
**MEMORANDUM OF UNDERSTANDING
FOR THE
MANAGEMENT, SUPERVISORY AND CONFIDENTIAL
EMPLOYEES UNIT
SAN LORENZO VALLEY WATER DISTRICT**

January 1, 2017 – December 31, 2019

RESOLUTION NO. 20

January 19, 2017

Section 8.5 Revised July 20, 2017

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MEMORANDUM OF UNDERSTANDING
MANAGEMENT, SUPERVISORY AND CONFIDENTIAL EMPLOYEES UNIT
SAN LORENZO VALLEY WATER DISTRICT
1/1/2017 – 12/31/2019

SECTION 1 – GENERAL PROVISIONS

1.1 Parties to Understanding

This Memorandum of Understanding is made and entered into by and between San Lorenzo Valley Water District (herein after referred to as “District”) which is represented by its Board-appointed Employee Relations Officer and other designee(s) and the San Lorenzo Valley Water District Management, Supervisory and Confidential Employees Unit (hereinafter referred to as “Unit”) which is represented by their appointed representative(s) and other designee(s).

District and the Unit have met and conferred in good faith within the meaning of the Meyers-Milias-Brown Act (California Government Code Section 3500 et. seq.), regarding wages, hours and other terms and conditions of employment for those employees in the classifications of position set forth in Appendix “A” attached hereto and made a part thereof. The parties hereto have reached an understanding regarding these issues and have jointly prepared this Memorandum of Understanding (hereinafter referred to as “Agreement”).

1.2 Term of Agreement

This Agreement shall be effective from January 1, 2017, and shall remain in full force and effect until and including the 31st day of December, 2019. This Agreement shall be renewed automatically from year to year thereafter, unless either party gives written notice of a desire to modify, amend or terminate it at least 90 calendar days, but not more than 120 calendar days, before December 31, 2019 or any December 31st thereafter, if it is automatically renewed. If such notice is given, the Agreement shall remain in full force and effect during the entire period of negotiations. The parties shall exhaust all administrative remedies available to them pursuant to the most recently adopted San Lorenzo Valley Water District Rules and Regulation for the Administration of Employer-Employee Relations, Section 4, Impasse, prior to termination of this agreement.

1.3 Purpose

The parties hereby agree that the purpose of this Agreement is to promote and provide harmonious relations, cooperation and understanding between District and the employees covered herein and to provide an orderly and equitable means of resolving differences which may arise under this Agreement.

1.4 Short Title

This document, known and cited as the, "Management, Supervisory and Confidential Employees Agreement."

1.5 Plural

Wherever the singular or plural is used in this Agreement, it shall be construed to include the other.

1.6 Severability

If any provision, sentence, clause or phrase of this policy or the application of said provision, sentence, clause or phrase to any person or circumstance is for any reason held to be invalid or not in accordance with applicable provisions of Federal, State or local laws or regulation, the remainder of this policy, or the application thereof to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Parties agree that if any of the provisions are or become in conflict with applicable law or regulation, the law or regulation will control.

1.7 Recognition

District recognizes the Unit, as provided in District's Rules and Regulations, as the Exclusively Recognized Employee Bargaining Unit for the purpose of establishing wages, hours and other terms and conditions for employment for those employees in the classifications of positions set forth in Appendix "A", attached hereto and made a part thereof, as well as such classifications as may be added to this representation Unit by District during the term of this Agreement.

1.8 Management Rights

It is understood and agreed that District possesses the sole right and authority to operate and direct employees of District and its various departments in all aspects, including but not limited to, all rights and authority exercised by District prior to the execution of this Agreement, except as modified in this Agreement. These exclusive District rights include, but are not limited to the following:

- a. Right to determine the purpose, mission and policies of District and its departments;
- b. To set forth all standards of service offered to the public;
- c. To plan, direct, control and determine the operation or services to be conducted by the employees of District;
- d. To determine the procedures and standards for selection for employment and promotion;
- e. To schedule, assign and direct District employees;
- f. To determine the methods, means, and number of personnel needed to carry out District's mission;

- g. To promote, suspend, discipline or discharge for just cause;
- h. To establish work and productivity standards;
- i. To lay off or relieve employees from duty due to lack of work, funds, or other legitimate reasons;
- j. To make, publish and enforce rules and regulations;
- k. To maintain the efficiency of governmental operations by exercising control and discretion over its organization and the technology of performing District work;
- l. To determine the content of job classifications;
- m. To contract out for goods and services;
- n. To introduce new or improved methods, equipment or facilities;
- o. To take any and all necessary actions as may be deemed necessary to carry out the mission of District in emergencies, provided that no right exercised or enforced during an emergency is contrary to or inconsistent with the provisions of this Agreement; and
- p. To determine the amount of budget to be adopted to carry out the purpose, mission and policies of District.

1.9 Voluntary Payroll Deductions

During the term of this Agreement and to the extent the State of California laws permit, and as provided herein, District, in addition to deductions required by law will make voluntary payroll deductions for U.S. Savings Bonds, Employee's Bank/Credit Union, Deferred Compensation, Flexible Spending Plan, Supplemental Life Insurance, District Employee's Social Organization, and the Management Supervisory and Confidential Employees Organization. The participating employee's complete and properly executed written Voluntary Authorization Form for said payroll deductions shall be on file with District. Payroll deductions shall begin with the payroll period which is fourteen calendar days or more following receipt by District of properly executed written Voluntary Authorization Form.

1.10 Prohibition of Job Action

- a. During the term of this Agreement, neither the Unit, nor any of their officers, agents, representative and/or any employees, for any reason, will authorize, institute, aid, condone or engage in a slowdown, work stoppage, strike, sympathy strike or any other interference with the work or statutory functions and obligations of District.
- b. During the term of this Agreement neither District nor any of its officers, agents and/or representatives, for any reason, shall authorize, institute, aid or promote any lockout of employees covered by this Agreement.

- c. The Unit agrees to notify all officers, agents, representatives and/or employees of their obligation and responsibility to remain at work during any interruption which may be caused or initiated by others, and agrees to take affirmative actions to encourage employees violating this Section to return to work and cease such actions. District may discipline (up to and including discharge) any employee who violates subsection (a) of this Section of this Agreement, and/or any employee who fails to carry out their responsibilities under subsection (c) of this Section of this Agreement.
- d. Nothing contained herein shall preclude District from obtaining judicial restraint and damages in the event of a violation of this Section.

1.11 Work Rules

District may prepare, issue, and enforce work rules, policies, procedures and safety regulations necessary for safe, orderly and efficient operation. However, before District makes a decision to implement new work rules, or changes previously issued work rules, District will notify the Unit of the proposed changes and shall give the Unit the opportunity to meet regarding such changes.

1.12 Substance Abuse

In order to help provide a safe work environment and to protect the public, District may require all employees to participate in a program to detect, treat, and prevent substance abuse, toward the objective of avoidance of alcohol or controlled substance abuse.

