SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-B**

FROM: Steve Mack, General Manager

Meeting Date : June 4, 2015

SUBJECT: APPROVAL OF RESOLUTION 15-11 APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) WITH INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY LOCAL 39

RECOMMENDED ACTION: Approve Resolution 15-11 which approves an MOU with the International Union of Operating Engineers, Stationary Local 39.

FISCAL IMPACT: Approximately $200,000 for the full five years of the agreement**.**

DISCUSSION:

International Union of Operating Engineers, Stationary Local 39 (Union) represents 6 District employees, including Maintenance Workers and Office Receptionists. The current MOU with the Union expires on June 30, 2015. District staff have been negotiating with Union representatives since February 2015 on revising the MOU. These negotiations have been completed with the following major changes:

- The MOU runs through June 2020 (five years).
- A salary schedule has been approved with a 7.25% increase in salaries for the 2016 fiscal year, and 2% increases for the next four fiscal years (2017-2020).
- District employees will pay the employee share of retirement (7%) as directed by State legislation.
- New employees will have retirement benefits per the State legislations (2%@ 62 formula). Classic employees (those hired prior to January 1, 2013) will continue with the 2%@55 formula.
- District contribution for healthcare benefits have a 10% increase in the first year and 5% in each following year.
- The On-Call Shift Differential has been increased to $45 for weekdays; $60 for Fridays; and $75 for Saturdays, Sundays, and holidays effective July 1, 2015. The On-Call Shift Differential will increase $5 for each classification on July 1, 2017 and July 1, 2019. Office staff will receive $150 payments on those dates.
- The Boot allowance is raised to $210 effective July 1, 2015 and will increase $5 each year of the agreement.
- Other changes to the MOU have been made that incorporate earlier agreed-upon side letters with the Union.

The MOU was negotiated in good faith with District staff and a Union representative. It is a five-year agreement that works well for the staff represented by the Union, staff not represented by the Union, and the District. I recommend approval.

RESOLUTION 15-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT APPROVING A MEMORANDUM OF UNDERSTANDING WITH INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY LOCAL 39 AND AUTHORIZING THE BOARD PRESIDENT TO SIGN SAID MEMORANDUM

WHEREAS, the Sweetwater Springs Water District (District and the International Union of Operating Engineers, Stationary Local 39 (Union) have had a longstanding representational relationship regarding District employees which relationship is reflected, in part, in the terms and conditions of the five-year Memorandum of Understanding (MOU) which expires on June 30, 2015; and

WHEREAS, the District and Union have met and conferred in good faith and in accordance with Government Code Section 3500 on a proposed successor MOU which includes a number of changes to the prior MOU; and

WHEREAS, Union membership has ratified the new MOU, subject to its approval by the District Board of Directors; and

WHEREAS, the District Board of Directors finds that approving the proposed successor MOU is in the best interest of the District, its customers and its employees.

NOW, THEREFORE, BE IT RESOLVED, that:

The attached MOU with Attachment A, Salary Schedules, is hereby approved and the provisions of the new MOU shall be effective as of July 1, 2015.

BE IT FURTHER RESOLVED, that the President of the Board of Directors is hereby authorized to sign the attached MOU.

BE IT FURTHER RESOLVED, that the General Manager is authorized to take such actions as are necessary to implement the provisions of this resolution.

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on June 4, 2015, by the following vote.

Director	Aye	No
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Rich Holmer	_____	_____
Gaylord Schaap	_____	_____
Victoria Wikle	_____	_____

_____
Gaylord Schaap
President of the Board of Directors

_____
Attest: Julie A. Kenny
Clerk of the Board of Directors

MEMORANDUM OF UNDERSTANDING

Between

Sweetwater Springs Water District

And

International Union of Operating Engineers, Stationary Local 39

July 1, 2015, and ending June 30, 2020

Table of Contents
MOU
Sweetwater Springs Water District and OE Local 39
07/01/15 – 06/30/20

Section 1. PREAMBLE 1

Section 2. RECOGNITION 1

Section 3. UNION SECURITY 1

Section 4. UNION REPRESENTATIVES 3

Section 5. ACCESS TO WORK LOCATIONS 3

Section 6. USE OF DISTRICT FACILITIES 4

Section 7. BULLETIN BOARDS 4

Section 8. ADVANCE NOTICE 4

Section 9. NO DISCRIMINATION 4

Section 10. AMERICANS WITH DISABILITIES ACT (ADA) 4

Section 11. HOURS OF WORK 5

Section 12. OVERTIME 5

Section 13. ON CALL - ON CALL DUTY/STANDBY 5

Section 14. CALL OUT PAY 6

Section 15. SALARIES 6

Section 16. BENEFITS 7

A. ELIGIBILITY FOR BENEFITS 7

B. MEDICAL INSURANCE and VISION INSURANCE 7

C. DENTAL INSURANCE: 8

D. RETIREMENT 8

E. HOLIDAYS 9

F. FLOATING HOLIDAYS *9*
G. VACATION *9*
H. SICK LEAVE *10*

Section 17. LEAVES OF ABSENCE **12**

Leave Without Pay *12*
Medical Insurance Contribution during Leave Without Pay *12*
Jury Duty *12*
Military Leaves of Absence *12*
Maternity Leave *13*
Family Care Leave *13*
Time Off to Vote *13*
Family Bereavement Leave *13*

Section 18. LAYOFF **13**

Section 19. GRIEVANCE PROCEDURE **13**

Initial Discussions *13*
Referral to General Manager *13*
Investigation *14*
Arbitration *14*
Authority of Arbitrator *14*
No Modifications to Memorandum of Understanding *14*
Pay Claim *14*

Section 20. DISCIPLINE **14**

Skelly Hearing *15*
Right to Appeal to the Board of Directors *15*
Time and Manner of the Hearing *15*
Hearing Officer *15*
Board of Directors *16*

Section 21. PROBATIONARY PERIOD **16**

Section 22. MISCELLANEOUS **16**

A. Certification Pay *16*
B. Payment for License *17*
C. Merit Increases *17*

D. Employees Temporarily Assigned to a Higher Classification *17*
E. Mileage Reimbursement *17*
F. Personnel Files *17*
G. Catastrophic Leave Bank *18*
H. Educational Assistance *19*
I. Uniforms *19*
J. Boot Allowance *19*
K. Flushing Differential *20*

Section 23. NO STRIKE **20**

Section 24. SEPARABILITY **20**

Section 25. SCOPE **20**

Section 26. PAST PRACTICES AND EXISTING MOU **20**

Section 27. TERM OF AGREEMENT **21**

APPENDIX **22**

MEMORANDUM OF UNDERSTANDING
July 1, 2015 - June 30, 2020

This Memorandum of Understanding is entered into by and between the Sweetwater Springs Water District, hereinafter the "District", and the International Union of Operating Engineers, Stationary Local No. 39, hereinafter the "Union".

Section 1. PREAMBLE

International Union of Operation Engineers, Stationary Local No. 39, and representatives of the Sweetwater Springs Water District have met and conferred in good faith regarding wages, hours and other terms and conditions of employment of employees classifications units listed in Section 2, have exchanged freely information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and Employer-Employee relations of such employees.

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act (Government Code Sections 3500-et seq.) and has been jointly prepared by the parties.

Section 2. RECOGNITION

The District recognizes the Union as the exclusive bargaining agent for all employees working in the following classifications:

Classifications
Account Clerk/Receptionist I, II
Maintenance Worker Trainee, I, II, III
Water System Operator
Senior Water System Operator

The Union and its authorized representatives have the exclusive right to represent Bargaining Unit members on all matters within the scope of representation.

Section 3. UNION SECURITY

Agency Shop/Fair Share Fee

A. General

1) As a condition of continued employment, all regular full-time employees, and all part-time (+1,040 hours per year) employees who are paid forty (40) or more hours salary during a bi-weekly pay period shall be a member of the Union (and pay dues to the Union) or pay an agency shop service fee to the Union in an amount determined as set forth in subsection (b) below.
2) No employee shall be required to pay the service fee during the first sixty (60) calendar days of employment.
3) The provisions of this Section shall remain in effect during the term of this Agreement and any mutually agreed upon extension of that term.
4) The employee's earnings must be sufficient after other legal and required deductions are made to cover the amount of the dues or service fees. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee who is in a non-pay status during only part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction

shall be made. In this connection, all other legal and required deductions (including health care deductions) have priority over Union dues and service fees.

