

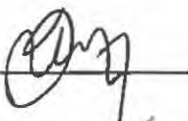
MEMORANDUM OF UNDERSTANDING

COACHELLA VALLEY WATER DISTRICT

AND

**ASSOCIATION of COACHELLA VALLEY
WATER
DISTRICT MANAGERS**


January 1, 2019 to December 31, 2021

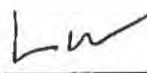
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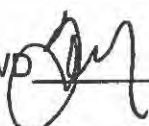
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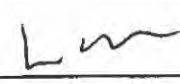
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MEMORANDUM OF UNDERSTANDING BETWEEN THE COACHELLA VALLEY WATER DISTRICT AND ASSOCIATION OF COACHELLA VALLEY WATER DISTRICT MANAGERS

The Coachella Valley Water District (the District) recognizes Association of Coachella Valley Water District Managers (ACVWDM) as the exclusive employee representative for employees in the management unit of the District.

Agreed upon negotiated items in this Memorandum of Understanding (MOU) have been accepted, subject to the approval of the membership of ACVWDM and the Coachella Valley Water District Board of Directors. There were no changes to the Employer Employee Relations Ordinance #1270.

Agreed upon items will be reflected in the Employee Handbook and the District Ordinance #1425. District Ordinance #1425 will be the governing document.

1. TERM OF MEMORANDUM

The provisions of this memorandum shall become effective after ratification by the ACVWDM membership of the District and the approval by the Board of Directors of the District through December 31, 2021. Specific sections designate effective dates subsequent to the effective date of this memorandum.

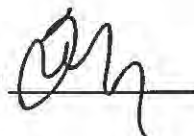
2. SALARY ADJUSTMENTS

1. Effective the first pay period after January 1, 2019, (1/6/19), salaries will be adjusted by 4.1% based on actual CPI-U index for Los Angeles, Long Beach, Anaheim (October 2017-October 2018) due to previous Los Angeles, Orange, Riverside County index discontinued at the end of 2017
2. Effective the first pay period after 1/1/20, salaries will be adjusted based on actual CPI-U index from Riverside, San Bernardino, Ontario (September 2018-September 2019), subject to a 2% minimum and a 5% maximum.
3. Effective the first pay period after 1/1/21, salaries will be adjusted based on actual CPI-U index from Riverside, San Bernardino, Ontario (September 2019- September 2020), subject to a 2% minimum and a 5% maximum.

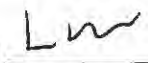
3. RETIREMENT

1. Employees that are considered "classic members" will pay the full eight (8) percent of the CalPERS Employee Contribution rate on a pretax basis.
2. New members to CalPERS will pay 50% of the normal cost for the CalPERS 2% @ 62 plan. The normal cost will be determined on an annual basis by a CalPERS Actuarial.
3. The District contracts with CalPERS for the 2.5% @ 55 retirement plan for Classic Members.

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4. The District contracts with CalPERS to include the ability for the employees to purchase Military Service Credit at their own expense.
5. The District contracts with CalPERS for the Pre-Retirement Optional Settlement 2 Death Benefit.

4. HEALTH AND WELFARE PROGRAMS

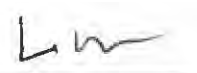
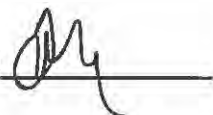
All employees who are employed on a full-time basis and working thirty (30) hours per week shall be eligible to participate in the group insurance plans provided by the District. Employees may enroll in a group insurance plan during open enrollment or if they have a qualified change in status.

The open enrollment period for the term of this contract will be during the first and second weeks in November of each year.

4.1 Employee Medical Plans.

Employee medical benefits are considered an employment benefit and as such are subject to change. An employee should have no expectation of continuation and the employer reserves the right to alter the benefit for current employees subject to the negotiations process.

1. Eligibility. An employee is eligible for medical benefits the first of the month following the completion of thirty (30) days of continuous employment. An employee can cover his spouse/domestic partner, dependents up to age 26, or a dependent who is mentally or physically handicapped. Domestic Partners registered with the State of California will be eligible for medical, dental and vision coverage. If an employee has not enrolled in a medical plan within thirty (30) days of their hire date, the employee will be placed in the lowest cost HMO plan.
2. Group Insurance Plans. The District will provide four (4) medical plan options – one (1) HMO Plan, one (1) PPO Plan, one (1) High Deductible Health Plan (HDHP) plan, and one (1) other medical plan (EPO, HMO, POS, or PPO) – to all eligible employees and their spouses/domestic partners and their dependents for the remaining term of this MOU. Medical plans do not cover services outside the United States.
3. The medical plans include prescription drug benefits.
4. For the duration of this MOU, the District will pay 75% of the total insurance premiums for medical, dental, and vision insurance per employee and their dependents. The remaining 25% of the medical, dental and vision insurance premiums will be paid for by the employee on a pre-tax basis through payroll deduction.



5. Employees are required to pay the employee portion of the medical premiums while out on a qualified leave of absence. An invoice for the premiums due will be mailed to the employee's home address. All premiums are due within thirty (30) days of receipt of the invoice. After thirty (30) days, a late notice will be sent along with the invoice for the following month's premiums. If the medical premium invoice is ninety (90) days past due, medical coverage may be cancelled. If the medical plan is cancelled, an employee cannot re-enroll in any District group medical plan until open enrollment or if they experience a qualified change in status. Any additional costs beyond what the District had been paying at time of cancellation will be at the employee's expense.
6. **Opt-Out of Employee Medical Plans.** The District will allow each employee to opt out of the District health care program if they are covered by another health plan. Any employee who provides to the District evidence of insurance under a separate policy and requests to be deleted from the District's coverage shall receive four hundred fifty dollars (\$450) for the actual cost of the premium per month for the entire enrollment year. An employee can elect to opt-out of the medical plan during open enrollment or if they have a qualified change in status.

If the employee and spouse are both employed at the District, one of the employees may opt out of the medical plan and be covered as a dependent under their spouse's plan. The employee does not receive a monetary amount for opting out of the medical plan. Participation in the dental and vision plans are mandatory and employees cannot opt out of these plans.

7. **Health Savings account Contribution.** On a one-time basis for each High Deductible Health Plan (HDHP) enrollment during the term of the contract, CVWD will contribute 100% of the difference between one year's premium of CVWD's share of the employer's PPO premium and the HDHP premium to the employee's HSA.

4.2 Retiree Medical Plans.

Retiree medical benefits are considered a post-employment benefit and as such are subject to change, such as changes to federal and state laws, and any unforeseen and extraordinary circumstances that are not part of usual and customary business practices. The parties agree that these benefits under this section will continue for the duration of the term of this MOU.

1. Premiums are paid on a monthly basis. At time of retirement, the employee must remain in the same elected District group medical plan and cannot upgrade plans at retirement.
2. For the duration of this MOU, for retirees with twenty-five (25) or more years of service, the District will pay 75% of the medical insurance premiums per retiree and

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eligible dependents for the duration of this MOU. The retiree will be eligible to maintain the dependents that are on his/her plan at the time of retirement as long as the dependents remain eligible for coverage. The remaining 25% of the premiums will be paid for by the retiree on a monthly basis.

3. **For Employees Hired AFTER July 1, 2011**, for the duration of this MOU, for retirees with fifteen (15) or more years of service, the District will pay 75% of the medical premiums insurance premiums for the retiree only for the duration of this MOU. The remaining 25% of the premiums will be paid for by the retiree on a monthly basis.


For Employees Hired BEFORE July 1, 2011, for the duration of this MOU, for retirees with ten (10) or more years of service, the District will pay 75% of the medical premiums insurance premiums for the retiree only. The remaining 25% of the premiums will be paid for by the retiree on a monthly basis.