1.13 Amendment of Agreement

No amendment or change to this Agreement shall be valid or binding unless made in writing and signed by the duly authorized representative(s) of both parties.

SECTION 2 – EMPLOYEE RIGHTS

2.1 Time Off For Representation

A reasonable number of duly designated representatives of the Unit shall be granted reasonable time off, without loss of compensation or other benefits, solely for the purpose of meeting and conferring with District's designated Employee Relations Officer or his/her duly authorized representative(s) on matters within the scope of representation.

2.2 Access to Work Locations

District agrees to grant the Unit, and their duly authorized representative(s) or agent(s), reasonable access to work locations during normal working hours for the purpose of processing grievances, disciplinary meetings or other matters within the scope of representation, provided that District Manager is notified prior to entry and provided the purpose of said visit. District may require said representative to identify employee(s) they plan to contact, approximate length of the visit and specific locations to be visited. The Unit agrees that such access shall not interfere with the work process, safety or security of the work area.

District may deny access to work areas if it is deemed that a visit at that time would interfere with work operations. If access is denied, the representative(s) shall be informed when such access will be made available. Such access shall not be more than twenty-four hours excluding Saturday, Sunday and legal holidays, after the time of said request, unless otherwise mutually agreed thereto.

2.3 Access to Information

District shall comply with all information requests to which the Unit is entitled by law.

2.4 Use of District Bulletin Boards

District agrees to grant the Unit and their duly designated representatives' reasonable access to District bulletin boards for the posting of notices. The use of District bulletin boards shall be restricted and subject to the following conditions:

- a. Any and all such material shall solely be related to the reasonable administration of employer-employee relations and within the scope of representation.
- b. All materials must be dated and identify the publisher.
- c. Prior to posting, one copy of any and all such materials shall be filed with District Manager at least twenty-four hours in advance, unless otherwise approved by District Manager.
- d. All material shall be removed not more than twenty-one calendar days after the publication date.
- e. No defamatory, political or libelous material shall be posted.
- f. Posting of material anywhere except on District bulletin boards is prohibited.

2.5 District Facilities

The Unit and/or their duly designated representatives may, with prior written approval of District Manager, be granted the use of District facilities for meetings of Unit, provided space is available. All such requests shall be made in writing with at least twenty-four hour advance notice and shall state the specific purpose or purposes of said meeting, unless otherwise approved by District Manager. Said meetings shall not interfere with the normal work duties of employees. The use of District equipment other than items normally used in the conduct of said meetings is strictly prohibited.

2.6 Written Notice

Before the Board of Directors takes action on any ordinance, regulation or resolution relating to matters within the scope of representation, District shall notify the Unit in writing of such proposal and shall give the Unit the opportunity to meet with District regarding the matter before any action is taken.

2.7 New Hire Information

The Unit shall be notified of the name and classification of all new hires into the classifications listed in Appendix "A" within the first pay period following the new employee's starting date.

2.8 Accessibility of Agreement

District shall provide a copy of this Agreement to all employees covered by this Agreement. District shall provide a copy of this Agreement to all new employees in the classifications of positions listed in Appendix "A" during new hire processing.

SECTION 3 – HIRING POLICIES

3.1 Employee Residence

All employees covered by this Agreement, shall, as a condition of their continued employment with District, be required to have their place of abode within a sixty minute response time of District office, 13060 Highway 9, Boulder Creek, California unless otherwise approved by District Manager.

3.2 Medical Examination

When an applicant is offered employment with District, the applicant may be required to complete a prescribed general medical and physical examination before being placed on the payroll as a probationary employee. District Manager shall review the medical and physical examination report and may reject an applicant based upon lawful criteria. A California licensed physician designated and paid for by District shall give such medical and physical examination. The content of the report provided to District Manger shall be limited to any applicable medical information pursuant to the job classification specification.

3.3 Audiogram

An audiogram may be required as part of the pre-employment process. Audiograms shall be provided at District's expense, and subject to all other rules regarding the pre-employment medical and physical examination.

3.4 Probationary Period

All original and promotional appointments in the competitive service shall be tentative and subject to a probationary period of not less than six months of actual service. The probationary period shall be regarded as part of the examination process and shall be utilized for closely observing the employee's work and the employee's ability to work with other employees and for securing the most effective adjustment of a new employee to their position. Time spent on leave without pay shall not count toward completion of the probationary period. The probationary period may be extended at the discretion of District Manager. Extension of the probationary period shall be for appropriate circumstances and for a specific period of time up to and including six months. No such extension shall exceed six additional months, and no further extensions shall be granted. If the service of a probationary employee has been satisfactory, regular employment status shall begin with the day following the expiration date of the probationary period. During the probationary period the employee may be recommended for rejection at any time without cause and without right of a grievance, hearing or appeal. During the probationary period for an original or promotional appointment all employee insurance benefits shall accrue in accordance with the provisions of coverage and enrollment as exists pursuant to District's incumbent insurance providers. During the probationary period for an original appointment

employee all leave benefits shall accrue but cannot be taken without prior written approval of District Manager. This does not apply to paid holidays. During the probationary period the employee shall be eligible for holiday pay.

3.5 Driving Record

District may obtain driver's license information records on each employee in accordance with the California Vehicle Code. Should an employee whose job requires driving a District vehicle be determined to be uninsurable by District's insurance broker, or be without a valid California driver's license, that shall be grounds for dismissal in the absence of evidence of extenuating circumstances.

3.6 Driver's License

All employees covered by this Agreement who are required to drive a District and/or their own vehicle on District business are required as a condition of continued employment to obtain and maintain a Class C Driver's License from the State of California Department of Motor Vehicles. District may designate specific position classifications which require, as a condition of continuing employment, the possession and continued maintenance of a Class A or Class B Driver's License from the State of California, Department of Motor Vehicles to operate certain vehicles or equipment. District shall pay for any required physical examination for the employee to obtain and maintain said Class A or Class B Driver's License.

3.7 Proof of Insurance

All employees covered by this Agreement who are required to drive their own vehicle on District business are required as a condition of continued employment to obtain and maintain vehicle insurance for said vehicle in accordance with applicable State of California standards. Employees who drive their own vehicle for District business will be reimbursed for mileage at the IRS standard mileage rate.

3.8 Employment Eligibility

All new employees shall be required to provide written evidence of the right to work in the United States of America in accordance with applicable requirements.

SECTION 4 – COMPENSATION

4.1 Application of Salary Schedule

All job classifications, except District Manager, shall be paid a salary or base hourly rate of pay applicable to the schedule established for that position as set forth in the Salary Schedule, Appendix "B", which is attached hereto and made a part thereof. The minimum step or base hourly rate of pay range generally shall apply to employees upon original appointment. District Manager may, when circumstances warrant, authorize original appointments above the minimum step.

4.2 Salary Range Schedule

The salary range schedule, which is attached hereto and made a part thereof, shall be an integrated schedule consisting of seven steps with a 5% differential between each step in the salary schedule.