B. Service Fee

The service fee required in subsection (a) shall be an amount not to exceed the Union's uniformly-applied initiation fee, periodic dues and general assessments. In computing such amounts, the Union shall exclude expenditures for members only benefits and Union expenditures for political and ideological purposes unrelated to collective bargaining, contract administration and grievance adjustment. Any dispute as to the service fee or the amount thereof shall be directed solely to the Union, and the District shall not be a party to the dispute.

C. Payroll Deduction

Both the service fee and the Union dues shall be paid to the Union through payroll deductions.

D. Implementation.

Not later than thirty days after approval of this Agency Shop provision, the District shall deliver to each employee, subject to this Memorandum of Understanding who is not also a member of the Union, a notice advising that the District has entered into an Agency Shop agreement with the Union and that all employees subject to the Memorandum of Understanding must either join the Union, pay a service fee to the Union, or execute a written declaration claiming a religious exemption from this requirement. Such notice shall include a form for the employee's signature authorizing payroll deduction of Union dues or a service fee, or a charitable contribution equal to the service fee.

The employee shall have 14 calendar days from the delivery of the authorization form, to fully execute the authorization of his/her choice and return said form to the District. If the form is not completed properly and returned within 14 calendar days, the District shall commence and continue a payroll deduction of service fees from the regular biweekly pay warrants of such employee.

Any employee hired by the District subject to this Memorandum of Understanding on or after the date of implementation of this Section shall be provided, through the employee's department or agency, with an authorization form listed above. Said employee shall have five working days following the initial date of employment to fully execute the authorization form of his/her choice and return said form.

If the form is not completed properly and returned within five working days, the District shall commence and continue a payroll deduction of service fees from the regular biweekly pay warrants of such employee. The effective date of Union dues, service fee deductions, or charitable contribution for such employees shall be the beginning of the first pay period after 60 days of employment

E. Religious Exemption

Any employee of the District, subject to this MOU, who is a member of a bona fide religion, body or sect which is recognized by the National Labor Relations Board as historically holding a conscientious objection to joining or financially supporting an employee organization shall, upon presentation of verification of active membership in such religion, body or sect, be permitted to make a charitable contribution equal to the service fee in lieu of Union membership or service fee payment. Declarations or applications for religious exemption and any other supporting documentation shall be forwarded to the Union within fifteen days of receipt by the District. The Union shall have fifteen days after receipt of a request for religious exemption to challenge any exemption granted by the District. If challenged, the

deduction to charity shall commence, but shall be held in escrow pending resolution of the challenge. Charitable contributions shall be by regular payroll deduction only. Deductions made pursuant to this section shall be made to the American Red Cross, United Way, Redwood Empire Food Bank, or Stewards of the Coast and Redwoods.

F. Disclosure and Reporting

The Union shall keep an adequate itemized record of its financial transactions and shall make available annually, to the District and to the employees covered by this Section within sixty (60) days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by its president and treasurer or corresponding principal officer, or by a certified public accountant. The Union, if required to file financial reports under the Labor-Management Disclosure Act of 1959 covering employees governed by this Agreement, or if required to file financial reports under Section 3546.5 of the Government Code, shall instead provide the District with a copy of such financial reports.

G. Hold Harmless

The Union shall promptly refund to the District any amounts paid to the Union in error under this Section.

The Union expressly agrees to indemnify and hold the District harmless from any and all claims, demands, costs (including any costs incurred by the District in defense of a lawsuit), expenses, damages or other monetary losses arising out of or in any way connected with any action or inaction of the District in the adoption or administration of this Section. This hold harmless and indemnity agreement shall include but not be limited to employee legal actions of any sort or nature against the District based upon or related to this Section. Further, in the event that the District undertakes disciplinary action against an employee pursuant to this Section, this hold harmless and indemnity agreement shall cover all costs and expenses, including any costs incurred by the District in defense of a lawsuit.

H. Change of Law

In the event there is a change in the law whereby any provision hereof becomes invalid or if for any reason any provision of this Section is rendered unlawful by any published appellate court decision, this Section shall be forthwith deemed amended to comply with the change or decision in question.

Section 4. UNION REPRESENTATIVES

District employees who are official representatives of the Union shall be given reasonable time off with pay to attend meetings with management representatives, or to be present at hearings where matters within the scope of representation or grievances are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of District services as determined by the District. Such employee representatives shall request for excused absence to their respective supervisor, at least two (2) working days prior to the scheduled meeting whenever possible. Except by mutual agreement, the number of employees excused for such purposes shall not exceed two (2).

Section 5. ACCESS TO WORK LOCATIONS

Reasonable access to employee work locations shall be allowed to the business representative for the purpose of processing grievances or contacting members of the Union concerning business within the scope of representation. The business representative shall not enter any work location without the consent of the General Manager. Access shall be restricted so as not to interfere with the normal

operations of the department or with established safety or security requirements.

Solicitation of membership and activities concerned with the internal management of the Union, such as collecting dues, holding membership meetings, campaigning for office, conducting elections and distributing literature, shall not be conducted during working hours.

Section 6. USE OF DISTRICT FACILITIES

District employees or the Union or their representatives may, with the prior approval of the General Manager, be granted the use of District facilities for meetings of District employees provided space is available.

The use of District equipment other than items normally used in the conduct of business meetings, such as desks, chairs, ashtrays and blackboards is strictly prohibited, the presence of such equipment in approved District facilities notwithstanding.

Section 7. BULLETIN BOARDS

The Union may use bulletin boards designated by the District under the following conditions:

1. All materials must be dated and must identify the Union that published them.

2. Unless special arrangements are made, materials posted will be removed thirty-one (31) days after the publication date.

3. The District reserves the right to determine where bulletin boards shall be placed.

4. If the Union does not abide by these rules, it will forfeit its right to have materials posted on District bulletin boards.

Section 8. ADVANCE NOTICE

Except in cases of emergency, reasonable advance written notice shall be given the Union of any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by the Board of Directors and the Union shall be given the opportunity to meet with the General Manager or the designated representative prior to adoption. In cases of emergency when the Board of Directors determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with the Union, the District shall provide such notice and opportunity to meet at the earliest practical time following the adoption of such ordinance, rule, resolution or regulation.

Section 9. NO DISCRIMINATION

There shall be no discrimination based on race, creed, color, national origin, sex, marital status, or legitimate Union activities against any employee or applicant for employment by the Union or by the District or by anyone employed by the District, and to the extent prohibited by applicable state and federal law, there shall be no discrimination because of age. There shall be no discrimination against any handicapped person solely because of such handicap unless that handicap prevents the person from meeting the minimum standards established. The provisions of this Section are not subject to the Grievance/Arbitration procedure.

Section 10. AMERICANS WITH DISABILITIES ACT (ADA)

The District and the Union recognize that the District has an obligation under law to meet with individual

employees who allege a need for reasonable accommodation in the workplace because of a disability.

Section 11. HOURS OF WORK

The work week shall be Monday 7:30am through Monday 7:29am.

District office hours are from 8:00 A.M. to 4:30 P.M., Monday through Friday.

Field operation is from 7:30 A.M. to 4:00 P.M. Monday through Friday.

The District retains the right to re-open this section by giving the Union written notice of the District's intent to modify the work schedule and to provide the Union with an opportunity to meet and confer. Employees shall be provided with one-half (1/2) hour of non-compensated time for a lunch break. The lunch period shall be from 12:00 P.M. to 12:30 P.M., unless a Supervisor approves an alternate time in advance.

Employees shall be entitled to a fifteen (15) minute break during each four (4) hour work period at a time designated by the General Manager. Such break-time shall be considered paid time subject to restrictions established by the District. Modification to the break period shall require the prior approval of a Supervisor. Breaks not taken shall not accumulate and the employee shall forgo the missed break. Failure by an employee to get prior authorization for an alternate break time shall result in its loss by the employee.

Office Unit: The General Manager may at his sole discretion and with the affected employee(s) concurrence authorize alternate work hours that may extend beyond regular hours. Such alternate work hours may include but not be limited to, a 9/80 plan and/or seasonal working hours.

