

# DRAFT

2016 BOARD OF COMMISSIONERS  
*Michael J. Murphy, President*  
*Paul D. Kenner, Vice President*  
*Jeffrey L. McClure, Secretary*

## **PUBLIC UTILITY DISTRICT No. 1** *of Whatcom County*

Agenda for the  
Special Meeting of December 20, 2016  
8:00 a.m. at the PUD Office

1. Public Comment
2. Approval of Meeting Minutes held December 13, 2016
3. Approval of Claims for December 20, 2016
4. Approve Resolution No.716 – Amend Non-Bargaining Unit Employee’s Compensation Policy to Update Salary Ranges and Job Descriptions
5. Resolution No. 717 – Reappoint Jon Sitkin and Chmelik, Sitkin and Davis as District Legal Counsel
6. Approve Commission Meeting Schedule for 2017
7. Elect Commission Officers and Select District Representatives to Agencies for 2017
8. Oath of Office – Commissioner Murphy
9. Manager’s Report
10. Executive Session – General Manager’s Performance Evaluation
11. Adjourn

*Next Commission Meetings*

*January 10 and January 24, 2017 – Regular Meeting*  
*All meetings begin at 8:00 a.m. at PUD Administration Office -*  
*1705 Trigg Road, Ferndale, WA unless other location announced.*  
**PUD #1 of Whatcom County (360) 384-4288**

**MINUTES OF THE MEETING OF THE COMMISSION**

**December 13, 2016**

The regular meeting of the Board of Commissioners of Public Utility District No. 1 of Whatcom County was called to order at 8:00 a.m. by Commissioner Mike Murphy. Said meeting was open to the public and notice thereof had been given as required by law. Those present included Commissioner Paul Kenner and Legal Counsel Jon Sitkin. Staff: Steve Jilk, General Manager; Ann Grimm, Administrative Assistant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Brian Walters, Director of Utility Operations; Annette Smith, Director of Finance; Jon Littlefield, Electric System Supervisor; Alec Strand, Project Manager; Paul Siegmund, Manager of Automation and Technology; Aaron Peterson, IT/SCADA Tech; Mike Macomber, IT/SCADA Tech; and, Lew Gaskill, Accountant I.

Public attending: Max and Carole Perry, Citizens, Rick Maricle, Citizen  
Dave Olson, Citizen, TJ Lee, Phillips66

**Public Comment**

Carole Perry inquired as to what percentage of the District's water rights does the District actually use? Jilk responded that currently approximately 25% of the water rights are used for industrial water. The total municipal/industrial water right capacity is set at 53 million gallons per day (MGD) and the use about 13 MGD average. The amount does vary depending on seasonal use.

**Approval of the Meeting Minutes and Claims**

The Commissioners were presented with the Minutes of the Regular Meeting November 22, 2016 and the following Claims of December 13, 2016:

<b>VENDOR NAME</b>	<b>AMOUNT</b>
3-D CORPORATION	2,039.87
APERTURE ELECTRICAL	4,718.77
ARGO INTERNATIONAL CORPORATION	5,824.26
ASSOCIATION OF WASHINGTON CITIES	500.00
BELLINGHAM HERALD	1,286.00
CENTRAL WELDING SUPPLY	67.25
CHMELIK SITKIN & DAVIS	3,500.00
CULLIGAN NORTHWEST	67.85
DUNDAS, BRUCE K.	109.74
EDGE ANALYTICAL LABORATORIES	20.00
EES CONSULTING	1,105.00
ELECTRIC POWER SYSTEMS - EPS	1,082.00
FCS GROUP	1,380.00
FERNDALE ACE HARDWARE	210.30
FERNDALE TRUE VALUE HARDWARE	18.46
FRONTIER	1,386.17
HACKER, RONALD G	39.98
HARDWARE SALES, INC	42.88
HD FOWLER CO, INC	364.96
HEALTH PROMOTIONS NORTHWEST	90.00
INDUSTRIAL SUPPLY, INC	104.63
KCDA PURCHASING COOPERATIVE	143.83
MANTLE INDUSTRIES	9,434.08
MASSMUTUAL RETIREMENT SVCS LLC	10,258.33