4.3 Advancement of Pay Levels

No advancement of pay levels shall be made above the highest step established in the salary schedule for an employee's class or position except in accordance with this Agreement. Advancement from step to step within the salary schedule shall not be automatic but shall be based upon merit as exemplified by recommendations of District Manager. All original and promotional appointments in the competitive service entering at the first step of a salary range shall be eligible for consideration for advancement to the second step upon completion of six months of actual service and the achievement of satisfactory standards of performance based upon a written performance evaluation. The anniversary date for future merit increase consideration shall be adjusted to the effective date of this merit increase. Upon receiving regular employment status every employee in the competitive service shall be eligible for consideration for advancement to the next higher step, if any, whenever the employee has been compensated at a step for one year of actual service and the achievement of satisfactory standards of performance based upon a written performance evaluation.

4.4 Performance Evaluation

All employees covered by this Agreement shall receive an employee evaluation at least once a year by District Manager.

4.5 Longevity

In addition to an employees' base hourly rate of pay as provided in Section 4.2, Salary Range Schedule, of this Agreement, after completion of fifteen years of continuous service with District, each employee covered by this Agreement shall be eligible to receive a 5% base hourly rate of pay increase upon evidence of a satisfactory performance evaluation and approval of District Manager. Eligibility for this increase must be renewed each year thereafter in the same manner as that of the end of the fifteenth year. The increase shall be paid on an hourly basis over the entire year. Failure to receive a satisfactory performance rating, and the resultant loss of the increase, shall not be considered disciplinary action, as this increase is intended to be renewed each year and is a reward for both continuous service at District and satisfactory service during the previous year.

4.6 Salary Schedule Adjustment

Effective as of the first payroll period commencing January 1, 2017, the salary schedule for all employees covered by this Agreement will adjust based on the June 1st – semiannual Consumer Price Index for the urban San Francisco-Oakland-San Jose area as published for the preceding year. There shall be a minimum 1% increase and a maximum 5% increase. For the first year, an additional 0.25% shall be added to the Consumer Price Index to compensate for timing discrepancy of annual adjustment.

4.7 Exemption from Overtime Entitlements

For the purpose of this Agreement, the following position classifications are defined as exempt status employees relative to the provisions of the Fair Labor Standards Act (FLSA):

Environmental Programs Manager (Executive Status)

Director of Operations (Executive Status)

Finance Manager (Executive Status)

4.8 Reimbursement for Licenses and Certificates

Any employee shall be reimbursed for the cost of licenses and certificates which are required by job class specifications or approved by District Manager as a pertinent job related license or certificate. Any employee seeking reimbursement for a pertinent job related license or certificate must submit a written request for prior approval. Fees for Class C California driver's licenses shall not be reimbursed under the provisions of this Section. District shall provide reimbursement for Class A and Class B California Driver's license fees, where such licenses are required by job class specifications or approved as a pertinent job related license by District Manager.

4.9 Continuing Education Reimbursement

Any employee covered by this Agreement shall be reimbursed upon successful completion the cost of tuition and books for continuing education contact hours required by the State of California, Department of Public Health (DPH), and Operator Certification Program. Said reimbursement shall only be for the renewal of certifications which are required by a job class specification. Any employee seeking reimbursement for a required continuing education contact hour must submit a written request for approval of eligibility prior to enrollment. Written approval must be obtained from District Manager.

4.10 Required Operator Certifications Reimbursement

When an employee covered by this Agreement is required by job class specification to possess a valid operator certification pursuant to requirements of the State of California, Department of Public Health, Operator Certification Program, and the employee does not currently possess said certification, District shall reimburse said employee upon successful completion for the cost of tuition and books required "specialized training" in order to be eligible for the application certification examination. Any employee seeking reimbursement for required specialized training" must submit a written request for approval of eligibility prior to enrollment. Written approval must be obtained from District Manager.

In addition, any employee covered by this Agreement upon successful possession of applicable certifications required pursuant to this Section shall be reimbursed the applicable examination fee and certification fee.

4.11 Educational Incentive Pay

District shall provide educational incentive pay for any employee covered by this Agreement who is non-exempt under the FLSA (non-exempt status employee) and has completed their probationary period. This educational incentive pay, which shall be in addition to an employee's base hourly rate of pay, shall be based upon and added to the employee's base hourly rate of pay in accordance with the following schedule:

Educational Incentive Step	Educational Incentive
Rate E1	2.5%
Rate E2	5.0%
Rate E3	7.5%
Rate E4	10.0%

Any non-exempt status FLSA employee covered by this Agreement may request an Educational Incentive Step upon the successful completion of a pertinent job related course and certification. To be considered "pertinent" both the course and certification must improve and advance the employee's knowledge and skills for the present position. Certifications required in job class specifications or courses reimbursed pursuant to Section 4.12, Educational and Training Reimbursement, of this Agreement, are not applicable under this Section. Any employee seeking this benefit must submit a written request for approval of course and certification eligibility prior to enrollment or obtainment of certification. Approval must be obtained from the employee's Supervisor and District Manager. The employee must demonstrate successful completion of the course and possession of the certification. Employees must progress sequentially through the four Educational Incentive Steps, beginning with Step E1. Furthermore, employees shall not be eligible to progress to a higher educational step unless they have been at their current Educational Incentive Step a minimum of one calendar year. No educational incentive wage will be paid or continue to be paid for any certifications or course which are a minimum requirement of a job specification.

4.12 Educational and Training Reimbursement

In addition to training opportunities provided by District at District expense, employees covered by this Agreement will be reimbursed for books and tuition to attend job related educational courses leading to certificate, degree or professional licensing. Any employee seeking this benefit must submit a written request for approval of eligibility prior to enrollment. Approval must be obtained from District Manager. Employees must demonstrate successful completion of the courses.

Employees will be reimbursed the remaining 50% of the above costs one year after the date of course completion if the employee is still employed at District at the time.

4.13 Working Out of Classification

Employees covered by this Agreement who are assigned the duties and responsibilities of a higher paying classification for three 8-hour days or more shall be considered to be working out of classification. Working out of classification includes, but is not limited to:

- a. The employee assumes a temporary position in said classification because of the creation of a short-term position; or
- b. The employee performs such duties due to the absence of a regular employee for reasons of PTO, sickness, etc.

4.14 Compensation for Working Out of Classification

When an employee is determined to be working out of classification as defined in Section 4.13, Working Out of Classification, of this Agreement, employee will be entitled to a base hourly rate of pay increase of 5% over that employee's base hourly rate of pay for the entire period said employee is working out of class.

4.15 Phone Assignment

District at its sole discretion, may require employees covered by this Agreement to regularly carry a District provided phone. Phone assignment pursuant to this Section requires that employees so assigned shall confirm to the following conditions:

- a. Continuously carry the phone except when on approved PTO.
- b. Respond to District by telephone or other telecommuting device within sixty minutes of notification.

