

## **MEMORANDUM OF UNDERSTANDING**

### **SANITARY DISTRICT NO. 5 OF MARIN COUNTY and THE EMPLOYEES OF SANITARY DISTRICT NO. 5 OF MARIN COUNTY**

IT IS HEREBY AGREED by and between the Sanitary District No. 5 of Marin County (“District”) and the Employees of Sanitary District No. 5 of Marin County (“Employees”), acting pursuant to and in compliance with the terms and provisions of section 3500 *et seq.* of the California Government Code, that the following terms and conditions shall be applicable to the individuals in the bargaining unit represented by the Employees.

#### Section 1. Recognition

The District has voluntarily recognized the Employees of Sanitary District No. 5 of Marin County as the exclusive representative of all regular (e.g., permanent and probationary) full-time District employees with the exclusion of management and confidential employees.

#### Section 2. Implementation

This Memorandum of Understanding shall become binding upon the parties when adopted by the Board of Directors.

#### Section 3. Term

This Memorandum of Understanding shall be deemed effective as of the date of July 1, 2017 and remain in full force and effect until June 30, 2022.

#### Section 4. District Rights

The rights of the District include, but are not limited to, the exclusive right to determine its mission; set standards of service; determine the procedures and standards of selection for employment and promotion; train and direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which governmental operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work; and to make rules and regulations for its employees consistent with this MOU.

## Section 5. Hours of Work

### 5.1 Regular Workweek and Regular Workday

The regular workweek shall consist of forty (40) hours and the regular workday shall consist of eight (8) hours, nine (9) hours, or ten (10) hours as determined by the District. The District may change the schedule due to operational requirements or needs.

The District may assign a fourteen (14) day schedule, 44/36-80 hours in any two (2) week period, as follows:

1. Any combination of eight (8) working days of a maximum of nine (9) hours per day and one (1) working day of a maximum of eight (8) hours, that results in no more than 80 hours being worked within a fourteen (14) calendar day period.
2. The fourteen (14) calendar day period shall consist of one (1) seven (7) day period which consists of five (5) consecutive working days and two (2) consecutive days off of forty-eight (48) hours and a second seven (7) day period consisting of four (4) consecutive working days and (3) consecutive days off of seventy-two (72) hours. The two (2) seven (7) day periods can be scheduled in any order.

A workday begins at 12:01 a.m. and ends twenty-four hours later. For purposes of compliance with the Fair Labor Standards Act the regular workweek shall begin at 12:01 a.m. on Sunday and conclude the following Saturday at midnight.

Employees are required to be in uniform at the beginning of their assigned work hours and to remain in uniform until their assigned shift has ended.

Management retains the discretion to determine work shifts.

### 5.2 Schedules

Work schedules showing employees' shifts, workdays and hours shall be posted on department bulletin boards at all times.

In the event the District must change an employee's shift, the employee must receive ten (10) working days notice before the new shift becomes effective, except in cases of emergency as determined by the District Manager.

### 5.3 Rest and Lunch Periods

Under normal conditions, the work schedule of all employees shall provide a fifteen (15) minute rest period during each four (4) hour work period.

Employees shall have a paid 30-minute lunch period. Employees must stay within District boundaries during the lunch break.

## Section 6. Overtime, Call Back and Standby Pay

### 6.1 Overtime Defined

Overtime is authorized time worked beyond eight (8) hours per day, or nine (9) hours per day for employees assigned to 44/36-80 workweeks, or ten (10) hours per day for employees assigned to a 4/10 workweek, or forty (40) hours per week.

### 6.2 Authorization

All overtime worked must be approved in advance by the District Manager or the District Manager's designated representative, except when an employee is on standby or is responding to an emergency.

### 6.3 Notification

If, in the judgment of the District, work beyond the normal workday, workweek, or work period is required, the District will notify an employee of the apparent need for such overtime as soon as practical prior to when the overtime is expected to begin.

No employee will be allowed to work in excess of sixteen (16) hours consecutively due to safety and liability concerns, except in the event of an actual emergency. Any employee who works sixteen (16) hours consecutively must have a rest period of at least eight (8) hours, plus travel time to and from the employee's home, before returning to work.

### 6.4 Compensation for Overtime

Overtime shall be compensated at one and one-half (1-1/2) times the straight-time hourly wage rate or in accordance with applicable state and federal laws. Overtime shall be charged in one-half (1/2) hour increments.

Compensation for hours in excess of twelve (12) hours in one (1) workday will be paid at double the regular rate of pay. Employees shall not work more than sixteen (16) consecutive hours without a rest period of at least eight (8) hours, plus travel time to and from the employee's home.

Employees who accrue overtime in a pay period will receive overtime pay unless the employee notifies the payroll officer in writing regarding converting the overtime into compensatory time.