4. Retirees are not eligible for the dental plan. Immediately upon retirement, the retiree will be offered the opportunity to purchase dental insurance and pay premiums at their own expense through COBRA for a maximum of eighteen (18) months.
5. Retirees are not eligible for the vision plan. Immediately upon retirement, the retiree will be offered the opportunity to purchase vision insurance and pay premiums at their own expense through COBRA for a maximum of eighteen (18) months.
6. **Opt-Out of Retiree Medical Plans.** The District will allow each retiree to opt out of the District retiree health care program if they are covered by another retiree health plan. Any retiree who provides to the District evidence of insurance under a separate policy and requests to be deleted from the District's coverage shall receive four hundred fifty dollars (\$450) for the actual cost of the premium per month for the entire enrollment year. A retiree can elect to opt-out of or re-enroll in the medical plan during open enrollment or if they have a qualified change in status.

If the retiree and spouse are both retirees of the District, one of the retirees may opt out of the medical plan and be covered as a dependent under their spouse's plan. The retiree does not receive a monetary amount for opting out of the retiree medical plan.

4.3 Medical Supplemental Insurance Program

ACVWDM members and/or their eligible spouses/domestic partners may participate in the Medicare Supplemental Insurance Program (aka "Medigap policy"). To be

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reimbursed for premiums paid directly to insurance companies, member must be enrolled in a Medicare Medigap policy, a Medicare Advantage Plan (Medicare Part C) or TRICARE. Any ACVWDM member or spouse/domestic partner who is entitled to insurance benefits under Medicare Part A is eligible for the supplementary insurance program in the event such individual is Medicare-eligible and is a resident and citizen of the United States.

ACVWDM members who have twelve (12) or more years of service with the District and are Medicare-eligible may participate in the program. A spouse or domestic partner who is Medicare-eligible and has been the spouse or domestic partner for one (1) or more years prior to the date of the member's retirement from the District is eligible to participate in the program. If the member remarries or attains a domestic partnership, the spouse/domestic partner is not eligible for benefits under the program. Board members and Executive Employees who have twelve (12) or more years of service also are eligible to participate in the program.

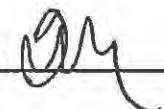
Medicare has established criteria for benefits coverage and costs for fifteen (15) different plans (Medigap A-N). The Medicare Medigap plan that covers more benefits than the other plans offered is Medicare Medigap Policy F. The monthly premium cost of Policy F offered by an insurance company will depend on your location and the provider network. Therefore, the maximum Medigap policy reimbursement amount for members in the program will not exceed the current calendar year premium cost of the established Medicare Medigap Policy F.


In addition to Medicare Medigap Policy F premiums, the District will reimburse members for a prescription drug program known as Medicare Part D. The monthly premium cost for Medicare Part D premiums will depend on your location and each individual's prescribed drugs. The maximum prescription drug reimbursement amount will not exceed the current calendar year premium cost of Medicare Part D Humana Complete (PDP) Plan or equivalent. The Humana Complete (PDP) Plan has no deductible and the lowest copay for generic drugs.

4.4 Dental Plan

The District offers employees a self-insured PPO dental plan. Employees must enroll their spouse/domestic partner or eligible dependents in the plan. For the duration of this MOU, the premiums for the dental plan will be paid 75% by the District and 25% by the employee. An employee cannot opt out of the dental plan. Retirees are not eligible for the dental plan. Immediately upon retirement, the retiree will be offered the opportunity to purchase dental insurance and pay premiums at their own expense through COBRA for a maximum of eighteen (18) months.

4.5 Vision Plan

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The District offers employees a self-insured PPO vision plan. Employees must enroll their spouse/domestic partner or eligible dependents in the plan. For the duration of this MOU, the premiums for the vision plan will be paid 75% by the District and 25% by the employee. An employee cannot opt out of the vision plan. Retirees are not eligible for the vision plan. Immediately upon retirement, the retiree will be offered the opportunity to purchase vision insurance and pay premiums at their own expense through COBRA for a maximum of eighteen (18) months.

4.6 Life Insurance and Accidental Death and Dismemberment Plans

The District will provide District employees with group term life insurance coverage of one and one-half (1½) times their annual salary with a minimum benefit of fifty thousand dollars (\$50,000) to a maximum benefit of three-hundred fifty thousand dollars (\$350,000). Once an employee reaches the age of 65, the benefit is reduced to 65% of one and one half (1½) times salary or \$50,000 whichever is greater. The benefit percentage continues to be reduced on a set scale until the employee reaches the age of 70. At age 70, the maximum benefit is reached at 50% of one and one half (1½) times salary or \$50,000 whichever is greater. The District pays the full cost of the life insurance and AD&D insurance premiums for employees, spouses/domestic partners and eligible dependents.

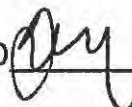
At the time of retirement or termination, employees will be offered the option to convert the group term life insurance policy to an individual term life insurance policy. The employee has thirty (30) days from their retirement or termination date to elect the conversion policy and pay premiums at their own expense.


Employees covered by nondiscriminatory employer-provided group life plans are taxed on the face amounts exceeding fifty thousand dollars (\$50,000) as imputed income. The taxable amount is calculated using five-year age bracketed rates stipulated in regulations and referred to as Table I Rates.

4.7 Flexible Spending Accounts (FSAs)

The District will offer employees three (3) Flexible Spending Accounts (FSAs) under IRS Revenue Code 125, which governs all cafeteria plans, at no cost to the employee. An employee can participate in the plan once a year and must enroll in the plan each year during open enrollment. Midyear participation is only available to new employees or those employees who have a qualified change in status. The maximum amount that you can contribute per year is based on the IRS Code for Cafeteria 125 plans. The plan year begins on January 1 through March 15 of the following year.

- A. **Health Care FSA.** The Health Care FSA provides employees with an opportunity to pay for medical, dental, vision and hearing out-of-pocket expenses on a pretax basis. Employees are reimbursed up to the amount pledged for the calendar year.

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- B. **Dependent Care FSA.** The Dependent Care FSA provides employees an opportunity to pay for child or elder dependent care out-of-pocket expenses on a pretax basis. Employees are reimbursed up to the amount they have contributed to date to the plan for the calendar year.
- C. **Premium Only Plan.** The Premium Only Plan provides employees an opportunity to pay for medical, dental, vision and long-term disability employee premium contributions on a pretax basis.

If any of the plans are held invalid or unenforceable by the IRS, its invalidity or unenforceability shall not affect any other provisions of the Plan and the Plan shall be construed and enforced as if such provision had not been included herein. If the entire plan is held invalid or unenforceable by the IRS, it shall not invalidate this MOU.

4.8 Long-Term Disability (LTD) Plan

The District will offer employees a Long-Term Disability Insurance Plan that provides sixty-six and two-thirds percent (66-2/3%) of the employee's salary (up to a maximum of \$12,000 per month and subject to integration) up to age sixty-five (65). All employees must participate in the LTD Plan and premiums are paid by employees on a pretax basis.

4.9 Deferred Compensation

The District offers two deferred compensation retirement plans subject to continued qualification of such plans under the law. Participation is voluntary and an employee may be eligible to participate in one or both.

- A. **457 Deferred Compensation Plan.** An employee is eligible to enroll at any time during the year. An employee selects a fixed dollar amount or percentage of their salary to be deducted on a pretax basis from each paycheck throughout the year. An employee can contribute up to the maximum dollar limit allowed by the IRS. The plan does offer employees an option of taking a loan of fifty percent (50%) of their assets or fifty thousand dollars (\$50,000), whichever is less. An employee may take a hardship withdrawal subject to the Human Resource Director's approval. The supplemental deferred compensation benefit is in addition to the PERS retirement plan.
- B. **401(a) Deferred Compensation Plan.** An employee is eligible to participate in the plan during the first sixty (60) days of his/her employment. At that time, an employee must participate in the plan or decline participation. The employee cannot participate in the plan at a later date. The maximum pretax contribution to the plan is three percent (3%) of the participant's annual salary. There are no loan or hardship withdrawal provisions in the 401(a) plan.