Section 12. OVERTIME

All employees who work more than eight (8) hours in one workday or more than forty (40) hours in one workweek will receive overtime pay computed as follows:

A. Overtime compensated at the rate of one and one-half (1-1/2) times the employees regular rate of pay will be provided for all hours worked in excess of forty (40) in one work week, for the first four (4) hours in excess of eight (8) in any one workday, and for the first eight (8) hours on the seventh day of work in one (1) work week.

B. Overtime at the rate of two (2) times the employee's regular rate of pay will be provided for all hours worked in excess of twelve (12) in one work day, and for all hours worked in excess of eight (8) on the seventh day of work in one work week and any work scheduled on a holiday.

C. Overtime will be computed on actual minutes worked adjusted to the nearest increment of fifteen (15) minutes.

D. Holiday, Vacation Leave and hours that are actually worked are counted to determine an employee's overtime pay.

E. Pre-authorization - no employee may work overtime without the express prior approval of his/her supervisor.

Section 13. ON CALL - ON CALL DUTY/STANDBY

Scheduled on-call will be rotated among all operations staff. When an employee is on-call he/she shall be provided a pager and cell phone, which will provide notification in the event of an emergency

repair/maintenance work need. The pager and cell phone shall be kept in the on-call employee's possession during the entire on-call period of time. Notification of an emergency repair/maintenance work need may also be given verbally, in person or by telephone, by the General Manager, Field Manager, or Crew Supervisors.

Effective July 1, 2015, operations employees scheduled for on-call duty will be paid Forty-Five Dollars ($45.00) for each on-call weekday shift scheduled and Sixty Dollars ($60.00) for Friday and Seventy-Five Dollars ($75.00) for each Saturday, Sunday and holiday on-call shift scheduled.

Effective July 1, 2017, operations employees scheduled for on-call duty will be paid Fifty Dollars ($50.00) for each on-call weekday shift scheduled and Sixty-five Dollars ($65.00) for Friday and Eighty Dollars ($80.00) for each Saturday, Sunday and holiday on-call shift scheduled.

Effective July 1, 2019, operations employees scheduled for on-call duty will be paid Fifty-Five Dollars ($55.00) for each on-call weekday shift scheduled and Seventy Dollars ($70.00) for Friday and Eighty-Five Dollars ($85.00) for each Saturday, Sunday and holiday on-call shift scheduled.

When an employee is on-call he/she shall be free to utilize his/her time as desired, but must remain able to respond to an emergency situation within forty-five (45) minutes from the time said emergency call is received by them. (On-call employees shall be subject to the provisions of the Drug Free Workplace policy during the time they are on-call).

An on-call employee may trade with another operational employee as long as the General Manager, Field Manager, or Crew Supervisor is notified of the change prior to the commencement of the on-call duty shift.

Section 14. CALL OUT PAY

When an employee is called to work during non-work hours, that employee shall receive a minimum of two hours of compensation for the first call out during the standby period. A standby period is defined as Monday, Tuesday, Wednesday, Thursday, Friday, Saturday or Sunday. If the initial call exceeds two hours of work the employee will be compensated for all time worked, at the appropriate rate. For each additional call during the standby period an employee will be compensated for all time worked, at the appropriate rate.

When an employee is on-call and is called and handles the request/question/situation via the phone or electronically the employee will receive a minimum of 15 minutes of compensation or actual time worked, whichever is greater.

When an employee responds to an emergency call, the employee will be paid at overtime rates for hours over eight (8) in a day or forty (40) hours in a week worked.

Section 15. SALARIES

- Effective July 1, 2015 or on adoption of the MOU, whichever is later, all classifications covered by this MOU shall have their base hourly wage increased by 7.25%.
- Effective July 1, 2016 all classifications covered by this MOU shall have their base hourly wage increased by 2.0%
- Effective July 1, 2017 all classifications covered by this MOU shall have their base hourly wage increased by 2.0%
- Effective July 1, 2018 all classifications covered by this MOU shall have their base hourly wage increased by 2.0 %

- Effective July 1, 2019 all classifications covered by this MOU shall have their base hourly wage increased by 2.0%

The Union may, by July 1, 2018, provide written notice to the District requesting to reopen the Memorandum of Understanding regarding salary, medical and term if the CPI (San Francisco/Oakland/San Jose) for the period exceeds 9.5%. The period for comparison shall be April 2015 to April 2016, April 2016 to April 2017, and April 2017 to April 2018. The CPI index to use shall be the All Urban Consumers.

The District shall provide the following lump sum payments.

- Effective July 1, 2015, all non-field staff shall be provided a one-time lump sum payment of one hundred and fifty dollars ($150.00).
- Effective July 1, 2017, all non-field staff shall be provided a one-time lump sum payment of one hundred and fifty dollars ($150.00).
- Effective July 1, 2019, all non-field staff shall be provided a one-time lump sum payment of one hundred and fifty dollars ($150.00).

Section 16. BENEFITS

A. ELIGIBILITY FOR BENEFITS

The District provides health, retirement and time off with pay benefits to regular full-time employees. These same benefits are provided on a pro-rated basis to permanent part-time employees who either work in excess of 1000 hours per fiscal year or whose regular work schedule is slated to be in excess of 20 hours per week. Temporary employees are not eligible for benefits.

B. MEDICAL INSURANCE and VISION INSURANCE

Eligible employees may be enrolled in the District's medical insurance program (thru PERS) and vision insurance program on the first day of the month after their hire date.

The District offers a Cafeteria Plan to pay for PERS medical insurance and vision insurance premiums. The Cafeteria Plan provides a maximum District contribution for medical and vision insurance, which includes the Minimum Employer Contribution.

Effective January 1, 2015 and each January 1 thereafter thru 2020, the District shall contribute the below listed maximum amount per month for each employee for the purchase of medical and vision insurance, and share the cost of excess medical premium as explained in the table below:

Effective Date	Employee	Employee + 1	Employee + 2 or more
Jan. 1, 2015	$629	$1,232	$1,594
Jan. 1, 2016	$692	$1,355	$1,753
Jan. 1, 2017	$726	$1,423	$1,841
Jan. 1, 2018	$763	$1,494	$1,933
Jan. 1, 2019	$801	$1,569	$2,030

Jan. 1, 2020	$841	$1,647	$2,131
If the employee's medical and vision insurance premiums combined exceed the District contribution, then the District and the employee shall each pay half of the excess premium cost with the employee paying their half through payroll deduction.			

An employee shall use any and all such Cafeteria Plan funds toward the cost of employer-provided PERS medical insurance and vision insurance for the employee and eligible dependents. An employee may not use these funds for other reason.

Share the Savings Program

If an employee selects not to participle in the District Sponsored health insurance benefit, the District will provide the employee's deferred compensation account, on a monthly basis, with an amount equal to fifty percent (50%) of the employee only benefit amount of the least expensive health insurance provider. To be eligible to participate in the Share the Savings Program, the employee must demonstrate that he/she has acquired health insurance from another provider. Such proof shall be provided on an annual basis by submitting a copy of the health insurance policy or currently valid health insurance card. Notice of intent to cease participation in the program shall be according to PERS procedures.

C. DENTAL INSURANCE:

All eligible employees may begin participating in the District's dental insurance plan starting the first day of the month following commencement of employment. The premium cost for eligible employees and their dependents is paid by the District.

D. RETIREMENT

Deferred Compensation

All employees are eligible to participate in the District's deferred compensation plan. This is an optional employee benefit, which the District does not contribute to. Further information concerning the features and requirements of this plan can be obtained from the General Manager.

PERS Retirement Benefit

The District's retirement formula for classic employees shall be the retirement formula commonly referred to as 2.0% @ 55, with the following amendments:

- Final Compensation Average – 3 years
- Sick Leave Credit at Retirement

Classic employees will make the PERS employee contribution (7.0%). A classic employee is an employee who was a public employee (with PERS retirement or a reciprocating agency) prior to January 1, 2013 and remains a public employee without a break in service of more than 6 months.

The contract between the District and the Public Employees Retirement System (PERS), for employees (new members to the system as defined by PERS) hired after December 31, 2012 shall be modified to provide the following benefits:

- Retirement Formula – 2.0% at 62
- Final Compensation Average – 3 Years

- The employee contribution shall be the same as a classic employee or in accordance with Government Code Section 7522.30 (generally 50% of the normal cost), whichever is greater.