4.16 Overtime Compensation

a. Definition

For any non-exempt status FLSA employee covered by this Agreement overtime shall be defined as all authorized work ordered and performed in a paid status in excess of forty hours in a 7-consecutive day (i.e. 168 hours) pay period. Solely for the purpose of this Section the 168-hour pay period shall begin at 12:01 a.m. Thursday and continue to midnight the following Wednesday. All overtime shall have the approval of the employee's Department Head prior to actual performance of the work.

b. Overtime Compensation

Any non-exempt status FLSA employee covered by this Agreement shall be paid one and one-half times their base hourly rate of pay for all authorized and performed hours of work in excess of forty hours paid time per week.

4.17 Compensation Differential

Any non-exempt status FLSA employee covered by the Agreement, in addition to employee's base hourly rate of pay and/or overtime rates of pay, shall be paid a compensation differential. Compensation differential is equal to one-half times their base hourly rate of pay for all authorized and performed hours of work between 12:00 midnight and 6:00 a.m.

4.18 Holiday Compensation

Any non-exempt status FLSA employee covered by this Agreement, in addition to their base hourly rate of pay and/or overtime pay, shall be compensated eight hours pay, compensable at their base hourly rate of pay for working on a holiday designated pursuant to Section 6.9, Holidays, of this Agreement.

4.19 Compensatory Time Off

For any non-exempt status FLSA employee covered by this Agreement upon written request and approval of the Department Head, said employees may receive compensatory time off in lieu of overtime cash compensation. Compensatory time off shall be compensated at the rate of one and one-half hours of compensatory time for one hour of overtime worked. Compensatory time off shall not be allowed to accumulate beyond forty hours at any given time. The procedure for scheduling compensatory time off is the same as scheduling PTO in Section 6.2, Scheduling of PTO, of this Agreement.

SECTION 5 – HOURS, DAYS OF WORK, APPLICATION

5.1 Hours, Days of Work, Application

This Section is intended to define the normal hours of work per day or per week in effect at the time of execution of this Agreement. Nothing contained herein shall be construed as preventing District from restructuring the normal work day or work week for the purpose of promoting efficiency, from establishing the work schedule of an employee, and establishing part-time positions.

5.2 Normal Work Week and Work Days

The normal work week shall consist of forty hours per calendar week and such additional time as may from time to time be required in the judgment of District. The normal work week shall consist of five consecutive eight hour work days in a calendar work week interrupted by an unpaid one hour lunch period. Employees covered by this Agreement shall have the option to work any eight hour period between 7:00 a.m. and 6:00 p.m. Prior to changing a normal workweek schedule, District shall give all affected employees a twenty-eight calendar day notice, notwithstanding emergencies. Assignments of a normal workweek schedule which includes Saturday and/or Sunday shall be distributed equally as practical among the employees within a specific position classification.

5.3 Additional Time Worked

Any exempt status FLSA employee may be required to work hours in addition to those defined in Section 5.2, Normal Work Week and Work Days. Such additional hours may include, but are not limited to, attendance at meetings or regular or special meetings of the Board of Directors, other time demands necessary to carry out the functions of the respective positions or emergency work. Administrative Leave, as defined in Section 6.3, Administrative Leave, of this Agreement shall be considered full compensation for all additional time worked in excess of the normal work week.

SECTION 6 – LEAVES OF ABSENCE

6.1 Paid Time Off (PTO)

District shall grant PTO in lieu of sick leave, personal business leave, vacation and bereavement leave for all employees covered by this Agreement.

Employees hired before January 1, 2017 shall be entitled to accumulate PTO in accordance with the following schedule:

Years of Continuous Service	Hours of PTO Accrued Per Bi-Weekly Pay Period	Maximum PTO Accumulation
Less than 5	9.23 Hours	360 Hours
Begin 6 th Year	10.77 Hours	420 Hours
Begin 11 th Year	12.30 Hours	480 Hours

Employees hired after December 31, 2016 shall be entitled to accumulate PTO in accordance with the following schedule:

Years of Continuous Service	Hours of PTO Accrued Per Bi-Weekly Pay Period	Maximum PTO Accumulation
Less than 5	6.15 Hours	240 Hours
Begin 6 th Year	9.23 Hours	360 Hours
Begin 11 th Year	10.77 Hours	420 Hours

On the first regularly scheduled payroll date which occurs on or after July 1st of each year any PTO in excess of the maximum PTO accumulation rate shall be paid directly to the employee at the employee's base hourly rate of pay in effect for the employee's regular job on said date.

6.2 Scheduling of PTO

The scheduling of PTO and the amount of PTO granted during any particular period are matters of administrative discretion. Observance of PTO must be approved in advance by District Manager except in cases of emergency. PTO requests which are greater than two work days in duration shall be submitted for approval no less than thirty calendar days prior to such leave. PTO requests which are two workdays or less in duration shall be submitted for approval no less than seven calendar days prior to such PTO. The time during the calendar year in which an employee may take PTO shall be determined by District Manager with due regard to the interest of the employee and the orderly performance and continuity of District services.

6.3 Administrative Leave

Exempt status FLSA employees covered by this Agreement shall be entitled to 56 hours of additional PTO yearly, granted in lieu of overtime pay or compensatory time off.

6.4 Separation of Service

Any employee separated from the service of District shall receive pay for all accumulated PTO on the same day as their separation of service, unless the employee elects to receive payment over time pursuant to this Section. The amount of payment for unused accumulated leave shall be calculated based upon the employee's base hourly rate of pay in effect for the employee's regular job on the last working day of the employee's service. Employees covered by this Agreement may elect to receive payment for said unused accumulated leave by one of the two following options:

Option 1:

Employees covered by this Agreement may elect to receive 100% of all accumulated PTO on the same day as their separation of service.

Option 2:

Employees covered by this Agreement upon separation of service and PERS service retirement may elect to receive payments over time which shall be used solely to pay retired employee health care premium charges in excess of District's contribution. In the event of an employee's death, any remaining amounts of said unused leaves shall be forwarded in a cash payment to the employee's last known address.

6.5 Pregnancy Disability Leave

Female employees who are disabled on account of pregnancy, childbirth, or related conditions may take a Pregnancy Disability Leave for the period of actual disability as certified by the employee's health care provider. To be eligible, employees must have timely submitted medical certification. This unpaid leave provides up to four months (which equates to 17-1/3 work weeks for full-time employees) of job protected time off. For employees whose hours vary from month to month, the job protection period will be based on a monthly four month average of the hours worked prior to commencing leave.

Employees may elect to use their accrued paid time off during their Pregnancy Disability Leave. The substitution of any paid leave will not extend the duration of your pregnancy disability leave.

Employees who are granted leaves for pregnancy will be returned to their same position to the extent required by state law. District will provide reasonable accommodations, such as a transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, to the extent required by law and supported by medical certification, for conditions related to pregnancy, childbirth or related medical conditions.

Employees must give District at least thirty days' advance notice when the need for pregnancy-related disability leave, reasonable accommodation, or transfer is foreseeable. Otherwise, employees must give District notice as soon as is practicable if the need is an emergency or unforeseeable.