4.10 Wellness Program

Employees and retirees covered by this MOU shall be permitted to participate in a Wellness Program intended to reduce job-related stress and improve general physical and mental health. The Wellness Program shall consist of, but not limited to, a preventive health measures evaluation, gym membership incentive, steps program, weight loss program and smoking cessation program. The wellness program is subject to change. Participation will not be used as a punitive measure. Employees and retirees will have access to a thirty (30) minute session each month with the onsite Wellness Coach.

4.11 Voluntary Benefits

All employees are eligible to participate in voluntary benefits offered by the District. Employees pay the full cost of premiums on an after-tax basis. The availability of voluntary benefits is subject to change during the length of this MOU. Voluntary benefits may include the following:

- A. **Supplemental Life Insurance** - In addition to the group term life insurance benefits provided by the District, employees may subscribe voluntarily and at their own expense for supplemental life insurance during open enrollment.
- B. **Short-Term Disability Insurance** - As a supplement to the Long-Term Disability Plan, employees may elect to participate in the short-term disability (STD) plan at their own expense. The plan will pay sixty-six and two-thirds percent (66-2/3%) of their monthly salary (subject to integration) based on a seven (7) or fourteen (14) day elimination period up to one year from the date of the disability.
- C. **Long Term Care Insurance** - Long-Term Care insurance is available to employees and their spouse/domestic partners at their own expense during open enrollment.

4.12 Medical Benefits Management Team

During the course of this MOU ACVWDM will form a Medical Benefits Management Team consisting of two District members and two ACVWDM members. The team is to work together to identify the medical benefit plan(s) that are the in the best interest of the District and the ACVWDM Members. ACVWDM understand that the recommendations of this team are not binding upon the District. ACVWDM understands that participation on this team will be offered to the ASSET and CVWDEA bargaining units as well, but the District cannot compel their participation.

The District may reopen Article 4 of this MOU at any time to address any changes that may be required due to the Affordable Care Act."

5. SICK LEAVE

Employees of the District shall be granted sick leave credits at the rate of eight (8) hours for each full month of service. Employees may begin using accrued sick leave on their 90th day of employment. Sick leave is not accrued during a period of layoff of service or leave of absence. Upon written or oral request, employees may use sick leave for the following purposes:

- (1) Diagnosis, care, or treatment of an existing health condition, or preventive care for an employee or an employee's family member; or
- (2) For an employee who is a victim of domestic violence, sexual assault, or stalking.

"Family member" means any of the following: (1) A child, which means a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis, regardless of age or dependency status; (2) A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; (3) A spouse; (4) A registered domestic partner; (5) A grandparent; (6) A grandchild; (7) A sibling.

If the need for paid sick leave is foreseeable, the employee shall provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee shall provide notice of the leave as soon as practicable. For any absence of more than three days for the employees own illness, the District may require a release to return to work from the employees health care provider.

Sick leave maybe used in minimum increments of one half (1/2) hour.

Sick leave will be paid at the employee's hourly wage. Employees who had different rates of pay in the 90 days prior to taking sick leave will be paid for sick leave at the rate of pay calculated by dividing the employee's total wages, not including overtime pay, by the employee's total hours worked in the full pay periods of the 90 days of employment prior to taking such sick leave. This calculation only pertains to those employees who had a wage reduction.

Unused sick leave credits shall be accumulated from year to year to a maximum of three hundred sixty (360) hours in a Sick Leave Fund to be used by the employee as needed for approved sick leave.

Upon retirement from the District, an employee's unused sick leave and Emergency Health Fund of record shall be covered as follows:

Up to four hundred eighty (480) hours of accrued sick leave and emergency health fund combined shall be paid to the employee at the rate of one hundred (100%) percent. All accrued sick leave and emergency health fund beyond the four hundred eighty (480) hours will be paid at fifty (50%) percent of cash value.

All other rights to sick leave and emergency health fund shall be canceled if an employee resigns or is terminated.

Upon the death of an employee, all sick leave of record will be paid to the estate at the rate of one hundred (100%) percent.

6. EMERGENCY HEALTH FUND

Emergency Health Fund shall be reduced on the employment anniversary each year to restore sick leave fund to three hundred sixty (360) hours.

Emergency Health Fund Conversion. The amount of unused sick leave credits granted in the preceding twelve (12) months, as determined as of the first pay period ending prior to December 1 of each year shall be distributed as follows:

- A. One-half (1/2) accrued to Emergency Health Fund.
- B. One-half (1/2) at the employee option, as:
 - 1. pay at the employee's current rate.
 - 2. vacation leave.
 - 3. accrual to emergency health fund.
 - 4. contribution to Deferred Compensation.
- C. Once emergency health fund has reached 300 hours, the amount in excess of the above maximum hours will be distributed as pay at the employee's then current rate or as vacation leave, or deferred compensation at the employee's option.

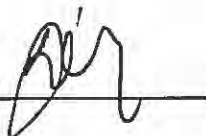
7. EDUCATIONAL REIMBURSEMENT

The District will provide educational reimbursements of up to two thousand (\$2000) dollars for lower division college level classes including approved home study courses. The District will provide educational reimbursement of up to four thousand (\$4000) dollars for upper division classes (3rd and 4th year) college or graduate level classes of approved, job related degree programs and job related college level certificate programs effective for classes beginning after the effective date of the MOU.

Approved Study Courses

- A. Passing grade of "C: or better or "pass" designation must be received to be eligible for reimbursement.
- B. Reimbursement will be for tuition, registration and books when accompanied by proper receipts and documents.
- C. The Human Resources and General Manager must approve courses prior to enrollment.
- D. Reimbursement will be for the fiscal year of course completion.

8. CONTINUING EDUCATION



ACVWDM employees will be provided with paid time to attend Continuing Education Courses (CEC) to obtain contact hours to satisfy the requirements for certifications under the following conditions:

- A. The certification/license is required by the employee's current job description,
- B. The certification/license requires a specific number of contact hours for renewal.
- C. The employee doesn't already have the required amount of contact hours/CEU's,
- D. The employee has not attended the same CEC, program or training event within the last 11 months,
- E. The employee has completed the travel authorization request form (CVWD-140) and been approved by the General Manager.

A list of approved certificates along with CEC requirements will be maintained by the Human Resources department.

Employees wanting to attend CEC's for certification outside the requirements of their current job description may apply for assistance under the educational reimbursement program.

8.1 Ethics Training

All members of ACVWDM will be required to attend biennial ethics training at the expense of the District.

9. LICENSE AND CERTIFICATIONS

The District will reimburse employees for any license or certification fee that is required by the District including any renewals. This does not include Class "C" driver's licenses.

10. WORK HOURS

General office work hours of the district shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday, except holidays, or as established by the General Manager.

10.1 Absence of less than 4 hours

For absences of less than four (4) hours on a regular schedule or (4.5) hours for alternative work schedule, the employee will not be required to fill out a leave slip except for FMLA related time off.

11. ALTERNATIVE WORK WEEK

An alternative work schedule (9/80 schedule) can be selected by the employee as his/her regular schedule. Such schedule must be approved by the General Manager and follow the guidelines set in the Alternative Work Week Schedule.

CVWD  _____

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12. WORKING OUT OF CLASSIFICATION

A District employee may be assigned to work in another classification for up to three hundred sixty (360) hours in that classification during any twelve (12) month period without special compensation. An employee who believes he or she has been assigned duties beyond three hundred sixty (360) hours in accordance with this policy may either request an informal review by the Human Resources Director or file a grievance.

Duties of the higher class would have to be performed at least one third (1/3) of the regular day (2.66 hours) to have eight (8) hours counted toward the three hundred sixty (360) hours. Calculations will be on a revolving twelve (12) months.

13. FLEXTIME SCHEDULE

Temporary adjustments in work schedules for up to ninety (90) days may be allowed for the convenience of the employee if requested by the employee and approved by the department head and General Manager.

14. PAYDAYS AND HOURLY RATE CALCULATION

Salary payments will be made on a biweekly basis. The payday for each biweekly pay period will be on the fourth regular working day following the end of the pay period.

The hourly rate shall be determined by dividing the annual rate by two thousand eighty (2080) hours. The annual rate is the sum of twelve (12) times the monthly salary plus twelve times the monthly longevity amount.

