



# Waukesha Water Utility

SERVING WAUKESHA SINCE 1886

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Date: July 12, 2021

To: Water Utility Commission

From: Dan Duchniak

Re: Proposed Revisions to Policy 206-Duty Hours

Attached to this memo are proposed revisions to Policy 206-Duty hours that we will present for your approval this month.

In 2012, the commission modified the overtime policy to exclude any Paid Time Off (PTO) from the 40 hour per week calculation as it applies to overtime. Subsequently, in 2019, you approved the inclusion of Holiday hours in the 40-hour calculation.

The policy includes an exception to this calculation that all overtime related to an “emergency” will be paid at a time and a half rate. This language is often subject to interpretation by the General Manager with most call-in hours falling under this exception (i.e. watermain breaks, customer out of water, an alarm at a facility, etc.). This is just the nature of our business in that most of our overtime is associated with system emergencies.

An analysis of OT hours paid shows that approximately 90% of the overtime hours worked by employees fell into the “emergency” category and were paid at the time and a half rate. We calculate this to be an average annual savings to the utility of approximately \$700 per year. However, the cost to administer the policy exceeds \$1,000 per year. The net result is an annual cost of \$300 to have this policy.

The proposed policy proposes paying all overtime at a time and a half rate. The Management Team will continue to monitor overtime, and flex hours in lieu of overtime when possible.

I would also note that the policy to pay overtime for all hours over 40 mirrors the policy of City Departments.

**Recommended Motion:** Approve revisions to policy 206: Duty Hours as presented effective July 21, 2021.

Enc.

## 206: Duty Hours

Approved: 1/19/2012

Revision Proposed: 7/15/2021

Duty hours for all employees are scheduled at such times as are appropriate for the effective and efficient accomplishment of Utility objectives, and will be assigned at the sole discretion of management.

### 206.1: Overtime (Revised 1/1/2019) Revision Proposed: 7/15/2021

In accordance with Fair Labor Standards Act (FLSA) requirements, the Utility will pay overtime for hours worked in excess of forty hours per week for those employees covered by the FLSA. All overtime must be approved by the Department Manager or designated Supervisor.

Non-Exempt (hourly) Employees- Any time worked in excess of forty (40) hours per week shall be considered overtime. ~~Paid time off for hours not at work, with the exception of authorized holidays listed in policy 202.5 are not considered hours worked for overtime purposes.~~ Paid Time off for approved PTO, Compensatory Time, and Holidays shall be counted for the purpose of determining overtime eligibility. All overtime work shall be compensated at a rate of pay one and one-half (1 1/2) times greater than the employee's regular base rate of pay. Managers and Supervisors are strongly encouraged to adjust work schedules when possible to avoid incurring overtime.

Exempt (salary) employees may be required to work extra hours and may request compensatory time off from the General Manager for extra hours worked. Requests for compensatory time off will be considered on a case by case basis and may or may not be approved.

### 206.2: Call-in Time Revision Proposed: 7/15/2021

Call-in time consists of unscheduled or emergency work time outside of normal duty hours and is separate and distinct from overtime as described in 206.1.

~~Emergency, for purposes of this provision, shall be defined as water system emergencies as determined by the General Manager.~~

Each case in which an employee is called in and reports to a Utility facility or worksite will be compensated at a minimum of two hours of regular pay or overtime, if applicable. In cases when time worked on a called-in basis exceeds one hour and twenty minutes the overtime rate shall be applied. All non-emergency overtime will be compensated in accordance with policy 206.1. Employees called-in for an emergency must report within 30 minutes.

### 206.3: Called at Home

Employees who are contacted at home and who perform work at home on behalf of the Utility will be compensated for actual time worked, but not less than fifteen (15) minutes. This time will be compensated at 1.5 times regular pay if in excess of 40 hours worked in accordance with policy 206.1.

### 206.4: Standby Pay.

Revised: 12/12/2014

Standby duty will be scheduled by the Utility, as the Utility deems standby is necessary, based on a rotating schedule of employees qualified to handle the emergency work.

The standby duty may be traded by employees only in one week increments. The department manager/supervisor must be made aware of all trades. The person accepting the trade will assume all of the responsibilities and duties associated with the standby assignment for the week of standby.

#### 206.5: Compensatory Time Off (effective January 1, 2019)

Non-Exempt employees who are eligible for overtime pay as outlined in 206.1 and 206.2 may choose to bank compensatory time off at the rate of time and ½ in lieu of overtime pay, for use at a later date.

- a. Compensatory time off earned and banked shall accumulate to a maximum of 36 hours in a calendar year (which is 24 hours worked at time and ½ pay rate). The 36 hours is the maximum hours that an employee can bank in each calendar year, and cannot be refilled when exhausted.
- b. All compensatory time off shall be approved in advance by the Department Manager or designated Supervisor in order to assure minimum acceptable staffing requirements of the department.
- c. Compensatory time shall not be taken in less than one hour increments (unless there is a balance of less than 1 hour)
- d. Overtime worked in December will be compensated at the appropriate overtime rate and, not be eligible for conversion to compensatory time.
- e. Compensatory time banked and unused on December 1<sup>st</sup> of each year will be paid in December and will not be carried over to the next calendar year.

#### 206.6: Break and Rest Periods

Break Periods - Two breaks not to exceed 15 minutes each are provided daily for Utility employees as scheduled by the Manager.

Lunch Periods - Unpaid lunch periods of thirty or more minutes are scheduled by Department Managers. Non-exempt employees are not permitted to work in excess of six continuous hours without the opportunity for a lunch period. The Utility provides a lunchroom and vending machines in the lower level of the office building for the convenience of employees. Additional lunchroom facilities are provided in other areas.

Clean-up Periods-Department Managers may provide clean-up periods for those employees in job classifications which require them to work in circumstances considered to be dirty. Clean-up periods should not generally exceed 10 minutes and will generally be held at the end of the work shift.

#### 206.7: Hours of Work and Adjustments in Work Schedules

The normal workweek shall consist of forty (40) hours, five (5) consecutive eight (8) hour days, Monday through Friday.

The Utility's normal office hours are 8:00 a.m. to 4:30 p.m. Individual duty hours are assigned by the department manager. Generally, the workweek shall commence at 12:01 a.m. Sunday and end at 12:00 p.m. the following Saturday.

Depending on unusual or emergency situations, overtime work may be required. In addition, staffing and operational demands may necessitate variations in starting and ending times, days of the week worked, or total hours scheduled for the work day or work week. Any overtime must be approved in advance by a manager. Affected employees will be notified by the manager as to the reasons for the change in schedule.

## 206.8: Attendance and Punctuality

Regular attendance and punctuality is expected of every employee. Excessive absences and tardiness place an extra burden on your co-workers, and can affect the morale of the organization.

Employees are expected to be at work, on time, and they are required to notify their Manager of their absence or late arrival as soon as possible. If possible, notification should be made in advance and not later than fifteen (15) minutes prior to the employee's starting time.

Records of absences and late arrivals will be reviewed at least annually for each employee and appropriate counseling or disciplinary measures should be taken when employee absences and tardiness become excessive