Retiree Medical Insurance

Employees who have retired with the District may be eligible to participate in the PERS Health Plan at his/her own expense and subject to such conditions established by PERS. The District shall contribute the minimum amount required by PERS, defined as the Minimum Employer Contribution (MEC), on behalf of participating employees. In 2015, the MEC is $122.00 per month.

E. HOLIDAYS

The District provides eligible employees the following paid holidays each year:

New Year's Day
Martin Luther King, Jr. Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day
Friday after Thanksgiving Day
Christmas Day

For each recognized holiday, eligible employees will receive a day off with pay.
In order to qualify to receive holiday pay an eligible employee must be in paid status (except for sick leave unless illness is verified by a physician's excuse) for work scheduled the day prior to and after the holiday. In addition, employees are not eligible for holiday benefits that accrue while on an unpaid leave of absence or during a disciplinary time off without pay.

When a scheduled holiday falls on a Sunday, it will be observed on the following Monday. When a scheduled holiday falls on a Saturday, it will be observed on the preceding Friday. Holidays that occur during an employee's vacation will not be counted as vacation days.

F. FLOATING HOLIDAYS

In addition to the above listed holidays, eligible employees are entitled to 16 floating holiday hours which may be predesignated by a majority vote of District staff. If not predesignated, the use of floating holiday hours must be preapproved in the same manner as vacation hours. If not used within the calendar year, the floating holiday hours are lost.

G. VACATION

The District has established a vacation plan to provide eligible employees with a period of rest and relaxation without loss of pay or benefits.

Eligibility

Eligible employees begin accruing vacation benefits upon commencement of employment. Any accrued vacation benefits may not be used until the employee has completed at least six (6) months of continuous service, measured from the date of commencement of employment. "Continuous service" means service that is uninterrupted by termination of employment and subsequent rehire by the District

Accrual
Eligible employees are entitled to vacation as follows:

Commencement of employment through Fifth Year:
10/12 of one day for each full month worked up to a maximum of 10 days per year.

Sixth year through Tenth Year:
15/12 of one day for each full month worked up to a maximum of 15 days per year

Eleventh year and Thereafter: 20/12 of one day for each full month worked up to a maximum of 20 days per year.

Maximum Accrual
Vacation accruals may not exceed twice an employee's current annual entitlement (for example, six (6) weeks for an employee with more than five (5) year of service). Once this maximum is reached, all further accruals will cease. Vacation accruals will recommence after the employee has taken vacation and the accrued vacation has dropped below the two-year maximum.

Vacation Use
All vacation days shall be taken no later than the calendar year immediately following the year in which they accrue, unless prior supervisor approval is obtained.

Approval
All vacations must be approved in advance by the employee's supervisor.

Scheduling Conflicts: Each January, vacations may be scheduled according to seniority. Thereafter, scheduling of vacation will be done on a first come, first served basis at the discretion of the General Manager and should be scheduled at least one month in advance.

Holidays
A holiday that falls during a vacation period will be treated as a holiday and not as a day of vacation taken.

Vacation Accrual During Leaves of Absence
If an employee takes an unpaid leave of absence, they will not earn vacation during the leave. Vacation accrual will recommence when the employee returns to work.

Accrued vacation must be taken in increments of at least one (1) hour.

H. SICK LEAVE

Eligibility
Eligible employees begin accruing sick leave benefits upon commencement of employment at the rate of one day for each full month worked up to a maximum of twelve (12) days sick leave per calendar year

USE:

1. Sick leave may be taken for personal illness or disability in the employee's immediate family. "Immediate family" is defined as the employee's spouse, registered domestic partner, children or parents.

2. Hours absent for medical and dental appointments will be treated as sick leave.

3. The District retains the right to require verification from a licensed medical practitioner for any absence due to illness or disability, in accordance with the District's Sick Leave Verification Policy. In cases that the employee is off for more than three (3) days, verification from a licensed medical practitioner is mandatory to receive sick leave.

Cashing Out Sick Leave

The District provides a benefit that converts accrued sick leave balances at retirement to service credits. This benefit increases an employee's years of service when calculating an employee's retirement benefit. In addition to the PERS sick leave incentive, at the employee's request, once per year, the District shall pay 50% of the value of any sick leave hours above 60 days. No sick pay will be paid in lieu of sick leave to employees who terminate their employment with the District or who are terminated by the District.

Maximum Sick Leave Accrual

There shall be no sick leave accrual maximum.

Register Domestic Partner Defined (Family Code, Section 297)

(a) Domestic partners are two adults who have chosen to share one another's lives in an intimate and committed relationship of mutual caring.

(b) A domestic partnership shall be established in California when both persons file a Declaration of Domestic Partnership with the Secretary of State pursuant to this division, and , at the time of filing, all of the following requirements are met:

(1) Both persons have a common residence.

(2) Neither person is married to someone else or is a member of another domestic partnership with someone else that has not been terminated, dissolved, or adjudged a nullity.

(3) The two persons are not related by blood in a way that would prevent them from being married to each other in this state.

(4) Both persons are at least 18 years of age.

(5) Either of the following:

(A) Both persons are members of the same sex.

(B) One or both of the persons meet the eligibility criteria under Title II of the Social Security Act as defined in 42 U.S.C. Section 402(a) for old-age insurance benefits or Title XVI of the Social Security Act as defined in 42

U.S.C. Section 1381 for aged individuals. Notwithstanding any other provision of this section, persons of opposite sexes may not constitute a domestic partnership unless one or both of the persons are over the age of 62.

(6) Both persons are capable of consenting to the domestic partnership.

(c) "Have a common residence" means that both domestic partners share the same residence. It is not necessary that the legal right to possess the common residence be in both of their names. Two people may have a common residence if one or both have additional residences. Domestic partners do not cease to have a common residence if one leaves the common residence but intends to return.

Section 17. LEAVES OF ABSENCE

Leave Without Pay

The General Manager may grant employees leave of absence without pay for a period not to exceed thirty (30) days. No leave shall be granted except upon written request of the employee. Such requests shall be submitted to the General Manager. Such leaves shall normally be granted to permit the employee to engage in activities that will increase his or her value to the District upon return, or because of sickness, injury or personal hardship. Employees may not be granted a leave of absence until all accrued vacation is taken. Failure on the part of an employee on leave to report promptly at its expiration shall result in dismissal of the employee. Vacation and sick leave credits shall not accrue to an employee on leave of absence. The decision of the General Manager on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive and shall not be subject to the grievance procedure of this memorandum of Understanding.

Medical Insurance Contribution during Leave Without Pay

In situations when an employee has exhausted all eligible leave (vacation or sick leave), the employee is not covered by FMLA, Workers' Compensation or other appropriate Statute and the employee is on a leave without pay, the employee shall be required to contribute one-half of the monthly premium for health, dental and vision insurance prior to the District making its contribution.

Jury Duty

An employee summoned to jury duty shall inform the employee's supervisor and, if required to serve, may be absent from duty with full pay up to five (5) days only for those hours required to serve or if attendance is required and verified by the court. Telephone call-in status shall not qualify for jury duty reimbursement. Jury duty pay shall only be applicable to verified time at the Courthouse, exclusive of travel time. The employee shall provide a signed receipt from the Court Clerk for the time served. Any jury fees accrued during the District's paid time, excluding travel expenses, received by an employee shall be remitted to the District. If the employee elects to retain the jury duty fees, the employee's time off for jury duty is not compensable. When appropriate, supervisors may request exemption of individual employees from jury duty when such service would entail undue hardship to the District.

Military Leaves of Absence

The provisions of the Military and Veterans Code of the State of California shall govern military leave of District employees.

Maternity Leave
Maternity Leave shall be subject to applicable federal and state laws.

Family Care Leave
Family care leave shall be applicable according to state and federal law.

Time Off to Vote
Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two (2) days in advance of the election. Up to two (2) hours of paid time off will be provided, at the beginning or end of the employee's regular shift whichever will allow the most free time for voting and the least time off work.

Family Bereavement Leave
Any employee who experiences a death in the immediate family is granted emergency paid leave of up to three (3) working days. Compensation will be paid at the employee's normal base rate of pay for the actual time lost. "Immediate family" includes the children, parents, grandparents, brothers and sisters of the employee, and the employee's spouse or domestic partner. If circumstances demand that additional time be taken, additional leave may be granted by the General Manager. An employee's accrued vacation time may also be used for this purpose.