Employees may accumulate compensatory time in lieu of overtime pay up to a maximum of eighty (80) hours at any one time. An employee who wishes to take accumulated compensatory time must receive prior approval for taking time off and the time off may only be taken when it does not result in an economic cost to the District. During each pay period, all hours earned above the maximum of eighty (80) hours will be compensated in cash at the employee's base hourly rate. The District also reserves the right to cash out accumulated CTO at any time.

#### 6.5 Call Back

If an employee is called back to work, the employee, upon receiving the call to return to work, shall be entitled to pay at the applicable rate (port to port). The employee shall be entitled to a minimum of two (2) hours' work, or if two (2) hours' work is not furnished, a minimum of two (2) hours' pay at the applicable rate. If the employee is required to work more than two (2) hours, the employee shall receive pay for the actual time worked. This provision does not apply to instances in which the employee is called to report before the employee's regular starting time and has worked from the time the employee reports to the employee's regular starting time.

#### 6.6 Standby Pay

Employees on standby shall receive 14 hours of straight-time pay per week, paid at a rate of 2 hours of straight-time pay per day. No overtime shall be paid for calls/responses that do not require reporting in.

### Section 7. Classification and Salaries

#### 7.1 Pay Scale

Effective July 1, 2017, employees shall receive an annual Cost of Living Allowance ("COLA") increase based on the San Francisco-Oakland-San Jose Consumer Price Index for all Urban Consumers ("CPI") using the CPI annual average for the calendar year immediately preceding the commencement of the District's fiscal year. The minimum COLA increase shall be 2.5% and the maximum COLA increase shall be 3.5%. The COLA increase shall be implemented as a salary schedule or pay scale adjustment effective July 1 of each fiscal year during the term of this agreement.

#### 7.2 Promotions

An employee shall receive a promotion within class only if he/she has the specified time in grade and has demonstrated satisfactory performance, and the promotion is approved by the District Manager.

7.3 Educational Incentive

(a) The District will reimburse employees for fees paid for pre-approved courses and examinations only when the employee passes the course or examination. This one-time stipend shall be reported to CalPERS as special compensation.

(b) Educational incentive program available, see “Attachment A, Education Incentive Program” for specific details.

7.4 Section 7.4 Job Titles and Step Ranges

As a result of Resolution 2006-02 Section 22 Misc. “Certification Incentive” Employees were given up to 5% increase in pay for obtaining certifications that provided cross training for the employees that participated in the program. Reporting the incentive as special compensation was not identified at the time of the meet and confer process. In an effort to correct identified findings from the March 2014 CalPERS Audit No. P13-058, job titles and salary ranges have been updated to coincide with the current pay and duties performed:

Job Title	Salary Step Range
Senior WWTP Operator/ Lab Director	24-30 (7 Steps)
Senior WWTP Operator/ Safety Coordinator	24-30 (7 Steps)
Senior WWTP Operator/Pollution Prevention Coordinator	24-30 (7Steps)
Senior WWTP Maintenance & Collection System Tech	22-28 (7 Steps)
Wastewater Permits & Construction Inspector	21-27 (7 Steps)
WWTP Operator	20-26 (7 Steps)
WWTP Maintenance & Collection System Tech	19-25 (7 Steps)

Section 8. Health and Welfare

8.1 Available Benefits

(a) Medical Benefits

The District shall continue to contract with the California Public Employees’ Retirement System (CalPERS) to provide employees (and their eligible dependents) and retirees (and their eligible dependents) with hospital-medical insurance pursuant to the California Public Employees’ Medical and Hospital Care Act (PEMHCA).

As soon as administratively possible, the District shall pay the PEMHCA minimum contribution as provided in California Government Code section 22892 on behalf of each eligible employee and qualified annuitant. The District shall establish an IRS Section 125 cafeteria plan for active employees, and a Health Reimbursement Arrangement or similar funding mechanism chosen by the District for annuitants to fund the remainder of medical benefits as discussed below.

(b) Dental Plan

The District shall provide a Dental Plan for eligible employees (and their eligible dependents). During the life of this agreement the District may change providers or plan(s) provided that the change is implemented in accordance with the meet and confer requirements of state law. Any cost for the current or substitute plan not paid by the District will be paid by the employee through the employee's Section 125 Cafeteria Plan (described in Section 8.2.b, below) and/or payroll deduction.

(c) Vision Insurance

The District shall provide a vision insurance plan for eligible employees (and their dependents, at employee cost). During the life of this agreement the District may change providers or plan(s). Any cost for the current or substitute plan not paid by the District will be paid by the employee through the employee's Section 125 Cafeteria Plan (described in Section 8.2.b, below) and/or payroll deduction.

(d) Life Insurance

The District shall provide a Basic Life and Accidental Death and Dismemberment Insurance plan in the amount of \$50,000. During the life of this agreement the District may change providers or plan(s).