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MAUL FOSTER & ALONGI	1,480.00
MORTIMER, TOM	225.00
NORTHWEST MOWING & GARDENING	6,156.96
P&P EXCAVATING, LLC	17,554.65
PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	150.00
PITNEY BOWES RESERVE ACCOUNT	500.00
PLATT ELECTRIC SUPPLY CO	131.00
PORTAL WAY FARM & GARDEN	301.26
PUBLIC UTILITY RISK MANAGEMENT SERVICES	2,162.31
PUD #1 OF WHATCOM COUNTY	79.95
PUGET SAFETY EQUIPMENT COMPANY	113.13
PUGET SOUND ENERGY, INC	5,992.19
REGENCE BLUE SHIELD	36,220.42
REISNER DISTRIBUTION, INC	858.48
RICOH USA	428.86
SOUND SHREDDING & RECYCLING	28.00
SSC - SANITARY SERVICE COMPANY	513.66
STAR RENTALS	88.05
TAURUS POWER & CONTROLS, INC	2,182.00
TEAMSTER LOCAL #231	410.00
THATCHER COMPANY OF MONTANA	24,672.73
UNITED WAY OF WHATCOM COUNTY	275.00
UTILITIES UNDERGROUND LOCATION	27.09
VERIZON WIRELESS	1,105.73
WA ST SUPPORT REGISTRY	250.00
WASHINGTON DENTAL SERVICE	2,720.05
WASHINGTON TEAMSTERS WELFARE	9,747.90
WHATCOM FARMERS CO-OP	136.85
WHATCOM JANITORIAL	1,170.00
XEROX CORPORATION	129.06
ZEE MEDICAL SERVICE	316.21
<b>GRAND TOTAL</b>	<b>\$159,920.90</b>

**ACTION:** Commissioner Kenner motioned to approve the MINUTES OF THE REGULAR MEETING HELD NOVEMBER 22, 2016 and the CLAIMS OF DECEMBER 13, 2016. Commissioner Murphy second the motion. Motion passed unanimously.

**Approve Amendment No. 1 to Professional Services Agreement for Geneva Consulting**  
**Approve Amendment No. 1 to Professional Consulting Agreement for Performance Information Technologies**  
**Approve Amendment No. 1 to Professional Consulting Agreement for Integrity Safety Services**

Jilk noted that Agenda Items 4, 6 and 7 are all amendments to extend the terms of the individual professional services agreements (no new work orders) to December 31, 2018, and the Commissioners could take action on the three items at once.

**ACTION ITEM No. 1** – Commissioner Kenner motioned to approve AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT WITH BECKY PETERSON/GENEVA CONSULTING TO PROVIDE TECHNICAL SERVICES FOR THE DISTRICT REGARDING WHATCOM COUNTY WRIA 1 WATER SUPPLY PLANNING PROJECTS, and authorize the General Manager to sign the Agreement; and,

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**ACTION ITEM No. 2** – Approve AMENDMENT NO. 1 TO PROFESSIONAL CONSULTING AGREEMENT WITH PERFORMANCE INFORMATION TECHNOLOGIES FOR SCADA SUPPORT SERVICES, and authorize the General Manager to sign the Agreement; and,

**ACTION ITEM No. 3** – Approve AMENDMENT NO. 1 TO PROFESSIONAL CONSULTING AGREEMENT WITH INTEGRITY SAFETY SERVICES and authorize the General Manager to sign the Agreement.

Commissioner Murphy second the motions. Motions passed unanimously.

## **Award of Bid for Water Treatment Plant(s) Chemical Flocculant Supply**

Background – The bid opening for the PAC - Chemical Supply Contract for calendar year 2017 was held on Tuesday, November 29, 2016 at 10:00 a.m. The Request for Bid Proposals was advertised in the Bellingham Herald and bid packets were sent to the three companies, whose chemical flocculants had previously met the District water operations staff requirements. One bid package was received and it was deemed responsive.

The results of the bids are as follows:

### **Low Bidder: Waterhouse Environmental Services Corporation**

Enhanced Aluminum Chlorhydrate .....	No bid submitted
Polyaluminum Chloride Coagulant.....	\$0.386 per lb.

### ***Engineer's Estimate:***

Enhanced Aluminum Chlorhydrate .....	\$0.410 per lb.
Polyaluminum Chloride Coagulant .....	\$0.430 per lb.

