

**SOQUEL CREEK WATER DISTRICT
MOU BETWEEN
MID-MANAGEMENT EMPLOYEES BARGAINING GROUP
AND THE SOQUEL CREEK WATER DISTRICT**

**ARTICLE 1
Preamble**

Pursuant to California law the Soquel Creek Water District, hereafter referred to as District, acting through its negotiator, and representatives of the Mid-Management Employees Bargaining Group, hereafter referred to as Employees, have met and conferred in good faith and have fully communicated and exchanged information concerning wages, hours, and other terms and conditions of employment for the term commencing August 1, 2023 and terminating July 31, 2026. It is the intent of the parties to set forth herein their entire agreement covering rates of pay, wages, working hours, and other conditions of employment; and to provide for prompt and fair settlement of grievances without interruption or other interference with the normal operations of the District.

Both parties have mutually agreed that their objective is for the good of the District, Employees and Members alike. Both parties further agree that, in the interest of collective bargaining and harmonious relations, they will at all times abide by the terms and conditions as hereinafter set forth.

Except as otherwise expressly provided herein, all terms and conditions of the agreement shall apply to all employees represented by the Mid-Management Employees Bargaining Group.

**ARTICLE 2
Recognition**

2.1 No Discrimination

The District and the Employees will cooperate in pursuing a policy of equal employment and equal promotional opportunity for all employees in accordance with the District's adopted Equal Employment Opportunity Policy and applicable law. The District will not discriminate against employees protected by Federal and State laws.

2.2 Mutual Rights and Responsibilities

The Employees recognizes its obligation to cooperate with the District to assure maximum service of the highest quality and efficiency to the customers of Soquel Creek Water District consistent with its obligations to the employees it represents. The District recognizes its responsibilities to treat employees fairly and equitably. The District and the Employees affirm the principal that harmonious labor/management relations are to be promoted and furthered.

**ARTICLE 3
Management Rights**

3.1 Management Rights

Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the District, including, but not limited to, the rights to reprimand, suspend, discharge, or otherwise discipline employees for cause; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign and direct their work; to promote, demote, transfer, lay off, recall to work employees; to set

the standards of productivity and/or the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors to perform work or services; to subcontract, contract out, close down, or relocate the District's operations or any part thereof; to determine its organization and service levels; to assign employees as necessary; to control and regulate the use of machinery, facilities, equipment, and other property of the District; to introduce new or improved equipment, machinery, methods, processes or services; to adopt, implement, enforce and from time-to-time modify, rescind or change safety and work rules and regulations, with prior notice to the Employees, to determine the number, location and operation of departments, divisions, and all other units of the District; and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission for the District and to direct the District's employees. The District's failure to exercise any right, prerogative, or function hereby reserved to it, or the District's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the District's right to exercise such right, prerogative, or function not in conflict with the express provisions of this Agreement.

3.2 Contracting Out

Before submission of a recommendation to contract out any function traditionally performed by Mid-Management employees which would result in a reduction of the work force, the Employees will be offered the opportunity to examine the proposal for at least thirty (30) working days prior to Board action, whenever possible, and to submit recommendations. If requested, the District will meet and confer over the impact of proposed layoffs prior to the implementation of said layoffs.

This section shall not be construed so as to delay the District's decision in contracting out. Determinations pursuant to this Section shall be made at the sole discretion of the District without any form of appeal.

3.3 Past Practices

The parties agree that they shall adhere to established labor relation's principles in handling past practices. Specifically, in handling past practice issues within the scope of representation:

- 1) Past practice is defined as a generally accepted and clear course of conduct that relates to matters within the scope of representation and is characteristically repeated over a continuous period of time, and which has not been changed through the meet-and-confer process;
- 2) Past practices superseded or contradicted by current MOU language are null and void;
- 3) Past practices which contradict written District rules shall be null and void upon reasonable notice from the District that the language will be followed;
- 4) Past practices within the scope of representation which are not covered by MOU language or District rules shall remain in effect until the District has provided notice to the Employees and completed the meet-and-confer process.

ARTICLE 4

Employee Rights

4.1 Notification to Employees

The Employees Group shall be given at least ten (10) working days advance written notice of any ordinance, rule, resolution, regulation, or action affecting working conditions within the scope of representation, proposed to be adopted by the District Board of Directors and shall be given the opportunity to meet and confer with the District representative prior to its adoption.

4.2 Release Time

A reasonable number, up to two (2), of Employee or representatives shall be allowed to attend, without loss of pay, meetings scheduled with designated representatives of the District to meet and confer on matters within the scope of representation.

ARTICLE 5 Grievance Procedure

As in other areas of District activities, the intent of the grievance process is to resolve problems at the lowest possible step and foster harmonious relations between all District employees. The District and the Employees recognize early settlement of grievances is essential to sound employee/management relations. The parties seek to establish a mutually satisfactory and timely method of settlement of grievances. The aggrieved employee is assured freedom from restraint, interference, coercion, discrimination, or reprisal.

5.1 Grievance Presentation

An employee or a group of employees may file a grievance.

5.2 Grievance Defined

A grievance is defined as an alleged violation, misinterpretation, or misapplication of the provisions of the Memorandum of Understanding, or the District's Policies and Procedures, or the District Employee Handbook.

5.3 Time Limits

Time limits may be extended or waived at any level only by written agreement of the parties involved at that level. If the District fails to comply with grievance time limits, the grievance may be advanced to the next step upon request of the grievant. If the grievant fails to comply with the time limits, the grievance will be dropped.

5.4 Steps in the Grievance Procedure

Grievances may, by mutual agreement in writing, be referred back for further consideration or discussion to a prior step or advanced to a higher step of the grievance procedure.

5.5 Grievance Process

The grievance process available to all employees is as follows:

Step 1 - Discuss the problem informally with the Department Manager. This must happen within thirty (30) calendar days of the incident. The Department Manager will work with the employee to resolve the problem, if possible.

Step 2 - If the grievant remains dissatisfied following the informal discussion and review, he/she may submit a written grievance within fifteen (15) working days of the informal discussion to the Department Manager or his/her designee. The grievance shall be submitted on a grievance form and shall contain the following information:

- 1) The name of the grievant.
- 2) The specific nature of the grievance.
- 3) The date, time, and place of occurrence.
- 4) Specific provision(s) of the MOU, or the District's Employee Handbook or Policies and Procedures alleged to have been violated.
- 5) Any steps that were taken to secure informal resolution.
- 6) Corrective action desired.
- 7) The name of any person or representative chosen by the employee to participate in the grievance procedure.

The Department Manager or designee will talk with the employee, the immediate supervisor and others as appropriate and shall give a brief written decision within fifteen (15) working days.

Step 3 - If the grievant remains dissatisfied with the decision of the Department Manager, the grievant should forward the outline of the problem to the General Manager within seven (7) working days of receiving the Department Manager's written response. The General Manager will consider all aspects of the grievance, gathering information from others, including the employee and his/her representative, and shall render a final written response within ten (10) working days after the meeting with the grievant. The decision of the General Manager shall be final.

ARTICLE 6 Work Rules

6.1 Job Classifications

To meet changes in technology or work programs, it may be necessary to add or delete duties to the job description of a regular employee. The District will notify the Employees Group of impending actions and meet and confer with the Employees to establish the proper level of compensation.

6.2 Regular Part-Time Employees

Those regularly scheduled employees working more than 999 and less than 2,080 hours in a fiscal year will receive benefits and seniority on a pro-rated basis; total hours worked as a percentage of 2,080.

6.3 Working Out of Class

A. The following conditions must be met for the employee to receive pay for working in a higher class:

- 1) Appointments will be for periods of not less than 8 continuous hours, such temporary assignments should not continue for longer than 60 days, unless due to coverage for disability, or other authorized leave or vacancy.
 - 2) If change in status will be for more than 60 days, then it must be initiated by a Personnel Action Form.
 - 3) Employees must work the majority of the shift and will receive working out of class pay for the hours actually worked.
 - 4) Employees assigned working out of class in an exempt position will retain their non-exempt status during the assignment.
- B. Compensation for working out of class shall be the first step of the salary range for the class in which the employee is working or at least a 5% increase beyond the employee's current salary, but in no event shall it be greater than the highest step of the salary range for that class to which the employee is temporarily assigned.
- C. It is not always necessary to specifically designate an employee to replace an absent employee of a higher classification. In most cases, it is part of the District's cross-training that tasks of the absent employee are spread throughout the organization. Working out of class also will not set off a chain reaction. That is, if an employee is required to fill in for a higher classification, it will not be necessary for someone with a lower classification to fill in for that employee.