Section 18. LAYOFF

The District may layoff an employee. The classifications subject to layoff shall be determined by the District on the basis of the administrative needs of the District. Within the classifications subject to layoff, the order of layoff shall be determined on the basis of seniority. Emergency and provisional employees in the classification(s) subject to layoff shall be laid off before other persons in the class are laid off.

Fifteen (15) calendar days prior to the effective date of the layoff of an employee, the General Manager shall notify the employee of the layoff and a copy of the notice shall be placed in the employee's personnel file and a copy will be sent to the Union.

An employee who is laid off shall not accrue or be eligible for any benefits, including, but not limited to, vacation, sick leave, holidays, medical, dental, life insurance, vision care and safety shoes, except as subject to COBRA requirements.

Section 19. GRIEVANCE PROCEDURE

A grievance shall be defined as any dispute arising during the term of the Memorandum of Understanding which involves the interpretation or application of any provision of this Memorandum of Understanding during its term, excluding all ordinances, resolutions, rules and regulations, the subject of which is not specifically covered by the provisions of this Memorandum. Such excluded ordinance, resolutions, rules and regulations shall not be subject to the Grievance Procedure.

Initial Discussions
Any employee who believes that he or she has a grievance may discuss his or her grievance with their supervisor.

If the issue is not resolved, the procedures hereafter specified may be invoked.

Referral to General Manager

The grievant will notify the General Manager in writing within ten (10) working days after the event that gives rise to the grievance, that a grievance exists, and in such notification, state the particulars of the grievance, and if possible, the nature of the determination which is desired. No grievance may be arbitrated which has not first been filed and investigated in pursuance of this Section. A grievance which remains unresolved after it has been submitted in writing to the General Manager may be referred to Arbitration.

Investigation

The General Manager will date and log all Grievance Forms and provide an acknowledgment of receipt to the employee submitting the grievance stating that the grievance is under review. All grievances will be reviewed within ten (10) working days of submission.

The General Manager or his/her designee will investigate the allegations of the grievance by meeting separately with the employee filing the grievance and others who either are named in the grievance or who may have knowledge of the facts set forth therein.

On completion of its investigation, the General Manager will report in writing the findings and conclusions to the employee who filed the grievance. If the grievance is resolved to their satisfaction, the terms of the resolution will be recorded and signed by all parties affected by it and the General Manager.

Arbitration

If an employee is not satisfied with the decision of the General Manager, the grievant may, within ten (10) working days of the General Manager's decision, request that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement. If such agreement is not reached within five (5) calendar days from the date of receipt of request to arbitrate, then the State Mediation and Conciliation Service of the State of California shall be requested to supply a list of seven (7) qualified and experienced arbitrators. If the parties cannot agree on one of the seven to act as arbitrator, they shall strike names from the list of nominees alternately until the name of one nominee remains who shall thereupon become the arbitrator. The first party to strike a name from the list shall be chosen by lot.

The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the grievant and the District. Each party, however, shall bear the cost of its own presentation, including preparation and post hearing briefs, if any.

Authority of Arbitrator

No arbitrator shall entertain, hear, decide, or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Union, and unless such dispute falls within the definition of a grievance as set forth in Section 23.

No Modifications to Memorandum of Understanding

Proposals to add to or to change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend, or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. No arbitrator shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

Pay Claim

All complaints involving or concerning payment of compensation shall be filed in writing and no adjustments shall be retroactive for more than thirty (30) days from the date of filing.

Section 20. DISCIPLINE

The District shall always have the right to discipline, demote, suspend, reduction in pay, and discharge employees for just cause, with the exception of probationary employees, who may be terminated with or without cause at the sole discretion of the District.

Skelly Hearing

In the case of dismissals, demotions, reductions in pay or suspensions without pay greater than three (3) days, as provided for in the law, the employee shall be offered a Skelly hearing pursuant to which the employee shall be furnished written notice containing the nature of the proposed action, the reasons therefore, and the right to address the charges, orally or in writing. This notice shall be furnished at least ten (10) calendar days prior to the proposed effective date of the action and a copy of such notice will be sent to the Union. In the event of dismissal, after receiving notice but prior to the proposed effective date of dismissal, the employee may be retained in duty status, or suspended with pay at the discretion of the district. If the employee fails to respond to the advance notice of the proposed action, then the action of the District shall be effective on the date specified for final action. Should the employee respond orally or in writing, the Department Head shall consider any comments of the employee before making a final decision and within ten (10) calendar days, transmit to the employee a letter containing the decision. The only exception to giving prior notice for dismissal or suspension without pay greater than three (3) days, as provided for in the law, is in an emergency where it is deemed necessary to remove the employee from his/her employment immediately for the safety of the public, the employee, or other District employees, provided a Skelly hearing is afforded at the earliest reasonable opportunity available and the disciplinary action is still appealable.

Right to Appeal to the Board of Directors

An employee has a right to appeal a disciplinary action involving a suspension without pay, demotion, a reduction in pay and/or a discharge to the District's Board of Directors.

If the employee wishes to appeal a suspension without pay, demotion, a reduction in pay or a dismissal, to the District's Board of Directors, he/she shall transmit, in writing, the appeal to the General Manager within five (5) calendar days following the notice of the decision appealed, which notice shall either be mailed by personal service to the employee or by depositing the notice in the U.S. Mail, first-class, postage prepaid.

Time and Manner of the Hearing

An appeal filed with the General Manager shall be presented to the Board of Directors at its next regular meeting. The Board of Directors may, at its discretion, appoint an Administrative Hearing Officer to conduct the hearing. Such hearings shall be conducted in accordance with applicable Government Code provisions. If the Board determines that the appeal shall be heard by a Hearing Officer, it shall set the matter for hearing within thirty (30) days after the appeal has been presented to it.

Hearing Officer

If the District's Board of Directors selects to have a Hearing Officer hear the disciplinary appeal the District will request the Federal Mediation and Conciliation Service to provide a list of seven (7) impartial persons to act as a Hearing Officer. The parties shall meet within ten (10) calendar days after receipt of such list to select a Hearing Officer (this may be done by telephone). If there is no mutual agreement on one of the listed Hearing Officers, then management and the Union will alternately strike a Hearing Officer's name from the list of seven (7) and will then repeat this procedure. The remaining person shall be the duly selected Hearing Officer. The procedure to determine who strikes the first name will be determined by lot. If either party refuses to participate in the selection process, the other party will make a selection of the Hearing Officer from the list.

Upon conclusion of the hearing, the Hearing Officer will provide both the General Manager and the Union with copies of his/her opinion on the merits of the discipline and the evidence presented. The Hearing Officer's decision shall be an advisory opinion only, non-binding on either party. The Hearing Officer's

fees and expenses shall be borne equally by the parties. If either party requires a transcript, that party will bear the entire cost of such transcript.

Board of Directors
Any discipline which has not been resolved by the procedures hereinabove set forth may be referred by the Union to the Board of Directors within thirty (30) calendar days of receipt of the Hearing Officer's advisory opinion for decision

Section 21. PROBATIONARY PERIOD

All original and promotional appointments shall be subject to a probationary period of six (6) months. The probationary period shall be regarded as a part of the testing process and shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to the employee's position and for rejecting any probationary employee whose performance does not meet the required standards of work.

During the probationary period, an employee may be rejected at any time by the General Manager, or where the authority has been delegated by the General Manager, the General Manager's representative, without cause and without the right of appeal.

The General Manager may extend the probationary period for an additional period not to exceed six (6) months.

Section 22. MISCELLANEOUS

A. Certification Pay
Certification pay is covered by the District's flexible staffing program as described below:

For Maintenance Worker Trainee and Maintenance Worker I positions, a step increase (5%) and promotion to higher position (see examples) will be provided after an employee has received certification for both of the State of California's Water Operator tests, Treatment and Distribution.

For Maintenance Worker II positions, a step increase will be provided after an employee has received certification for the State of California's Distribution III and the employee will be promoted to Maintenance Worker III.

For Water System Operator positions, a promotion to Senior Water System Operator and step increase will be provided after an employee has received certification for both of the State of California's Water Operator Distribution III and Treatment III combined.

An employee working as a Maintenance Worker III who receives a Treatment Operator III certification will be provided a 2.5% premium and remain at the Maintenance Worker III position and at the same step level.