*Unit Prices include Washington State Sales Tax and Shipping; including all costs associated with the delivery of the material including, but not limited to, labor, taxes, insurance, fuel and/or fuel surcharge.*

Strand noted that no bid was received for the Enhanced Aluminum Chlorhydrate because this chemical was used in the days when the District provided water to the City of Ferndale, and is no longer purchased. Staff reviewed the unit prices; extensions and no math errors were made on the proposal. All submittals required for the proposal, non-collusion affidavit and addendum acknowledgement were completed as well as the inclusion of the product Material Safety Data Sheets.

Staff recommends awarding the Contract for PAC – Chemical Supply to Waterhouse Environmental Services Corporation as the lowest responsive Bidder.

There is no fiscal impact to the District, as chemical supply is an operations expense included in the 2017 Budget.

**ACTION:** Commissioner Kenner motioned to award the CONTRACT FOR PAC- CHEMICAL SUPPLY – 2017 TO WATERHOUSE ENVIRONMENTAL SERVICES CORPORATION and authorize the General Manager to execute the agreement. Commissioner Murphy second the motion. Motion passed unanimously.

## **Approve Resolutions for the 2017 Operating and Capital Budgets and Rates: Resolutions 712, 713, 714 and 715**

Background: Following the presentations to the Commission, customers and subsequently the public hearing on the draft 2017 budget, staff is recommending the Commission adopt the 2017 Operating and Capital Budget and Rates for Water and Electric Services.

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To do this, a series of resolutions are passed for the budget of the upcoming year and also the appropriate rates and charges for each utility. The budget resolutions are based on the information presented at the November 22 Commission Meeting and no other changes have been made.

The resolutions being presented for approval for the 2017 calendar year are:

- Resolution No. 712 - Adopting the District's Operating and Capital Budget
- Resolution No. 713 - Adopting the Raw Water Utility Water Rates and Grandview Water Rates
- Resolution No. 714 - Adopting the Electric Utility Rates
- Resolution No. 715 - Adopting the Grandview Potable Water and Fire System Connection Fees (General Facility Charges (GFC))

**ACTION Item #1:** Commissioner Kenner motioned to approve Resolution No. 712 – A Resolution of the Board of Commissioners of the Public Utility District No. 1 of Whatcom County (“District”), adopting the District Budget for Calendar Year 2017. Commissioner Murphy second the motion. Motion passed unanimously.

**ACTION Item #2:** Commissioner Kenner motioned to approve Resolution No. 713 – A Resolution of the Board of Commissioners of the Public Utility District No. 1 of Whatcom County (“District”), adopting Raw Water Utility Water Rates and Grandview Utility Service Rates for 2017. Commissioner Murphy second the motion. Motion passed unanimously.

**ACTION Item #3:** Commissioner Kenner motioned to approve Resolution No. 714 – A Resolution of the Board of Commissioners of the Public Utility District No. 1 of Whatcom County (“District”) adopting Rates and Charges Related to Use and Operation of the District's Electric Utility for 2017. Commissioner Kenner second the motion. Motion passed unanimously.

**ACTION Item #4:** Commissioner Kenner motioned to Approve Resolution No. 715 – A Resolution of the Board of Commissioners of the Public Utility District No. 1 of Whatcom County (“District”), adopting Grandview Potable Water and Fire System Connection Fees (General Facility Charges (GFC)) for 2017. Commissioner Murphy second the motion. Motion passed unanimously.

## **Manager's Report**

### December Commission Meetings

Jilk reminded Commissioners that the December 27 regular meeting has been canceled. The Commissioners will meet instead on December 20, 8:00 a.m. at the District office.

### Small Fruit Conference

Murphy and Jilk attended the Small Fruit Conference held in Lynden November 30 - December 2. Day three was dedicated to water topics. Jilk presented an update on PUD projects and others that pertain to water issues in Whatcom County. Murphy attended two of the three days conference and indicated he was very impressed with the program and attendance.