8.2 Current Employees

(a) Employer Contribution

The District shall adopt a PEMHCA Resolution providing that the District's contribution toward medical insurance provided by CalPERS Health will be the minimum contribution level established by CalPERS pursuant to Government Code 22892, plus administrative fees and Contingency Reserve Fund assessments. Any remaining premium amount shall be paid by the employee either through the Section 125 Cafeteria Plan (described in Section 8.2.b, below), payroll deductions, or a combination thereof.

(b) Cafeteria Benefit Plan

As soon as administratively possible, the District shall establish a cafeteria benefit plan in accordance with Section 125 of the Internal Revenue Code, allowing employees to use pre-tax compensation for PEMHCA employee medical, dependent

medical, employee dental, dependent dental, employee vision, dependent vision, eligible uninsured medical expenses, or a combination thereof.

(c) Contribution Levels

In addition to the minimum employer contribution established annually by CalPERS, the District shall contribute up to the amounts listed below, based on the level of medical plan enrollment, to each active employee's Section 125 Plan account.

<b>Hire Date</b>	<b>Enrollment Level</b>	<b>District Contribution</b>
Before Dec 12, 2012	Employee only	100% Kaiser Basic plus administrative fees and Contingency Reserve Fund assessments for employee only, minus employer PEMHCA contribution; plus cost of dental plan for employee only; plus cost of vision plan for employee only
Before Dec 12 2012	Employee + 1	100% Kaiser Basic plus administrative fees and Contingency Reserve Fund assessments for employee plus eligible dependent, minus employer PEMHCA contribution; plus cost of dental plan for employee and eligible dependent; plus cost of vision plan for employee only
Before Dec 12 2012	Employee + 2 or more	100% Kaiser Basic plus administrative fees and Contingency Reserve Fund assessments for employee plus eligible dependents, minus employer PEMHCA contribution; plus cost of dental plan for employee and eligible dependents; plus cost of vision plan for employee only
Post-Dec 12, 2012)	Employee only, Employee + 1, or Employee + 2 or more	100% of Kaiser Basic plus administrative fees and Contingency Reserve Fund assessments for employee only, minus employer PEMHCA contribution; plus cost of dental plan for employee only; plus cost of vision plan for employee only

Any cost for the current or substitute plan not paid by the District will be paid by the employee through the Section 125 Cafeteria Plan and/or payroll deductions.

(d) Opt-Out

Eligible employees who are covered by health insurance through their spouse or other source with benefits comparable to those provided through District sponsored plans may waive coverage under the District sponsored Plans. The employee shall sign a waiver form provided by management. The employee must understand that re-enrollment in the District sponsored CalPERS

Plan is subject to the limitations/exclusions/time period instituted by CalPERS. Employees are eligible to re-enroll during the CalPERS open enrollment period.

(e) Miscellaneous

Procedures for the administration of the Section 125 Plan shall be determined by the District. The District shall assume the administrative cost for the Plan.

8.3 Retiree Health Benefits

(a) Employer Contributions

As stated in Section 8.2.a, above, the District shall adopt a PEMHCA Resolution providing that the District's contribution toward medical insurance provided by CalPERS Health will be the minimum contribution level established by CalPERS pursuant to Government Code 22892, plus administrative fees and Contingency Reserve Fund assessments. Any remaining premium shall be paid by the annuitant either through the annuitant's Health Care Reimbursement Account (described in Section 8.3.b, below), or by direct payment from the annuitant.

(b) Health Care Reimbursement Accounts

As soon as administratively possible, the District shall establish a Health Reimbursement Arrangement (HRA) or similar funding mechanism for eligible annuitants.

(c) Additional Contributions Based On Hire Date

Pursuant to Resolution Nos. 2000-12, 2000-13 and 2002-09, eligible employees hired prior to the effective date of this Memorandum of Understanding are entitled to the following additional retiree medical benefits:

- (1) Eligible retired employees hired by the District before September 1, 2000.

To be eligible for benefits under this subsection upon retirement, the annuitant must have been a full-time District employee for a minimum of five continuous years (which must be immediately preceding retirement for eligible retired employees hired by the District before September 1, 2000), must be at least 55 years of age



and must retire from the District with PERS retirement. Any additional PERS requirements will also apply. The District shall contribute to the annuitant's HRA or similar funding mechanism the amount necessary to pay the cost of the enrollment of the annuitant, including the enrollment of his or her eligible dependents, in a health benefit plan, up to a maximum of the Kaiser basic/supplemental rates per month plus administrative fees and Contingency Reserve Fund assessment, minus the minimum PEMHCA contribution made by the District on the retiree's behalf.

- (2) Eligible retired employees hired by the District after September 1, 2000.