Example # 1:
A person working as a Maintenance Worker Trainee receives certification for Distribution Operator I. This person is not eligible for an increase yet. Later on this person receives certification for Water Treatment Operator I. The District will now provide the employee with a 5% step increase and promote this person to a Maintenance Worker I position, at whatever step is equivalent to a 5% increase.

Example # 2
A person working as a Maintenance Worker I receives certification for Water Treatment Operator II. This person is not eligible for an increase yet. Later on this person receives certification for Distribution Operator II. The District will now provide the employee with a 5% step increase and promote this person to a Maintenance Worker II position, at whatever step is equivalent to a 5% increase. Note: In examples #1 or #2 it doesn't matter which test is passed first. It can be Distribution or Treatment.

Example #3
A person working as a Maintenance Worker II receives certification for Distribution Operator III. This person is now eligible for a promotional step increase. The District will now provide the employee with a 5% step increase and promote this person to a Maintenance Worker III position, at whatever step is equivalent to 5%.

Example #4
A person working as a Water System Operator receives certification for Distribution III and Water Treatment III. This person is now eligible for a promotional step increase. The District will now promote the employee to a Senior Water System Operator with a 5 % wage increase.

Example #5
A person working as a Maintenance Worker III receives certification for Water Treatment III test. The District will now provide the employee with a 2.5 % premium. No position change happens; the employee remains a MW III.

B. Payment for License
The District agrees to pay the cost of the State Department of Health licenses each year. It is the employee's responsibility to make application to take the exams, which are given twice each year. The District will reimburse the cost of taking the test whether or not the applicant passes and a receipt should be submitted with the request for reimbursement form. The cost of travel, food and lodging outside of normal work hours associated with completing the test shall be at the sole expense of the employee.

C. Merit Increases
Merit increases shall occur on employees Anniversary Date unless the Performance Evaluation is less than satisfactory and the employee has had notification that their performance was not meeting expectations. Additionally, an employee improvement plan shall be developed including a designated reevaluation period.

D. Employees Temporarily Assigned to a Higher Classification
Employees temporarily assigned by the General Manager or his/her designee in writing to a higher classification shall immediately receive five percent (5%) above the employee's regular pay for all work performed in that capacity.

E. Mileage Reimbursement
Employees will be compensated at the current accepted IRS rate for each mile that a personal vehicle is used in District business. If District vehicles are available, personal vehicles shall not be used unless directed by the General Manager or his/her designee.

F. Personnel Files
An employee or his or her representative, on presentation of written authorization from the employee shall

have access to the employee's personnel file on request. The District shall furnish the employee copies of all performance evaluation reports and letters of reprimand or warning prior to placement of such documents into the employee's personnel file. The employee may be required to acknowledge the receipt of any document entered into his/her personnel file without prejudice to subsequent arguments concerning the contents of such documents.

G. Catastrophic Leave Bank

The District agrees to establish a Catastrophic Leave Bank to assist employees who have exhausted accrued leave time due to a serious or catastrophic illness or injury to themselves or their parents, brother, sister, children, spouse or domestic partner. The
Time Bank will allow other employees to donate time to the affected employee so that he/she can remain in a paid status for a longer period of time, thus partially ameliorating their financial impact of the illness, injury or condition.

Eligibility

To be eligible for this benefit, the receiving employee must: 1) Be a regular full-time employee who has passed his/her initial District probationary period, 2) Have sustained a life threatening or debilitating illness, injury of condition which may require confirmation by a physician, 3) Have exhausted all accumulated paid leave including vacation, holiday, sick leave, and/or compensatory time off, 4) Be unable to return to work for at least thirty (30) days, and 5) Have applied for a Leave of Absence Without Pay for medical reasons.

Benefits

Accrued vacation and compensatory time off hours donated by other employees will be converted to sick leave and credited to the receiving employee's sick leave time balance on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee. For as long as the receiving employee remains in a paid status, seniority, and all other benefits will continue, with the exception of sick leave and vacation accrual. The total leave credits received by an employee will not normally exceed three (3) months. However, if approved by the General Manager, the total leave credits may be extended on a case-by-case basis.

Guidelines For Donating Leave Credits To The Time Bank

1. Accrued vacation leave and compensatory time off may be donated by any regular full-time employee who has completed his/her initial District probationary period.

2. Time donated will be converted from vacation to sick leave hours and credited to the receiving employee's sick leave balance on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee.

3. The total amount of time donated to one employee by another employee shall not exceed forty (40) hours. The total leave credits received by the employee shall not normally exceed three (3) months; however, if approved by the General Manager may approve an extension to six (6) months total time.

4. Initial leave time donations must be a minimum of eight (8) hours and thereafter, in four (4) hour increments. An employee cannot donate leave hours, which would reduce his/her vacation balance to less than forty (40) hours.

5. The use of donated leave hours will be in consecutive one-shift increments (i.e., 8 hours for a full-time employee working five eight hour days/week).

6. While an employee is on leave using donated leave hours, no vacation or sick leave hours will accrue.

7. Under all circumstances, time donations received by the employee are forfeited once made. In the event that the receiving employee does not use all transferred leave for the catastrophic illness/injury, any balance will remain with that employee until that employee's separation from District service.

8. Payment for unused sick leave at the time of termination of employment shall be in accordance with the District's Policy and Procedure Manual and Memorandum of Understanding, if appropriate.

9. In accordance with IRS Ruling 90-29, leave transferred under such arrangements will not be considered wages for the employee who surrenders the leave and will therefore not be included in gross income or subject to withholding. An employee who donates leave incurs no deductible expense or loss either upon the donation or use by the recipient.

H. Educational Assistance

Employees of the District are encouraged to pursue educational opportunities, which are related to their present work, which will prepare them for foreseeable future opportunities within the District, or which will prepare them for future career advancement.

The District will reimburse full-time employees for approved courses of study on the following criteria:

1. A refund of the entire cost of tuition and required class materials will be made if the employee received a grade of "C" or better for the class.

2. No refund will be made to employees who receive a grade below "C" for the class.

3. No reimbursement for mileage to and from class will be made.

To be eligible for reimbursement of course costs, the employee must receive advance approval for the class from the General Manager. Requests for reimbursement should be submitted in writing. The employee will be notified of final approval, or the reasons for denial. Those requests for reimbursement which are received after the class begins will be eligible for only one-half (1/2) of the usual reimbursement.

Upon completion of the class, the employee is responsible for sending copies of the grade slip and expense receipts to the General Manager for reimbursement purposes.

I. Uniforms

Uniforms will be provided and maintained for all field crew employees. The District will continue its practice of providing eleven (11) tee shirts. Employees will advise the District of the number of long or short sleeve tee shirts they would like.

J. Boot Allowance

Effective July 1, 2015 or on adoption of the MOU, whichever is later, employees will be provided a boot allowance of Two Hundred and Ten Dollars ($210.00) to cover the cost of OSHA approved boots. Employees may submit receipts for reimbursement of the boot allowance. The boot allowance will increase to the following amounts:

- Effective July 1, 2016 the boot allowance will be increased to $215.00.
- Effective July 1, 2017 the boot allowance will be increased to $220.00.
- Effective July 1, 2018 the boot allowance will be increased to $225.00.
- Effective July 1, 2019 the boot allowance will be increased to $230.00.

K. Flushing Differential

Employees, who are assigned by the District to perform flushing duties, after normal business hours, shall be provided seven and one-half percent (7.5%) differential for all hours worked performing flushing duties after normal business hours.

L. Compensatory Time Off

On request of Employee and approval by the General Manager, Employee may earn compensatory time in lieu of being paid for overtime worked. Such compensatory time shall accrue at the rate at which it is earned (i.e., one and one half times each regular overtime (OT) hour or two times each double OT hour), or fraction thereof, of overtime worked. Requests to use compensatory time shall be made the same manner as vacation use. Employee may only accrue up to twenty-four (24) hours of compensatory time in any calendar year. Compensatory time accrued but not used shall be paid off on or before December 31 of each year.

Section 23. NO STRIKE

During the term of this Memorandum of Understanding, the Union, its members and representatives agree that it and they will not engage in, authorize, sanction or support any strike, slowdown, refusal to perform customary duties or stoppage of work against the District.

Section 24. SEPARABILITY

Should any provision of this Memorandum be declared illegal by any court of competent jurisdiction, such invalidation shall not invalidate the remaining portions thereof, which shall remain in full force and effect. In the event of such invalidation the parties agree to meet within thirty (30) days to negotiate a mutually acceptable replacement provision.