### WPUDA Annual Conference

Sitkin attended the WPUDA annual attorney's meeting two weeks ago in Vancouver. Topics of interest included discussions on ethics and the Hirst case. Sitkin feels there is less understanding of the local nuances but there are statewide concerns. Another topic discussed was King County's new fee associated with franchises requiring utilization of a right-of-way in which franchisees will have to pay a fee. The revenue generated from these “fees” go into King County's general fund and not an account specifically tied to the fee. All eyes will be watching as estimated revenue from this could reach \$10 million. Cities have authority to tax utilities however counties do not. Sitkin added that water and/or sewer districts will challenge this.

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## North County Consolidation Update

Olson reported the results from the Department of Health/Jobs Act Now grants received by the District has come to final fruition. The Meadowbrook Water Association, Northwood Water Association and Northwood Park Water Association will officially consolidate to serve water outside the city limits of Lynden. A cooperative agreement with the City of Lynden, utilizing City of Sumas “paper” water rights, Lynden’s “wet water” water rights, and two pipes owned by the District will provide/transport water for this area. Approximately 36 connections were added to 1,000 already served, along with Covenant Christian School are now tapped in to clean drinking water. Great success supporting smaller systems.

## **Adjourn**

There being no further business for the regular meeting, the Commission adjourned the regular meeting at 8:28 a.m.

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President/Commissioner

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Secretary/Commissioner

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Commissioner

# PUBLIC UTILITY DISTRICT No.1

*of Whatcom County*

1705 Trigg Road • Ferndale, WA 98248

P: (360) 384-4288 • F: (360) 384-4849

## Memo

**AGENDA ITEM # 4**  
**December 20, 2016**

**To:** Commissioners Kenner, McClure and Murphy  
**From:** Stephan Jilk, General Manager  
**Date:** December 20, 2016  
**Re:** Resolution No. 716 - Amend Non-Bargaining Unit's Employee Compensation Program to Update Staff Position List and Salary Ranges

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**Requested Action:** ADOPT RESOLUTION NO. 716 – A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”) AMENDING THE EMPLOYEE COMPENSATION POLICY UPDATING THE STAFF POSITION LIST AND ANNUAL SALARY RANGES FOR NON-BARGAINING UNIT EMPLOYEES.

**Background:** This is a recommendation for the Commission to adopt a resolution amending the District's Employee Compensation Policy to update position salary ranges and employee positions.

In 2007, the District established an Employee Compensation Policy. This policy established employee positions, by title, salary ranges for those positions, required an annual review and update of those salary ranges and provided certain authority to the District's General Manager in implementing that policy.

This policy provided guidelines for setting salary ranges for all non-bargaining unit employee positions, establishing employee positions and job descriptions for all positions, and establishing a methodology for updating the salary ranges. The policy granted the General Manager the authority to establish individual employee salaries within the Commission approved salary ranges. The maximum amount, in percentage terms of adjustments to an individual employee salary in a calendar year to be granted by the General Manager was also set.

In August 2015, the Employee Compensation Policy was amended (Resolution 695) for the purpose of updating the “at-will” employment status, “industry salary comparison” in which District staff utilizes the Washington Public Utility Districts Association (WPUA) Salary Survey, and now outlines “additional benefits and other compensation” for the non-bargaining unit employees of the District.

### **Job Descriptions**

District administration reviews job descriptions at least every two years and more often if changes in staff composition and skills required to fill these staff positions change. We also attempt to stay as current as possible in maintaining job descriptions that meet current labor relations standards. In 2013, all non-bargaining unit job descriptions were updated to align the written description with actual job requirements and approved by the Commission.

**Salary Ranges**

Each year District administration collects data related to compensation for non-union employee positions. We gather that data from several sources including regional public agencies including Whatcom County cities, Washington Public Utility Districts Association (WPUA) salary survey, consumer price index data (CPI-W Seattle/Tacoma/Bremerton, and regional and national sources. We use that data to attempt to maintain a meaningful relationship of the salary and compensation levels of our employees and these other comparable employers and positions. If we feel our salary ranges for our positions are not keeping that relative relationship we recommend adjustments.

**Salary Range History:**

- 2010 – 2012      No adjustments made
- 2013              Six (6) changes made to positions and ranges and one new position added
- 2014              One job description change and four (4) salary ranges adjustments
- 2015              Six (6) salary range adjustments
- 2016              One job description change and four (4) salary range adjustments.