To be eligible for benefits under this subsection, the annuitant must have been a full-time District employee for a minimum of five continuous years, must be at least 55 years of age and must retire from the District with PERS retirement. Any additional PERS requirements will also apply. The District shall contribute to the annuitant's HRA or similar funding mechanism the amount necessary to pay the full cost of the annuitant's enrollment, including the enrollment of his or her eligible dependents, in a health benefits plan or plans up to a maximum of one hundred percent (100%) of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus ninety percent (90%) of the weighted average of the additional premiums required for enrollment of his or her eligible dependents in the four (4) health benefits plans which have the largest number of enrollments during the year to which the formula is applied plus administrative fees and Contingency Reserve Fund assessment, but not more than one hundred percent (100%) of premium applicable to him or her.

- (3) Eligible employees hired by the District on or after the effective date of this MOU are entitled to the minimum employer contribution established annually by CalPERS.

#### 8.4. Long Term Disability Insurance

The District shall provide each employee with Long Term Disability Insurance ("LTD"). The District shall contribute for each employee the sum necessary per month to cover the entire premium cost of a long-term disability insurance policy selected by the District. During the life of this agreement the District may change providers or plan(s) provided that the change is implemented in accordance with the meet and confer requirements of state law.

## Section 9. Retirement Benefits

### 9.1 CalPERS Pension

The District shall continue to contract with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for eligible employees as described in this Section.

### 9.2 Tier One: "2.7% at 55" Retirement Benefit Formula – Employees Hired On or Before December 30, 2012

This Section 9.2, including subsections, shall apply to employees hired on or before December 30, 2012.

#### 9.2.1 "2.7% at 55" Pension Benefit Formula

The "2.7% at 55" pension benefit formula will be available to employees covered by this Section 9.2.

#### 9.2.2 Final Compensation Based On 12-Month Period

For purposes of determining a pension benefit, final compensation for employees covered by this Section 9.2 shall mean the highest twelve (12) consecutive month period as specified in Government Code Section 21362.2.

### 9.3 Tier Two: "2% @ 60" Retirement Formula Benefit – Employees Hired After December 30, 2012 and Employees Qualified for Reciprocity (Classic Member)

This Section 9.3, including subsections, shall apply to employees hired after December 30, 2012 and employees hired on or after January 1, 2013 who are qualified for pension reciprocity as stated in Government Code Section 7522.02(c) and related CalPERS reciprocity (Classic Member) requirements.

#### 9.3.1 "2% @ 60" Pension Formula

The "2% at 60" pension benefit formula will be available to employees covered by this Section 9.3.

#### 9.3.2 Final Compensation Based On 36-Months

For the purposes of determining a retirement benefit, final compensation for employees covered by this Section 9.3 shall mean the highest annual average pensionable compensation earned during a period of thirty-six (36) consecutive months of service.

9.4 Tier One and Tier Two Employees: Employer Paid Member Contribution and Pension Cost-Sharing

Under the Public Employees' Retirement Law, two types of contributions are required to fund the District's PERS benefits: (1) member (employee) contributions and (2) employer contributions. Employee and employer contributions are stated as a percentage of pensionable compensation.

Member contributions for District employees are set by statute: 8% for Tier One employees ("2.7% at 55" retirement benefit formula) and 7% for Tier Two employees ("2% at 60" retirement benefit formula.) The District's contribution rates are set by CalPERS.

Government Code Section 20691 permits an employer to pay all or a portion of the member (employee) contributions for employees hired on or before December 31, 2012. ("Employer paid member contribution" or "EMPC")

Government Code Section 20516 permits employees to share a portion of their employer's pension cost. ("Pension cost-sharing")

9.4.1 For Tier One and Tier Two employees subject to Sections 9.2 or 9.3 above, the District shall pay the member (employee) contribution ("employer paid member contribution," or "EPMC") and the employees shall pension cost-share as follows:

For FY 2017-2018: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 2% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2018-2019: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 2% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2019-2020: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 3% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2020-2021: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 3% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2021-2022: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 4% of PERSable compensation as permitted by Government Code Section 20516(f).

9.4.2 Implementation of Internal Revenue Code Section 414(h)(2)

All EPMCs for employees are reported to CalPERS as compensation in accordance with Government Code Section 20636(c)(4). The District shall continue to implement Internal Revenue Code Section 414 (h)(2).

9.5 Tier Three: PEPRA Retirement Tier Required For Employees Hired On or After January 1, 2013 and Not Qualified For Reciprocity (Not A Classic Member)

This Section 9.5 including subsections shall apply to employees who were hired on or after January 1, 2013, and who do not qualify for pension reciprocity (not a Classic Member) as stated in Government Code Section 7522.02(c) of the Public Employees' Pension Reform Act ("PEPRA").

9.5.1 2% at 62 Pension Formula

The "2% @ 62" retirement program as described in Government Code Section 7522.20 will be available to employees covered by this Section 9.5.

9.5.2 Final Compensation Based On 36-Months

Effective January 1, 2013, for the purposes of determining a retirement benefit, final compensation for employees covered by this Section 9.5 shall mean the highest average annual pensionable compensation earned during a period of thirty-six (36) consecutive months of service.