Section 25. SCOPE

Except as otherwise specifically provided herein, this Memorandum of Understanding fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties in any and all matters subject to meet and confer. Neither party shall, during the term of this Memorandum of Understanding demand any change herein, provided that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement.

Section 26. PAST PRACTICES AND EXISTING MOU

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the Board of Directors is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing Memoranda of Understanding between the District and the Union.

Section 27. TERM OF AGREEMENT

This Memorandum of Understanding shall be presented by the Union to the employees to be covered hereby for ratification by said employees, and shall thereafter be presented to the Board of Directors as the joint recommendations of the undersigned for salary and employee benefit adjustments for the period commencing July 1, 2015, and ending June 30, 2020.

In witness whereof, the parties hereto have executed this Memorandum of Understanding this ____ day of _____, of 2015.

INTERNATIONAL UNION OF OPERATING ENGINEERS STATIONARY LOCAL NO. 39	SWEETWATER SPRINGS WATER DISTRICT
By _____	By _____
By _____	By _____
By _____	
By _____	
By _____	

APPENDIX

Sweetwater Springs Water District
Salary Schedule FY 2015-16 (7.25% increase)
Effective the first pay period starting after July 1, 2015

		Step 1	Step 2	Step 3	Step 4	Step 5
Account Clerk/Receptionist I						
	Hourly	18.56	19.48	20.45	21.48	22.55
	Bi-weekly	1,484.45	1,558.38	1,636.35	1,718.59	1,804.04
	Monthly	3,216.30	3,376.48	3,545.42	3,723.62	3,908.76
	Annually	38,595.64	40,517.79	42,545.07	44,683.43	46,905.11
Account Clerk/Receptionist II						
	Hourly	21.48	22.52	23.64	24.82	26.05
	Bi-weekly	1,718.61	1,801.24	1,891.19	1,985.70	2,083.82
	Monthly	3,723.67	3,902.68	4,097.58	4,302.35	4,514.95
	Annually	44,683.98	46,832.18	49,171.00	51,628.25	54,179.39
Maintenance Worker Trainee						
	Hourly	18.56	19.50	20.45	21.49	22.56
	Bi-weekly	1,484.82	1,559.84	1,636.27	1,719.25	1,804.65
	Monthly	3,217.12	3,379.65	3,545.24	3,725.05	3,910.08
	Annually	38,605.41	40,555.84	42,542.93	44,700.59	46,920.99
Maintenance Worker I						
	Hourly	20.42	21.45	22.52	23.64	24.83
	Bi-weekly	1,633.85	1,715.84	1,801.24	1,891.19	1,986.62
	Monthly	3,540.02	3,717.65	3,902.68	4,097.58	4,304.35
	Annually	42,480.19	44,611.77	46,832.18	49,171.00	51,652.24
Maintenance Worker II						
	Hourly	21.45	22.52	23.64	24.82	26.06
	Bi-weekly	1,715.84	1,801.24	1,891.19	1,985.70	2,084.77
	Monthly	3,717.65	3,902.68	4,097.58	4,302.35	4,516.99
	Annually	44,611.77	46,832.18	49,171.00	51,628.25	54,203.91
Maintenance Worker III						
	Hourly	23.58	24.76	26.00	27.29	28.66
	Bi-weekly	1,886.64	1,981.15	2,080.21	2,183.16	2,293.14
	Monthly	4,087.71	4,292.49	4,507.12	4,730.17	4,968.47

	Annually	49,052.58	51,509.82	54,085.49	56,762.09	59,621.70

		Step 1	Step 2	Step 3	Step 4	Step 5
Water System Operator						
	Hourly	23.58	24.76	26.00	27.29	28.66
	Bi-weekly	1,886.64	1,981.15	2,080.21	2,183.16	2,293.14
	Monthly	4,087.71	4,292.49	4,507.12	4,730.17	4,968.47
	Annually	49,052.58	51,509.82	54,085.49	56,762.09	59,621.70
Senior Water System Operator						
	Hourly	25.95	27.24	28.59	30.03	31.53
	Bi-weekly	2,075.66	2,179.28	2,287.45	2,402.45	2,522.01
	Monthly	4,497.26	4,721.76	4,956.14	5,205.32	5,464.36
	Annually	53,967.07	56,661.16	59,473.67	62,463.81	65,572.38

revised: 5/11/2015

<u>Sweetwater Springs Water District</u>
Salary Schedule FY 2016-17 (2% increase)
Effective the first pay period starting after July 1, 2016

	Step 1	Step 2	Step 3	Step 4	Step 5
Account Clerk/Receptionist I					
Hourly	18.93	19.87	20.86	21.91	23.00
Bi-weekly	1,514.14	1,589.54	1,669.08	1,752.97	1,840.12
Monthly	3,280.63	3,444.01	3,616.33	3,798.09	3,986.93
Annually	39,367.55	41,328.15	43,395.97	45,577.10	47,843.21
Account Clerk/Receptionist II					
Hourly	21.91	22.97	24.11	25.32	26.57
Bi-weekly	1,752.99	1,837.26	1,929.02	2,025.42	2,125.50
Monthly	3,798.14	3,980.73	4,179.54	4,388.40	4,605.25
Annually	45,577.66	47,768.82	50,154.42	52,660.81	55,262.98
Maintenance Worker Trainee					
Hourly	18.93	19.89	20.86	21.92	23.01
Bi-weekly	1,514.52	1,591.04	1,668.99	1,753.64	1,840.75
Monthly	3,281.46	3,447.25	3,616.15	3,799.55	3,988.28
Annually	39,377.52	41,366.95	43,393.78	45,594.60	47,859.41
Maintenance Worker I					
Hourly	20.83	21.88	22.97	24.11	25.33
Bi-weekly	1,666.53	1,750.15	1,837.26	1,929.02	2,026.36
Monthly	3,610.82	3,792.00	3,980.73	4,179.54	4,390.44
Annually	43,329.79	45,504.01	47,768.82	50,154.42	52,685.28
Maintenance Worker II					
Hourly	21.88	22.97	24.11	25.32	26.58
Bi-weekly	1,750.15	1,837.26	1,929.02	2,025.42	2,126.46
Monthly	3,792.00	3,980.73	4,179.54	4,388.40	4,607.33
Annually	45,504.01	47,768.82	50,154.42	52,660.81	55,287.99
Maintenance Worker III					
Hourly	24.05	25.26	26.52	27.84	29.24
Bi-weekly	1,924.37	2,020.77	2,121.82	2,226.82	2,339.01
Monthly	4,169.47	4,378.34	4,597.27	4,824.78	5,067.84
Annually	50,033.63	52,540.02	55,167.20	57,897.33	60,814.13

Water System Operator					
Hourly	24.05	25.26	26.52	27.84	29.24
Bi-weekly	1,924.37	2,020.77	2,121.82	2,226.82	2,339.01
Monthly	4,169.47	4,378.34	4,597.27	4,824.78	5,067.84
Annually	50,033.63	52,540.02	55,167.20	57,897.33	60,814.13
Senior Water System Operator					
Hourly	26.46	27.79	29.16	30.63	32.16
Bi-weekly	2,117.17	2,222.86	2,333.20	2,450.50	2,572.45
Monthly	4,587.20	4,816.20	5,055.26	5,309.42	5,573.65
Annually	55,046.41	57,794.38	60,663.14	63,713.09	66,883.83

revised: 5/11/2015

Sweetwater Springs Water District
Salary Schedule FY 2017-18 (2% increase)
Effective the first pay period starting after July 1, 2017