District will continue to pay its usual portion of employee's District-sponsored medical insurance during the Pregnancy Disability Leave for up to four months. District complies with applicable laws regarding continuation coverage and termination of insurance coverage. District may recover premiums if paid during an employee's Pregnancy Disability Leave if the employee fails to return from leave so long as the failure is not because the employee is unable to work because of continuing medical issues relating to pregnancy or other circumstances beyond her control.

6.6 Family Medical Leave/California Family Rights Act

District will grant job protected unpaid family and medical leave to eligible employees for up to twelve weeks (continuous or cumulative), per twelve month calendar year period for any one or more of the following reasons:

- a. The birth of a child and in order to care for such child or the placement of a child with the employee for adoption or foster care (leave for this reason must be taken within the twelve month period following the child's birth or placement with the employee); or
- b. In order to care for an immediate family member (spouse, domestic partner, child, or parent) of the employee if such immediate family member has a serious health condition; or
- c. The employee's own serious health condition that makes the employee unable to perform the functions of his/her position.

Conditions covering the leave shall include the following:

- a. Eligible employee means having been employed by District for twelve months and has actually worked for at least 1,250 hours during the twelve month period immediately preceding the commencement of the leave;
- b. Employees are required to provide District with medical verification supported by a certification from the health care provider for any leave taken relative to this Section.

- c. Employees are required to give at least thirty days written notice in the event of a foreseeable leave. In unexpected or unforeseeable situations, an employee should provide as much written notice as is practicable.
- d. Employees are required to use PTO as a part of the family leave period. Use of sick leave is not required, but may be used pursuant to the applicable provisions of this Agreement.
- e. Pregnancy disability is not covered under this Section (see Section 6.5 Pregnancy Disability Leave, of this Agreement).
- f. Employees retain "employee" status while on Family Medical Leave. The leave does not constitute a break in service for purposes of longevity, and/or seniority. Upon return to work, employee will be reinstated to an equivalent position with equivalent pay and benefits.
- g. Any request for additional leave may be made pursuant to Section 6.11, Authorized Leave Without Pay, of this Agreement.

6.7 Failure to Return

Any employee who fails to return to duty at the time specified on application of authorized PTO, Pregnancy Disability Leave, administrative, or other leaves of absence shall be considered to have resigned from service with District in the absence of extenuating circumstances.

6.8 Workers' Compensation

- a. Provision. For all employees covered by this Agreement District shall provide Workers Compensation Insurance in accordance with State of California law.
- c. Notification. Any employee who is injured on the job or becomes ill from job-related causes shall be responsible for notifying Human Resources at the earliest opportunity.
- c. Benefits. Any employee who suffers bodily injury or illness occurring in the course and scope of employment as contemplated by the Worker's Compensation Law of the State of California shall be entitled to benefits as provided by that Law. If the employee wishes to go to their own doctor, the employee must have a fully executed copy of District's Pre-Injury Personal Physician Pre-Designation of Work Related Injury Form placed in the employee's District personnel file before an injury occurs. Said form shall indicate the name, address and phone number of the physician. If said form is not in the file, the employee must go to the employer's doctor for the first thirty days.
- d. Leaves of Absence. A leave of absence for an industrial injury or illness shall not be considered a break in service. Employees paid disability compensation as stipulated by California State Law will be allowed to supplement such compensation to full base salary with accrued PTO or compensatory time off.

6.9 Holidays

a. Approved Holidays. The following shall be paid holidays:

- December 31, the day before New Year's Day
- New Year's Day, January 1
- Martin Luther King's Birthday, third Monday in January
- President's Day, third Monday in February
- Memorial Day, last Monday in May
- Independence Day, July 4
- Labor Day, first Monday in September
- Veteran's Day, November 11
- Thanksgiving Day, fourth Thursday in November
- Friday after Thanksgiving
- Day before Christmas, December 24
- Christmas Day, December 25

Additionally, each employee will receive one floating holiday per calendar year (January 1 through December 31). The floating holiday must be used during the respective calendar year. Any unused floating holiday time will be forfeited by the employee at the end of each calendar year.

b. Holiday Observance. When an approved holiday falls on a Saturday, the holiday will be observed on the preceding Friday. If the holiday falls on a Sunday, the holiday will be observed on the following Monday. District Office may observe additional State or local holidays as established pursuant to Government Code Section 6700 if approved by Board of Directors.

The following rules shall apply in conjunction with the December 24-25 and December 31-January 1 holiday periods:

1. When December 25 or January 1 fall on a Saturday, the previous Thursday and Friday shall be observed and credited as holidays.
2. When December 25 or January 1 fall on a Sunday, the previous Friday and following Monday shall be observed and credited as holidays.
3. When December 25 or January 1 fall on a Monday, the following Tuesday shall be observed and credited as a holiday.

c. PTO. In the event an approved holiday occurs during the period an employee is on authorized PTO or compensatory time off, such holiday shall be considered as a holiday and shall not be counted as part of the employee's PTO or compensatory time off.

6.10 Unauthorized Leave

Unauthorized leave is leave without authorized approval. No benefits shall accrue during a period of unauthorized leave.

6.11 Authorized Leave Without Pay

Authorized leave is without pay and benefits, except as provided within this Agreement, and may be granted by District Manager for a period not to exceed six calendar months during any twenty-four month consecutive period unless otherwise approved by District Manager due to extenuating circumstances. No authorized leave shall be granted except upon written request by the employee to District Manager setting forth the reasons for the requested leave. During the first three months of said authorized leave, for all employees covered by this Agreement and eligible for group medical, group vision, group dental and group life insurance, the employee shall be eligible to maintain group medical coverage pursuant to California Public Employees' Retirement System (CalPERS) rules and regulations. Employees granted authorized leave who wish to continue group medical insurance coverage while in a non-pay status shall be required to submit to CalPERS a Direct Payment Authorization Form, and make group medical insurance premium payments directly to CalPERS. District shall reimburse the employee for the actual cost of said group medical insurance premium payments in accordance with applicable provisions of this Section. District shall maintain and pay all premium costs associated with the employee portion of coverage for group vision, group dental and group life insurance programs. Solely for the purpose of this Section, the premium costs for the employee's dependent(s) portion of coverage associated with said aforementioned group insurance programs shall be the sole responsibility of the employee granted authorized leave.

In addition, during the first six months of said authorized leave, for all employees covered by this Agreement and eligible for long term disability insurance program, District shall maintain and pay the premium cost of the long term disability insurance program.

PTO and all other benefits as defined within this Agreement shall not accrue during authorized leave unless explicitly stated to the contrary within this Section. Time spent on authorized leave shall not be considered as time worked relative to advancement in job classifications, pay levels, longevity, or probationary period.

6.12 Military Leave

Military Leave and regulations for payment pertaining thereto, shall be in accordance with the provisions of all applicable State and Federal Military Leave Codes.