9.5.3 Required Employee (Member) Contributions

January 1, 2013, bargaining unit members covered by this Section 9.5 shall pay, through payroll deduction, fifty percent (50%) of normal costs as determined by CalPERS.

9.6 Other Options Included In CalPERS Contract

Subject to CalPERS rules and regulations, employees shall be eligible for other options included in the District's contract with CalPERS:

- (a) Sick leave credit
- (b) Non-Industrial Disability
- (c) Optional Settlement 2W Pre-Retirement Death Benefit
- (d) \$500 lump sum post-retirement death benefit
- (e) 2% COLA
- (f) Full formula plus social security

(g) Military service credit as public service

#### 9.7 Reopener

This Section 9 shall be subject to a reopener confined to addressing any state law mandates that become effective during the term of the MOU impacting any aspect of the pension benefits/funding as are applicable to any unit members. Agreement in the above regard is not required.

### Section 10. Safety Uniforms and Equipment

The District provides uniforms and laundry service to all personnel potentially coming in contact with raw sewage or hazardous chemicals. Operations, Maintenance and Collections personnel must wear their safety uniforms at all time while on the job. Laboratory personnel must wear a laboratory coat or safety uniform while performing sampling analysis, or any activity where they potentially come into contact with raw sewage or hazardous chemicals.

Gloves, rain gear, safety goggles or face masks, respirators, hearing protection, hard hats, aprons, and other safety equipment provided by the District shall be worn by all employees when required by the particular work or circumstance.

Employees shall be provided safety shoes and safety glasses as set forth below:

- (1) Safety Shoes – All employees shall be reimbursed up to a maximum of \$200.00 per fiscal year for the purchase of safety shoes. The District employee must submit a receipt to the District Manager for the safety shoes. Employees must replace safety shoes as necessary.
- (2) Safety Glasses – Employees in the Operations and Maintenance Departments may seek reimbursement for prescription safety glasses. The District will reimburse an employee the actual cost for the purchase of prescription safety glasses up to a maximum amount not to exceed \$300.00 every 2 years. District employees may seek reimbursement for one pair of prescription safety glasses per fiscal year, and the District Manager may authorize reimbursement for additional prescription safety glasses under this policy in special circumstances. The District employee must submit a receipt to the District Manager for the prescription safety glasses purchases.

### Section 11. Holidays

#### 11.1 Holiday Eligibility and Compensation

Regular full-time employees shall be eligible for holiday pay, not to exceed eight (8) hours for any one (1) day, or nine (9) hours for employees assigned to 44/36-80 workweeks, or ten (10) hours for employees assigned to a 4-10 weekly work schedule, provided they are in a pay status on one of their regularly scheduled workdays either immediately preceding or following the holiday. The rate of compensation for the holiday shall be based upon the employee's regular hourly wage rate.

## 11.2 Holidays Covered

The holidays observed in this District shall be:

- (1) New Year's Day, January 1
- (2) Martin Luther King Day
- (3) Presidents' Day
- (4) Memorial Day
- (5) Independence Day, July 4
- (6) Labor Day
- (7) Columbus Day
- (8) Veteran's Day
- (9) Thanksgiving Day
- (10) Day after Thanksgiving Day
- (11) Christmas Day

Employees shall have one (1) floating holiday in addition to the existing eleven (11) holidays per fiscal year. Requests to schedule floating holidays shall be presented to the District Manager, and are subject to rescheduling based on the needs of the District.

## 11.3 Compensation for Holidays Falling on Scheduled Days Off

When a holiday falls on a full-time employee's regularly scheduled day off, the employee shall receive eight (8) hours of additional time, or nine (9) hours for employees assigned to 44/36-80 workweeks, or ten (10) hours for employees assigned to a 4-10 weekly schedule, at a time determined by agreement between the District Manager and the employee. Such time off earned must be taken within six (6) months of the holiday as scheduled with the District Manager; provided, however, that with the approval of the District Manager the time limit may be extended.

## 11.4 Compensation for Work on Holidays

An employee who is required to work on a holiday and who meets the eligibility requirements contained herein shall receive, in addition to the employee's regular pay, time off for each hour worked at the rate of time and one-half; provided, however, that with the approval of the District Manager the employee may receive

pay for each hour worked at the rate of time and one-half. Such approval shall not be unreasonably withheld. Such request of Holiday pay shall be reported to CalPERS as special compensation.

## Section 12. Vacation

### 12.1 Vacation Benefits

Regular full-time employees shall be entitled to annual vacation leave as follows:

From one (1) to three (3) years of employment – 80 hours

From four (4) to seven (7) years of employment – 120 hours

From eight (8) to twenty-five (25) years of employment – 160 hours

After twenty-five (25) years – 200 hours

### 12.2 Vacation Accrual

The District encourages employees to annually take their vacation leave. An employee may defer vacation leave up to a limit of four hundred (400) hours. Upon accruing the maximum number of vacation hours, the employee will cease to accrue vacation until the employee's unused vacation accrual is reduced below the cap.

