RESOLUTION NO. B-1467

A RESOLUTION of the Board of Commissioners of the Lakewood Water District, Pierce County, Washington, as it pertains to continued health care coverage for employees on Paid Family & Medical Leave and/or Pregnancy Disability Leave and Pregnancy Accommodation and in adoption of the subsequently revised Employee Handbook, supplemental to Resolution No. B-1354.

WHEREAS, pursuant to Board motion at its July 16, 2020 Regular Meeting, the District adopted an updated Employee Handbook which includes, among others, a Paid Family and Medical Leave policy and a Pregnancy Disability Leave and Pregnancy Accommodation policy; and

WHEREAS, the District wishes to revise its Paid Family and Medical Leave and Pregnancy Disability Leave policies to provide for the continuation of health care coverage for employees who are placed on Paid Family & Medical Leave and/or an unpaid pregnancy disability leave of absence; and

WHEREAS, the District wishes to subsequently revise its Employee Handbook to capture the policy revisions referenced above and outlined in Exhibits A and B below; NOW, THEREFORE:

BE IT RESOLVED THAT:

<u>Section 1</u>: The District's Paid Family and Medical Leave policy is hereby revised and replaced in its entirety by that policy set forth in *Exhibit A* to this Resolution.

<u>Section 2</u>: The District's Pregnancy Disability Leave and Pregnancy Accommodation policy is hereby revised and replaced in its entirety by that policy set forth in *Exhibit B* to this Resolution.

<u>Section 3</u>: The District's Employee Handbook is hereby revised from that approved by the Board at its July 16, 2020 Regular Meeting as referenced in Sections 1 and 2 above and outlined in Exhibits A and B below. Staff is directed to distribute the revised Employee Handbook with amended policies in accordance with this Resolution to all existing District employees.

<u>Section 4</u>: Except as specifically amended herein, Resolution No. 1354 remains unaltered and in full force and effect.

<u>Section 5</u>: This Resolution shall take effect and be in full force from and after its passage. Subsequent revisions of the District's Employee Handbook shall be adopted and approved by Board motion.

ADOPTED by the Board of Commissioners of Lakewood Water District, Pierce County, Washington at its Regular Meeting thereof held the 21st day of January 2021.

LAKEWOOD WATER DISTRICT

By: John S. Korsmo, Jr., Commissioner and President

Gary J Barton Commissioner and Secretary

EXHIBIT A

Paid Family and Medical Leave

The Washington State Employment Security Department (ESD) administers an insurance program under the Paid Family Medical Leave (PFML), pursuant to which eligible employees will qualify for partial wage replacement and leave benefits for covered family and medical reasons. This policy provides a summary of the PFML program, but employees may obtain additional information at www.paidleave.wa.gov. To the extent an issue is not addressed in this policy, the District will administer this benefit program consistent with applicable statutes and regulations.

Employee/Employer Premiums

In administering the PFML program, the ESD assesses a premium rate for each District employee, which rate is established by law. The employee is responsible for 63% of the total premium rate (the "Employee's Share"). The District pays the applicable PFML premium and reports and remits them to ESD.

The District reports and remits the applicable PFML premiums to the ESD.

Eligibility

To be eligible for monetary leave benefits under the PFML, an employee must have worked 820 hours in Washington State (for any employer or combination of employers) during the year preceding a PFML claim. Employees are not eligible for job protection under the PFML because the District does not employ at least 50 employees.

Paid Family and Medical Leave (PFML) benefits, as applicable, may be granted for any of the following reasons:

Medical Leave

• The employee's own serious health condition ([defined as an illness, injury, impairment or physical or mental condition that involves inpatient care or continuing treatment by a health care provider, as those terms are defined under the federal Family & Medical Leave Act) which causes the employee to be unable to work; provided, that an employee is ineligible for PFML if also receiving workers' compensation time loss benefits due to a workplace injury.

Family Leave

- To care for the employee's family member with a serious health condition.
- To care for the employee's child after birth or placement (by adoption or foster care) within 12 months of such birth/placement (in cases of adoption or foster care, the child must be under the age of 18 years).

 For a family member's qualifying military exigency as defined under the Federal Family & Medical Leave Act, 29 U.S.C. § 2612(a)(1)(E) and 29 C.F.R. § 825.126(b)(1) – (9).

For purposes of this policy, "family member" means the employee's: child (biological, adoptive, foster, stepchild or child for whom the employee stands in loco parentis, is a legal guardian for, or is a de facto parent); parent (including the same relationships as set forth for "child" above); spouse or registered domestic partner; spouse's or domestic partner's parent; grandparent; or sibling. "Registered domestic partner" shall have the same meaning as set forth in RCW 26.60.020.

Application for Benefits

Applications for PFML benefits are made directly to the ESD. Employees should contact the ESD to commence the application process and/or may refer to the ESD website (www.paidleave.wa.gov) for further guidance. The ESD will require the employee to complete its certification form, relating to the employee's eligibility and qualification for PMFL benefits. Eligibility determinations will be made by the ESD. If approved, the employee will need to file weekly benefit claims with ESD to continue receiving benefits.

Notice

Employee Notice

An employee must provide written notice to the District of the intent to take PFML.

When the need for PFML is foreseeable (such as for planned medical procedures or the birth of a child), an employee must notify the District of the need for such leave at least 30 days in advance of such leave. If the need for PFML is not foreseeable, the employee must provide notice as soon as practicable.

The employee's notice must be in writing, must identify the family or medical nature of the leave and must contain the anticipated timing and duration of such leave. If an employee fails to provide this required notice, the ESD may deny benefits for the period of time during which the notice was insufficient.