6.13 Jury Duty/Court Leave

Jury Duty and/or time off to appear in a legal proceeding pursuant to a subpoena for testimony will be granted without any loss of credit for other leaves of absence or credit for the employee's length of service. All employees covered by this Agreement shall be required to notify their immediate supervisor in advance, at the earliest opportunity, of the need for time off due to jury duty and/or due to being served with a subpoena for testimony in a legal proceeding. A copy of the jury summons or subpoena shall accompany the employee's request for time off. The employee will be required to produce a certificate from the court which shows the actual dates of attendance and an itemized account of any

compensation received for such service. The employee will receive their regular compensation; however, any compensation received for jury duty and/or court leave by the employee from the court system shall be turned over to District. It is the employee's responsibility to report for work if released from jury duty or to comply with a subpoena prior to the end of the normal work day.

6.14 Catastrophic Leave Program

The purpose of the Catastrophic Leave Program is to permit salary and benefit continuation for employees covered by this Agreement who have exhausted all paid leave due to their own serious illness or injury. With the approval of District Manager any regular status employees may contribute prior accumulated PTO time in hourly units to any other employee for use in a catastrophic situation. The annual maximum donation during any calendar year period (January 1-December 31) shall be 50% of the donor's PTO balance at the time of transfer.

SECTION 7 – INSURANCE

7.1 Life Insurance

During the term of this Agreement District shall provide each active full time regular employment status employee covered by this Agreement with a paid \$50,000 group life insurance policy. District reserves the right to provide this group insurance through a self-insurance plan or a policy through an insurance company selected by District.

7.2 CalPERS Group Medical Insurance

During the term of this Agreement District shall maintain a group medical insurance policy in accordance with the provision of this Section for each active full time regular employment status employee covered by this Agreement and covered employee dependents as defined in Section 7.6 , Covered Employees and Dependents, of this Agreement. District will provide medical insurance through the California Public Employees' Retirement System (CalPERS).

District will pay 100% of Anthem HMO Select premiums for all employees and their families covered by this Agreement hired before January 1, 2017. If employee selects higher cost plan, the difference in premiums will be paid by employee.

All employees covered by this Agreement hired after January 1, 2017 shall receive the following Group Medical Insurance premium equivalent covered from District as follows:

Employee Only	100% of Anthem HMO Select
Employee +1 Dependent	90% of Anthem HMO Select
Employee +2 or More Dependents	90% of Anthem HMO Select

Employees may elect not to be covered by the CalPERS medical insurance plan, provided they provide proof to District of dual coverage from CalPERS or other approved medical coverage. Employees who decline medical insurance coverage will be eligible to receive \$175.00 per month from the aforementioned optional pretax benefits and/or a taxable cash-out benefit.

7.3 Group Vision Insurance

During the term of this Agreement District shall maintain a group vision insurance policy and shall pay all premium costs for each active full time regular employment status employee covered by this Agreement and covered employee dependents as defined in Section 7.6, Covered Employees and Dependents, of this Agreement. District reserves the right to provide this group insurance through a self-insurance plan or a policy through an insurance company selected by District.

7.4 Group Dental Insurance

During the term of this Agreement District shall maintain a group dental insurance policy and shall pay all premium costs for each active full time regular employment status employee covered by this Agreement and covered employee dependents as defined in Section 7.6, Covered Employees and Dependents, of this Agreement. District reserves the right to provide this group insurance through a self-insurance plan or a policy through an insurance company selected by District.

7.5 Long-Term Disability Insurance

For all employees covered by this Agreement, District shall pay all costs of a long-term disability insurance program. The long-term disability insurance shall be provided on the same terms as other insurance benefits.

7.6 Covered Employees and Dependents

For the purpose of medical, dental and vision insurance and all other plans providing dependent coverage, an employee's dependents shall be defined by the evidence of coverage as provided by the applicable insurance carrier.

7.7 Retired Employee Medical Insurance

Effective from the date of final approval of this Agreement by the Board of Directors of the San Lorenzo Valley Water District, all employees covered by this Agreement who retire under the provisions of District's retirement plan contract with CalPERS, said employees are currently eligible to continue CalPERS medical plan coverage. District will provide a medical premium contribution for those retirees who are covered by the CalPERS medical plan in accordance with the following schedule of service with District:

Less Than 15 Years of Service	\$175.00
15 to 24 Years of Service	\$225.00
25+ Years of Service	\$275.00

7.8 Miscellaneous

The failure of any insurance carrier to provide any benefit for which is has contracted shall result in no liability to District.

7.9 Interviewing Committee

A Unit representative shall be a member of the Interviewing Committee to recommend medical and dental insurance and retirement programs.

SECTION 8 – OTHER BENEFITS

8.1 Social Security (FICA)

Each employee covered by this Agreement shall pay that employee's share of the contribution to FICA.

8.2 CalPERS Retirement Contribution

During the term of this Agreement, District may notify the Unit in writing of any mandated CalPERS pension reform requirements that necessitate a change to this Agreement. In the event of a CalPERS change, the parties agree to meet and discuss the effects of the change. District shall make subsequent change to this Agreement.

Tier 1

District shall maintain California Public Employees' Retirement System (CalPERS) benefits for classic employees covered by this Agreement who are first employed by District or other qualified CalPERS agency before effective date of the CalPERS contract amendment discussed in Tier 2 below, based upon the 2% @ 55 benefit formula. The formula shall be based on a three year average salary. Employees covered by this Agreement shall be responsible for the full 7% CalPERS member contribution. District shall pay 0%.

Tier 2

Effective January 1, 2013, District has amended its agreement with California Public Employees' Retirement System (CalPERS) to implement the retirement formula under Government Code Section 21535 (2% @ 62) for miscellaneous employees. The formula shall be based upon a three year average salary. These changes shall apply to all new CalPERS members' miscellaneous eligible employees. All employees covered by this Agreement shall be responsible for the full 7% CalPERS member contribution. District shall pay 0%.

8.3 Deferred Compensation

Any employee of District may, on a voluntary basis, enroll in a deferred compensation program offered through approved District providers. An amount specified by the employee will be deducted from the employee's earnings each pay period and placed into the deferred compensation plan until such time as the employee leaves the services of District either by separation of service or retirement.

8.4 Supplemental Group Life Insurance

Any employee of District may, on a voluntary basis, enroll in a supplemental group life insurance program. Upon written approval of the employee an amount specified by the employee will be deducted from the employee's earnings each pay period and placed into a supplemental group life insurance program until such time as the employee leaves the service of District either by separation of service or service retirement.

8.5 Uniform/Safety Shoe Allowance

The District will provide a Uniform Allowance of up to \$800.00 per fiscal year for employees who are required to wear District approved uniforms and safety shoes. District uniforms shall consist solely of clothing articles approved by the District Manager and shall include, but not be limited to blue denim pants, work appropriate shorts, shirts, jackets, hats and outerwear. The District will provide two hats per fiscal year.

District uniforms and safety shoes will be approved by the District Manager, and employees are responsible for laundering their uniform articles. Employees who are required to wear a District approved uniform shall be responsible for reporting to work in a clean and neat fashion and maintain a serviceable uniform. The purchase of safety shoes is to occur between July 1 and May 15 of each fiscal year.

