomplished through an intermittent or reduced leave schedule.

Directors will determine, with assistance from the Human Resource Department if necessary, how to accommodate intermittent leave requests.

Submission of FMLA Medical Certification:

For FMLA leave taken because of the employee’s or a covered family member’s serious health condition, the employee must submit a completed “Certification of Health Care Provider” (Form WH-380) to the Payroll and Benefits Specialist within 15 days after FMLA leave is requested or as soon as is reasonably possible.

The UC may require a second or third opinion (at its own expense), periodic reports on the employee’s status and intent to return to work, and a fitness-for-duty report to return to work, all within the FMLA guidelines.

All documentation related to the employee’s or family member’s medical condition will be held in strict confidence and maintained in the employee’s medical records file, as required by law.

Use of FMLA and Effect on Benefits:

An employee granted FMLA leave will continue to be covered under his or her existing group health insurance plan, life insurance plan and disability plan under the same conditions as coverage would have been provided if the employee had been continuously employed during the leave period. UC contributions towards health benefits will continue

during unpaid FMLA leave only to the extent that they are applied towards health benefits and not taken as income.

Payroll deducted employee contributions for dependent coverage will continue during paid FMLA leave unless terminated at the option of the employee. For employees using unpaid FMLA leave, employee contributions may be made by direct payment to the UC/Human Resource Department or as appropriate with assistance from the Payroll and Benefits Specialist. The employee will be advised in writing at the beginning of the leave period as to the amount and method of payment. Employee contribution amounts are subject to any changes in rates that occur while the employee is on leave.

If an employee's contribution is more than 30 days late, the UC may terminate the insurance coverage for which employee contributions are required. The Payroll and Benefits Specialist within the Human Resource Department will provide written notice that payment is late and the date in which the employee risks the loss of coverage.

Failure to Return from FMLA Leave:

If the employee fails to return from FMLA leave on the first business day after leave expires, or on the designated date of return, all other guidelines within this manual shall apply for abandonment of position.

SECTION 4

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| Section 4.1: PERFORMANCE MEASUREMENT, EMPLOYEE TRAINING AND DEVELOPMENT |
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Revised 06/12/09

Performance Evaluations:

All employees shall receive a performance evaluation annually, at the time of the anniversary date of hire, in accordance with the UC's performance management process. Performance evaluations will measure employee performance with respect to position competencies and with respect to contributions to the UC's organizational performance goals.

A performance evaluation will also be completed at the end of the 180 calendar day probationary period.

Performance evaluations identify employee strengths and help employees to recognize areas of improvement needed within their job performance. In addition, the performance management process allows for review of individual employee performance and succession planning systems. Performance evaluations clarify employee position objectives, determine the employee's standing in their position, provide constructive feedback and help build stronger working relations by assuring periodic communication between supervisors and employees.

In addition, performance appraisals help to identify those employees who can be developed for more responsible positions and provides an objective basis for possible promotions, reassignments and/or salary adjustments.

Management Responsibility:

The GM/CEO maintains the responsibility of evaluating each direct report. The GM /CEO may at his discretion review completed evaluations of any or all UC personnel.

Each department Director will assure that all employees in his/her department are evaluated within the appropriate time frames at the minimum of once per anniversary year. Each employee will have the opportunity to meet with the Supervisor to discuss the evaluation.

Employees are to sign their evaluations, which will then be forwarded to the Human Resource Department and placed in their human resource file.

Employees who have marginal ratings will be provided with guidance regarding position competencies, further training as indicated, coaching, conflict resolution assistance, and additional supervision to improve performance.

Incentive Compensation Program (ICP):

The UC reserves the right to implement an Incentive Compensation Program (ICP) which would provide income in addition to that earned by the employee. The ICP would enable employees to directly benefit from the success of achieving UC financial and operating goals as linked through the performance objectives and their respective key success indicators (KPI's).

In order for an employee to be eligible for consideration for an incentive, the employee must have worked a minimum of 1,000 regular hours, achieved a performance rating of "Meets Expectations", "Exceed expectations" or "developmental" for non-represented employees. The employee must be an active employee as of December 31st and must not voluntarily resign or be discharged for cause before payment is made the following April. Taxes will be withheld accordingly.

The UC reserves the right to revoke this program at any time.

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| Section 4.2: EDUCATIONAL TUITION ASSISTANCE |
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Revised 06/12/09

Educational Assistance:

The UC supports the furthering of an employee's educational training when that education is relevant to the employee's current position or another position within the UC that the employee hopes to hold in the future.

Review of Courses for Payment Guidelines:

The HRDPD shall determine, in conjunction with the department Director, the merits of requested courses as they relate to UC employment. The following rules shall apply in order to qualify for reimbursement:

- The employee shall submit the appropriate forms indicating the class being taken, and the accredited college/university/trade school providing the class (must be accredited).
- The employee will indicate on the form the degree program/trade school certification and an explanation of its relevance to either the employee's current position, or a position which the employee hopes to achieve within the UC.
- The employee will submit the cost of the class. Late fees are not reimbursable.
- The employee will submit the grade(s). 100% of the cost shall be paid for a grade of B or better, and 50% of the cost shall be paid for a C. A grade below a C (including an incomplete) is not reimbursable.
- Employees are responsible for advance payment.
- Payment shall not exceed the cost of class tuition at a Florida state university.
- The UC shall reimburse the employee up to a maximum of \$1,000 per semester for classes.
- Books shall be paid up to \$200 per semester.
- Lab fees and other course-relevant fees shall be paid inclusive in the \$1,000 maximum.

- The employee agrees to continue employment with the UC for one year upon completion of the degree achieved. In the event the employee does not, the cost of the prior years educational expenses shall be reimbursed or deducted from the final paycheck (with the exception of a layoff).
- The employee is expected to stay one full semester after each class taken, or full reimbursement of costs will be deducted from the final paycheck.
- The UC shall pay for the cost of continuing education classes (CEU) relevant to the employee's position and not to exceed the minimum CEU's required.
- Parking fees shall be paid for a permit only.
- Receipts for all expenditures must be provided as well as the transcript showing the grade.
- Payment for Licenses and Certifications

Payment of Licenses and Certifications:

Licenses and certifications relevant to the position held by the employee or of benefit to the UC may be paid by the UC. The appropriate forms should be completed to request reimbursement of a license or certification and approval must be authorized by the department Director and the HRDPD.