Employees may sell back one (1) week or forty (40) hours of vacation per fiscal year. Employees with an unforeseen financial emergency may address the District Manager in writing explaining the financial burden and requesting permission to sell back additional accrued vacation hours. The District Manager will review all requests on a case by case basis. The District Manager has the right to deny the employee request with no right of appeal.

### 12.3 Vacation Scheduling

Vacation scheduling must be coordinated to ensure there is adequate coverage of job responsibilities. The District Manager will make final determinations and approve all employees' vacation schedules.

An employee shall be given preference in scheduling vacations within the limits necessary for the efficient operation of the department to which the employee is assigned.

In the event of a conflict or dispute with regard to vacation scheduling in a department, the department supervisor shall establish a system for assignment of vacations. Such system of assignment shall provide for reasonable recognition of seniority and annual rotation.

#### 12.4 Vacations in Emergency

No scheduled vacations shall be cancelled except in the case of an emergency, as determined by the District Manager.

#### 12.5 Illness While on Vacation

Time spent ill, while on vacation leave, shall be applied to sick leave rather than vacation leave provided that the illness of the employee was of such a nature to preclude the effective use of vacation and the illness would prevent the employee from performing the employee's regular job duties for the District; and further, provided that the employee must notify the employee's supervisor prior to the end of the vacation leave and request that the time spent ill while on vacation leave be applied to sick leave. Any such request must be accompanied by medical verification of bona fide illness.

#### 12.6 Vacation Pay at Termination

An employee separating from the District, for reasons other than retirement, shall be paid for accrued vacation in a lump sum payment.

An employee separating from the District due to retirement from the District may elect to either take vacation leave accrued or receive a lump sum payment for vacation leave accrued. Such election must be made in writing to the District Manager at least four (4) weeks prior to the expected date of retirement.

### Section 13. Sick Leave

#### 13.1 Benefits

Regular full-time employees shall accrue sick leave at the rate of one hundred twenty (120) hours per fiscal year.

Sick leave may be granted because of illness, injury, exposure to contagious disease, illness or injury of a member of the employee's immediate family requiring the employee's attendance, and medical, dental and optical appointments to the extent that such appointments cannot be scheduled outside the work day.

An employee's immediate family shall consist of the employee's: spouse; domestic partner; children; step-children; or the mother, father, brother, sister, grandchildren or grandparents of the employee, spouse, or domestic partner; or other members of the employee's family residing in the employee's home; or other members of the employee's family primarily dependent upon the employee.



An employee may be granted sick leave only in case of actual sickness as defined above. In the event that an employee or a member of the employee's immediate family recovers from any such sickness after being granted sick leave, and during the regularly scheduled hours of work, then such employee shall notify the appropriate supervisor and be available to return to duty.

Sick leave may not be used before it is earned. In no event shall sick leave be converted into a cash bonus.

Excessive use of sick leave, tardiness, and failing to use the call-in procedures when absent or tardy can negatively impact job performance and affect others in the performance of their jobs. Factors that will be considered in determining whether use of sick leave is excessive include, but are not limited to, the number of absences compared to other employees, whether absenteeism is limited to a finite time period or whether it continues over time, the basis for the absenteeism and the significance of the impact on the performance of the employee or of others.

#### 13.2 Notification Requirement

In order to receive compensation when absent on sick leave, the employee shall notify the employee's supervisor at least four (4) hours prior to the time set for beginning the employee's duties, unless the employee is prevented from doing so by an emergency. Employees assigned to work the day shift shall provide notice to the employee's supervisor as soon as reasonably possible.

#### 13.3 Doctor's Certificate or Other Proof

The District may require a physician's certification at any time regarding the sickness or injury of the employee or their immediate family member and the date of the employee's intended return to work.

#### 13.4 Accrual of Sick Leave

To allow employees to maintain sick leave for its intended use, actual illness or disability, the District shall place no maximum accrual on sick leave.

Sick leave will not be accrued by an employee absent from duty after separation from service, or during an authorized leave of absence without pay, or any other absence from duty not authorized by the employer.

#### 13.5 Personal Necessity Leave

An employee may use up to sixteen (16) hours of accrued sick leave for personal emergencies with the approval of the District Manager.

#### Section 14. Probationary Period

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

The probationary period for employees is one (1) year. The probationary period for employees receiving promotional appointments is six (6) months.

During the probationary period, an employee may be rejected at any time by the District Manager without cause and without the right of appeal.

Any employee rejected during the probationary period following a promotional appointment shall be reinstated to the position from which the employee was promoted, unless the employee is discharged.

#### Section 15. Layoff and Re-employment

##### 15.1 Notice of Layoff

The District Manager shall give at least three (3) weeks' advance written notice to employees to be laid off.