If leave is being taken for the employee's or family member's planned medical treatment, the employee must make a reasonable effort to schedule the treatment so as not to unduly disrupt District operations.

If taking leave intermittently, an employee must notify the District each time PFML is taken so that the District may properly track leave use.

Employees apply directly to the ESD for PFML monetary benefits. An employee must, within five (5) business days of employee's receipt of the same, notify the District of the ESD's determination with respect to such application for benefits, including the amount

of any awarded monetary benefits. This is to assist the District's recordkeeping and administrative functions as well as any related paid leave calculations.

District Notice

A workplace poster prepared by the ESD, outlining an employee's rights under the PFMLA, has been posted in the employee breakroom.

Additionally, when an employee is absent for more than seven (7) consecutive days for a reason known to be covered under the PFMLA, the District will provide the employee with a notice of rights, on such form prepared by the ESD. Such notice shall be provided the later of: (i) five (5) business days after the seventh day of absence; or (ii) five (5) business days after the District receives notice that the employee is absent for a covered reason.

Length of Leave

Employees who qualify for PFML may take up to 12 weeks of family or medical leave, or a total of 16 weeks of combined family and medical leave, per claim year. An additional two weeks of leave may be available in the event a female employee's leave involves incapacity due to pregnancy. The claim year begins when the employee files a claim for PFML benefits or upon the birth/placement of the employee's child.

PMFL may be taken intermittently, subject to the minimum claim requirement of eight (8) consecutive hours.

PMFL is tracked during the claim year, which is the 52-week period commencing on the Sunday of the week in which the employee meets the minimum claim requirement or in which the employee first takes leave due to the birth or placement of the employee's child (as applicable).

Waiting Period

Monetary PFML benefits, with the exception of leave taken for the birth or placement of a child, are subject to a seven-day waiting period. This means that for the first seven (7) consecutive days of a PFML claim, the employee may take PFML but shall not receive any PFML monetary benefits. The waiting period for PFML monetary benefits commences on the Sunday of the week in which an employee claims a minimum of 8 consecutive hours of PFML. While no monetary PMFL benefits are paid during the waiting period, the waiting period is credited against the duration of the employee's PFML.

Leave Benefits

If approved by ESD, employees on PFML are entitled to monetary benefits through the state program. PFML monetary benefits are calculated based upon a percentage of the employee's average weekly wage. The benefit is generally up to 90% of an employee's average weekly wage, with a minimum weekly benefit of \$100 (or the employee's actual average weekly wage, if less) and a maximum weekly benefit of \$1000 (adjusted

annually). Employees may refer to the ESD's website at www.esd.wa.gov for a benefits calculator, which may provide an approximate estimate of benefits. The ESD is responsible for calculating and paying the PFML monetary benefits.

District paid time off, including but not limited to sick leave, vacation leave, floating holidays and/or compensatory time, is non-supplemental to PFML. This means that if an employee uses District paid leave in connection with PFML, the employee must report such leave use to the ESD, and such use will reduce the Employee's PMFL monetary benefits.

When an employee is on leave and only receiving PFML benefits, the employee is deemed to be in unpaid status for purposes of District policies and benefit programs; provided, however, that the District will continue to provide the employee's existing health insurance benefits while the employee is on PFML.

Return to Work Certification

The District may require a return-to-work certification from a health care provider before restoring the employee to work following PFML where the employee has taken leave for the employee's own serious health condition and the employee has been on leave for more than three (3) consecutive days.

Under certain circumstances (such as when it would be unduly burdensome to do so or where the circumstances surrounding District operations and/or the employee's position have changed), the District may deny job reinstatement to an employee returning from PFML.

If an employee taking PFML chooses not to return to work for any reason, the employee should notify the District as soon as possible.

Questions

Questions regarding this PFML policy should be directed to Human Resources.

EXHIBIT B

Pregnancy Disability Leave and Pregnancy Accommodation

Female employees who do not otherwise qualify for paid leave under Washington Paid Family and Medical Leave shall be eligible for an unpaid leave pregnancy disability leave for the period of the employee's actual disability due to pregnancy, childbirth, or related medical conditions. For employees eligible for PFML, the pregnancy disability leave provided pursuant to this policy shall be in addition to the PFML, to the extent that the duration of the employee's actual disability exceeds the amount of available PFML. All employees seeking leave under this policy should provide written notice of the intended leave dates at least thirty (30) days in advance of the leave or as soon as possible in the case of an emergency. The District will continue to provide health care benefits for the first 16 weeks of leave due to pregnancy or childbirth (whether designated as PFML or unpaid pregnancy leave). Thereafter, the cost of continued coverage shall be at the employee's expense, pursuant to COBRA, to the extent the leave is unpaid.

Employees returning from such leave are entitled to the same job or similar job, unless the District's circumstances have so changed as to make it impossible or unreasonable to do so.

The District will accommodate pregnant employees in accordance with applicable law. A pregnant employee is entitled to the following accommodations: (i) a lifting restriction limited to 17 pounds; (ii) flexible restroom breaks; and (iii) making seating available/allowing the employee to sit more frequently if her job requires her to stand. These accommodations will be provided without the need for medical certification. Additional accommodations will also be considered/offered, based on medical need, provided that such accommodation(s) do not create an undue hardship for the District. In such cases, the District may require a medical certification as part of the accommodation process.

A pregnant employee seeking accommodation should notify Human Resources of such, who will initiate an "interactive process" with the employee to determine what, if any, reasonable accommodation(s) may be extended.

An employee will not suffer any tangible adverse employment action, or otherwise be denied applicable employment opportunities, as a result of her request for, declination of, or use of a pregnancy accommodation.