A CDL (Commercial Driver's License) shall be paid for by the UC, which includes the testing, the physical and drug screen, and the license itself when the position requires a CDL. Receipts must be provided. Renewals are also paid for by the UC.

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| Section 4.3: SUPPLEMENTAL TRAINING |
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Supplemental Training for Current Position:

The UC actively pursues employee training to better prepare applicable employees for their present position and to provide maximum preparation for promotional opportunities. Employees will be permitted to cross-train within their department as long as there is no detriment to the operation, or an over-expenditure of overtime dollars. Selection of employees to receive supplemental training will be based on quality of work, safe work record and superior attendance records. The employee shall not receive an increase in pay during the supplemental training experience.

90-Day Proficiency Period:

When an employee moves to a new position, the employee may be granted a 90 day time period to demonstrate proficiency in the new position. If at any time during the 90 day period, in the opinion of management, the employee does not demonstrate proficiency in the position, the employee may be returned to the prior position, as long as the position remains vacant and there are no disciplinary or safety issues involved. The 90-day training period does not guarantee further employment.

Job Shadowing:

Employees may be provided the opportunity to perform in a position other than their own if the employee expresses an interest in this position, and the position is vacant. The employee is selected by the appropriate management personnel and may receive a limited amount of exposure to the position. Job shadowing is not a guarantee of receiving the position and is a temporary opportunity. The employee will not receive an increase in pay during the job shadow experience. Job shadowing is designed to provide the link between the employee's current work experience and potential position opportunities within the UC.

Leadership Training:

Those employees who assume the role of a Supervisor, Manager or Director will be provided the opportunity to receive specialized leadership training to assist them in performing management competencies within their positions. Although these trainings may be voluntary, every employee assuming a management role is encouraged to attend.

Section 4.4: EMPLOYEE ENRICHMENT

Succession Planning:

The UC utilizes succession planning whenever possible to identify talented employees and to provide education and development opportunities for them for future higher level positions and for broader responsibilities. In doing so, appropriate management team members will informally recruit and develop key talent within the UC, relying on coaching and development to enrich and employee's employment opportunities within the UC. However, such employees must be selected at the time of a vacancy for any position based upon performance with sufficient qualifications among others who may be considered within or external to the organization.

Career Pathing:

The UC offers to employees via an informal process a means to improve position satisfaction and productivity through the development of internal career paths. Through the Human Resource Department, Supervisors, Managers and Directors liaison to develop a multitude of company-wide position career path strategies which support the employee's desire for personal growth, to support divisional growth, and to support the overall goals of the UC. Employees are encouraged to contact the Human Resource Department to review career path opportunities.

New Employee Orientation:

All new employees are required to attend the New Employee Orientation (NEO) as scheduled. The intent of the NEO is to properly orient the employee to all policies and procedures within the UC, explain benefits and the payroll structure, introduce the employee to other departments within the UC, and provide a tour of all UC properties and to assist the employee with the enculturation process within the UC.

SECTION 5

Section 5.1: SAFETY TRAINING AND ACCIDENT PREVENTION

(Revised 08/11/09)

Accident Prevention and the Assignment of Duties:

The prevention of accidents is a matter of paramount importance and no employee shall be required to take any undue risk in the performance of his/her assigned duties. The UC is comprised of positions with inherent hazards that are encountered in day to day work, such as working with live electricity, dealing with the elements of the weather, driving vehicles requiring specialty licenses and working out in the public. Employees are expected to promptly avoid and report safety hazards and unsafe acts or unsafe working conditions to their Supervisor, Manager, Director, or to the Accident Prevention Officer -Risk Manager. An employee must cease work activity whenever such unsafe acts or conditions are perceived by the employee until such work activity can be performed safely. The Safety Officer/ Risk Manager (SORM) is responsible for establishing and administering the UC's Accident Prevention Program whereas supervisors and persons in-charge are responsible for adherence to such Program and enforcement of safe work practices and working conditions. It shall be the

exclusive responsibility of the UC to enforce and employees to comply with all safety rules and applicable safety laws.

Section 5.2: SAFETY COMMITTEE

Union-Management Joint Safety Committee:

The SORM will chair a joint Union-Management Safety Committee. The Safety Committee will meet quarterly to communicate and discuss safety-related matters of mutual interest and concern. Minutes of the Safety Meeting will be provided to all attendees and departments. Access is also available via its posting on the UC Intranet.

Safety Committee Authority:

The Safety Committee will not be involved in disciplinary action other than to provide reports or investigatory information as applicable. Authority for enforcement of safety regulations rests with the Utilities Commission.

Safety Committee Restrictions:

It is not the intent of the UC to use the Safety Committee for the purpose of creating work rules governing hours of work and conditions of employment. Guidelines may be established within the Safety Committee to promote a safe work environment and to comply with law.

Safety Committee Incident Report Review:

The Safety Committee will review incident reports for all work-related incidents (injuries, illness, "near misses" and fatalities) and will make recommendations for improving the health and safety of the workplace. Recommendations will go to each department Director, with ultimate authority resting with the GM/CEO.

Monthly Departmental Safety Committee Meetings:

Departmental safety meetings will be held monthly and will be conducted by the UC's Safety Officer/Risk Manager or the department Director's designee for employees in hazardous classifications. Members of the Committee may practice safety and lifesaving techniques and review safety issues. Minutes of the Safety Committee Meeting will be provided to all attendees. The topic and the attendance sheet will be forwarded to the Safety Officer/Risk Manager.

Violations of Safety Rules and Regulations:

Initial violations of safety rules will be addressed with corrective coaching, memorandums to the employee's personnel file and further discipline. Repeated violations may result in discipline up to and including termination. Willful violation of a safety regulation that causes the employee harm or another employee harm (example, horseplay that results in an injury to an employee who then requires medical attention, repeated non-use of personal protective equipment that results in an injury or "near miss"), or a deliberate unsafe act (a conviction for speeding in a company vehicle, refusal to wear seat belts, coming to work under the influence of alcohol or drugs) are grounds for immediate termination.

Section 5.3: TESTING AND REPLACEMENT OF CLOTHING

Personal Protection Equipment (PPE):

All rubber gloves and personal protective equipment which require testing will be tested and marked by an approved testing laboratory. Equipment will be replaced as necessary.