For 2017, we are recommending sixteen (16) salary range adjustments based on this year’s review.

A set of new salary ranges with the existing ranges are attached as Exhibit B. This is a recommendation for Commission approval of the recommended salary ranges for 2017. Individual salaries are established by the General Manager as he/she implements the Salary Program established and approved by the Commission.

**District Retirement Contribution:** The Districts Contribution for Retirement was increased to 7.8% in 2016 and will remain the same. The District does not participate in the State Public Employees Retirement System (PERS) and contributes to employees’ retirement in lieu of contribution to the PERS program. Below is a list of District contribution rates and those of employers participating in PERS.

	<u>District Contribution Rates</u>	<u>Other Employer Contribution Rates</u>
2006	6.15%	5.46%
2007	6.4%	6.13%
2008	6.8%	8.31%
2009	7.2%	5.31%
2016	7.8%	11.18%

**Fiscal Impact:** All actions taken by the General Manager to implement the Salary Program will be within the 2017 budget as approved by the Commission.

**Recommended Action:** ADOPT RESOLUTION NO. 716 – A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”) AMENDING THE EMPLOYEE COMPENSATION POLICY UPDATING THE STAFF POSITION LIST AND ANNUAL SALARY RANGES FOR NON-BARGAINING UNIT EMPLOYEES.



**RESOLUTION NO. 716**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY ("DISTRICT") AMENDING THE EMPLOYEE COMPENSATION POLICY FOR PURPOSES OF UPDATING THE POSITION TITLES AND ANNUAL SALARY RANGES FOR NON-BARGAINING UNIT EMPLOYEES**

**WHEREAS**, RCW 54.12.090 authorizes the Board of Commissioners of the District (the "Commission") to create positions and fix salaries; and

**WHEREAS**, the Commission finds it in the best interest of the District to annually review the policy for administrating a compensation program for the non-bargaining unit employees of the District; and

**WHEREAS**, RCW 54.16.100 authorizes the General Manager to recommend to the Commission compensation of the non-bargaining unit employees, including salaries; and

**WHEREAS**, the General Manager has reviewed the organization of the District, the current cost-of-living indices, and the positions and salary ranges required to efficiently manage and achieve the goals of the District; and

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Whatcom County as follows:

**I**

The Employee Compensation Policy of the Commission of the Public Utility District No. 1 of Whatcom County attached hereto as Exhibit "A", is amended for the purpose of updating the annual salary ranges for the non-bargaining unit employees of the District; and

**II**

The titles of all positions have been established and all position titles added to a list of Position Titles and Yearly Salary Ranges for District non-bargaining unit employees, attached hereto as Exhibit "B" (the "Salary Ranges List"); and

**III**

The salary ranges for positions set forth in the attached Salary Ranges List have been reviewed and established in accordance with the Employee Compensation Policy; and

**IV**

Effective January 1, 2017, the position titles shown on the attached Salary Ranges List for District non-bargaining unit employees are hereby authorized and classified in the salary range shown and supersede any previous lists.

**V**

Effective January 1, 2017, the District's Contribution to Retirement for all non-bargaining unit employees is set at 7.8%.

**ADOPTED** by the Board of Commissioners of Public Utility District No. 1 of Whatcom County at a regular meeting thereof, held this 20<sup>th</sup> day of December, 2016.

**Public Utility District No. 1 of  
Whatcom County**

\_\_\_\_\_  
President/Commissioner

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Attest: Secretary/Commissioner

## EXHIBIT A

### Public Utility District Number 1 of Whatcom County

#### Policy for Employee Compensation of Administrative Employees

**Purpose:** This policy provides guidelines, responsibilities and authorities for the administration of the compensation for District administrative (non-bargaining unit) employees. This policy is subject to change, from time to time, by the Commission. This program is designed to promote, attract, and maintain a skilled workforce for the District.