##### 15.2 Order of Layoff

Layoffs shall be by job classification in reverse order of seniority as determined by length of continuous service with the District in full-time, non-probationary status. Layoffs and leaves of absence without pay shall be bridged in computing the employee's length of continuous service.

##### 15.3 Bumping Rights

An employee who has achieved full-time, non-probationary status at the time of layoff may displace the least senior employee in a lower classification provided, however, that the employee to be laid off has greater District seniority than the least senior employee in the lower classification.

##### 15.4 Recall and Reemployment

An employee who has achieved full-time, non-probationary status at the time of layoff shall have the employee's name placed on a recall list which shall be

maintained for twelve (12) months from the time of layoff. Employees on the recall list shall be first called by seniority to be reemployed in openings in the classification from which the employees were laid off before other employees are hired to fill those openings. Employees bumped as a result of a layoff shall be allowed to return to openings in the position from which they were bumped by seniority at the salary for the position to which the employee returns. Employees restored to previously held positions shall be deemed to have returned from a leave of absence for the purpose of seniority.

#### 15.5 Termination of Service

Service with the District shall be terminated by discharge, resignation, or layoff. .

### Section 16. Disciplinary Action

#### 16.1 Right of Discharge and Discipline

The District shall have the right by verbal or written order to discharge and discipline, including but not limited to suspension, demotion and reduction in pay, any regular employee for grounds including but not limited to the following:

- (a) dishonesty
- (b) insubordination
- (c) incompetence
- (d) negligence
- (e) abuse of sick leave and time off
- (f) failure to perform work as required
- (g) failure to observe the District's safety and house rules and regulations (which must be conspicuously posted and not in derogation of the Memorandum of Understanding)
- (h) engaging in strikes, individual or group slowdowns or work stoppages during the term of this Memorandum of Understanding
- (i) refusal to accept overtime
- (j) violation or ordering the violation of the Memorandum of Understanding
- (k) fraud
- (l) willful damage to public property or waste of public supplies or equipment
- (m) willful violation of these rules or District rules
- (n) failure to achieve minimum certification after three (3) years of employment
- (o) consuming or being under the influence of alcohol or other intoxicants during the workday
- (p) conviction of a felony sufficiently serious and job-related to justify the action
- (q) any act that establishes moral turpitude, and or establishes a threat to the District

- (r) moving violations or other actions resulting in failure to meet the standards for insurability as a driver under the District's insurance policy in effect at the time

## 16.2 Disciplinary Action

### (a) Notice of Intent to Impose Disciplinary Action

Before a termination, suspension, reduction in pay or suspension of more than five (5) days becomes effective and before the District ceases paying the employee, the employee is entitled to receive written notice of the intent to impose disciplinary action and an opportunity to dispute the charges and/or to present any information the employee believes should be considered before a final decision is made.

The employee will be provided a written notice of intent to discipline that contains the following:

1. The level of discipline intended to be imposed;
2. The specific charges upon which the intended discipline is based;
3. A summary of the facts upon which the charges are based;
4. A copy of all written materials, reports, or documents upon which the intended discipline is based;
5. Notice of the employee's right to respond to the department director regarding the charges within five (5) calendar days from the date of the Notice, either by requesting a conference, or by providing a written response, or both;
6. Notice of the employee's right to have a representative of his or her choice at the conference, should he or she choose to respond orally; and
7. Notice that the failure to respond at the time specified shall constitute a waiver of the right to respond prior to the imposition of discipline.

### (b) Pre-disciplinary Opportunity to be Heard

The notice of intent shall be delivered to the employee personally or sent by certified mail to the employee's home address. Within seven (7) calendar days of receipt of the notice of intent, or ten (10) days after the notice of intent is mailed to the employee, the employee may request a meeting with the District Manager to respond to the charges. In the alternative, the employee may submit a written response to the District Manager within that time.

If the employee requests a conference to respond orally to the charge(s), the conference must be scheduled at least seven (7) calendar days after the date of the Notice. The conference will be an informal meeting with the District Manager at which the employee has an opportunity to rebut the charges against him or her and present any mitigating circumstances. The District Manager will consider the employee's presentation before any final disciplinary action.

The employee's failure to make an oral response at the arranged conference time, or the employee's failure to cause his or her written response to be delivered by the date and time specified in the notice, constitutes a waiver of the employee's right to respond prior to the imposition of the discipline. In that case, the proposed disciplinary action will be imposed on the date specified.

(c) Final Notice of Dismissal/Demotion/Disciplinary Action

Within five (5) calendar days of receipt of the employee's timely written response or within five (5) calendar days of the informal conference, the District Manager will (1) dismiss the notice of intent and take no disciplinary action against the employee, (2) modify the intended disciplinary action, or (3) impose the intended disciplinary action.