Tools and Equipment:

The UC will furnish tools necessary for the employee to perform their assigned duties. Tools must be returned if the employee does not successfully complete the probationary period.

Tools damaged during safe work practices will be replaced by the UC. Theft of UC equipment is grounds for immediate termination.

Uniforms:

Hard hats and gloves where appropriate will be provided by the UC. The UC will pay up to \$110 per year for the purchase of work boots/shoes for the purpose of meeting safety standards for maintenance and field positions upon successful completion of the probationary period.

In addition, protective clothing necessary for the employees to perform their duties will also be provided and shall be worn by the employee as directed by their supervisors and as required for the position and the working conditions.

Those positions which require the issuance of protective clothing (example: fire retardant clothing) for purposes of safety will be issued by the UC annually on an as needed basis. Those positions include, but may not be limited to, working directly with electricity.

Prescription Eyewear:

The UC shall provide each employee requiring safety glasses for their position one pair of prescription eyewear once every two years, and lenses replaced once per year due to normal workplace wear and tear. Replacement of damaged prescription safety glasses during the course of safe work practices must be authorized by the Director and processed by the SORM. Personal prescription glasses are not considered safety glasses. The UC will provide non-prescription safety glasses as needed.

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| Section 5.4: PANDEMIC EVENT/EMPLOYEE EXPECTATIONS |
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Pandemic Event and Employee Performance Expectations:

In the event of a pandemic event, employees are expected to perform any and all duties within their capacity and within safety realms as required by their Supervisor, Manager or Director. Performance of these additional duties shall be compensated in a manner relevant to this manual or the CBA (Collective Bargaining Agreement) as applicable.

Staffing During A Pandemic Event:

In the event of a pandemic event (as declared by the Volusia County Health Department), healthy employees may be expected to perform any and all duties within their capacity and within safety realms as required by their Supervisor, Manager or Director. Performance of these additional duties shall be compensated in a manner relevant to this manual or the CBA (Collective Bargaining Agreement) as applicable.

Health Care During A Pandemic Event:

During a pandemic event which may encompass the catchment area (rate payers regions) for the New Smyrna Beach Utilities Commission, flexibility may be utilized in dealing with increased absences due to a pandemic. Employees with symptoms relevant to the pandemic episode are encouraged to stay home and seek medical attention. Hand washing and cleanliness in the workplace is encouraged.

Infectious Disease Preparedness Plan:

The Infectious Disease Preparedness Plan can be found in the Human Resource Department and assistance can be obtained from the Safety Officer/Risk Manager.

SECTION 6

Section 6.1: UTILITIES COMMISSION REGULATIONS

Revised 08/11/09

Policies, Rules, Guidelines and Regulations Overview:

The UC may from time to time establish policies, rules, guidelines and regulations pertaining to employees and employee conduct. Such regulations are also subject to applicable laws of the United States Government and applicable laws, statutes, rules, regulations and ordinances of the State of Florida and its various regulatory agencies, the County of Volusia and the City of New Smyrna Beach.

The UC believes employees will abide by such regulations and guidelines and generally accepted standards of behavior with respect to the positions held at the UC.

For additional information regarding these policies, rules, guidelines and regulations, please reference the Appendix Section of the manual or contact the Human Resource Department for additional assistance.

By accepting employment with the UC, all employees agree to abide by all applicable policies, rules, guidelines and regulations which are or become effective during their employment. A Code of Ethics (see Appendix D) is provided to all employees which provides off duty behavioral guidelines relevant to the position held by the employee.

Public Records Request Policy:

The purpose of this policy is to provide guidance regarding compliance with the State of Florida's public records laws for the benefit of the employee, preservation of record integrity and the continuation of normal work practices. It is the policy of the UC to make all public records available for copying and/or inspection in accordance with Florida State Statute 119. All public records request will be forwarded to the Executive Department for processing. Medical records are not subject to a public record request.

Working Relations Guidelines:

The UC encourages, to the fullest degree, friendly, cooperative and professional relations between all employees at all levels, whether it be between employee and employee, employee and supervisor, or Director to Director. Reference to the title of Director is under the delegated authority of the GM/CEO.

Notary Public Policy:

The purpose of this policy is to provide instruction and guidance regarding any employee who is a Notary Public for the UC. It is the policy of the UC that any Notary Public whose commission has been secured and paid for by the UC shall use his/her authorization for only official UC business in adherence with the UC's Ethics and Conflict of Interest Policy. Within reason, a Notary Public who is covered under this policy will be available to UC staff for the purpose of notarization for UC business transactions.

Security Camera Policy:

The purpose of this policy is to provide instruction and guidance regarding the installation of security cameras in UC buildings or on UC property. This policy applies to all areas owned and/or operated by the UC. It is the UC policy to install and maintain security cameras in buildings and outside facilities to deter and prevent theft or destruction of property, other criminal activity and unauthorized entries and to enhance the safety of employees and customers. Cameras are not to be placed in areas where privacy is expected, such as a restroom

or where confidentiality is routinely required. Cameras will not monitor or record sound for routine installations. The retention of the recorded video shall be in compliance with Chapter 119,F.S. and shall be deemed exempt from inspection or copying under 119.071 (3).

Policy Development Policy:

The purpose of this policy is to provide instruction and guidance regarding the development of policies for the UC. Developments of policies are overseen by the Controller and the appropriate department Director. All policies must be presented in a uniform manner, consistent with the UC format and new policies shall be approved the Utilities Commission.

Public Whistle Blower's Act:

It is the intent of the Legislature to prevent agencies (UCNSB) or independent contractors from taking retaliatory action against an employee who reports to an appropriate agency violations of law on the part of a public employer or independent contractor that create a substantial and specific danger to the public's health, safety, or welfare. It is further the intent of the Legislature to prevent agencies or independent contractors from taking retaliatory action against any person who discloses information to an appropriate agency alleging improper use of governmental office, gross waste of funds, or any other abuse or gross neglect of duty on the part of an agency, public officer, or employee.

Genetic Information Nondiscrimination Act (GINA) Regulation:

The UC adheres to GINA and prohibits discrimination against individuals on the basis of their genetic information in both employment and health care.