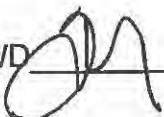
Bi-weekly pay period shall be defined as beginning on a Saturday and ending at the close of the second Friday following.

15. SALARY STEP PLACEMENT

While vacancies shall ordinarily be filled by recruitment at Step 1 of the established salary range, the General Manager may recruit at higher steps.

16. MERIT INCREASES

ACVWDM members will be evaluated on an annual basis in February of each calendar year. ACVWDM members receiving a rating of "meets expectations" for two consecutive years will be eligible for a step increase. ACVWDM members receiving a rating of "exceed expectations" will be eligible for a step increase during the year of evaluation.

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17. PERFORMANCE PAY

ACVWDM Members who are at the top step of the salary range will be eligible to receive annual performance pay (non-PERSable). Executives who are at the salary range maximum and receive an overall rating of "Exceeds Expectations" shall receive a lump sum payment equal to 4% of their annual base salary, which is non-PERSable. Performance Evaluation will be used, with emphasis on meeting Division, Department, and Individual goals.

18. PERSONNEL ACTION FORMS (PAF)

The District will mail copies of Personnel Action Forms (PAF) to the employees by first class mail. This will include all PAF's except those regarding salary adjustments that are given to all employees. These will be distributed by means selected by the District.

19. HOLIDAY PAY

Employees shall be paid their regular rate of pay for District observed holidays.

20. LONGEVITY PAY

Effective upon ratification of this agreement, all employees currently receiving longevity pay will have that pay frozen at its current rate. No increases will be made to longevity pay. No additional employees will be eligible to receive longevity pay.

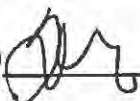
21. HOLIDAYS

21.1 Holiday Leave

To the extent practicable, employees of the District will not be required to serve on the following holidays:

- New Year's Day, January 1st
- Memorial Day, May, last Monday
- Independence Day, July 4th
- Labor Day, September, 1st Monday
- Veteran's Day, November 11th
- Thanksgiving Day, November, 4th Thursday
- Friday after Thanksgiving Day
- Christmas Day, December 25th

The final four (4) hours of an employee's regular workday on December 24th, annually is declared a holiday when it falls on Monday, Tuesday, Wednesday or Thursday.

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When any of the above holidays occur on a Sunday, the following Monday shall be observed in lieu thereof and when they occur on a Saturday, the Friday preceding shall be observed in lieu thereof.

Each regular employee in service prior to the legal holiday, and in a pay status on the first working day prior to, and the first working day after each legal holiday shall be paid as though they had served on the holiday; earned vacation, floating holiday, or sick leave shall be considered as service for this purpose. When the last day of service, prior to termination of an employee's appointment, is a day immediately prior to the legal holiday, that employee shall not be entitled to payment for the holiday.

21.2 Floating Holidays

Employees of the District shall have five (5) floating holidays per year, which shall be available as follows:

- Sixteen (16) floating holiday hours on July 1
- Twenty-four (24) floating holiday hours on January 1

However, if an employee leaves the District for any reason other than retirement within the ninety (90) days following the granting of the floating holidays, one (1) day's pay shall be deducted from the employee's final pay.

No more than forty (40) hours of floating holiday may be accrued.

New employees shall not be eligible to take floating holidays until after ninety (90) days of service.

The increments of usage shall be the same as for vacation leave use except that any employee may use this time in case of emergencies without the three (3) day advance notices.

Employees may request the following days as floating holidays:

- Martin Luther King's Birthday
- Lincoln's Birthday
- Washington's Birthday
- Employee's Birthday
- Presidents Day

These days, if requested, will be granted providing it would not create a problem for the District in the opinion of the General Manager. Any denial of a written request for a floating holiday off, submitted at least ten (10) calendar days in advance, shall be in writing.

21.3 Executive Leave

ACVWDM employees shall be granted 40 hours of executive leave each July 1 to be used on an annual basis. This leave will not be accrued from one year to the next and any remaining leave at the end of the pay period before the next year's is granted, will be lost. This leave will not be paid out upon termination or retirement.

22. VACATIONS

- A. The purpose of vacation leave is to renew, refresh, restore, revive, stimulate the employee and increase contact with family by providing a rest from the employee's work environment.
- B. All vacation leave shall be approved, in advance, with a minimum three (3) day written notice from employee to supervisor. Should extenuating circumstances arise, the immediate supervisor may make exception to the three (3) day notice.
- C. Employees of the District shall earn vacation leave for the first five (5) years of continuous employment at the rate of ten working days for each full year of service. During the second five (5) years (years 6-10) of continuous employment, vacation leave shall be earned at the rate of fifteen (15) working days for each full year of service. After the tenth (10th) year of service, vacation leave shall accrue at the rate of twenty (20) working days for each year of service. Employees may accumulate up to 500 hours of vacation.
- D. Effective January 1, 2014, employees with vacation time in excess of 340 hours will have the excess transferred to a separate account in order to bring the employee's vacation leave bank to 340 hours. The time in the excess bank can be used as requested and approved in accordance with the vacation leave policy. This bank cannot have any time transferred into it other than the initial transfer of leave.
- E. Employees reaching the maximum hours will cease to accrue vacation leave until the pay period that the total accrued vacation leave is again below the maximum. Any employee who terminates employment with the District shall be paid the monetary value of any earned vacation leave. Vacation leave shall be posted to each employee's account on the employee's first (1st) anniversary day and as earned thereafter. Vacation leave may be advanced to an employee at the discretion of the General Manager. Upon termination a reduction shall be made covering the monetary value of any leave so advanced and still owing. Problems of pay, posting, earning or adjusting shall be submitted to and reviewed by the Human Resources director and concluded by memo to the accounting department within five (5) working days.

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23. EMPLOYEE LEAVES

23.1 Approval of Leave

- A. Requests for leave shall be in writing using form CVWD-005.
- B. Employees will not be discriminated against in the determination of granting leave on the basis of race, color, creed, national origin, sex, age, physical disability, mental disability, medical conditions, marital status or sexual orientation.
- C. Department Heads are responsible for determining the number of employees from the workforce that may be off at a given time and still safely and efficiently accomplish projects, schedules and good customer service.
- D. Leave requests shall be considered on a first come first serve basis.
- E. Requests for identical or overlapping leave periods that are given to the supervisor during the same eight (8) hour work shift will be considered as being submitted at the same time. Requests submitted after the end of the employee's regular scheduled shift will be considered submitted on the following working day.
- F. Multiple requests, submitted on the same day, for identical or overlapping leave periods will be considered by department or section workload and by seniority by hire date.
- G. If a request is denied, the supervisor shall meet with the employee to determine an acceptable alternate date.
- H. Requests may be submitted up to three hundred sixty-five (365) days in advance of the commencement of the leave.
- I. Requests submitted less than two (2) weeks in advance of the commencement of the leave will receive a written determination within two (2) work days from receipt of the employee's written request. Requests submitted greater than two (2) weeks in advance of the commencement of the leave will receive a written determination within one (1) week.
- J. Employee shall receive a copy of leave request upon submittal.

23.2 Bereavement Leave

Bereavement Leave is a separate paid leave that is available to an employee at the time of death or funeral of a family member of the employee's immediate family.

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Bereavement leave may be used not to exceed two (2) hours, to attend funerals for District employees. The supervisor will have the discretion to limit the number of employees attending if it will have an impact on District business operations.

Bereavement leave shall not exceed three (3) working days for the death of a member of the employee's immediate family. If additional days are required due to distance or mourning, those days will be deducted from floating holiday, vacation, or sick leave in that order.

Immediate family includes husband, wife, child, stepchild, brother, stepbrother, sister, stepsister, parent, stepparent, mother-in-law, father-in-law, grandchild, grandparent and domestic partner.

23.3 Industrial Accident Leave (on the job illness or injury)

Injury or illnesses arising out of and occurring in the course of employment will be administered under the Workers' Compensation Laws of the State of California.