6.4 Probationary Period

All new employees and current employees moving to new job classes serve a six-month probationary period to evaluate the employee on the job. Before the employee has completed the probationary period, he/she will receive a written notice if the change to a regular status is approved or disapproved. Failure to complete a probationary period in a new classification still entitles an employee the right to return to a previous classification, if regular status had been attained, and a vacancy exists that has not been permanently filled.

6.5 Promotion

When a District employee is promoted to a position in a higher salary range, he/she will be promoted to the salary step that will provide at least a 3.5% increase. In addition, the employee will be eligible for the next salary step upon completion of the probationary period. If the pay range for the new position cannot accommodate a 3.5% increase, the employee will be placed at the highest step.

6.6 Seniority

Seniority shall be the criterion used to determine the layoff of employees resulting from the elimination of positions. Determination of seniority shall be governed by the following procedures:

- 1) Seniority will first be determined by the length of continuous employment in a pay status within the employee's current regular classification in the classified service. Employees within the same classification shall be subject to layoff in an inverse order of seniority in class.
- 2) In determining seniority, time in regular part-time service will be credited on the same ratio as the part-time hours are to full-time. For example, one year of service in a 3/4-time position would equal nine months seniority credit. Time in temporary positions will not be counted toward seniority.

- 3) If two (2) or more employees have identical seniority, a comprehensive review of their personnel files and a personal interview by the involved Department Manager, and the General Manager shall determine the order of layoff. This determination shall be final.

6.7 Working Hours

- A. Working Day: As used throughout this MOU, the term "working day" shall be defined as any weekday that the administrative office of the Soquel Creek Water District is open for business. Any reference to "day" or "days" in this MOU not preceded by the word "working" shall be defined to mean a regular calendar day or days.
- B. Work Week: Because the District must provide water service 24-hours a day, seven days a week, 365 days a year, an employee may be assigned a work week beginning with any day of the normal calendar year. The work week means any seven consecutive days starting with the same calendar day each week. [A Shift - Sunday (12:01 a.m.), B Shift - Monday, (12:01 a.m.), and C Shift - Saturday, (12:01 am)]. Work week is a fixed and regular recurring period of 168 hours, seven consecutive 24-hour periods. Regular working hours is defined as a 40-hour period in the work week. Staff cannot be transferred to a different work week to avoid overtime. The Employees will be notified of any restructuring in shifts. The District will meet-and-confer with the Employees if so requested. In the event of an emergency, the District may assign employees to work a 12 hours on/12 hours off shift without the obligation to meet and confer.
- C. Work Schedule: The District work schedule is normally Monday through Friday, 8 hours per day, for a total work week of 40 hours.

Field employees generally work from 8:00 a.m. to 4:30 p.m. with one-half hour for lunch. Office employees generally work from 8:00 a.m. to 5:00 p.m. with one hour for lunch. However, staggered schedules may be used in order to provide sufficient coverage.

- D. Regularly scheduled work hours may vary, upon approval of the General Manager; however, in no event shall the normal work week for non-exempt employees extend beyond 40 hours.
- E. One 15-minute break shall be granted during each consecutive 4 hours worked regardless of the scheduled hours of work. These rest periods are to be taken as scheduled and should not be used to lengthen the lunch hour or shorten the work day. Missed breaks do not entitle the Employee to additional compensation and cannot be accrued. Breaks not taken are forfeited.

6.8 Alternative Work Schedule

Upon the recommendation of the Departmental Manager, and with the approval of the General Manager, an Alternative Work Schedule (AWS) such as a 9/80 or 4/10 schedule may be established. The District and the Employees shall meet and confer over the specifics of any such AWS, with the general intent being that individual(s) who are assigned to such schedules shall accrue leave and holiday hours on the same basis as employees working the standard 5/8 work schedule.

6.9 Remote Work

The District may authorize certain employees to perform work remotely. Formal remote work arrangements must be authorized in a written agreement. Under certain

circumstances, short-term remote work arrangements may also be approved. The District maintains a remote work policy setting forth procedures, expectations and other important administrative details of working remotely.

A. Formal Remote Work Agreement

Upon approval by the department manager and review by Human Resources, the terms and conditions of formal remote work arrangements for the employee will be identified in a written remote work agreement.

Eligibility for remote work is based on certain criteria including the specific individual, job classifications and associated job responsibilities. Some District positions may not allow for remote work. A change in job duties and assignments, work out of class, covering for coworkers who are out may also affect eligibility. It is the supervisor's/manager's responsibility to periodically assess remote work arrangements with the employee to address changes. Approval is on a case-by-case basis.

The following criteria are to help the employee and supervisor/manager identify related issues and impacts, and determine if remote work is feasible:

- 1) Job classification and work impacts: specific and associated job duties and responsibilities, affects to service of internal/external customers and clients, impediments to other workers from performing their job duties.
- 2) Employee suitability: needs and work habits of the employee, full or part time status, permanent (non-probationary) status, demonstrated job performance and ability to work independently as determined by the supervisor/manager, compliance with District rules, regulations and policies.
- 3) Location and equipment: Access to required supplies and equipment, acceptable workspace and environment allowing effective, secure and safe remote work performance.
- 4) Work schedules and compliance: scheduling issues, hours tracking, meal and rest breaks, wage and hour compliance, tax implications, state and local government laws, etc.
- 5) Remote work agreement: if authorized, a written agreement must be completed and approved by the employee, supervisor/manager, and reviewed by Human Resources before allowing an employee to work remotely.

B. Informal Remote Work Arrangement

The District may also authorize informal, short-term remote work arrangements for circumstances such as inclement weather or natural disaster emergencies, shelter-in-place, training, etc. These arrangements must be approved by the department manager and only on an as-needed basis only, with no expectation of ongoing continuance. Depending on the length of the informal arrangement, a remote work agreement may be required by Human Resources.

- C. Remote work is a management option, not an entitlement. Any remote work agreement may be revoked or modified by the department manager at any time for any reason. This section is not subject to the grievance procedure. The union shall have the right to meet and confer over proposed changes to the remote work policy.

6.10 Anniversary Date

Anniversary date shall be the employee's date of hire, unless otherwise specified.

6.11 Performance Evaluations Except for Special Evaluations (See 7.0 below).

Written performance evaluations are to be made before the end of a probationary period and then annually at approximately the employee's anniversary of completing probation (service anniversary date). The employee shall have the opportunity to discuss these evaluations with his/her supervisor, and to add comments.

ARTICLE 7
Wages and Pay Practices

7.0 Wages and Pay Practices

- A. The salary ranges are set by the Board of Directors. All salary ranges for the Mid-Management Unit have nine steps with 5% between the first seven steps and 3.5% between the seventh and the eighth step and 2.0% between the eighth and ninth step.
- B. Entry level is normally the first step. Upon completion of probation (six months), the employee progresses to the next higher step in the range. Based upon satisfactory progress as documented in a written evaluation, an employee will receive the next step after one full year on paid status from date of completion of the probationary period and an additional step after each full year on paid status thereafter through the eighth step. An employee is eligible for the ninth step after two full years on paid status at the prior step.
- C. A merit increase may be denied by the department manager when an employee's job performance falls below acceptable work standards for the duties assigned. The department manager may, in such a case, recommend a special evaluation. The special evaluation shall describe perceived performance problems and actions to be taken by the employee to correct these deficiencies. The employee's work performance will be reviewed again before the next review date on a date that is mutually agreeable to the department manager and the employee that would allow the employee sufficient time to correct the deficiencies. If a merit increase is granted at that time, the employee's original review date shall not change and s/he shall be eligible for the next merit increase after one year on paid status from the original review date. If a merit increase is denied a second time, the employee will receive monthly evaluations for a period not to exceed ninety (90) days outlining specific goals needed to achieve satisfactory performance. The General Manager shall be notified in all cases where an employee is placed on a special evaluation. Evaluations are not to be used as discipline; however, this section does not limit the District's right to discipline when appropriate.