The following position classifications covered by this MOU are required to wear District approved uniforms and safety shoes:

Director of Operations

Deputy Director of Operations

Field Services Supervisor

Water Treatment and Systems Supervisor

All position classifications covered by this MOU that are not required to wear a District approved uniform and safety shoes shall be provided an allowance of up to \$150.00 for the term of this MOU for the purchase of safety shoes.

Clothing that qualifies as Personal Protective Equipment (PPE) (other than safety shoes) and is necessary for the employee's job classification shall be purchased by the District for each employee's use. PPE clothing shall be agreed upon by the District and the employee prior to purchase.

Shirts, sweatshirts, and hats purchased that include the District logo are non-taxable and any allowances provided for the purchase of such uniform items are reportable to CalPERS. Allowances provided for shorts and jeans shall be included in the employee's taxable income, but are not reportable to CalPERS. Allowances provided for the purchase of safety boots are non-taxable and not reportable to CalPERS.

Employees who fail their probationary period or resign from the service of the District within one calendar year of their date of hire shall pay back all uniform allowance costs expensed by the District on behalf of the employee. The aforementioned uniform allowance for new hires shall be prorated on a month-by-month basis. District issued uniforms shall be considered District property, and the District Manager will determine if District uniforms are presentable. Any employee observed in unpresentable uniform clothing shall be required to immediately change into acceptable attire on the employee's own time in the absence of evidence of extenuating circumstances.

8.6 Food Cost Reimbursement

All employees covered by this Agreement shall be entitled to a reimbursement for food costs not to exceed \$15.00 in the following circumstances: 1) after working twelve or more hours on a regular work day; and 2) after working in excess of four hours on a day that is not a regularly scheduled work day. Receipts shall be submitted along with an expense report to District Manager for approval prior to reimbursement.

8.7 Flexible Spending Account

Subject to all applicable Internal Revenue Service guidelines and any and all other federal, state and/or local laws or regulations regarding the administration of such flexible spending plans, District will establish and maintain a flexible spending plan which allows employees covered by this Agreement the option to set aside a pretax salary reduction for applicable eligible benefits. It is understood that if a third party administration is retained to provide said service, any service or administration fees will be mutually agreed upon by both parties. District retains the right to select and change the third party administrator as necessary.

SECTION 9 – DISCIPLINARY ACTION

9.1 Notification of Disciplinary Action

District may take disciplinary action for just cause against any employee who has completed their probationary period by notifying the employee of the action in writing. Employees who have not completed their probationary period pursuant to Section 3.4, Probationary Period, of this Agreement, may be terminated at any time for any cause, without prior notice and without right of grievance, hearing or appeal. Notification of intended disciplinary action must be in writing and served on the employee in person or by registered mail at least 72 hours prior to effective date of the intended disciplinary action, except in an emergency situation, unless otherwise mutually agreed to by the parties. The notice must be included in the employee's personnel file, and shall include the following:

- a. Nature of Action. A statement of the nature of the disciplinary action. Disciplinary action is defined as demotion, discharge, reduction in pay, letters of reprimand and/or suspension.
- b. Effective Date. The effective date of action, which shall be at least 72 hours after notice of intended discipline, is served on the employee, except in an emergency situation.

- c. Basis for Action. A statement in ordinary and concise language of the act or the omissions upon which the disciplinary action is based.
- d. Representation. A statement that any employee may be represented by any representative of the employee's choosing relative to disciplinary action. The employee shall provide written notice relative to designated representation.
- e. Entitlement to Meet with District Manager. A statement that the employee has the right to respond orally or in writing to the charges prior to said disciplinary action being taken. The employee shall advise District Manager of the request for a meeting within 72 hours after receiving the notice. If, at the employee's option, there is no meeting, District Manager shall advise the employee in writing within five calendar days after the 72 hour period expires, of his/her decision regarding the intended disciplinary action.

SECTION 10 – GRIEVANCE PROCEDURE

10.1 Purpose

The purpose of this grievance procedure is to provide the employee with a prompt and effective procedure that will facilitate a successful resolution of problems that may arise during the course of employment.

10.2 Definition

A grievance is defined as a dispute or an allegation by an employee or a group of employees with respect to a single common issue against District alleging that an expressed written provision of this Agreement has been violated, misinterpreted or misapplied.

10.3 Representation

Grievant may be represented by any individual of their choosing. The grievant shall provide District Manager with advanced written notice relative to designated representation pursuant to grievance procedures.

10.4 Time Limitations

No grievance shall be entertained or processed unless said grievance is filed in writing pursuant to Section 10.5, Step One, of this Agreement, within forty-five calendar days after the date of occurrence or within forty-five calendar days after the concerned employee(s) became aware of, or should have been reasonably expected to have become aware of, the events giving rise to or surrounding the alleged grievance.

If a grievance is not presented within the time limits set forth in this Section, it shall be rejected and not processed further. If a grievance is not appealed to the next step of the grievance procedure within the specified time limit or any mutually agreeable extension thereof, said grievance shall be considered settled on the basis of the last answer.

10.5 Step One – Informal Procedure

Before proceeding to the formal grievance procedures any employees covered by this Agreement shall act promptly through an informal meeting with District Manager to discuss and attempt to resolve the matter before it becomes the basis for a formal written grievance reduced to writing. Any resolution reached at this informal procedure must be in accordance with the provisions of this Agreement. The time limitations specified in Section 10.4, Time Limitations, of this Agreement shall include all time expended during this informal procedure.

10.6 Step Two

Any employee(s) covered by this Agreement who has a grievance shall submit it immediately to District Manager. The grievance shall be in writing, signed by the aggrieved employee(s), and shall contain the following information:

- a. The name of the grievant(s).
- b. Specific nature of the grievance.
- c. The date, time and place of occurrence.
- d. Specific provision(s) of this Agreement alleged to have been violated, misinterpreted or misapplied.
- e. Steps, if any, taken to secure informal resolution.
- f. The corrective action desired.
- g. The name of any person or representative chosen by the employee to enter grievance.

District Manager shall make a decision regarding the grievance and shall provide the employee(s) with a written notice of such decision within fourteen calendar days after presentation of the grievance.

10.7 Step Three

If the grievance is not settled and the employee(s) wishes to appeal the grievance to the Board of Directors, it shall be referred in writing to the Board within fourteen calendar days of District Manager's written decision. Appeals to the Board shall be in writing, signed by the aggrieved employee(s) and explain the matter appealed, setting forth a statement of desired corrective action. The Board of Directors shall make a decision and shall provide the employee(s) with a written notice of such decision within twenty-one calendar days.