	Step 1	Step 2	Step 3	Step 4	Step 5
Account Clerk/Receptionist I					
Hourly	19.31	20.27	21.28	22.35	23.46
Bi-weekly	1,544.42	1,621.33	1,702.46	1,788.02	1,876.93
Monthly	3,346.24	3,512.89	3,688.66	3,874.05	4,066.67
Annually	40,154.90	42,154.71	44,263.89	46,488.64	48,800.07
Account Clerk/Receptionist II					
Hourly	22.35	23.43	24.59	25.82	27.10
Bi-weekly	1,788.05	1,874.01	1,967.60	2,065.92	2,168.01
Monthly	3,874.10	4,060.35	4,263.13	4,476.17	4,697.35
Annually	46,489.22	48,724.20	51,157.51	53,714.03	56,368.24
Maintenance Worker Trainee					
Hourly	19.31	20.29	21.28	22.36	23.47
Bi-weekly	1,544.81	1,622.86	1,702.37	1,788.71	1,877.56
Monthly	3,347.09	3,516.19	3,688.47	3,875.54	4,068.05
Annually	40,165.07	42,194.29	44,261.66	46,506.49	48,816.60
Maintenance Worker I					
Hourly	21.25	22.31	23.43	24.59	25.84
Bi-weekly	1,699.86	1,785.16	1,874.01	1,967.60	2,066.88
Monthly	3,683.03	3,867.84	4,060.35	4,263.13	4,478.25
Annually	44,196.38	46,414.09	48,724.20	51,157.51	53,738.99
Maintenance Worker II					
Hourly	22.31	23.43	24.59	25.82	27.11
Bi-weekly	1,785.16	1,874.01	1,967.60	2,065.92	2,168.99
Monthly	3,867.84	4,060.35	4,263.13	4,476.17	4,699.48
Annually	46,414.09	48,724.20	51,157.51	53,714.03	56,393.75
Maintenance Worker III					
Hourly	24.54	25.76	27.05	28.39	29.82
Bi-weekly	1,962.86	2,061.19	2,164.25	2,271.36	2,385.79
Monthly	4,252.86	4,465.90	4,689.21	4,921.27	5,169.20
Annually	51,034.30	53,590.82	56,270.55	59,055.28	62,030.41

Water System Operator					
Hourly	24.54	25.76	27.05	28.39	29.82
Bi-weekly	1,962.86	2,061.19	2,164.25	2,271.36	2,385.79
Monthly	4,252.86	4,465.90	4,689.21	4,921.27	5,169.20
Annually	51,034.30	53,590.82	56,270.55	59,055.28	62,030.41
Senior Water System Operator					
Hourly	26.99	28.34	29.75	31.24	32.80
Bi-weekly	2,159.51	2,267.32	2,379.86	2,499.51	2,623.90
Monthly	4,678.95	4,912.52	5,156.37	5,415.61	5,685.13
Annually	56,147.34	58,950.27	61,876.41	64,987.35	68,221.50

revised: 5/11/2015

Sweetwater Springs Water District
Salary Schedule FY 2018-19 (2% increase)
Effective the first pay period starting after July 1, 2018

	Step 1	Step 2	Step 3	Step 4	Step 5
Account Clerk/Receptionist I					
Hourly	19.69	20.67	21.71	22.80	23.93
Bi-weekly	1,575.31	1,653.76	1,736.51	1,823.79	1,914.46
Monthly	3,413.17	3,583.15	3,762.43	3,951.53	4,148.01
Annually	40,958.00	42,997.80	45,149.17	47,418.41	49,776.07
Account Clerk/Receptionist II					
Hourly	22.80	23.89	25.09	26.34	27.64
Bi-weekly	1,823.81	1,911.49	2,006.95	2,107.24	2,211.37
Monthly	3,951.58	4,141.56	4,348.39	4,565.69	4,791.30
Annually	47,419.00	49,698.68	52,180.66	54,788.31	57,495.61
Maintenance Worker Trainee					
Hourly	19.70	20.69	21.71	22.81	23.94
Bi-weekly	1,575.71	1,655.31	1,736.42	1,824.49	1,915.11
Monthly	3,414.03	3,586.51	3,762.24	3,953.05	4,149.41
Annually	40,968.37	43,038.18	45,146.89	47,436.62	49,792.93
Maintenance Worker I					
Hourly	21.67	22.76	23.89	25.09	26.35
Bi-weekly	1,733.86	1,820.86	1,911.49	2,006.95	2,108.22
Monthly	3,756.69	3,945.20	4,141.56	4,348.39	4,567.81
Annually	45,080.31	47,342.37	49,698.68	52,180.66	54,813.77
Maintenance Worker II					
Hourly	22.76	23.89	25.09	26.34	27.65
Bi-weekly	1,820.86	1,911.49	2,006.95	2,107.24	2,212.37
Monthly	3,945.20	4,141.56	4,348.39	4,565.69	4,793.47
Annually	47,342.37	49,698.68	52,180.66	54,788.31	57,521.63
Maintenance Worker III					
Hourly	25.03	26.28	27.59	28.96	30.42
Bi-weekly	2,002.11	2,102.41	2,207.54	2,316.78	2,433.50
Monthly	4,337.92	4,555.22	4,783.00	5,019.70	5,272.59
Annually	52,054.99	54,662.64	57,395.96	60,236.38	63,271.02

Water System Operator					
Hourly	25.03	26.28	27.59	28.96	30.42
Bi-weekly	2,002.11	2,102.41	2,207.54	2,316.78	2,433.50
Monthly	4,337.92	4,555.22	4,783.00	5,019.70	5,272.59
Annually	52,054.99	54,662.64	57,395.96	60,236.38	63,271.02
Senior Water System Operator					
Hourly	27.53	28.91	30.34	31.87	33.45
Bi-weekly	2,202.70	2,312.66	2,427.46	2,549.50	2,676.38
Monthly	4,772.52	5,010.77	5,259.49	5,523.92	5,798.83
Annually	57,270.29	60,129.28	63,113.94	66,287.10	69,585.93

revised: 5/11/2015

Sweetwater Springs Water District
Salary Schedule FY 2019-20 (2% increase)
Effective the first pay period starting after July 1, 2019

	Step 1	Step 2	Step 3	Step 4	Step 5
Account Clerk/Receptionist I					
Hourly	20.09	21.09	22.14	23.25	24.41
Bi-weekly	1,606.81	1,686.84	1,771.24	1,860.26	1,952.75
Monthly	3,481.43	3,654.81	3,837.68	4,030.57	4,230.97
Annually	41,777.16	43,857.76	46,052.15	48,366.78	50,771.59
Account Clerk/Receptionist II					
Hourly	23.25	24.37	25.59	26.87	28.19
Bi-weekly	1,860.28	1,949.72	2,047.09	2,149.39	2,255.60
Monthly	4,030.62	4,224.39	4,435.36	4,657.01	4,887.13
Annually	48,367.38	50,692.65	53,224.27	55,884.07	58,645.52
Maintenance Worker Trainee					
Hourly	20.09	21.11	22.14	23.26	24.42
Bi-weekly	1,607.22	1,688.42	1,771.15	1,860.98	1,953.42
Monthly	3,482.31	3,658.25	3,837.49	4,032.11	4,232.40
Annually	41,787.74	43,898.94	46,049.83	48,385.35	50,788.79
Maintenance Worker I					
Hourly	22.11	23.22	24.37	25.59	26.88
Bi-weekly	1,768.54	1,857.28	1,949.72	2,047.09	2,150.39
Monthly	3,831.83	4,024.10	4,224.39	4,435.36	4,659.17
Annually	45,981.92	48,289.22	50,692.65	53,224.27	55,910.04
Maintenance Worker II					
Hourly	23.22	24.37	25.59	26.87	28.21
Bi-weekly	1,857.28	1,949.72	2,047.09	2,149.39	2,256.62
Monthly	4,024.10	4,224.39	4,435.36	4,657.01	4,889.34
Annually	48,289.22	50,692.65	53,224.27	55,884.07	58,672.06
Maintenance Worker III					
Hourly	25.53	26.81	28.15	29.54	31.03
Bi-weekly	2,042.16	2,144.46	2,251.69	2,363.12	2,482.17
Monthly	4,424.67	4,646.32	4,878.66	5,120.09	5,378.04
Annually	53,096.09	55,755.89	58,543.88	61,441.11	64,536.44

Water System Operator					
Hourly	25.53	26.81	28.15	29.54	31.03
Bi-weekly	2,042.16	2,144.46	2,251.69	2,363.12	2,482.17
Monthly	4,424.67	4,646.32	4,878.66	5,120.09	5,378.04
Annually	53,096.09	55,755.89	58,543.88	61,441.11	64,536.44
Senior Water System Operator					
Hourly	28.08	29.49	30.95	32.51	34.12
Bi-weekly	2,246.76	2,358.92	2,476.01	2,600.49	2,729.91
Monthly	4,867.97	5,110.99	5,364.68	5,634.40	5,914.80
Annually	58,415.69	61,331.86	64,376.21	67,612.84	70,977.65

revised: 5/11/2015