7.1 Wages

- A. Effective the first pay period in January 2024, a 5% increase to the salary schedule.
- B. Effective the first pay period in January in the years 2025 and 2026 wages shall be increased by the amount of the "San Francisco/Oakland/San Jose All Urban Consumers" Consumer Price Index from October to October, with a minimum of 0.5% and maximum of 4.5%.

- C. The following classifications are recognized as FLSA exempt status:
- Assistant Engineer II
 - Associate Civil Engineer
 - Customer Service Supervisor
 - Supervising Accountant
 - Management Analyst
 - Water Resources Planner

7.2 Overtime

- A. Overtime is defined as all hours required by Management and worked by the employee in excess of forty (40) hours in a work period as defined by the District. It is paid whether the work is continuous (i.e. directly following a regular shift), occurs as a result of an emergency call-back or occurs on a holiday. In accordance with the Fair Labor Standards Act (FLSA), overtime will be paid in quarter-hour increments with a minimum of seven and one half (7-1/2) minutes worked for every 15 minutes of overtime pay.
- B. Overtime will be paid at one and one-half times the base rate of pay unless the employee is eligible for overtime as defined by the FLSA.
- C. In accordance with the FLSA regulations, overtime is paid at one and one-half times the regular rate of pay to all eligible employees for time worked in excess of 40 (forty) hours in a work week. Sick, vacation, compensatory time, and holiday leave does not qualify as time worked for arriving at a 40-hour work week for the purposes of determining eligibility for FLSA overtime.

7.3 Compensatory Time Off

- A. Compensatory Time Off (CTO) is that time off given to compensate for; (1) overtime worked at the rate of time-and-one-half; (2) availability for on call duty and call back duty at straight time; and (3) in lieu holiday for holidays worked as a scheduled workday at straight time.
- B. The maximum use of all compensatory time is 60 hours per quarter. Accumulation of CTO is not limited; however, any balance will be paid off at the end of each calendar year. Employees may choose to carry over up to 40 hours of CTO into the next calendar year. Any overtime to be converted to compensatory time shall be converted in no less than one-half (1/2) hour increments. The procedure for requesting compensatory time off is the same as requesting vacation time. Vacation scheduling shall be as described in Section 8.4, and in accordance with Section 8.3 - Vacations. CTO will not be authorized if it creates the need to pay overtime to another employee to cover.

7.4 On-Call

- A. Because the District provides a vital community service, we must ensure 24 hour-a-day reliability. As 128 of the hours in a week are not within the normal work week, a significant portion of the work may occur as an emergency. Every employee is responsible for emergency work in their area of responsibility. Emergency work can arise at all hours, around the calendar, and at any District location. Employees must be available for repairs and other urgently needed services, no matter when they occur.

- B. In order to provide for this emergency service, certain Field employees' scheduled time will extend from 8:00 a.m. on Wednesday through 8:00 a.m. the following Wednesday. An employee so scheduled will receive 14 hours additional straight-time pay for being available during the assigned week, plus an additional 8-hour straight-time pay if a holiday falls within that period.
- C. Employees working on-call must be available to report to work within one hour.
- D. Off-Site Response:
 - 1) Employees may give directions to customers over the phone in lieu of traveling to the service address.
 - 2) However, an employee shall not give directions over the phone instructing the customer to turn off (or on) the water at the angle meter stop (meter box).
 - 3) Time spent on the phone is compensable as time worked but the employee will not be credited for any travel time. Time will be paid at a 15-minute minimum. An additional 15 minute minimum will not be given when the employee receives a subsequent call within the original (15) minute period.
- E. On-Site Response:
 - 1) As compensation for on-call time requiring response to the site, the employee will be credited with sixty (60) minutes straight time for travel time. However, travel time will not be given for on-call response that begins later than thirty (30) minutes prior to the regularly scheduled start of the shift during the normal work week (i.e., later than 7:30 a.m. for an 8:00 a.m. shift).
 - 2) An additional 60 minutes of travel time will not be given when it is necessary to return to the District yard in the course of a service call, when an employee leaves one job site to travel to another, or if the employee receives a subsequent service call within ten (10) minutes of the end of time worked.
 - 3) For employees using a District vehicle, time worked will begin when the employee arrives at the work site and will end when the employee leaves the work site.
 - 4) For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard and will end when the employee leaves the yard after the service call is completed.
 - 5) The start and end times under both scenarios will be verified the GPS system. Arrival is when the on-call vehicle is turned on at the designated site and end time is when the vehicle is turned off at the designated site.
- F. Employees who drive their private vehicle to District headquarters to pick up a District vehicle for on-call will not be reimbursed for mileage. Employees are not allowed to use a personal vehicle to respond to on-call service calls.
- G. Employees working service on-call shall take a uniform home for the duration of the duty. Time spent changing into and out of uniform will not be compensated.
- H. Change in Schedule. Any change made to the on-call service person's or the on-call supervisor's schedule must be submitted in writing and approved by the Operations and Maintenance Manager or designee.
 - 1) Approval will not be granted for requests for more than two (2) consecutive on-call duty assignments.
 - 2) No requests for less than one full day of the regularly scheduled on-call shift will be approved, except that one (1) time during each on-call rotation, a request for as few as four (4) hours of the regularly scheduled on-call shift will be approved.

- I. Employees assigned to on-call duty shall work a minimum of three (3) rotations per year. On-call duty shall be assigned on a weekly rotational basis. The District reserves the right to make mandatory assignments due to insufficient staffing, operational necessity as determined by the Operations and Maintenance Manager or designee or to enforce the minimum rotation requirement.
- J. Sickness or Emergency. In the event of sickness or unexpected emergency causing an employee to be unavailable for his/her scheduled on-call period, when no other personnel is available to take the on-call period, the next regularly-scheduled on-call person shall be assigned as the on-call person until the period ends. The employee who was unavailable for scheduled on-call period shall be put into the rotation as the next on-call person.
- K. In order to provide for emergency service, it is also necessary to provide for an On-Call Supervisor for each on-call shift. Certain Field employees may be designated as On-Call Supervisor. An employee so scheduled will receive 7 hours additional straight-time pay for being available during the assigned week, plus an additional 8 hours of straight-time pay if a holiday falls within that period.
- L. The role of the on-call supervisor is to assign and direct the work. This individual therefore, will not respond to perform the actual field work except in cases where:
 - 1) the urgency of the situation demands a rapid response, and the supervisor can be onsite before anyone else;
 - 2) the supervisor's presence is required on-site to direct the work;
 - 3) no one else is available; or
 - 4) the supervisor is uniquely qualified to perform the necessary work.
- M. Time responding under the first two cases listed above will be paid at the rate of time and a half. In the case of an on-call supervisor responding under situations 3 or 4 above, the response will not be considered part of the on-call supervisor responsibilities and the employee will be eligible to receive call-back pay under the provisions listed under Section 7.5.

7.5 Call-Back

If an employee who is not on call is called back for emergency work, he/she will receive 3 hours of straight-time pay plus forty-five (45) minutes straight time for travel time in addition to overtime for the actual time worked. For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard. For employees using a District vehicle, time worked will begin when the employee arrives at the work site. Only one 3-hour payment will be granted during each 8-hour period, regardless of the number of times an employee is called back. Continuation of the regular work day will not be considered "call back"; the employee will be paid only for hours worked at the overtime rate.

7.6 Use of Privately Owned Vehicle for District Business

If an employee is required to use his/her own vehicle for District business, the employee will be reimbursed at the current IRS accepted rate. The employee will be subject to District rules contained in Appendix B of this agreement.

7.7 Compensation Study

During the term of this MOU, should the District conduct a compensation study for District positions other than the General Manager utilizing comparative agencies outside Santa Cruz, Monterey, or San Benito Counties, it shall conduct a similar study for the Mid-Management Employee bargaining group and shall reopen this agreement on the issue of wages only.

ARTICLE 8 Employee Leave

8.1 Holidays

A. District employees receive twelve paid holidays throughout the year, as follows:

- New Year's Day - January 1
- Martin Luther King's Birthday - third Monday in January
- Presidents' Day - third Monday in February
- Memorial Day - last Monday in May
- Juneteenth - June 19
- Independence Day - July 4
- Labor Day - first Monday in September
- Veterans' Day - November 11
- Thanksgiving Day - fourth Thursday in November
- Day after Thanksgiving Day
- Christmas Eve - December 24
- Christmas Day - December 25

B. When a holiday falls on a Sunday, the following Monday is observed as the holiday. When the holiday falls on a Saturday, the preceding Friday is observed as the holiday. If a holiday is observed while an employee is on authorized vacation or sick leave, the day will not be charged against that employee's accumulated leave time.