In circumstances where absences are not compensable under the Workers' Compensation Laws of California an employee shall be entitled to use accrued sick leave.

Sick leave used during the time a claim is pending a decision, will be credited back to the employee at the time the claim becomes compensable. Leave credited will be for time paid under the Workers' Compensation Laws of the State of California.

In an effort to conform to later developments with workers' compensation benefits; any underpayments/overpayments regarding accrued leave, workers' compensation payments, or any other benefit will be adjusted/deducted from the employee's paycheck, regardless of fault.

23.4 Pregnancy Disability Leave

Employees disabled due to pregnancy or childbirth related conditions shall be allowed up to four (4) months of unpaid leave. Sick leave, vacation and floating holidays may be used during maternity leave. (See also Family Medical Leave Act section) The District may require verification by a physician of both the disability and the employee's ability to safely return to work.

An employee may use vacation leave or floating holidays, if available, when necessary due to a spouse's pregnancy. Family and Medical Leave Act – California Family Rights Act.

23.5 Family Medical Leave Act/California Family Rights Act

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Eligible Employees for FMLA are those who are 1.) are one of fifty (50) employees with in seventy five (75) miles of the work site 2.) have been employed for at least twelve (12) months and 3.) have worked at least one thousand two hundred fifty (1,250) hours during the twelve (12) month period immediately preceding the commencement of the leave.

An eligible employee may take unpaid leave for the following reasons:

Child Care Leave is provided for the birth or adoption of the employee's child or placement of a child for foster care with the employee. This leave must be taken within one year after the birth or adoption.

Serious Health Condition Leave is provided to address a) the serious health condition of the employee or b) to allow the employee to care for a child, spouse, or parent of the employee who has a serious health condition.

A. Length of Leave

An eligible employee is entitled to a maximum of twelve (12) weeks of unpaid leave within a twelve (12) month period without loss of seniority. The amount of leave available to an employee at any given time will be calculated by looking backward at the amount of leave taken within the twelve (12) month period immediately preceding the requested leave. An employee who fails to return to work immediately following expiration of the authorized leave period is subject to termination. Leave taken for any other reason which would qualify under this provision may be counted against the employee's leave entitlement under this provision.

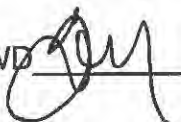
24. **SUBSTITUTION OF PAID LEAVE**


If the employee qualifies for and specifically requests leave under this provision for child care leave, all accrued and unused vacation or floating holiday will run concurrently with the child care leave.

During a leave related to the employee's serious health condition, all available paid sick or disability leave will run concurrently with the employee's serious health condition leave.

During such a leave related to an employee's family member's serious health condition, the employee may request to concurrently use any available paid sick leave (Family Illness leave).

After accrued sick leave is exhausted under Section a) above, or if no sick leave is taken during a leave under Section b) above, an employee may elect to use accrued vacation leave under this provision.

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25. CERTIFICATION

Prior to taking a Serious Health Condition Leave, the employee must submit written medical certification from a health care provider, to the Human Resources Director, describing the serious health condition. The District allows fifteen (15) days after the employee's request for certification to be submitted, if the leave was not foreseeable. Failure to provide such certification upon request may result in a denial or delay of leave particularly if the District determines the leave was reasonably foreseeable. If the requested leave is for the employee's serious health condition, the District reserves the right to request that the employee receive a second opinion from another health care provider at the District's expense certifying the serious health condition of the employee. The District reserves the right to require that an employee provide the District with verification of the medical condition, if the certification expires prior to the end of the leave.

Before returning to work, an employee who is on leave of absence as a result of his or her own serious health condition must submit a health care provider's written certification that they are able to perform the essential functions of their job, with or without reasonable accommodation. Failure to provide such certification may result in the delay or denial of job restoration.

26. INTERMITTENT OR REDUCED LEAVE

Serious Health Condition Leave may be taken on an intermittent or reduced schedule basis when certified by a health care provider. Child care leave ordinarily must be taken in at least two week intervals, except twice in any twelve (12) month period when a leave may be taken on a shorter period of time.

27. INSURANCE PREMIUMS

Employees are required to pay the employee portion medical premiums while out on a qualified leave of absence. An invoice for the premiums due will be mailed to the employee's home address. All premiums are due within thirty (30) days of receipt of the invoice. After thirty (30) days, a late notice will be sent along with the invoice for the following month's premiums. If the medical premium invoice is ninety (90) days past due, medical coverage may be cancelled. If the medical plan is cancelled, an employee cannot re-enroll in any District group medical plan until open enrollment or if they experience a qualified change in status. Any additional costs beyond what the District had been paying at time of cancellation will be at the employee's expense.

28. JOB RESTORATION

Upon return from family or medical leave in accordance with this provision, the employee will be returned to the same or an equivalent position with no loss in benefits which accrued prior to the leave of absence. An employee who does not return to work at the end of an authorized leave is subject to termination. An employee taking leave under this provision shall not be given any greater rights to a job than if the leave had not been taken.

29. EMPLOYEE NOTIFICATION

An employee who expects or anticipates taking a family or medical leave is required to notify the Human Resources Director of the date of commencement and the expected duration of the leave at least thirty (30) days in advance of the leave, or if, the need for the leave is not foreseeable, as soon as practicable. In cases where the need for leave is foreseeable, an employee's failure to provide thirty (30) days' notice prior to taking the leave may result in denial or delay of leave. An employee requesting leave under this provision should submit a written request for leave to the Human Resource Director.

29.1 Leave Without Pay

Leave without pay shall be thirty (30) days or less when an employee's vacation leave is exhausted and in cases of illness, when sick leave, also is exhausted.

Leave without pay shall be requested, in advance, by the employee, on a leave slip (Form 005). Approval in advance by the department head is required. Leave without pay shall be limited to conditions considered by the department head to be in the best interest of the District.

Requirement of a reemployment physical is discretionary by the District.

29.2 Service Date

Service dates shall be adjusted if the employee is on leave of absence or any other nonpay status in excess of thirty (30) consecutive calendar days so that no leave is earned during such period.

29.3 Military Leave

Military leave shall be in accordance with Federal and State law.

29.4 Retraining and Study Leave

An employee may be granted a leave of absence not to exceed one (1) year for the purpose of undertaking study or for retraining the employee to meet changing technological conditions in the District.

Such leave of absence shall not be deemed a break in service for any purpose. The leave will not be approved when the best interest of the District has failed to be established.

29.5 Jury Duty/Witness Leave

Each employee called for jury duty service or when appearing in court as a subpoenaed witness shall receive regular District compensation during the period to be served; any amount of payment received for jury duty or witness fee shall be assigned to the District. If any District employee has not cleared jury duty pay within sixty (60) days after the end of the service, the amount owed the District will be deducted from the following paycheck. The Department Head shall approve a leave slip for the period of absence. Employees shall be required to provide Finance with verification of service. If verification of service is not provided within sixty (60) days after the end of service, the time will be deducted from the employee's vacation leave of record.

29.6 Minuteperson Leave

Each officer or regular employee, while on duty, when called for fire or police duties during periods of emergency caused by fire, riot or an act of God, shall be obligated first to the District's activities and protection. There being no District emergency, the person shall, while on said leave, receive their regular compensation during the period so served. Hours for which payment is received by the employee from other agencies for such service, shall be deducted from District pay. The General Manager shall approve a leave slip for the period of absence, when accompanied by-written verification of duty. The absence shall not be deducted from any earned leave.

Each officer or employee disabled while on Minuteperson Leave or voluntary service activities shall be granted leave without pay for the duration of the disability. The accrual of District benefits shall conform to those granted during Leave of Absence.

In the event the length of absence and the nature of the employee's duties require another employee to be hired, the return from Minuteperson Leave disability shall be at the level of responsibility and with duties designated by the General Manager. Ultimate reemployment in any classification shall be agreeable to the department head and the individual.

A reemployment physical may be required.