Smoking Guidelines:

Smoking is banned from all governmentally-owned buildings within the city of New Smyrna Beach limits, which includes all UC buildings. In addition, employees are asked not to smoke in company owned vehicles. Employees must be considerate of those around them and smoke away from the doorways in which customers would come and go.

Strike and Lockout Policy:

Sufficient means is provided within the provisions of this manual, the courts and statutes to settle any and all disputes that may arise between an employee and the UC. No public employee or employee organization may participate in a strike against a public employer by instigating or supporting, in any manner, a strike. Circuit courts having jurisdiction of the parties are vested with the authority to hear and determine all actions alleging violations of s. 447.505, Florida Statutes, as amended. An injunction may be issued and, if not promptly complied with, on the application of the plaintiff, the circuit court shall immediately initiate contempt proceedings against those who appear to be in violation. If the commission, after a hearing on notice conducted according to rules promulgated by the commission, determines that an employee has violated s. 447.505, it may order the termination of his or her employment by the public employer.

Employees agree, upon employment at the UC, that they will not strike, boycott, work stop, slowdown, walkout or picket or initiate any cessation of work including honoring any picket line at the UC's place of business or elsewhere or any other interference or stoppage, total or partial, for any reason whatsoever. The UC agrees that it will not lockout any employee during the term of the provisions of this manual as well. Violation of this provision may result in discipline up to and including termination.

Bulletin Boards Posting Guidelines (Revised 08/12/09):

Bulletin boards are provided at various work locations throughout the UC's facilities for official communications to employees. Any other materials posted on such boards must be approved by the HRDPD or the appropriate department Director prior to posting. No other general distribution or posting of pamphlets, advertising, political matters, notices or any kind of literature in a UC work area is permitted except as provided herein. In some instances communications to be posted may need approval from the Executive Office which will be managed by the department Director.

Investigation of Misconduct Guidelines:

Investigations of alleged misconduct at the workplace or offsite that would affect the employee's credibility at the worksite are conducted in a manner that provides respect to both the UC and the employee. Investigations are handled by the appropriate Director in conjunction with the HRDPD, if necessary the Accident Prevention Officer/Risk Manager and the GM/CEO. Investigations are confidential until such time as the information gathered is confirmed, which may result in discipline, up to and including termination. Discipline as a result of misconduct is subject to a public records request.

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| Section 6.2: BUSINESS TRAVEL, MILEAGE AND VEHICLES |
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Authorized Business Absences Guidelines:

Department Directors may authorize business absences from the office or work location for employees to participate in conferences, workshops, schools, seminars, committee meetings, or other UC business outside the UC's service area. The GM/CEO may authorize such absences for department Directors and other direct reports.

Authorized Business Travel Policy:

All business travel outside the service area of the UC must be authorized in advance by the appropriate department Director and the Chief Financial Officer (CFO) and the GM/CEO. When such business involves overnight travel or meal expenses, the employee will submit an advance copy of the Travel Expense Report, which will be initialed by the department director or the GM/CEO and returned to the requestor.

Rules and Regulations Governing Travel and Expense Reports:

Rules and regulations governing travel and expense reports were revised and adopted by the UC on March, 2008 and issued to the Controller on May 1, 2008. Copies of these procedures and associated expense report forms are available from the CFO's office and the Human Resources Department.

All business travel outside the service area of the UC involving overnight travel must be approved in advance by the appropriate department Director or the CEO. All employees should consult with the HRDPD and the Finance Department before incurring expenses in order to follow properly established procedures.

Vehicle Mileage Reimbursement Policy – All Employees:

When on business travel outside the service area of the UC, a UC vehicle should be used by the employee when available (exception: those employees receiving a vehicle allowance for their personal vehicle). Use of the employee's personal vehicle for business travel outside the service area of the UC will be reimbursed at the Internal Revenue Service "Standard Mileage Rates" in effect at the time of the business travel for business miles driven.

Vehicle Allowance Program Guidelines for Directors, Managers, Supervisors:

Employees who have an assigned UC passenger type vehicle with take-home privileges required by their position to meet all-hours responses for UC business needs and who routinely travel in excess of 75 miles per week will be evaluated either by their Director or Directors and by the CEO/GM for approval to be paid a weekly vehicle allowance to use their personal vehicle.

Payments under this program will be made within the regular payroll and will be recorded as separate taxable income. The employee will then use their vehicle at all times and will not utilize a UC company vehicle. The employee must provide the Risk Manager/ Accident Prevention Officer with verification of insurance coverage and comply with all other policies. The Risk Manager/ Accident Prevention Officer is available within the Human Resource Department to review this policy.

The UC reserves the right to determine which of its employee positions require the operation of vehicles.

Authorized Use of UC Vehicles:

Personal use of UC vehicles by employees is authorized only as specifically directed by the Director, or the GM/CEO. The UC reserves the right to determine which of its employee positions require the operation of UC vehicles.

Employees with appropriate valid driver's licenses or Commercial Driver's licenses may operate UC vehicles for business purposes as directed by the respective department Director. (See Section 6.6 and 6.7 for licensing requirements.)

Employees whose position may entail a reasonable expectation of emergency call-out will be permitted to take UC vehicles home when authorized by the department Director. Brief personal errands while on the way to and from the work site are permitted as long as the privilege is not abused.

Transportation of family members and other non-employee personnel in UC vehicles is prohibited except in connection with official UC business.

Meal Allowance for Business Travel Policy:

Business travel requiring meals shall be reimbursed to the employee at an amount equal to the "M&IE Rate" for the Primary Destination, as published by the U.S. GSA for Domestic Per diem Rates (plus tip) for the time period of the business travel. Tips should not exceed 18% for each meal bill. See the CFO's office for more details.

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| Section 6.3: FLORIDA DRIVER'S LICENSE REQUIREMENT – NON- CDL |
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Revised 08/11/09

Florida Driver's License Requirement – Non-CDL drivers:

Due to the essential nature of utilities for maintaining a standard of living and for purposes of recovery to emergency and weather-related events, all UC employees are required to have a valid Florida Driver's license for the operation of a UC vehicle or utilization of the employee's private vehicle on UC business. The UC reserves the right to determine which of its employee positions require the routine operation of UC vehicles. Any employee who submits a request for mileage reimbursement acknowledges that the operation of his or her private vehicle has been required for UC business. In all cases the employee must hold a valid Florida driver's license and it must be in their possession at all times while on duty.