C. Holiday pay is at straight time for shift plus one-and-a-half time for time worked to the nearest quarter hour.

D. In order to qualify for holiday compensation, the employee is required to work or be on a paid status such as sick leave or annual leave on his/her last scheduled workday prior to the holiday and his/her first scheduled workday following a holiday.

8.2 Floating Holidays

In addition to the above fixed holidays, employees shall be granted sixteen (16) hours of floating holiday on July 1 of each year.

A. Floating holidays will be added to each employee's vacation accrual.

B. New employees shall be granted floating holidays on a fiscal year prorated basis based on their hire date.

C. When an employee terminates, the employee's entitlement to floating holidays will be calculated on a fiscal year prorated basis based on their termination date.

D. Employees will not be paid for floating holidays not previously earned or taken.

- E. The first 16 hours of vacation taken each fiscal year will be considered the floating holidays and scheduling will be the same as for vacation. Employees must use all floating holidays within the fiscal year that they are earned.

8.3 Vacations

Employees covered by this agreement are eligible for paid vacations. All vacation and other leave time is accrued on a bi-weekly basis.

- A. If possible, employees will be allowed to use vacation at the time of their choice; however, the service needs of the District must come first. Seniority, date of request and special individual circumstances will all be considered should scheduling conflicts occur. In the event of a conflict, the decision of the General Manager shall be final.

- B. Annual vacation entitlement shall be as follows:

<u>Years of Service</u>	<u>Vacation Earned</u>
1 through 3	12 days
4 through 5	14 days
6 through 8	17 days
9 through 10	19 days
11 through 13	22 days
14 through 16	23 days
17 through 19	24 days
20 and over	25 days

- C. Paid vacation is granted for the purposes of rest and relaxation, and all employees are encouraged to take at least one half of their vacation entitlement in the year that it is earned.
- D. An employee may accrue no more than twice the annual entitlement plus 40 hours of vacation as of June 30, unless specific written authorization is received from the General Manager. An employee may waive vacation time and remain on the job and receive additional pay in lieu of time off with the specific approval of the General Manager. Employees can only receive pay in lieu of vacation for vacation time already earned.
- E. If an employee leaves the District for any reason, he/she will be paid for any earned but unused vacation.

8.4 Vacation Scheduling

All requests for vacation usage shall be submitted by the individual requesting the leave. The amount of leave hours available will be verified by the employee’s supervisor for review and initial approval. The Department Manager has final approval. Guidelines for approval or denial of requests are as follows:

- A. Requests must be submitted in quarter-hour increments.
- B. When employees request similar dates for vacation leave, the District shall approve or deny said requests in accordance with the date the request was submitted and seniority. Requests for five or more consecutive days will be evaluated prior to requests for less than five consecutive days. Special individual circumstances will also be considered in

the determination of granting or denying leave requests. The decision of the General Manager is final and non-grievable.

- C. The maximum number of employees in this bargaining group that will be granted time off from the various sections is listed below. Operational issues may allow for changes to the maximum number that may be off in a particular section:

- 1) Field (Operations and Maintenance) –Two (2) supervisors, provided the Operations and Maintenance Manager will be present
- 2) Customer Service Office –One (1) employee unless prior coverage is arranged
- 3) Customer Service Field – Two (2) employees
- 4) Engineering – Two (2) employees
- 5) Accounting – One (1) employee
- 6) Administration – One (1) employee

Department Managers are not included in the above listed maximum, except as noted.

- D. Vacation and/or comp time used in lieu of sick leave, when an employee no longer possesses any sick leave shall not be subject to this scheduling policy.

8.5 Illness During Vacation

An employee who becomes ill or is hospitalized while on vacation and provides a written statement from a licensed medical practitioner to this effect shall have the period of illness charged against sick leave and not vacation leave.

8.6 Administrative Leave

- A. Mid-Management, FLSA Exempt status employees shall earn two days (16 hours) of paid administrative leave per fiscal year (pro-rated for part-time staff). This time off shall be used in the fiscal year in which it is earned and not carried over.
- B. FLSA Non-Exempt (“hourly”) Mid-Management employees are not eligible for Administrative Leave.

8.7 Personal Leave Office Staff

Office personnel are entitled to two additional days of personal leave annually in lieu of participation in the on-call rotation. This additional leave of sixteen (16) hours will be added to the employee's vacation balance on July 1 of each year. New employees shall be granted personal leave on a fiscal year prorated basis based on their date of hire. When an employee terminates; the employee's entitlement to personal leave will be calculated on a fiscal year prorated basis up to their date of termination. Employees will not be paid for personal leave not previously earned or taken. Scheduling of personal leave will be the same as for vacation.

8.8 Sick Leave

- A. Sick leave is accrued on a bi-weekly basis for a total of 12 days per year, beginning with the date of hire. There is no limit to the number of days of sick leave that can be accumulated. All normal benefits shall continue when an employee is on paid sick leave.

- B. Employees may use paid sick leave for illness or preventive care for themselves or a family member, as well as for the diagnosis, care, or treatment of their own, or their family member's existing health condition. Time off for doctor and dental appointments during normal working hours will be deducted from accrued sick leave. Paid sick leave may be used by an employee who is a victim of domestic violence, sexual assault or stalking.
- C. Family members are defined as the employee's parent, child, spouse, registered domestic partner, grandparent, grandchild, and sibling.
- D. Sick leave is to be used for illness or injury, unless such illness or injury arises from work for another employer. Improper use of sick leave may be grounds for disciplinary action.
- E. It is the employee's responsibility to notify their supervisor or designated District representative if they are to be off on sick leave before the start of their shift.
- F. Employees may be required to file a physician's certificate for their return to work, particularly if the absence lasts three days or more, or if there are a number of absences in a short period of time. In addition, the District may require a medical examination, at its expense, regarding an employee's ability to perform the essential functions of their job, with or without accommodation.

8.9 Personal Sick Leave Time Allowance

After completing the probationary period or if an employee meets the criterion outlined below on June 30 of any year, all qualified employees are entitled to convert three days of accrued sick leave to vacation time. This will reduce the accumulated sick leave balance by the converted amount. The criterion are:

- A. That not more than 8 days (64 hours) of the sick leave entitlement has been used during the prior year, AND
- B. That the employee has an accumulated balance of at least 10 days (80 hours) of sick leave as of June 30.

8.10 Sick Leave Incentive

Upon retirement or termination for other than gross misconduct, employees may elect to be compensated for unused sick leave according to the following line-item schedule of payment. Unused sick leave balances not cashed out are reported to CalPERS:

Days of Unused <u>Sick Leave</u>	<u>Straight-Time Payment</u> <u>Upon Termination</u>
For days 1 through 10	No Payment
For days 11 through 30	25% of days accrued
For days 31 through 50	45% of days accrued
For days 51 and over	60% of days accrued

8.11 Bereavement Leave

- A. If a death in an employee's immediate family occurs, the employee may be eligible, with approval by the Department Manager for up to two (2) days of District-paid Bereavement leave to attend to the needs of the family.
- B. The employee may also utilize up to three (3) days of sick leave, compensatory time or vacation leave for each subsequent incident and/or additional time beyond the District-paid days. If additional time is requested, the vacation scheduling rules apply.
- C. "Immediate family" shall be defined as spouse, registered domestic partner, parent, grandparent, child, step-parent or step-child, grandchild, sibling, and father or mother in-law, brother or sister in-law, and/or son or daughter in-law (in-law relationships also apply to the family members of registered domestic partners), or other close relation residing in the employees household.

8.12 Medical/Disability Leave Without Pay

Employees may request medical leave without pay and file for State Disability Insurance (SDI). Medical leave without pay shall be granted in accordance with the standards established by the Family Medical Leave Act ("FMLA") and the California Family Rights Act ("CFRA").

In case of extended disability beyond the FMLA/CFRA provisions and after exhausting all of his/her accrued paid leave (including vacation and comp time), an employee may request the Board of Directors to approve additional leave without pay. The request shall be initially submitted to Human Resources and must contain a statement from a health care provider setting forth the need for the leave and the probable duration.