The administration of this policy, where practicable, is to encourage career and professional development within the workforce. One of the goals of this policy is to reward increasing levels of responsibility and overall knowledge of the utility business. Demonstrated ability to incorporate the knowledge and experience to the benefit of the District will be a consideration in addressing compensation. To accomplish this, the District's compensation program is designed to strive for the following:

- 1. Encourage the recruitment, retention and motivation of qualified employees.** *The District seeks to compensate employees consistent with industry wages and the local economy.*
- 2. Comply with Federal and State Laws and Equal Employment Opportunity standards.** *The District compensates its employees in accordance with all applicable local, state and federal laws regarding race; color, religion; gender; marital status; national origin; citizenship status; age; sensory, mental or physical disability; disable or Vietnam-era veteran, or any other status protected by law.*
- 3. Identify other employment/compensation benefits for non-bargaining unit employees.** *The total measure of compensation will normally take into consideration all benefits enjoyed by employees inclusive of, but not limited to, salary, health insurance and benefits, personal leave, deferred compensation and retirement plans.*

#### Requirements

This policy shall apply to District non-bargaining unit employees under the direction and supervision of the General Manager. The General Manager is charged with the administration of this policy, but is not covered by this policy. The terms and conditions of employment for the General Manager are determined by Contract with the Board of Commissioners.

#### At Will Employment

Public Utility District No. 1 of Whatcom County retains the *at will* status for all non-bargained employees. As such, the employment relationship can be terminated at any time, with or without cause, by the District or the employee. No District representative has the authority to enter into any agreement for employment for a specified period of time or make any representations or agreement contrary to *at will* employment unless specifically authorized in writing by the Board of Commissioners.

#### Salary Administration

The compensation of the District's employees is subject to availability of budgeted funds. As part of the annual budgeting process, the Commission will review and approve, at the Commission's discretion, funds to be allocated for total compensation, which includes salaries, all other compensation related expenses, and all benefit plans (medical, dental, vacation, retirement, and personal leave).

### Salary Range

The Commission will establish a salary range for each non-bargaining unit position in accordance with this policy. Each salary level will list the yearly salary range within which the salary paid must fall, except as otherwise provided herein.

### Industry Salary Comparison:

The salary range will be reviewed annually and may be adjusted by the Commission utilizing as a guide both the most applicable Consumer Price Index, the Washington Public Utility Districts Association Salary, Wage and Benefit Survey, and the District's Collective Bargaining Agreement wage schedule as reference. Internal equity is a factor to be considered by the District when assessing comparable levels of responsibility while addressing variations in local and Regional labor markets.

The General Manager or his designee shall procure annually or at least every two years, salary schedules of equivalent jobs in utilities and other comparable industries to determine the appropriateness of the District's salaries. Based on this review, and/or other factors such as cost of living and/or inflation, the General Manager will submit for approval a revised schedule of salary ranges to the Commissioners.

### Salary Level

Each administrative job is placed in an existing salary level by evaluation of the job description. Normally, the level of salary compensation falls within a range for each position at the District. Placement within the range is subject to case by case analysis of the individual and factors including, but not limited to, level of experience, education, knowledge of job, knowledge of utility business, ability to efficiently perform duties and level of responsibility.

Each non-bargaining unit employee's salary will be determined by the General Manager in conjunction with District lead managers/supervisors using the salary ranges set by the Commission.

### Salary Adjustments

Changes within a range will normally occur on January 1 of each year or at other times deemed appropriate by the supervisor and approved by the General Manager. Salary increases of any nature are at the discretion of the District and no employee is entitled to any adjustment until approved by the General Manager.

Individual salary adjustments may occur throughout the year as appropriate for

- Cost of living adjustments;
- Increases for employees in new positions or entry level of the ranges;
- Change in responsibility or demonstrated competencies within the position;
- Change of position;
- Performance; or
- Other special circumstances as may occur.

### Voluntary Transfer/Demotion

Voluntary transfers to a job with a lower salary level or demotions because of inadequate performance or other valid reasons may result in a salary reduction to a point within the new salary ranges.

Fair Labor Standards Act

It is the intent of the District to fully comply with applicable laws, including the Fair Labor Standards Act. Each administrative position will be classified as exempt or non-exempt from overtime. Job descriptions will reflect the classification.

Personal Leave

Accrual rates and beginning balances for personal leave may be adjusted as determined by the General Manager within the limitations described below.

Adjustments outside the following limitations require Commission review and prior approval. Adjustments within the following limitations are determined by the General Manager.