Employees are expected to take responsibility for notifying DMV of all changes to their personal information that would impact their driver's license or as required by law.

Driver's Records Check – Non CDL:

Employees whose positions require driving are subject to periodic driver's record checks.

The HRDPD and the Accident Prevention Officer/Risk Manager (APORM) are responsible for checking driver's records. Employees who accept employment at the UC for a position that requires driving are subject to random driver's records checks. Once a check has been performed the employee will be informed if a problem has appeared on the driver's record and the employee will be provided the opportunity to explain the alleged violation.

Unacceptable Employee Driving Record (non- CDL):

The employee's driving record must be acceptable to the UC. The following are examples of an unacceptable driving record for an employee who is required to drive as part of their position description:

- If the employee is under investigation (has been issued a ticket) for a DUI, DWI, open container or an accident in which the employee is believed to be responsible and a homicide occurred. (Employee may be reassigned if a position is available, or suspended)
- If the employee has been convicted of a DUI, DWI, or an open container or a reckless driving offense with a homicide involved. (employee shall be subject to termination)
- The employee has surpassed 9 points on the driving record in one calendar year. (employee shall be terminated)
- The employee has had their license revoked, suspended or lost for any reason by DMV or the Bureau of Administrative Review (BAR). (The employee shall be terminated)
- Driving a private vehicle for UC business without a license is also grounds for termination.

Notification of Lost or Invalid Driver's License – Non-CDL:

Any employee subject to Florida driver's license requirements as stated above whose license becomes suspended, revoked, expired, or otherwise lost or invalid or who pleads guilty or pleads nolo contendere or who is found guilty of a DUI or DWI offense, an open container offense, or reckless driving which includes a homicide whether on or off duty and whether in a UC or private vehicle, must immediately notify his or her supervisor, who in turn will notify the HRDPD thru appropriate channels. Failure of an employee to provide such notification will be cause for appropriate disciplinary action. Supervisors and Managers must report the loss to their Director immediately. Directors must report the loss to the HRDPD. The HRDPD must report the loss to the CEO who in turn will review with the APORM.

Permission to operate UC vehicles or any vehicle on UC business will then be suspended immediately. Such permission will remain suspended until all of the information regarding the loss is reviewed by the HRDPD, the APORM, the department Director and the GM/CEO.

Employee Discipline Due to Loss of Florida Drivers License:

If an employee of the UC is unable to recover a lost license or have an invalidated license renewed or reinstated within 60 days from the date it is lost or who has a driving record that is unacceptable (more than 9 points in a calendar year, or conviction of any of the above mentioned offenses), such employee will be subject to disciplinary action up to and including termination. Employees shall be required to use all PLT if placed on unpaid leave for a driver's license issue.

Presentation of Driver's License by New Employees:

New employees must present the required valid Florida's driver's license during the pre-employment hiring process in the event the position for which the applicant is applying requires a driver's license. The license will be photocopied by the Human Resource Department and the copy will be placed in the employee's payroll file.

Out-of-State Driver's License:

A new employee who presents a valid out-of-state driver's license will be permitted to operate private vehicles on Commission business during the time provided by state law to obtain a valid Florida Driver's license but may not operate UC vehicles until a valid Florida driver's license is obtained.

To continue in a position requiring operation of vehicles on UC business, the new employee must obtain a valid Florida driver's license within the time provided and present it to the Human Resource Department as soon as it is obtained.

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| Section 6.4: COMMERCIAL DRIVER'S LICENSE REQUIREMENTS (CDL) |
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Commercial Driver's License Regulations (See Appendix E):

Some UC positions require the operation of vehicles that require the operator to have an endorsement for a Florida Commercial Driver's License ("CDL"). Employees assigned to such positions must obtain the required CDL before operating such vehicles and are bound by all rules and regulations relevant to a CDL as stated by law. It is the employee's responsibility, once the CDL is obtained, to abide by all regulations relevant to a CDL driver.

For those positions which require a CDL, the UC will pay for the cost of obtaining the CDL if the employee is hired and does not have a CDL. The UC will pay for the renewal of the CDL and the renewal of the medical card as required. The UC will not pay for replacement of a lost/misplaced/damaged CDL/ driver's license or a disqualified CDL endorsement or any cost relating to reinstatement of a driver's license or a CDL endorsement.

Employees required to have a Commercial Driver's License (CDL) are subject to the Department of Transportation (DOT) and the Federal Motor Carrier Association's drug and alcohol testing regulations and other regulations relevant to maintaining the license. Attendance at an annual training is mandatory. Failure to attend training does not exclude the employee from the responsibilities inherent in holding a CDL.

Employees are expected to take responsibility for notifying DMV of all changes to their personal information that would impact their CDL driver's license or as required by law.

Driver's Record Checks for CDL Drivers:

Employees whose positions require a CDL are subject to periodic driver's record checks.

Unacceptable Employee Driving Record – CDL:

A conviction for a DUI or DWI will normally result in the disqualification of the CDL endorsement, and will most likely result in the loss of the license. Loss of the endorsement, if required for the position, shall result in disciplinary action, up to and including termination. If a driver with a CDL receives a citation for a DUI or DWI whether it be during personal time or in a CMV, the driver must report this event within one working day from the citation to the immediate supervisor. All CDL regulations will be then followed accordingly. Directors who hold a CDL must report the loss to the HRDPD.

All other regulations listed in section 6.2 will apply as unacceptable driving records. In addition, the CDL regulations have more stringent terms and conditions which may require the CDL driver to “step down” from their driving privilege from 60 days to three years, depending on the offense. Examples include repeated speeding, reckless driving, repeated failure to wear a seat belt, open container, an accident with a homicide or any combination of the above within two years and other infractions listed within CDL regulations. The employee must take responsibility for understanding the rules relevant to the CDL.

Employee Discipline Due to Loss of the CDL:

Management reserves the right to administer discipline up to and including termination. Discipline will be based on the position held by the employee, the importance of the CDL to the position and how the loss of the license will impact the employee’s ability to perform the duties within the position, the employee’s work record (safety, attendance and disciplinary issues) and the level of disruption to the UC operations as a result of the loss of the license.

Voluntary Maintenance of a CDL:

Employees who are hired by the UC who already hold a CDL and whose position does not require a CDL are not subject to the issues within section 6.3. This applies only to the CDL endorsement and not to the loss of a driver’s license. The UC is not responsible for the maintenance of the CDL.