8.13 Family & Maternity Leave

- A. The District shall implement family leave (including maternity leave) in accordance with the standards established under federal and state of California pregnancy leave laws, including the California Family Rights Act ("CFRA") and California Pregnancy Disability Leave (PDL). Such laws provide leave rights and protections for employees due to pregnancy, childbirth and/or related medical conditions.
- B. In addition, leave rights and protections for employees due to birth/bonding, adoption and foster care shall be implemented in accordance with the standards of the federal Family Medical Leave Act ("FMLA"), the California Family Rights Act ("CFRA") and other related laws, regulations or provisions. Any changes to the above listed provisions are subject to meet and confer.
- C. Human Resources will provide information and guidelines to individual employees on the related laws and benefits as family and maternity leave plans are being made, prior to taking leave.
- D. Additional personal leave related to pregnancy, birth/bonding, adoption or foster care may be granted by the employee's department manager depending upon the employees available leave accruals or comp-time earned. Impacts to District operations and existing will be considered.

If the employee has no available paid leave, the provisions of Article 8.15, Leave of Absence Without Pay will be followed.

- E. District employees are covered under State Disability Insurance (SDI) and Paid Family Leave (PFL) through the State of California. Employees seeking claims for SDI or PFL benefits are subject to approval by the State of California.
- F. Employees shall have the right to integrate SDI or PFL pay with any available paid accruals or comp-time earned. Employees must provide receipts of SDI or PFL payments to Human Resources and/or payroll.

8.14 Leave of Absence Without Pay

The General Manager will make every effort to accommodate an employee with up to a 30-day leave of absence without pay for any legitimate non-medical purpose, with the exception of other employment. The granting of this leave ensures that the employee can be reinstated to his/her same job or to another job in the same classification.

8.15 Benefit Accrual During Leave Without Pay

While on any type of leave without pay, employees will not accrue vacation, sick leave, Compensatory Time or holidays. In addition, time will not accrue toward service retirement or seniority. The District will not continue to pay for insurance coverage except when an employee is on FMLA/CFRA or extended Medical/Disability Leave; however, an employee on leave without pay for other than FMLA/CFRA reasons may continue group coverage by paying the premiums directly to the District for the duration of the leave.

8.16 Safety Leave

In the event a field employee is called out to perform work, or performs work from home for a minimum of one hour (the one hour minimum only applies to work from home and not to call outs) for the District between the hours of 12:00 a.m. and 6:00 a.m. on days immediately followed by a scheduled work shift beginning no later than at 8:00 a.m. or 8:30 a.m., that employee shall be granted paid safety leave which must be taken either at the beginning or end of their scheduled shift on that same work day.

- A. Safety leave shall be granted in the following increments:
 - 1. Hours worked between 12:00 a.m. and 8:00 a.m. which total four (4) hours or less: Two (2) hours paid safety leave.
 - 2. Hours worked between 12:00 a.m. and 8:00 a.m. in excess of four (4) hours: Hour for hour in 15- minute increments for those hours worked in excess of four hours.
- B. A maximum of six (6) hours safety leave shall be granted for any one shift. Safety leave is considered "time worked" for purposes of computing eligibility for overtime hours actually worked.

8.17 Supplemental Workers' Compensation Leave

Upon regular employment with the District, each Office and Field employee will be granted a one- time allocation of 60 hours of Supplemental Workers' Compensation Leave. This leave can be thought of as a District self-insured, long-term disability leave.

- A. Supplemental Workers' Compensation Leave can only be used to make up the difference of the payment by Workers' Compensation Insurance and regular salary, shall be used only in conjunction with Workers' Compensation Disability payments, and is subject to the same three-day waiting period.
- B. An employee cannot use this benefit unless eligible for Workers' Compensation Disability payments and only after all but 96 hours of accrued sick leave is used.
- C. In January of each year, employees who have not used their Supplemental Workers' Compensation Leave during the previous calendar year will be awarded 60 hours additional Workers' Compensation Leave with the maximum total accrual for each employee not to exceed 60 hours.
- D. The following examples should help clarify the supplemental Workers' Compensation leave:

		<u>Employee #1</u>	<u>Employee #2</u>	<u>Employee #3</u>
<u>2017</u>	Credit:	60 hours	60 hours	60 hours
	Used:	0 hours	10 hours	60 hours
<u>2018</u>	Credit:	60 hours	50 hours	0 hours
	Used:	20 hours	0 hours	0 hours
<u>2019</u>	Credit:	40 hours	60 hours	60 hours

8.18 Jury Duty and Public Service Leave

- A. If an employee is called for jury duty, the District will pay their regular salary for the duration of service. The amount paid for jury service will be deducted from the employee's regular salary so that the total amount does not exceed the normal salary.
- B. In all circumstances, an employee may not receive more than the total of their regular salary for any public service leave.
- C. If an employee regularly serves in a volunteer public safety capacity (fire or police), special paid leave will be granted if that employee is called for emergency service.

8.19 School and Child-Related Activities Leave

Employees are eligible to leave to attend to specified school activities of their children as required by California Labor Code section 230.8.

8.20 Military Duty and Military Family Leave

- A. Military leaves and benefit accruals while on military leave will be administered in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the California Military and Veterans Code.
- B. Military Family Leave entitlements will be administered in accordance with the Family Medical Leave Act (FMLA) and California Military and Veterans Code.

8.21 Payment of Accrued Leave Benefits Upon Death

If an employee should die while actively employed with the District, all accrued leave benefits will be paid as part of the final compensation, payable to the deceased employee.

ARTICLE 9
Health and Welfare Benefits

9.1 Medical Insurance Plans

The District provides medical insurance for employees and their eligible dependents following the applicable waiting period.

The maximum monthly District contribution, including the PERS required minimum, will equal 90% of the premium for the Blue Shield Access+ HMO plan listed for Santa Cruz County (the "base" plan). Employees enrolled in other plans will be required to pay any applicable additional cost. Employee premium contributions are paid through payroll deduction. In no event will an employee be credited based on the plan chosen.

9.2 Cash in Lieu of Medical Plan

If an employee is covered by other than District-offered medical insurance, the District, upon proof of other group medical insurance and written request by the employee to be excluded from the District's plan, will pay the employee as additional compensation, 30% of the adjusted premium. (The adjusted premium is defined as the monthly employer plan contribution identified in Article 9.1 – Medical Insurance Plans) Cash in lieu will be paid as a taxable cash benefit and participation must be renewed and verified annually.

9.3 Dental Plan

The District provides dental coverage for employees and their eligible dependents at no cost to employees. The current plan is the Delta Dental PPO Plan.

9.4 Vision Plan

The District provides vision coverage for employees and their eligible dependents at no cost to employees. The current plan is the VSP plan.

9.5 Flexible Spending Account (FSA)

The District offers two Flexible Spending Account (FSA) plans. The voluntary FSA plans reimburse enrolled employees for eligible out-of-pocket health expenses and child care expenses on a pretax basis.

9.6 Employee Assistance Program (EAP)

The District provides an Employee Assistance Program (EAP) for employees and their eligible dependents at no cost to employees.

9.7 Cafeteria Plans

Employee health plan premium contributions and FSA contributions are made through payroll deduction on a pre-tax basis in accordance with IRS regulations through the District's Section 125 Cafeteria Plans.

9.8 Life Insurance

The District provides a fully paid 2xSalary/\$200k maximum term life insurance plan for employees who work at least 30 hours per week following an applicable waiting period. Subject to the approval of the insurance provider, employees may purchase additional life

insurance up to the maximum offered by the provider. Dependent coverage of \$1500 for spouse and \$1000 for dependent children is also included.

9.9 Long Term Disability

The District provides a long-term disability plan through the Standard Insurance Company at no cost to employees who work at least 30 hours per week.

9.10 Insurance Continuation

Federal legislation (COBRA) entitles employees and/or dependents to continuation of group medical insurance at their expense for 18 to 36 months after termination, in most cases. Details of qualifying events, coverage and payment, as well as enrollment forms are available from Human Resources.

**ARTICLE 10
Retirement**

10.1 Retirement

The District provides employee retirement plan enrollment under the California Public Employees Retirement System (CalPERS).