29.7 Disability Leave

An employee whose physical condition prohibits carrying out their assigned duties, shall be assigned disability leave for a period of up to fifty-two (52) weeks, including any time eligible under Family and Medical Leave Act, California Family Rights Act, and Pregnancy Disability Leave. Unless mandated by law, no benefits shall be earned.

Employees on disability leave shall contact their immediate supervisor weekly to report medical progress, if physically able.

Medical and Term Life Insurance premiums shall be paid by the District. Premiums for other insurance benefits shall be the responsibility of the employee. After fifty-two (52) weeks, the employment may be terminated. Individuals may apply for employment upon recovery.

29.8 Family School Leave

Employees will be allowed up to forty (40) hours of unpaid leave, per school year, to attend meetings at the school or licensed day care facility of dependent children through grade twelve (12). The leave shall not exceed eight (8) hours in any calendar month. Employees must give reasonable notice. Employees shall use floating holiday or accrued vacation leave unless these leaves have been exhausted.

29.9 Domestic Violence Leave

The District provides employees who are victims of domestic violence with unpaid time off from work for the following reasons:

- A. seek medical attention for injuries caused by domestic violence
- B. obtain services from a domestic violence shelter, program or rape crises center as a result of domestic violence
- C. obtain psychological counseling related to an experience of domestic violence.
- D. participate in safety planning and take other actions to increase safety from future domestic violence, including temporary or permanent relocation
- E. obtain a temporary restraining order, restraining order or other court assistance

Employees who are victims of domestic violence abuse must provide the District with reasonable advanced notice of the need for time off pursuant to this policy, unless advanced notice is not possible due to the circumstances. However, if an employee who is the victim of domestic violence abuse takes unscheduled time off pursuant to this policy, the employee must provide the District, within a reasonable period of time following the unscheduled time off, one of the following:

- A. A police report indicating that the employee was a victim of domestic violence.
- B. A court order protecting or separating the employee from the perpetrator of an act of domestic violence, or other evidence from the court or prosecuting attorney that the employee appeared in court
- C. Documentation from a medical professional, domestic violence advocate, health care provider, or counselor that the employee was undergoing treatment for

physical or mental injuries or abuse resulting in victimization from an act of domestic violence.

An employee who is a victim of domestic violence may use available vacation or floating holidays to take time off pursuant to this policy. However, the amount of time off pursuant to this policy cannot exceed the unpaid leave time available under FMLA.

The District does not discriminate or retaliate against employees who are victims of domestic violence abuse and who take time off pursuant to this policy to ensure their own health, safety or welfare, or that of their child/children.

30. PROBATION AND REGULAR EMPLOYEE

Most original appointments of employees shall be for a probationary period of three hundred sixty-five (365) calendar days. No more than two (2) consecutive periods shall be served.

Positions that require special conditions to be met within specific time limits remain on probation for the specific time or until the conditions have been accomplished. If the conditions have not been accomplished in the allotted time the employee may be transferred, demoted, or terminated. Except for employees affected by special conditions, no merit step increases will be effective during a probationary period.

A newly hired probationary employee may be demoted, suspended or dismissed at any time during the probationary period and such action shall not entitle the employee reimbursement for monetary value of employee benefits except as provided by law.

An employee who serves the required probationary period in a satisfactory manner shall be classified as a regular employee and shall be subject to dismissal for just cause or reduction in work force.

Anniversary dates for salary purposes shall be set by the date of employment and changed as a result of a promotion, merit pay increase or involuntary demotion.

Service credit date will change due to leave of absence over thirty (30) consecutive calendar days and shall be set by the date of return less the thirty (30) calendar days.

Evaluation of Performance: the Human Resources Director shall direct evaluation of an employee's performance.

31. TRANSFERS

Transfer of an employee from one work assignment for operational necessity to another work assignment, may be made by the General Manager at any time. Transfers shall not be used as a disciplinary measure.

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Requests for transfer to a lower paying vacancy shall require prior approval by both Department Heads and the General Manager.

32. INTERNAL TRANSFERS, PROMOTIONS AND RECRUITMENT

Open positions and new classifications that report directly to the General Manager shall be filled or posted at the discretion of the General Manager.

When a vacant position is posted on bulletin boards at the District, it shall be open to all qualified employees for a minimum of five (5) days. Employees will apply with Human Resources by completing a District application before the listed closing date. Candidates will be screened for qualifications, attendance, knowledge and abilities. Only the top candidates that meet the qualifications of the position will be interviewed.

Candidates not selected for interview shall have three working days to appeal to the Human Resources Director after notification. The Director's decision will be final.

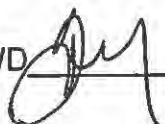
If there is a minimum of three (3) qualified candidates, the most qualified from those candidates will be selected to interview for the position. If after interviewing, no candidate is selected, the candidates will receive written notification with reasons for their elimination from candidacy and the District will go to outside sources for additional candidates. If there are less than three (3) qualified candidates to interview, the District may recruit from outside sources for additional candidates.

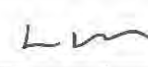
An employee who transfers/promoted to a new position will serve a probation period as described in section 30. An employee will be informed at the time of the transfer/promotion whether his/her previous position will be eliminated or held vacant for a period of time. The employee will be allowed up to forty (40) working days during which time the employee may request to return to the employee's previous position if it is still open, unless the employee was notified that their previous position will be eliminated. If there are no open position, and the employee doesn't successfully complete the probation period, the employee may be terminated. During the forty (40) days, the employee will be notified before the previous position is filled. The employee shall be allowed two (2) nights, not including Saturday or Sunday nights, to decide if they want to return to the previous position.

33. GRIEVANCE PROCEDURES

Before entering into the grievance process, a management employee may discuss concerns with the General Manager and attempt to resolve issues without entering into the formal process.

A grievance is defined as an allegation by a management employee or a group of management employees that the district has failed to provide a condition of employment that is established by the Memorandum of Understanding, or by a district or departmental policy or procedure. This

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grievance procedure shall not apply to matter covered by the Labor Relations Ordinance, or concerning:

- non-disciplinary oral and written coaching and counseling,
- any discipline or termination covered by the Skelly procedures in Discipline and Dismissal,
- any other subjects, unless the subject is covered by the expressed terms of this MOU or any portion of a district or departmental policy or procedure that relates specifically to wages, hours and other terms and conditions of employment.

34. INFORMAL DISCUSSION WITH DEPARTMENT HEAD

Before proceeding to Section 35. (below), a management employee shall discuss the grievance with the Department Head and attempt to work out a satisfactory solution. If the employee and the Department Head cannot work out a satisfactory solution, the employee may then choose to proceed to C. below. Direct reports to the General Manger will proceed to Section 35.

35. VERBAL OR WRITTEN GRIEVANCE TO THE GENERAL MANAGER

If a satisfactory solution has not been reached though informal discussions, the management employee may then present the grievance verbally or in writing to the general manager. The general manager will have fifteen (15) working days in which to review and answer the grievance in writing.

36. DISCIPLINE AND DISMISSAL

A management employee has a higher level of performance expectations; including maintaining competent job performance and conducting themselves in a manner that exhibits professionalism and good judgment.

Disciplinary action may be imposed upon a management employee for failure to perform the duties of his/her assigned duties or for violating work rules.

Counseling and Coaching

Prior to proceeding with the discipline process, management employees will receive counseling and coaching from the general manager or their department head, depending upon to whom they directly report. This should be an ongoing process for the purpose of continuing improvement. As a result of effective coaching and counseling, it should never be a surprise when the discipline process begins. Coaching and counseling are by definition not part of the discipline process.

37. DISCIPLINARY PROCESS

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The disciplinary process will consist of the following steps, unless the general manager determines that a serious event warrants jumping past one or more levels:

- A. Informal Meeting (Verbal Warning) - The management employee meets with the general manager or Department Head to discuss performance concerns and ways to improve performance and meet expectations.
- B. Jeopardy Meeting (Written Warning) – The management employee meets with the general manager or Department Head to discuss performance and warns that the management employee's job is in jeopardy and continued employment is unlikely unless performance expectations are met. This will result in a written warning.
- C. Decision-making Leave (Final Written Warning) - If the management employee's performance fails to improve, the employee will be placed on Administrative Leave with pay for two days. During the Administrative Leave, the management employee to decide whether: a) they can and will correct the unsatisfactory performance (and if so, how); or b) to resign the position with the District. The management employee will be given a last chance warning if he/she chooses not to resign.