- 1) The base pay for the individual must remain within the salary range;
- 2) The adjustment for any individual in the budget year will be limited to 10%;
- 3) The total adjustments for all subject employees within a budget year shall be limited to the annual budget approved by the Commission;
- 4) Personal leave accrual rate up to the standard accrual rate based on years of relevant experience.

As new positions are created or substantively changed, salary ranges will be determined by the Commission. Job descriptions may be reviewed every two years or whenever significant changes occur to the duties or responsibilities of the position. New or updated job descriptions may be addressed when filling vacancies or promoting staff members.

**Additional Benefits and Other Compensation:**

Health Care

Exempt and Non-exempt employees will be provided with health care coverage consisting of medical, dental, vision and employee assistance programs. Specifics of these benefits may change from year to year. See the HR Administrator for additional information.

Vacation Benefits

Employees begin to accrue vacation benefits upon the date of hire. Once employees successfully complete their 90 day introductory period they are eligible to being to use accrued vacation time based on prorated benefit eligibility. For additional information, please see "Time Off and Benefits" in the Employee Handbook.

Sick Leave Benefits

Sick leave benefits are calculated on the basis of a calendar year and based on prorated benefit prorated benefit eligibility. For additional information, please see "Time Off and Benefits" in the Employee Handbook.

Floaters (in lieu of Holidays)

Employees shall receive a maximum of 12 days (96 hours) "floating" paid holidays per calendar year accrued at a rate of 8 hours per month based on prorated benefit eligibility. For additional information, please see "Time Off and Benefits" in the Employee Handbook.

Deferred Compensation Program

Employees covered by this policy may be eligible to participate in 401a or 457k deferred compensation programs consistent with all state and federal regulations and receives District contribution in lieu of the District's contribution to the Washington Public Employees Retirement System (PERS). Such benefit shall be set annually by the Commission and is currently set at 7.8% of the employee's base salary.

EFFECTIVE: January 1, 2017  
Adopted Resolution No. 716; December 20, 2016  
Former Resolution Nos. 702, 695, 687, 675, 663, 550, 560.

**EXHIBIT B**

**POSITION TITLES and YEARLY SALARY RANGES LIST  
for  
DISTRICT NON-REPRESENTED UNIT EMPLOYEES**

	Position	2016 Range (A)		2017 Proposed	
		Low	High	Low	High
New Revised	1 General Manager***	\$130,562	\$159,576	\$131,000	\$165,000
	2 Assistant GM	-	-	\$115,000	\$130,000
	3 Director of Utility Ops	\$109,603	\$134,034	\$95,000	\$110,000
	4 Director of Finance	\$85,000	\$105,000	\$90,000	\$105,000
	5 Electric System Supervisor**	\$85,000	\$101,000	\$90,000	\$101,000
	6 Manager - Construction & Facilities	\$85,000	\$101,000	\$85,000	\$101,000
	7 Water System Supervisor	\$82,086	\$92,159	\$85,000	\$95,000
	8 Substation Technician II*	\$74,460	\$86,700	\$75,000	\$89,000
	9 Manager - Automation & Technology	\$70,040	\$85,490	\$72,000	\$95,000
	10 Substation Technician I*	\$71,400	\$81,600	\$72,000	\$85,000
	11 Manager - Contracts & Regulatory Compl.	\$65,280	\$79,356	\$66,000	\$82,000
	12 Project Manager	\$60,000	\$75,000	\$60,000	\$75,000
	13 Assistant Finance Director	\$57,000	\$72,000	\$57,000	\$72,000
	14 Process and Control Engineer	\$55,000	\$70,000	\$60,000	\$72,000
	15 IT/SCADA Tech	\$54,000	\$64,500	\$60,000	\$70,000
	16 IT/SCADA Tech	\$54,000	\$64,500	\$60,000	\$70,000
	17 Assistant to GM	\$48,000	\$62,000	\$48,000	\$65,000
	18 Accountant I	\$44,558	\$55,697	\$44,000	\$56,000

\*Substation Technician (I and II) are hourly paid positions. Salary range is stated in annualized hours (2,080) rate without overtime or special pay.

\*\*Electric System Supervisor is an hourly paid position. Salary range is stated in annualized hours (2,080) rate without overtime or special pay.

\*\*\*General Manager salary is established by Commission via Contract Terms.

(A) Current Ranges