A. Classic CalPERS Members

- 1) The District recognizes CalPERS “classic members” as those that do not fit within the definition of a “new member” defined in B.(1) below and by Government Code 7522.04, the Public Employee’s Pension Reform Act of 2013 (PEPRA)
- 2) For employees hired before August 1, 2013, as well as employees hired on or after August 1, 2013, who qualify for pension reciprocity pursuant to Government Code Section 7522.02 (c) and any related reciprocity requirements established by PERS, the District provides the 2.5% at 55 years retirement plan based on the average of the highest three years of the employee’s salary.
- 3) These employees shall pay 100% of the employee contribution as determined by PERS. The District shall not pick up any portion of the required employee contribution. The District has set up a qualifying plan under the IRC 414(h)(2) regulations that provides for employee contributions are to be treated as employer contributions for tax purposes; thereby retaining the tax exemption for deferred compensation.

B. PEPRA CalPERS Members

- 1) The District recognizes CalPERS “new members” as defined by Government Code 7522.04, the Public Employee’s Pension Reform Act of 2013 (PEPRA):
 - a) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California Public Retirement System.
 - b) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who was a member with another California Public

Retirement System prior to January 1, 2013, and who is not eligible for reciprocity.

- c) A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months.
 - d) The District provides retirement coverage through the PERS retirement formula to these eligible employees under Government Code Section 7522.20 (2% at 62 years). This formula shall be based upon the employee's final 3-year average salary, as defined by Government Code 7522.32.
- 2) These employees shall pay at least 50% of the annual actuarially determined normal cost of their pension plan as determined by PERS. The District shall not pick up any portion of the required employee contribution. The District has set up a qualifying plan under the IRC 414(h)(2) regulations that provides for employee contributions to be treated as employer contributions for tax purposes; thereby retaining the tax exemption for deferred compensation.

10.2 Disability and Industrial Disability Retirement

The District provides coverage under the California Public Employees Retirement System (PERS) for all regular employees. The District contracts with CalPERS for two disability retirement plans; disability retirement and industrial disability retirement.

A. Disability Retirement

Disability retirement has no minimum age requirement and the disability does not have to be job related. However, an employee must have a minimum of five (5) years of CalPERS service credits to qualify for this type of retirement.

B. Industrial Disability Retirement

Employees hired prior to December 18, 2005 are also eligible for industrial disability retirement should they become permanently disabled from a job-related injury or illness. Industrial disability retirement has no minimum age or service credit requirement.

10.3 Service Retiree Medical Benefits

A. Employees hired prior to August 1, 2013:

- 1) The District will provide continuing basic medical care coverage only, up to the premium cost paid for active employees, to a retired employee and one eligible dependent upon service retirement, provided all of the following conditions apply:
 - a) The employee is not retiring in lieu of being terminated for cause;
 - b) The employee is 55 years of age or older;
 - c) The employee has at least 10 continuous years of District service;
 - d) Medicare or a similar form of governmental health care coverage is unavailable,
 - e) The retiree is not eligible for medical coverage at any other job; and
 - f) A retiree is not covered by a spouse's health insurance.
- 2) The District will pay a pro-rated share of this benefit to eligible part-time employees. The pro-rated share of the premiums shall be based upon the

proportion of the part-time employee's hours in relation to full time equivalency (FTE) calculated from date of hire.

B. Employees hired on or after August 1, 2013:

- 1) The District will provide continuing basic medical care coverage only, up to the 50% of the premium cost paid for active employees, to a retired employee and one eligible dependent upon service retirement, provided all of the following conditions apply:
 - a) The employee is not retiring in lieu of being terminated for cause;
 - b) The employee is 62 years of age or older;
 - c) The employee has at least 10 continuous years of District service;
 - d) Medicare or a similar form of governmental health care coverage is unavailable,
 - e) The retiree is not eligible for medical coverage at any other job; and
 - f) A retiree is not covered by a spouse's health insurance.
- 2) For employees who retire with more than 10 years of continuous service the District will provide an additional 5% of the premium cost for each year of continuous District service above 10 years, up to 100% of the premium cost paid for active employees.
- 3) The District will pay a pro-rated share of this benefit to eligible part-time employees. The pro-rated share of the premiums shall be based upon the proportion of the part-time employee's hours in relation to full time equivalency (FTE) calculated from date of hire.

10.4 Disability Retiree Medical Benefits

Upon disability retirement, the District will provide continuing basic medical care coverage, up to the premium cost paid for active employees, to a retired employee and one eligible dependent, provided the following conditions apply:

- 1) The employee has attained 55 years of age or has at least 20 continuous years of District Service;
- 2) Medicare or a similar form of governmental health care coverage is unavailable;
- 3) The retiree is not eligible for medical coverage at any other job; and
- 4) A retiree is not covered by an eligible dependent's health insurance.

10.5 Medicare Eligibility

- A. At such time as the retired employee becomes eligible for Medicare or its equivalent, the District will contribute the minimum PERS percentage toward the Medicare supplemental plan based on the United HealthCare (UHC) Group Medical Advantage PPO Plan, or the lowest cost Medicare supplemental plan offered by CalPERS, should the UHC plan be eliminated.
- B. Continued coverage for a retiree's spouse shall be determined based on that person's age and Medicare eligibility. The District will continue coverage under this program for surviving spouses of deceased eligible retirees.

10.6 Deferred Compensation

The District offers its employees the opportunity to voluntarily participate in a deferred compensation IRS Section 457 Retirement plan. Contributions are made through tax exempt payroll deduction.

ARTICLE 11 Clothing and Safety

11.1 Safety

The District and the employees desire to maintain a safe place of employment for all District employees and to that end, the District will work jointly with the Employees to make provisions necessary for the safety of employees in the performance of their work.

11.2 Clothing

- A. Rain gear and uniforms are furnished to Field employees, at District cost. Appropriate safety gear will also be provided to employees assigned to employees who are required to perform work in the field or at construction sites.
- B. Employees with fieldwork or outreach as part of their duties are provided an annual allowance of \$100 toward District logo wear.

11.3 Safety Shoes

- A. The District will reimburse up to \$250 per Field employee each fiscal year, toward the purchase of one pair of approved safety shoes or boots and may include orthotic inserts. If needed due to substantial wear, the Department Manager may authorize a second pair of footwear; however, the total reimbursement for all footwear provided by the District shall not exceed \$400 in any fiscal year. District purchased footwear is not to be worn off duty except to and from work.
- B. Employees assigned to other departments who are required to perform work in the field or at construction sites will be reimbursed for one pair of approved safety shoes on an as-needed basis with prior authorization of the Department Manager. These safety shoe reimbursements will not exceed once per year and the maximum allowance.
- C. To receive reimbursement for approved safety shoe purchases, an employee must submit the receipt to their Department Manager. If shoes are lost, stolen or damaged not due to the employee's negligence, the District can arrange for an emergency boot allowance or an allowance to be repaid by the employee over a specified period of time.

11.4 Worker's Compensation

District employees are covered by the California Workers' Compensation Laws. If an employee is injured or becomes ill as a result of work or working conditions, sick leave or other accrued leave may be used to make up the difference between the Workers' Compensation payment and full salary.

When an employee is injured or becomes ill from work-related causes, the employee must report this to his/her supervisor immediately. The initial doctor's visit will not be charged against sick leave. If an employee does not report the incident promptly or refuses a medical attention offer, the employee may lose the right to Workers' Compensation benefits.

Employees receiving Workers' Compensation disability payments will be considered to be in a paid status and will continue to receive sick leave, vacation, holidays and service accrual and all insurance benefits.

ARTICLE 12

Education, Licenses and Certifications and Other Incentives

12.1 Educational Incentive

It is the policy of the District to encourage employees to improve their job skills and career potential and, thereby, their effectiveness as District employees.

- A. With prior approval of the supervisor and the General Manager, and upon successful completion of the course(s), an employee will be reimbursed for the costs of tuition and books for courses in subjects that can be shown to improve the employee's job performance and/or District career potential.
- B. Classes should normally be scheduled for non-work hours; however, if this is not possible, an effort can be made to temporarily modify an employee's work schedule for the duration of the course.