38. SUSPENSION WITHOUT PAY, DEMOTION, OR DISMISSAL

A management employee may be disciplined by the general manager with concurrence from the human resources director and if the management employee is not a direct report of the general manager, the department head. The general manager, when determining the range of discipline, shall file with the Human Resources office written charges in support of the discipline recommendation. The employee shall be notified, in writing, at least five working days prior to the effective date of the action and provided, in writing, his/her rights to appeal the decision through the Skelly process.

The written notice to the management employee will:

- A. Notify the employee in writing of the nature of the charges, which will include a copy of the complaint against the employee and which will identify the objectives, directives, policies, procedures, work rules, regulations, or other order of District, which appear to have been violated;
- B. State the range of discipline that is being considered;
- C. Afford the affected employee an informal opportunity to respond to the charges orally or in writing, normally within seven (7) working days from receiving such written notice.

39. SKELLY HEARING

The opportunity to respond may occur at a meeting conducted and presided over by the General Manager's designee with authority to impose or recommend the proposed disciplinary

action. The meeting shall be informal, but sufficient to assure the employee full opportunity to be heard, respond to the charges, and have the employee's response considered prior to the imposition of discipline.

The employee shall have the right to answer the charges in writing and orally.

At all meetings with the management employee wherein discipline is being considered, the employee shall be entitled to representation.

Five working days prior to the date of the scheduled hearing, each party shall serve upon the other party a list of all witness and a list and copy of all exhibits. Once the hearing commences, additional witnesses may be called to rebut evidence offered by either party.

All disciplinary hearings will be recorded by audiotape. If a court reporter is requested by either party, that party shall pay the cost of the court reporter. If both request a court reporter, the cost will be shared equally. If an audio recording transcription is used by either party, it must be transcribed by a certified court reporter at the expense of the requesting party.

The General Manager's designee will issue a written decision imposing discipline, exonerating the employee or taking any other action deemed appropriate.

40. ADMINISTRATIVE LEAVE

An employee may be placed on paid administrative leave by District during District investigations.

41. PROBATIONARY EMPLOYEES

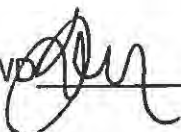
The provisions of this Article shall not apply to newly hired employees who have not completed an initial probationary period. It is understood that the probationary period is a part of the selection process and designated to allow evaluation of an employee's fitness for regular status. All rights listed within this memorandum protect a regular employee on promotional probation.

42. RULES OF CONDUCT

Employees that engage in the following conduct may be subject to disciplinary action including but not limited to, demotion, suspension or termination of employment.

Rules of conduct include but are not limited to:

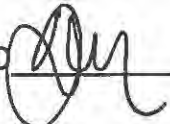
- A. Theft of any kind, including theft of District property or theft of non-District property during working hours.
- B. Willful falsification of District documents or data including but not limited to employment application, time card, mileage sheets, work orders, incident reports, meter


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readings, customer information or application for services, or deliberately giving false information.

- C. Conviction or admission of any felony.
- D. Conviction or admission to a misdemeanor involving moral turpitude and/or immoral conduct.
- E. The use, sale, possession, manufacture or cultivation of alcohol, intoxicants or controlled substances (drugs) during working hours or on District property, and/or reporting to work under the influence of such alcohol, intoxicants or drugs (including employees on call).
- F. Soliciting contributions, accepting gratuities or accepting payment for unauthorized work or modification to District services, meters, system connections.
- G. Violation of the District's conflict of interest policy.
- H. Misuse of District time, such as sleeping, sightseeing, conducting personal business or performing work other than District work assignment during paid working hours.
- I. Unauthorized use of District property, materials, equipment, tools or vehicles. Willful destruction or malicious alteration of District equipment. Failure, through negligence or inattentiveness, to safeguard District equipment, materials, tools, vehicles or personnel from damage or loss.
- J. Incompetence, inefficiency, lack of ability, physical or mental incapacity or failure to perform assigned duties in a satisfactory manner.
- K. Failure to follow reasonable District policy or rule.
- L. Failure to achieve or maintain required certification for position or classification.
- M. Insubordination, disobedience to authority or supervision, refusal to carry out instructions or work duties.
- N. Dereliction of duties, intentional abandonment of duties.
- O. Political activity during the assigned working hours.
- P. Loss of driving privileges or failure to maintain a satisfactory driving record. Only applies to those required to drive in the normal course of job duties as defined in job description.

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- Q. Evidence establishing careless conduct with a lack of regard for the health and welfare of employees or the public (horseplay, reckless driving, etc.).
- R. Absence from duty without leave.
- S. Discourteous treatment of the public or of fellow employees, fighting, verbal or physical abuse of District personnel or public, including but not limited to, sexual harassment, racial harassment or any violation of Federal or State law or violation of District workplace violence policy.
- T. Conduct tending to injure or impede public service or conduct that would injure the public confidence in the integrity of the District or District services.
- U. Frequent tardiness, unexcused absences and unsatisfactory attendance. Frequent unscheduled absences, excluding FMLA qualifying absences, in which the absences reduces the reliability and dependability of the employee to perform their assigned duties.
- V. Violation of safety practices, procedures or policies.
- W. Making false and malicious statements concerning any employee or the District.

43. TERMINATION OF EMPLOYMENT

- A. An employee who desires to resign in good standing shall submit a resignation in writing to the Department Head at least two (2) weeks in advance of the intended resignation date. Resignation pay will normally be paid on the last day worked, if the District has been given seventy-two (72) hours' notice and clearance through Human Resources has been completed, with clearance not to exceed five (5) working days from the effective date of resignation.
- B. Termination pay shall be issued or mailed to an employee who is terminated no later than the regular work day following the date of termination, provided clearance through Human Resources and stores has been completed. Without stores clearance, the check is held until clearance is received or is issued with stores values deducted, with stores clearance not to exceed five (5) working days from date of termination.

44. PERSONNEL FILES

Each employee has a personnel file that is kept in Human Resources. This file is an employee's record of employment at the District.

An employee has the legal right to know what is in the file and may inspect their file and discuss its contents during normal working hours with the Human Resources Director.

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Employees will not be shown:

1. records relating to the investigation of a possible criminal offense.
2. letters of reference
3. ratings, reports or records that were:
 - obtained prior to the employees employment
 - prepared by identifiable examination committee members
 - obtained in connection with a promotional examination

45. VEHICLE CONTROL

Operation of District-owned vehicles shall be restricted to authorized District personnel only. No employee shall operate a District vehicle without a valid California driver's license. The license must be the appropriate class and have the proper endorsements for the vehicle driven.

District vehicle operation is limited to District business and work only. The use of District vehicles for personal use is unauthorized and will be in violation of District policy.

The District may require certain employees and officers to commute to and from work in District-owned vehicles. Commuting employees and officers shall not use the vehicle for personal activities.

Passengers authorized for travel in the closed portion of District vehicles (no one is authorized as a passenger in the open portion of a District vehicle) shall be restricted to those whose employment, research or presence can be related to a District operation or function.

Tax on District Assigned Vehicles

In accordance with current U.S. Treasury Regulations (IRS) most employees using a District-owned vehicle for commuting to and from work will be considered to have received a taxable benefit. Currently, this benefit is considered three (\$3.00) dollars per day for most employees but some employees are considered to receive a higher benefit.

Currently, the District does not make withholding for federal and state income taxes on these amounts. The total annual value of the benefit will be added to the year-end W-2 statement as other income and should be considered by the employee when they file their annual tax returns.