If the employee wishes to have the UC pay for the renewal of the license and the UC agrees this would benefit the UC, the employee shall be subject to all of the requirements of any other employee with a CDL.

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| Section 6.5: CDL TESTING REGULATIONS (See Appendix E) |
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I. Purpose of Testing:

Whereas illegal drug use and/or misuse of alcohol adversely affects employees’ job performance and jeopardizes their safety, the safety of other employees and the public and the reliability of the New Smyrna Beach Utilities Commission’s (hereinafter UC) operations, the UC agrees to the following policy and procedures concerning drug and alcohol abuse. This policy will be enforced within the parameters of the law.

II. Policy Regarding Testing:

This is official notification that the UC is adhering to the Department of Transportation (“D.O.T.”) Regulations for CDL drivers and those in a safety sensitive position. All employees are absolutely prohibited from unlawfully manufacturing, distributing, possessing or using controlled or illegal substances in the workplace. It is a condition of employment to refrain from taking illegal drugs, abusing prescription drugs on or off the job. It is a violation of company policy to report to work or working with the presence of illegal drugs or alcohol in your body. Therefore, the UC has adopted the following specific D.O.T. policies and other requirements as attached hereto:

(1) It is a violation of company policy for an employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs or consumption of alcohol on the job, including the illegal use of prescription medication. (On or off the job)

(2) Drug and alcohol testing began at the UC on September 10, 1996, and shall continue in compliance with the D.O.T. regulations. All employees have therefore received their Notice to Employees at the time of hire and may receive periodic random reminders of such.

III. Voluntary Treatment:

Any employee who may be experiencing problems with drugs or alcohol and who is not currently the subject of a positive test is encouraged to contact the UC's Employee Assistance Program or to enroll in a rehabilitation treatment program. Covered treatment facilities and providers can be found in the medical plan provider directory. For confidential assistance, please contact the HRDPD. All treatment is confidential and will remain in the medical file.

Enrollment in a treatment program or attending counseling will not provide immunity from a violation of any UC or D.O.T. policies nor does it restrict the UC from taking any other appropriate employment action.

IV. Positive Test Results (Includes Refusal to Test):

An employee with a confirmed positive test result will receive notification from the Medical Review Officer (MRO) of the positive test result. Within the regulations the employee will have an opportunity to demonstrate to the MRO why the test was positive. In the event the MRO does not accept the explanation, the MRO will then notify the HRDPD of the positive test. The HRDPD will contact the employee's department Director, who will in turn accompany the employee to the Human Resource Department immediately. DOT and UC regulations shall then be followed.

A positive test shall result in a (1) one time only, Last Chance Agreement, to receive treatment which must be satisfactorily completed under the treatment provider guidelines. Refusal to accept treatment will be grounds for immediate termination. Testing positive during treatment as a result of use during treatment will result in immediate termination from employment. Refusal to test will result in immediate termination.

V. Challenging Test Results:

Employees and applicants have the right to contest or explain a positive test result to the MRO. All challenges must be filed within 72 hours of receiving notification of such results. The employee/applicant is required to provide written documentation to the MRO, which explains or contests the result. The employee/applicant will be notified by the MRO as to why the explanation is unsatisfactory. The employee/applicant may also receive a copy of the test results. If the employee/applicant decides to challenge the test result, it is the employee's/applicant's responsibility to notify the laboratory and the MRO of the challenge. The employee/applicant is solely responsible for all costs associated with such a challenge in the event the results remain the same.

VI. Cost of Testing:

The UC shall pay the cost of initial and confirmation drug tests which it requires of employees/applicants.

VII. Employee Testing Regulations:

A. Pre Employment:

All applicants for a position with the UC shall be tested during the pre-hire period and prior to performing safety-sensitive functions, or if the employee has applied for a different position which falls under the D.O.T. regulations. A refusal to submit to a test or a positive confirmed test result shall result in the applicant not being eligible for employment or for the new position (see section V for procedures to challenge a test). The applicant may not reapply for 180 days.

B. Reasonable Suspicion:

An employee may be required to submit to testing when the Director or supervisor has reasonable suspicion as defined in the D.O.T. regulations. This portion of the law states;

“...Reasonable suspicion testing means drug testing based on belief that an employee is using or has used drugs in violation of the D.O.T. policy, which is drawn from specific objective and articulate facts and reasonable inferences drawn from those facts in light of experience.” Among other things, such facts and inferences may be based upon the following:

- Observable phenomenon while at work, such as direct observation of drug use or of the physical symptoms or manifestations of being under the influence of a drug.
- Abnormal conduct or erratic behavior while at work or a significant deterioration in work performance.
- A report of drug use provided by a reliable and credible source.
- Evidence that an individual has tampered with a drug test during his/her employment with the UC.
- Information that an employee has caused, or contributed, or been involved in an accident while at work.
- Evidence that an employee has used, possessed, sold, solicited, or transferred drugs while working or while on the UC’s premises or while operating the UC’s vehicle, machinery, or equipment.

C. Routine Fitness for Duty and Follow-up Testing:

An employee shall be required to submit to a drug test as part of a scheduled fitness for duty medical examination (medical card renewal), or, is scheduled routinely for all members of an employment classification or group, or, as a result of a violation of the prohibited alcohol/drug conduct standards in order to return to performing safety-sensitive duties, or, as a result of a work-related injury. At least 6 unannounced follow-up tests must be conducted in the first 12 months after an employee returns to duty if the follow-up testing is a result of a positive test. Follow-up testing may be extended for up to 60 months following return to duty.

D. Random Testing:

Random selection for testing may be computer generated by an outside contractor and will adhere to the D.O.T. regulations. Employees in designated safety-sensitive positions shall also be subject to random testing. Employees randomly selected on an unannounced basis shall report to the testing site immediately upon notification. Refusal to report for testing will be considered the same as a positive test and will be grounds for termination.

E. Additional Testing/Renewal of Medical Card for CDL:

All employees, whose job description requires a CDL, shall upon renewal of the medical card, be subject to a drug and alcohol screen.