12.2 Reimbursement for Licenses and Certificates

- A. The District will reimburse an employee for the actual costs of obtaining and maintaining required special licenses, certificates and registrations. The District will not however, pay additional fees when licenses are not renewed on time. Further the District will not pay for test prep courses or exam fees when these are required to renew a license that has been allowed to lapse.
- B. Reimbursements for two-day exam prep study courses and exam fees are limited to two attempts to obtain any single certification or license. Courses over two days are subject to prior approval by the department manager.
- C. Any employee who attends a District-paid prep study course and fails to register for or take the next scheduled test is not entitled to receive any further District-paid study courses to obtain that particular certification unless the failure to register or take the test was due to extenuating circumstances. The General Manager has sole discretion in determining what constitutes extenuating circumstances.
- D. With prior approval, a District vehicle may be used to attend any associated training or testing. Mileage will be reimbursed when a personal vehicle is used.
- E. Fees for California Class C driver's licenses shall not be reimbursed under this provision; however, reimbursement shall be provided for that portion of a Class A and/or B license fee and/or hazardous material endorsement fee, where such licenses and/or endorsements are required by the job class specifications.
- F. The District will pay wages for time spent in test taking for required licenses and certifications.

12.3 Certification Stipends

- A. As an incentive to encourage employees to acquire knowledge in areas related to current or future position(s), the District will provide a monthly stipend of \$50 per

certification based on certification at a higher level than what is required for the current classification. The stipend is not subject to any cost-of-living increases and will continue as long as the certification is maintained and not a requirement of the position. The stipend will, however, cease upon promotion or transfer to a higher classification which includes the certification as a requirement.

- B. Probationary employees are not eligible to receive a certification stipend until the probationary period is satisfactorily completed and the required certification for the current position is obtained.
- C. Only one (1) distribution certification and one (1) treatment certification at a level above the requirement for the current classification will be approved. Obtaining additional certification will not result in the loss of the stipend. Approved certifications are listed below, however these may be subject to change and the employee shall submit a written request for approval from the Department Manager prior to seeking the certification.

Position	Required Certifications	Approved Certifications	Maximum Stipend
Assistant Engineer I/II	Grade D-2	Grade D-3 and Grade T-1	\$100/month
Associate Civil Engineer	Grade D-2	Grade D-3 and Grade T-1	\$100/month
Customer Service Field Supervisor	Grade D-2	Grade D-3 and Grade T-1	\$100/month
Operations & Maintenance Supervisor	Grade D-4 and Grade T-2	Grade D-5 and Grade T-3	\$100/month

12.4 Green Commuter Incentive

- A. Eligibility – Staff eligible for other District-provided benefits (full-time or part-time) and who have a work schedule which typically reports to the District office between 6am and 10am during the regular work week are eligible to participate in the Green Commuter Incentive program.
- B. Daily Cash Incentive – For each regular workday an eligible staff member walks, bicycles (including ebikes), uses public transportation or carpools vs. driving alone to work, the District will pay \$1.50. Participating employees must certify they have opted for program-allowable commute options. Green commuter incentives are considered taxable income.
 - 1. Only one daily cash incentive is available for regular round trip commute to the District office, Monday-Friday. Due to the need for immediate response, on-call and emergency call-back responses are not eligible.
 - 2. If combining walking or cycling with public transit commute options, employees are only eligible for one daily cash incentive, but may be eligible for the public transit subsidy and daily cash incentive as described in section C.
 - 3. Payments are taxable income and are processed in the payroll cycle for which the incentive is earned.
- C. Public Transit Subsidy – In addition to the daily cash incentive, eligible employees are also eligible for reimbursement of up to the cost of a 31-Day Santa Cruz Metro pass to use public transit by submitting receipts for the purchase of transit passes.

- D. Certification Process – Eligible staff wishing to participate must submit a Green Commuter Incentive participant election form to Human Resources. Upon approval, Human Resources will notify Payroll to activate Green Commuter Incentive payroll entry. Participants must submit qualifying entries in their daily time/attendance and will be paid in the payroll cycle for which the incentive is earned. Late submission disqualifies an employee from receiving the incentive as requested.
- E. Guaranteed Ride Home - In the event of a bona fide emergency or if unscheduled overtime is required by the supervisor/manager, registered green commuters will be offered a guaranteed ride home by District-approved means.

ARTICLE 13
Layoff

The District Board may eliminate any position in the classified service as identified by classification due to lack of funds, work, or need. Whenever, in the judgment of the District Board, it becomes necessary to eliminate any position of employment, the employee may be laid off, bumped to another position, or be reassigned according to the procedures outlined below.

13.1 Notice of Layoff

Employees to be laid off shall be given at least thirty (30) calendar days prior written notice, except during financial emergencies where notice may be shorter. The notice will contain the following:

- A. Reason for layoff
- B. Effective date
- C. Notification of right to meet and confer

Representatives of the Mid-Management Employees Bargaining Group shall receive a copy of the notice using the same timeline and shall be afforded the opportunity to meet and confer.

13.2 Order of Layoffs

Employees to be laid off within a Classification shall be determined by seniority/date of hire in classification, in the following order:

- 1) Temporary/Limited Term (no layoff rights)
- 2) Probationary
- 3) Regular part-time (unless lack of work/funds affords the ability to maintain regular part-time work versus full-time)
- 4) Regular full-time

13.3 Reassignment in Lieu of Layoff

- A. Bumping:

Employees may elect reassignment or bumping to the same or previously held classification in lieu of layoff, in accordance with the following provisions:

- 1) An employee may request reassignment to the same classification anywhere in the District provided the employee is more senior than the least senior employee in that classification.
- 2) An employee may request reassignment to a classification in which the employee previously held regular status provided the employee is more senior than the least senior employee in that classification.
- 3) Seniority is determined by adding together time in all other classifications to the previously held lower classification to which the employee is attempting reassignment (bumping).

B. Reassignment to a position not previously held:

1) Vacancy:

An employee may be reassigned to a different position in lieu of a layoff if, at the time of layoff a vacancy exists for which the employee is qualified as described in the job description.

- a. Qualifications will be based on meeting the minimum qualifications (MQ's), and the ability to retrain within ninety (90) days.
- b. After ninety (90) days, a review will be made by the General Manager upon recommendation of the Department Manager, to determine whether the employee is qualified to fill the position as a regular appointment.

2) Classification Series:

An employee may request reassignment to a lower classification within their current job family series, provided the employee is qualified and is more senior than the least senior employee in the lower classification.

- b. The determination of whether an employee is qualified to work in another classification will be made by the General Manager upon recommendation of the Department Manager.

13.4 Re-employment

Individuals laid off or reassigned shall be placed on a re-employment list in order of seniority for a period of eighteen (18) months. The person highest on the list for a particular classification when a vacancy occurs in this classification, or in a subordinate related classification, shall be offered the appointment without going through the normal selection process, but subject to the following procedures:

- A. Persons on a re-employment list may be required to pass a normal pre-employment/post-offer physical examination, or other qualifying examinations prior to reappointment.
- B. A person offered re-employment must respond to a formal, written offer within ten (10) working days and be available to work within two (2) weeks from the date of offer. The person will be notified by email and by certified mail - return requested to the last known address.
- C. A person's name will be removed from the re-employment list for the following:
 - 1) An offer of re-employment is refused
 - 2) Failure to respond to a written offer within ten (10) working days
 - 3) the individual submits a written request to be removed from the list.
- D. Upon re-employment, all rights and benefits acquired by the individual prior to layoff shall be restored, including credit for years of employment towards seniority, leave

accrual rate and previous pay step. In no event, however, will the District be required to restore credits for vacation or other benefits paid out at the time of separation or coverage for any group insurance programs for the period the employee was not working for the District.

- E. An interested person on a re-employment list may elect to be available for temporary work and shall be given preference for work in any department in the individual's former classification, or other classification for which the individual is qualified or as defined above. Any interested person must provide contact information where they can be reached to the Human Resources Office. Failure to respond to a written notice of such an offer of work within ten (10) working days shall result in disqualification.

13.5 Job Counseling and Placement Services

It is the District's intent to assist laid off employees through the transition from District service. The Human Resources office will function as a clearinghouse for information and referrals on outside employment, training opportunities, and potential re-employment opportunities with the District.

13.6 Retraining

It is the District's intent to consider on-the-job training programs for laid off employees and employees designated for layoff who may be interested in applying for other vacant positions within the District for which they may or may not be fully qualified.