46. COMMUNITY ASSISTANCE

Emergencies

District personnel who find themselves at the scene where injury or damage requires their assistance, should follow these actions upon determining the extent of the problem:

- A. Request "Control" to dispatch emergency units (Fire, Police, Medical). Be prepared to report the urgency of conditions, the kinds of equipment needed, and how your location can be found.
- B. When (if) transporting an injured person or damaged material, you (the Good Samaritan) are responsible and liable for the care, welfare, or damage your actions or conduct may cause during transport.

The "injured" or "owner of the damaged", may file suit for recovery of damage from the "Good Samaritan" and the health care facility has the "authority" to require identification of the person who delivers an "injured."

The District insures itself for liabilities of these kinds. This insurance coverage may not keep the "injured" from filing suit against the "Good Samaritan."

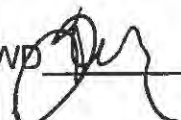
47. REDUCTION IN FORCE

The District will act in accordance with the following procedure if it becomes necessary to reduce staff because of lack of work, lack of funds, or economic reasons.

- A. When it becomes necessary to reduce the work force (layoff), the General Manager shall designate the job classification(s) to be affected and the number of employees to be eliminated.
- B. Any reduction in the number of regular employees holding a job classification designated by the General Manager for layoff shall be made in the following order of employment status:
 - 1. Temporary employees who have been hired less than full-time or are from an outside agency performing duties of the affected classification.
 - 2. Probationary employees who have not completed the initial probationary period.
 - 3. Regular employees who have completed the initial probationary period.
- C. Layoffs of employees within each classification shall be based primarily on the most recent date of hire, with the least senior employee being laid off first. An employee may be laid off out of seniority when a less senior employee possesses essential skills necessary to the operation of the department or classification, that the more senior person does not possess, subject to the approval of the Human Resources Director. Factors such as competency and efficiency of employees may be considered if the standards by which these factors can be measured is specified. Employees laid off out of seniority shall be given written notice of this action.

Seniority shall be defined as the length of an employee's continuous service with the District counted from the most recent hire date. An employee shall lose seniority by:

- 1. Voluntary resignation
- 2. Discharged for just cause
- 3. Layoff for economic reasons

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- D. The General Manager shall give notice to ACVWDM at least sixty (60) days prior to the effective date of the action. The list shall include a seniority list of employees that will be affected. The official notice shall be given to the employees from the General Manager and shall include:
1. The reason for the layoff
 2. The effective date of the layoff
 3. If laid off out of seniority, the reasons
- E. An employee who has received an official notice will be notified and allowed to apply for any open position that has been approved by the General Manager for which they are qualified. Employees will be screened by Human Resources to ensure applicants have the necessary skills, knowledge, and abilities to qualify for a position.
- F. Prior to the effective date, the General Manager will give each affected employee a letter stating that the layoff was due to a reduction in force.
- G. Affected employees shall be eligible for recall, if the District has a need to refill the previously affected classification, for twelve (12) months after the effective date of the layoff. Eligible employees will be considered for recall based on the District's needs and individual skill, knowledge and other factors the District normally considers in selecting individuals for positions. Affected employees will be treated as internal candidates, during the first twelve (12) months after the effective date, and may apply for any posted internal positions.
- Laid off employees rehired within twelve (12) months of the layoff to any classification shall be entitled to:
1. Restoration of all sick leave credited to the employee's account on the day of layoff.
 2. Restoration of all hours of Floating Holiday credited to the employee's account on the day of layoff.
 3. Continuation of seniority with no break.
 4. Credit for all service prior to the layoff for purposes of determining the rate of accrual of vacation and longevity with no break.
- H. In the case of layoff of a regular employee of the District through no fault of their own, and who has been employed for over one (1) continuous year, severance pay equivalent to one bi-weekly salary payment shall be made to the employee. Resignation or termination for cause shall not entitle an employee to severance payment.

48. **CONTRACTING OUT**

The District, at the discretion of the General Manager, may contract out the work of any classification.

If, however, the contract or subcontract will require a layoff of employees, the District will follow the procedures outlined in the Reduction in Forces section.

The District will make a reasonable attempt to avoid layoffs.

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49. PROHIBITION OF JOB ACTION

During the term of this memorandum of understanding, ACVWDM members will not authorize, institute, aid, condone, or engage in a work slowdown, work stoppage, strike or other effort towards interference with the work or statutory functions of the District. ACVWDM members, agree not to engage in unlawful job actions.

Members shall be required to work during work slowdown, work stoppage, strikes, or other efforts towards interference with the work or statutory functions of the District, even if the MOU is not in effect. Violators shall be subject to disciplinary action.

50. EXISTING BENEFITS

All wages, hours, terms and other conditions of employment, shall continue in effect during the term of this memorandum except as herein specifically modified.

The General Manager may create new classifications and assign salary ranges to them. Such new classifications will not be subject to negotiations until the succeeding Memorandum of Understanding.

The General Manager, at his discretion, may reclassify positions upward on the salary scale.

51. PARKING

The District and ACVWDM will reconvene the parking committee if there is a need to meet future South Coast Air Quality Management District requirements.

52. RECOGNITION RIGHTS

The recognition rights of the majority representative shall not be subject to challenge for the duration of this memorandum.

53. BULLETIN BOARDS

The District agrees to furnish and maintain designated bulletin boards to be used by the union. Prior to posting, the materials must be approved by the Human Resources Director. Any notice posted on the boards without approval will be removed.

The union shall limit its posting of notices and bulletins to each board and shall use the boards only for notices and bulletins concerning union matters.

54. ACVWDM MATERIAL

The District agrees to allow distribution of ACVWDM related materials to new employees. This would be given by Human Resources during employee orientation and will contain the name of a contact person for ACVWDM.

55. NEGOTIATIONS

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Released time from regularly scheduled work for negotiations for this agreement will be as provided in section 18 in the employee-employer relation's ordinance. The District will authorize three employee members to participate in negotiations without the loss of compensation. Negotiations include one-half hour before the first fact-to-face meeting and two hours after the bargaining session concludes. Released time is not hours worked for purposes of overtime. Regularly scheduled meal breaks are not part of released time.

56. DISTRICT'S RIGHTS

The District shall have the sole and exclusive right to manage its business in every respect and to take any other action which the District deems desirable to conduct its business including but not limited to the right to determine and change all aspects of its method of operation, to schedule and assign work and overtime, to hire, promote, classify, discipline, demote, layoff and transfer employees, to determine the number and location of employees and to exercise all other rights the District had prior to entering into this memorandum except where the District's action violates an express provision of this Agreement.

57. LABOR/MANAGEMENT COMMITTEE

A Labor/Management Committee shall be established and shall be composed of the District General Manager, Assistant General Manager, Human Resources Director, four employees from the bargaining unit and one staff representative from ACVWDM.

The committee shall meet upon the written request of either party, and upon mutual consent.

The District and ACVWDM agree to attempt to solve all matters, within the scope of representation, at the lowest level possible prior to submitting matters to the Labor/Management Committee.

Matters relating to the duty to bargain and not appropriately discussed in another forum, such as the safety committee, may be discussed. The Labor/Management Committee shall not have the authority to add to, amend or modify this Memorandum of Understanding.

Issues to be discussed at such meetings shall be submitted at least two (2) weeks in advance to the Human Resources Director, along with the names of any resource people for the agenda prior to the meeting. A reasonable number of resource people may be called to the meeting subject to availability.

The committee meetings will be on District property on District time and shall not exceed two (2) hours.

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This agreement concludes all collective bargaining between the parties for the term of this agreement, except upon side letters signed by the Coachella Valley Water District and ACVWDM.

Coachella Valley Water District

Robert C. Chy 1/8/19
Robert Cheng Date
Assistant General Manager

Frances Neilon 1-4-2019
Frances Neilon Date
Senior Human Resources Specialist

Association of Coachella Valley Water District Managers

Steve Bigley 1/8/19
Steve Bigley Date
ACVWDM Representative

Luis Maciel 1/8/2019
Luis Maciel Date
ACVWDM Representative

CVWD [Signature]

ACVWDM [Signature]