F. Post Accident:

When an employee has an accident in a CMV or a UC vehicle during the course of his or her employment, and the employee is believed to have contributed to the accident, the employee shall be tested for the presence of alcohol or drugs. If because of the accident, an employee is unable to submit to a drug or alcohol test immediately, the employee will authorize the release of any medical reports or documentation to the MRO regarding the presence of drugs or alcohol in the employee’s body at the time as a result of the accident. Refusal to agree to the release of this information will result in immediate termination from employment.

Any employee who has an accident with a UC vehicle in which a police report is filed, a citation is issued, damage is done to the vehicle requiring the vehicle to be towed, or a fatality has occurred, shall be tested. This applies to an employee who is being compensated to use their own vehicle during the course of their work day or while traveling for a work-related function.

In addition, all accidents or incidents involving a police citation for employees holding CDL licenses shall be reported to the Accident Prevention Officer/Risk Manager immediately (within one business day).

G. Alcohol and Drugs Tested:

The employee is subject to testing for any or all of the following:

(Also included in this list are the most common medications by brand name or common name and chemical name which may alter or affect a drug test.)

| | Brand Names | Cut off Levels |
|------------------|--|----------------|
| Alcohol | Booze, drink, beer, wine, liquor, medications containing ethyl alcohol (ethanol), i.e. Vick's Nyquil, Comtrex, Listerine | 0.04g |
| Amphetamines | Binhetamine, Desoxyn, Dexedrine, speed | 1000 ng/ml |
| Cannibanooids | Marijuana, hashish, hash, hash oil, pot, joint, roach, spliff, grass, weed, reefer, hemp products, hemp oil | 50 ng/ml |
| Cocaine | Coke, blow, nose candy, snow, flake, crack | 300 ng/ml |
| Phencyclidine | PCP angel dust, hog | 25 ng/ml |
| Methaqualone | Not legal by prescription | 300 ng/ml |
| Opiates | Opium, dover's powder, paregoric, parepectolin, heroin, codeine, morphine | 2000 ng/ml |
| Barbiturates | Phenobarbital, Tuinal, Amytal, Nembutal, Seconal, Lotusate, Fiorinal | 300 ng/ml |
| Benzodiazophines | Ativan, Azene, Clonopin, Dalmone, Diozepam, Halcion, Librium, Poxipam, Restoril, Serax, Tranxene, Valium, Vertron, Xanax | 300 ng/ml |
| Methadone | Dolophine, Methadose, Ecstasy | 300 ng/ml |
| Propoxyphene | Darvocet, Darvon, Dolene | 300 ng/ml |

VIII. Reporting Use of Prescription or Non-Prescription Medications:

An employee shall confidentially report the use of prescription or non-prescription medications to the MRO, either before or after being tested. Presence of some prescription

and non-prescription medications in the body may affect the outcome of the test. A list of the most common medications which may alter or effect a drug test is attached. The employee should provide the HRDPD with copies of relevant prescriptions which may impact the employee's ability to perform their safety sensitive job. A prescription must be written in the name of the employee and must not be expired.

IX. Confidentiality:

All information, interviews, reports, statements, memoranda and drug and alcohol tests results, written or otherwise received by the UC through this Policy are confidential communications and will be maintained in the employee's confidential medical file. The UC, any laboratory, Medical Review Officers, Employee Assistance Program, drug or alcohol treatment program or their agents who receive or have access to this information concerning drug test results shall keep it confidential. Release of such information under any circumstances shall be solely pursuant to a signed consent form signed voluntarily by the person tested, unless such release is compelled by a hearing officer or a court of competent jurisdiction pursuant to an appeal taken under this section or unless deemed appropriate by a professional or occupational licensing board in a related disciplinary proceeding.

X. Miscellaneous:

An employee shall be immediately removed from safety-sensitive functions, after confirmation from the MRO that the positive test is a result of unauthorized use of a controlled substance. The employee cannot return to safety-sensitive duties until an evaluation has been completed by a substance abuse professional and they have complied with all treatment recommendations (one time only treatment).

Employees shall be terminated from employment for a second positive test or for failure to complete mandated treatment satisfactorily.

The UC shall provide an annual education course to assist employees and/or supervisors in identifying personal and emotional problems, which may be the result of misuse of alcohol or drugs within the DOT regulations.

The employee must bring their driver's license with them to the testing site and must sign a Release of Information form during the testing process.

The UC reserves the right to amend, change or alter this Policy without the consent of its employees.

XI. Over-the-Counter and Prescription Drugs that Could Alter or Affect the Outcome of a Drug or Alcohol Test:

- Alcohol:
All liquid medications containing ethyl alcohol (ethanol). Read the label carefully for alcohol content. This could include Nyquil, mouthwashes and other alcohol-containing products. Chapstick contains alcohol.
- Amphetamines (stimulants):
- Obetrol, Biphphetamine, Desoxyn, Dexedrine, Didrex
- Cannabinoids (marijuana):
- Marinol (medical marijuana) Dronabinol, THC (animal tranquilizers)
- Cocaine (stimulants):

- Cocaine HCl topical solution (Roxanne)
- Opiate (Narcotics):
- Paregoric, Parepectolin, Donnagel PG, Tylenol with Codeine, Empirin with Codeine, Aspirin with Codeine, Robitussin AC, Novahistine DH, Novahistine Expectorant, Dilaudid (hydromorphone), Oxycontin, Oxycodone, Hydrocodone, Percodan, Vicodin, Methadone
- Barbiturates (Anti-convulsant drugs, sleepers):
- Phenobarbital, Tuinal, Amytal, Nembutal, Seconal, Lotusate, Fiorinal, Fioricet, Esgic, Butisol, Mebaral, Butabarbital, Phrenilin, Triad
- Benzodiazepines (anti-anxiety):
- Ativan, Azene, Clonopin, Dalmane, Diazepam, Librium, Xanax, Serax, Tranxene, Valium, Verstran, Halcion, Poxipam, Restoril, Centrax.
- Propoxyphene (painkillers):
- Darvocet, Darvon N, Dolene.

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| Section 6.6: FLORIDA DRUG FREE WORKPLACE ACT (FDFWA) |
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Utilities Commission Drug Free Workplace Policy (See Appendix F):

The UC utilizes the Florida Drug Free Workplace Act (FDFWA) as the basis for its Drug Free Workplace Program as authorized by FS Chapter 440.102. All UC employees who conduct business for the UC and who are covered on the Utilities Commission Workers' Compensation benefit program are subject to the FDFWA. The UC's Drug Free Workplace Program is summarized below. Employees are expected to reference Appendix F for full information regarding the program.