10.8 Arbitration

If the grievance is not settled in accordance with the foregoing procedures, the employee(s) may within fourteen calendar days request that the matter be submitted for binding arbitration, within the limits of this Agreement, to the California State Conciliation Service or other service mutually agreed to by both parties. Said request for arbitration shall be filed in writing with the California State Conciliation Service and a written copy thereof served at the same time and manner on District Manager. Upon receipt of a written request for arbitration, District and Unit shall select a mutually agreeable impartial arbitrator. Within ten calendar days after receipt of the written request for arbitration, either party may request the California State Mediation and Conciliation Service to submit a list of nine representative arbitrators. Each party may alternatively scratch names from the

list, the first scratch being elected by lot, and the person remaining after each party has scratched four names shall be the arbitrator. It is the intent of the parties that the selection process shall be completed within thirty calendar days of the receipt of the written request for arbitration.

10.9 Limitations on Authority of Arbitrator

The purpose of this Section is to allow the arbitrator to act in a judicial, not legislative, capacity to interpret the meanings of this Agreement. The arbitrator shall not render findings different from the Agreement, ordinances and/or resolutions. The arbitrator shall have no right to amend, modify, nullify, ignore, add to and/or subtract from the provisions of this Agreement, District resolutions or District ordinances. The arbitrator shall consider and decide only the question of fact as to whether there has been a violation, misinterpretation and/or misapplication of the specific provisions of this Agreement. The arbitrator shall only consider and make a decision with respect to the specific issue(s) submitted, and shall have no authority to make a decision on any other issue(s) which has not been submitted. The arbitrator shall be without power to make any decision or award which is contrary to or inconsistent with in any way, any applicable laws or rules and regulations of administrative bodies that have the force and effect of law. The arbitrator shall submit in writing a decision within thirty calendar days following close of the hearing, or the submission of briefs by the parties, whichever is later, unless the parties mutually agree to a written extension thereof. The decision shall be based solely upon the arbitrator's interpretation of the meaning or application of the express terms of the Agreement to the facts of the grievance. Any decision or award of the arbitrator rendered within the limitations of this Section shall be final and binding upon District and employee(s) covered by this Agreement.

10.10 Payment for Arbitrator

The fee and expense of the arbitrator and the cost of a written transcript for the arbitrator shall be divided equally between District and the employee(s); provided, however, that each party shall be responsible for compensating its own representatives and witnesses, and purchasing its own copy of the written transcript. The employee(s) shall make their one-half payment within fourteen calendar days of District's payment. If the arbitrator renders findings for the employee(s), District shall pay the full amount of the arbitration fees.

SECTION 11 – SEPARATION OF SERVICE

11.1 Termination by Employer

District Manager shall have full power and authority to discharge for just cause any employee.

11.2 Termination by Employee, Adequate Notice

Any employed covered by this Agreement wishing to leave the service of District in good standing shall file a written resignation with District Manager at least fourteen calendar days before leaving the service of District.

SECTION 12 – MISCELLANEOUS

12.1 Outside Employment

In the event an employee covered by this Agreement is self-employed or accepts employment other than District which affects their duties under the terms of this Agreement, said employee shall be considered to have resigned from the service of District in the absence of evidence of extenuating circumstances. A leave of absence will not be granted to enable an employee to accept employment elsewhere or for self-employment.

12.2 Vehicle Assignment

The Director of Operations shall be assigned a District vehicle to maintain communication contact with District personnel. The vehicle may be used after normal working hours within the area of residency required for District pursuant to Section 3.1 of this Agreement.

12.3 CalPERS Pre-Tax Payroll Deduction Plan

Pursuant to all applicable CalPERS rules and regulations, District agrees to initiate a request to participate in the CalPERS Pre-Tax Payroll Deduction Plan for service credit purchase(s). It is expressly understood by both parties that authorization and approval of said plan is the jurisdiction of CalPERS.

12.4 Salary Benchmark Study

District and Unit covered by this Agreement are interested in committing to a salary benchmark study. Ideas to consider include:

- a. District committing to meeting median/average salary of positions through a three year step increase.
- b. Positions above median would be frozen for up to three years, with no CPI increase until salary met median.
- c. Comparative agencies would be approved by both parties based on consultant's recommendation.

12.5 Entire Agreement


This Agreement which establishes and authorizes wages, hours, and other terms and conditions of employment for those employees in the classification of positions set forth in Appendix "A" attached hereto and incorporated herein, completely supersedes and cancels all prior practices and agreements whether written or oral, howsoever the same may be expressed, which are contrary to or in conflict with this Agreement, including resolutions and ordinances of the Board of Directors, unless expressly stated to the contrary herein and this Agreement is the complete and entire Agreement between the parties and concludes collective bargaining for its term. The parties hereby acknowledge that during negotiation which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject not removed by law and that the understanding and agreement arrived at by the parties after exercise of that right and opportunity are set forth in this Agreement. Therefore, both parties for

the duration of this Agreement, each voluntarily and unqualifiedly waive the right to bargain collectively and each agree that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, including the impact of District's exercise of its rights as set forth herein on wages, hours, terms and conditions of employment.


Notwithstanding the above, District and employees covered by this Agreement agree that nothing in this Agreement shall be construed as a waiver by the Unit of its rights to meet with District over changes District proposes to make regarding mandatory subjects of bargaining.

DATED: 1/19/17

MANAGEMENT EMPLOYEE'S
REPRESENTATIVES:

 1/13/17

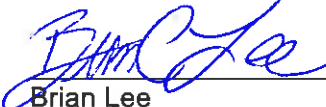
James Furtado
Deputy Director of Operations

 1/13/17

Stephanie Hill
Finance Manager

SAN LORENZO VALLEY
WATER DISTRICT:

_____
Gene Ratchiff
President of the Board

_____
Brian Lee
District Manager

APPENDIX “A” – POSITION CLASSIFICATION

CLASSIFICATIONS REPRESENTED BY SAN LORENZO VALLEY WATER DISTRICT
MANAGEMENT, SUPERVISORY AND CONFIDENTIAL EMPLOYEE'S UNIT

Director of Operations
Director of Finance & Business Services
Environmental Programs Manager
Deputy Director of Operations
Water Treatment and Systems Supervisor
Field Services Supervisor
Accountant
Administrative Assistant/District Secretary
Human Resources Specialist

APPENDIX "B" – SALARY TABLE

APPENDIX "B"
SAN LORENZO VALLEY WATER DISTRICT
SALARY SCHEDULE
EFFECTIVE JANUARY 1, 2017

RANGE	CLASSIFICATION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
233	Director of Operations	8421	8842	9284	9748	10236	10748	11285
232	Director of Finance & Business Services	8421	8842	9284	9748	10236	10748	11285
196	Environmental Programs Manager	7015	7366	7734	8121	8527	8953	9401
186	Deputy Director of Operations	6747	7084	7438	7809	8200	8611	9042
183	Water Treatment and System Supervisor	6830	7172	7530	7907	8302	8717	9153
166	Field Services Supervisor	5887	6181	6490	6815	7156	7513	7890
150	Accountant	5418	5689	5973	6272	6586	6915	7261
128	Administrative Assistant/District Secretary	5137	5394	5664	5947	6244	6556	6884
122	Human Resources Specialist	4700	4935	5182	5441	5713	5999	6299

District Manager Annual Contracted Salary is \$183,216

District Counsel monthly retainer is \$3,500