- A. If an employee's qualifications are judged to meet the minimum desirable qualifications as outlined in the job description or, if in the opinion of the department manager, it is reasonable to expect the employee to meet the minimum desirable requirements within a 90-day period of on-the-job training, the District will consider the laid off employee along with any other applicants.
- B. An employee who is placed in a position under this provision shall have their name removed from any re-employment lists.
- C. If the position in which the employee is placed is considered a promotion, the employee shall serve a probationary period.

13.7 Severance Benefits

A permanent employee separated from District service as a result of this Article shall have his/her insurance benefits paid by the District at the same level as while employed for a period of ninety (90) calendar days from the date of separation. At the end of the ninety-day period, post-employment insurance continuation will be administered in accordance with COBRA regulations.

ARTICLE 14 Discipline

14.1 Discipline Process

- A. The purpose of discipline is to improve employee performance, not merely to chastise or punish the employee. Accordingly, any necessary discipline shall be approached positively and in a spirit of fairness and equal treatment. Any actions shall be consistent from department to department and shall follow a logical series of progressive steps, each step documented by a supervisor's notes in an employee's personnel file.

B. In general, the process is as follows:

- 1) Counseling - in which performance deficiencies are verbally explained to the employee and suggestions for improvement made. The supervisor should note the date, time and subject, but no formal record will be made in the employee's personnel file.
- 2) Verbal Reprimand - in which the employee is formally warned regarding his/her performance and a notation is made in the employee's personnel file.
- 3) Written Reprimand - in which an employee receives a written notice documenting the performance problem with a copy to the employee's personnel file.
- 4) Suspension - in which an employee is suspended from work without pay for a period of one to fifteen days.
- 5) Dismissal - in which the employee is terminated for cause.

Discipline may progress through the various steps or may begin at any step, depending upon the nature of the infraction. The immediate supervisor may exercise discipline through suspension. In any event, each step above employee counseling will be reviewed by the General Manager.

14.2 Action Prior to the Imposition of Discipline

Except for verbal or written reprimands or where circumstances dictate the District taking immediate action to remove the employee from the workplace, the District shall provide the affected employee with 5 working days written notice prior to taking disciplinary action. In cases where immediate action is dictated, written notice shall be provided the employee within two (2) working days from the date of the action.

14.3 Notice of Disciplinary Action

Written notice of any major disciplinary action resulting in suspension of at least 5 working days, demotion, or dismissal shall be provided to the employee via certified mail and shall include:

- 1) The nature of the disciplinary action.
- 2) The effective date of the action.
- 3) A summary of the act of the employee that resulted in this disciplinary action.
- 4) A statement advising the employee of his/her right to appeal.

14.4 Disciplinary Appeal

All disciplinary action taken against an employee in District service must receive the approval of the Department Manager.

A. Minor Discipline

In cases of verbal or written reprimand or suspension of up to five (5) working days, the affected employee shall have the right of appeal up through the General Manager.

Step 1:

An employee who has received discipline from a supervisor may appeal to the Department Manager within ten (10) days from the imposition of the discipline. The appeal must be submitted in writing and contain the following:

- 1) Name of the employee;
- 2) Name of the supervisor;
- 3) Type of discipline imposed;
- 4) Date the discipline was imposed;
- 5) Reasons why the employee believes the discipline is inappropriate;
- 6) Corrective action desired; and
- 7) Name of any person or representative chosen by the employee to participate in the disciplinary appeal hearing.

Upon receipt of the written appeal, the Department Manager shall talk with the employee, the immediate supervisor and others as appropriate and, within ten (10) working days, prepare a written decision to either uphold, repeal or amend the disciplinary action and the basis for the decision.

Step 2:

If the employee remains dissatisfied with the decision of the Department Manager, that decision may be appealed in writing to the General Manager within five (5) working days of receiving the Department Manager's decision. The General Manager will consider all aspects of the appeal, gathering information from others, including the employee and his/her representative, and shall render a final written decision within ten (10) working days after meeting with the employee.

B. Major Discipline

In cases of proposed major discipline (suspension of greater than five working days, demotion, or termination), the employee may request a "Skelly Hearing" within five (5) working days of receipt of a Notice of Intent.

The Department Manager shall hold the Skelly hearing within five (5) working days of the employee's request and shall render a written decision within five (5) working days following the Skelly hearing.

The employee may appeal the Department Manager's decision to the General Manager within five (5) working days of receipt. The General Manager shall meet with the employee and his/her representative and shall render a final written decision, which will include as necessary Board and Attorney review, within ten (10) working days after completion of the meeting or meetings with the employee. The decision of the General Manager, after any necessary review by the District Board and Attorney, will be final.

14.5 Causes for Disciplinary Action by the District

The District may take disciplinary action against a permanent or probationary promotional employee for misconduct including, but not limited to: fraud in securing employment by making a false statement on an application for employment or on any supporting documents furnished with or made a part of any application; incompetency such as failure to comply with the minimum standard of an employee's position for a significant period of time; inexcusable neglect of duty, such as failure to perform duties required of an employee within his/her position; willful disobedience and insubordination such as a willful failure to submit to duly appointed or acting supervisor or conform to duly established orders or directions of persons in a supervisory position; dishonesty involving employment; being under the influence of alcohol or intoxicating drugs when reporting to duty or while on duty; inexcusable absence without leave; conviction of a felony, or a misdemeanor involving moral turpitude, which shall be deemed to include only crimes involving dishonesty or character depravity; improper or unauthorized use of District property; violation of the

Rules and Regulations of any department, which Rules and Regulations are adopted pursuant to or continued to these Rules and Regulations; violation of Safety Rules; any willful act of conduct undertaken in bad faith which either during or outside of duty hours is of such a nature that it causes discredit to fall upon the District, the employee's department or division. Willful failure to maintain proper decorum during working hours causing discredit to the employee's department or division; discourteous treatment of the public or District Board Members; abuse of sick leave; inattention to duty, tardiness, indolence, carelessness or failure to report to work or to call in according to the District's Employee Handbook; acceptance, from any source, of a reward, gift or other form of remuneration in addition to regular compensation by an employee for the performance of official duties; falsification of any District report or record.

14.6 Use of Video Surveillance Cameras

The District may use video cameras as evidence for the discipline or discharge of an employee for any reason listed as Causes for Disciplinary Action by the District (Article 10.5). If the information from the video is to be used to discipline or discharge an employee, the District must provide the Employees, prior to the hearing, an opportunity to review the video used by the District to support the discipline or discharge. The District shall not install or use video cameras in bathrooms or places where employees change clothing.

The District shall notify staff of the locations of all surveillance cameras on District properties. If the District installs new surveillance equipment it shall notify the Employees.

ARTICLE 15 **Savings Clause**

If any article or section of this MOU or any rider thereto should be held invalid, illegal or unenforceable by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal pending final determination as to its validity or legality, the remainder of this contract or any rider thereto, or the application of such article or section to persons or circumstances other than those which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

It is further the intent that should any article or sections of this MOU be held invalid, illegal or unenforceable and inoperable, that article or section shall be renegotiated in an attempt to provide validity, legality and acceptability to such section or article.

Amendments to Agreement - This Agreement may be amended only by the mutual written agreement of the parties. Such amendments shall be lettered, dated, and signed by the parties and shall constitute a part of this Agreement.

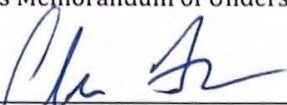
ARTICLE 16 **Entire Agreement**

The parties acknowledge that during the negotiations resulting in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties are set forth in this agreement. Therefore, the District and the Employees, for the duration of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject covered in this agreement, except as specifically appropriate under Section 4.1. This agreement may only be amended during its term by the mutual agreement in writing of both parties.

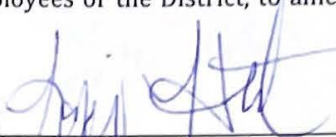
This MOU contains the entire agreement between the parties hereto and neither party shall be bound by any statement, representation, agreement, stipulation, or provision made prior to the execution here of and not set forth herein.

ARTICLE 17
Term


This MOU shall expire on July 31, 2026. No sooner than ninety (90) days prior to the expiration, the parties shall meet and confer, at the request of the Employees or the District, to amend or extend this Memorandum of Understanding.



Chris Freels
Employee Negotiator



Traci Hart
District Negotiator



Eileen Streller
Employee Negotiator

Date: 10-12-23

Date: 10/12/23