Applicability of the Program:

The UC Drug Free Workplace Program is intended to apply whenever an employee is conducting business for the UC, which includes all working hours, or whenever the employee is conducting business or representing the UC while on call, on standby or at a company sponsored event.

Definition of an Accident:

Under the FDFWA and the UC's Drug Free Workplace Policy, an accident includes not only an accident with a motor vehicle but an accident which does not include a motor vehicle. If an employee sustains an injury that requires medical attention (i.e., a doctor or hospital visit), a drug and alcohol test shall be performed.

Prohibited Behavior:

(See attachment in Appendix F)

Drug and Alcohol Testing:

(See attachment in Appendix F)

Voluntary Employee Assistance Programs:

(See attachment in Appendix F)

Ten Panel Drug Test:

Under the FDFWA and the UC's Drug Free Workplace Program, the 10-Panel Test includes the following: marijuana, cocaine, phencyclidine, opiates, methamphetamine, methadone,

amphetamine, barbiturates, benzodiazepines, tricyclic antidepressants. See Appendix F for further information.

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| Section 6.7: EMAIL POLICY |
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Updated 08/05/09

Utilizing the UC's Email (See Appendix G):

The UC has established a policy with regard to access and disclosure of electronic mail ("e-mail") messages created, sent or received by UC employees using the UC's electronic mail system.

The UC intends to honor the policies set forth below, but reserves the right to change them at any time as may be required.

The UC maintains an electronic mail system. This system is provided by the Commission to assist in the conduct of business within the Commission.

The electronic mail system hardware is Commission property. Additionally, all messages composed, sent, or received on the electronic mail system are and remain the property of the UC and as such are considered public information. They are not the private property of any employee.

Appropriate Use of the Electronic Email System:

The use of the electronic mail system is reserved solely for the conduct of business at the UC. It may not be used for personal business. E-mail communications are subject to Florida open records laws.

The electronic mail system may not be used to solicit commercial ventures, religious or political causes, outside organizations, or other non-job-related solicitations.

Important messages should be delivered immediately, and should not be sent via e-mail. For example, e-mail should not be used to communicate absences or sick leave to a supervisor.

Email Etiquette:

The electronic mail system is not to be used to create any offensive or disruptive messages. Among those which are considered offensive, are any messages which contain sexual implications, racial slurs, gender-specific comments, or any other comment that offensively addresses someone's age, sexual orientation, religious or political beliefs, national origin, or disability. E-mail will be used in a courteous manner which treats all employees with respect.

The electronic mail system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials without prior authorization.

Email and Confidentiality:

The confidentiality of any message should not be assumed. Even when a message is erased, it is still possible to retrieve and read that message. Further, the use of passwords for security does not guarantee confidentiality. All passwords must be disclosed to the Commission, or they are invalid and cannot be used.

Notwithstanding the UC's right to retrieve and read any electronic mail messages, such messages should be treated as confidential by other employees, and accessed only by the

intended recipient. Employees are not authorized to retrieve or read any e-mail messages that are not sent to them. Any exception to this policy must receive prior approval by the employer.

Email Usage and Pass Codes:

Employees shall not use a code, access file, or retrieve any stored information, unless authorized to do so. Employees should not attempt to gain access to another employee's messages without the latter's permission. All computer pass codes must be provided to supervisors. No pass code may be used that is unknown to the company

Inappropriate Email Usage and Discipline:

An employee who violates this policy, or uses the electronic mail system for improper purposes shall be subject to discipline, up to and including discharge.

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| Section 6.8: INTERNET CODE OF CONDUCT POLICY |
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Access to the UC Internet (See Appendix G):

Access to the Internet has been provided to staff members for the benefit of the organization and its customers. It allows employees to connect to information resources around the world. Employees who have access to the Internet are expected to use good judgment and proper time management when using Internet services. To ensure that all employees are responsible, productive Internet users and are protecting the company's public image, the following guidelines have been established for using the Internet.

Acceptable Uses of the Internet:

Employees accessing the Internet are representing the company. All communications should be for professional reasons. Employees are responsible for seeing that the Internet is used in an effective, ethical and lawful manner. Internet Relay chat channels may be used to conduct official company business, or to gain technical or analytical advice. Databases may be accessed for information as needed. E-mail may be used for business contacts.

Unacceptable Uses of the Internet:

The Internet should not be used for personal gain or advancement of individual views. Solicitation of non-company business, or any use of the Internet for personal gain is strictly prohibited. Use of the Internet must not disrupt the operation of the company network or the networks of other users. It must not interfere with productivity.

Internet Communications:

Each employee is responsible for the content of all text, audio or images that they place or send over the Internet. Fraudulent, harassing or obscene messages are prohibited. All messages communicated on the Internet should have your name attached. No messages will be transmitted under an assumed name. Users may not attempt to obscure the origin of any message. Information published on the Internet should not violate or infringe upon the rights of others. No abusive, profane or offensive language should be transmitted through the system. Employees who wish to express personal opinions on the Internet are encouraged to obtain their own usernames and their own private accounts.

Internet Software:

To prevent computer viruses from being transmitted through the system, there will be no unauthorized downloading of any software.

Internet Copyright Issues:

Copyrighted materials belonging to entities other than the UC may not be transmitted on the Internet by staff members. One copy of copyrighted material may be downloaded for personal

use in research. Users are not permitted to copy, transfer, rename, add or delete information or programs belonging to other users unless given express permission to do so by the owner. Failure to observe copyright or license agreements may result in disciplinary action from the company or legal action by the copyright owner.

Internet Security:

All messages created, sent or retrieved over the Internet are the property of the company, and should be considered public information. The company reserves the right to access and monitor all messages and files on the computer system as deemed necessary and appropriate. Internet messages are public communication and are not private. All communications including text and images can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Internet Harassment:

Harassment of any kind is prohibited. No messages with derogatory or inflammatory remarks about, but not limited to an individual or group's race, religion, national origin, physical attributes, or sexual preference will be transmitted.

Internet Use and Disciplinary Action:

Violations of any guidelines listed above may result in disciplinary action up to and including termination. If necessary the UC will advise appropriate legal officials of any illegal violations.