In any event, the District Manager will prepare and provide the employee with a notice that contains the following:

- i. The level of discipline, if any, to be imposed and the effective date of the discipline;
- ii. The specific charges upon which the discipline is based;
- iii. A summary of the facts upon which the charges are based;
- iv. A copy of all written materials, reports, or documents upon which the discipline is based; and
- v. A statement of the nature of the employee's right to appeal.

## 16.3 Appeal Process

### 16.3 Appeal

The employee may, within ten (10) days from the date the order was filed with the Board, file, in duplicate, a written reply to the order and a copy to the District Manager. In that written reply the employee may specifically appeal the action and request a hearing before the Board of Directors. The Board of Directors, at its sole discretion, may delegate responsibility for conducting the hearing to a hearing officer.

#### (1) Hearing

The Board of Directors at its next regular meeting shall set the appeal for a hearing. The Board shall conduct a hearing and upon the conclusion thereof, either affirm, modify, or revoke the order of the District Manager. Hearings shall be informally conducted and the rules of evidence need not apply. Both parties may present witnesses, evidence and argument, and retain counsel at their own expense.

All hearings before the Board shall be noticed and occur in public pursuant to the Brown Act unless the employee requests a private hearing. If the employee requests a private hearing, the Board shall notice a closed session for that purpose.

In either event, the Board may deliberate in closed session pursuant to the Brown Act.

#### (2) Decision

The Board of Directors must uphold, modify or reject the discipline imposed by the District Manager. Within fifteen (15) days after concluding the hearing, the Board shall issue a written decision stating the bases for the decision, to the employee and to the District Manager. If the Board of Directors reverses or modifies the disciplinary action, the employee shall be reinstated and/or reimbursed for any loss of salary.

#### (3) Statute of Limitations

The Board of Directors' written findings and decision is final. There is no process for reconsideration. Pursuant to Code of Civil Procedure section 1094.6, the parties have ninety (90) days from the date of the proof of service of mailing of the written findings

and decision to appeal the decision to the Superior Court in and for the County of Marin.

16.4 Paid Administrative Leave

If the District Manager believes that the interests of the District or public require that an employee be placed on administrative leave with pay pending an investigation or for other reasons, the District Manager will notify the employee and offer the employee an opportunity to be heard regarding the placement on administrative leave with pay.

Section 17. Grievance Procedure

17.1 Definition

A grievance shall be defined as any claimed violation, misinterpretation, inequitable application or non-compliance with provisions of this MOU.

17.2 Right to File and Representation

A grievance may be filed by an employee on the employee's own behalf, or jointly by any group of employees, or by an employee's representative.

An aggrieved employee may be represented by a representative of the employee's choice at any stage of the proceedings.

The District office shall act as a central repository for all grievance records.

Any time limit may be extended only by mutual agreement of the parties in writing.

17.3 Informal Grievance

Within ten (10) working days of the event giving rise to a grievance, the employee shall present the grievance informally for disposition by the employee's supervisor, or at any appropriate level of authority.

Presentation of an informal grievance shall be a mandatory prerequisite to the institution of a formal grievance.

17.4 Formal Grievance

If the employee believes that the grievance has not been redressed within five (5) working days of presenting the grievance informally, the employee may initiate a formal grievance within five (5) working days thereafter. A formal grievance can only be initiated by completing and filing with the District a written form. The

form shall contain the following elements: Identification of the grievant; date grievance initiated; statement of any previous action upon the grievance; a clear statement of the nature of the grievance; a proposed solution to the grievance; signature of the grievant.

#### Step 1

Within ten (10) working days after a formal grievance is filed, the District Manager or designee shall investigate the grievance, and confer with the employee in an attempt to resolve the grievance, and make a decision in writing. If the grievance is not resolved at Step 1, it may be referred to Step 2.

#### Step 2

Ad Hoc Adjustment Boards, consisting of two (2) members representing each of the parties hereto, shall be set up for the purpose of hearing and deciding grievances. No employee representative member of the Adjustment Board shall be an employee of the District and no Employer member of the Adjustment Board shall be an employee of the District. In the case of a deadlock on any matter, the issue in dispute may be submitted to Step 3.

#### Step 3

Within ten (10) working days after a deadlocked Adjustment Board and submission to the District Manager, the District Manager shall investigate the grievance and confer with the employee and/or his representative in an attempt to resolve the grievance and make a decision in writing.

#### Step 4

A final appeal may be filed, in writing, with the District Board of Directors not more than five (5) working days from the employee's receipt of the Step 2 decision or the Step 3 decision if the Step 2 Adjustment Panel deadlocks.

The grievance shall be determined by the Board of Directors. The Board will provide a written decision within thirty (30) calendar days after the filing of the appeal. The Board's decision shall be final and binding on all parties.

### Section 18. Outside Employment

No full-time employee shall engage in employment that may constitute a conflict of interest for the employee or the District. No employee shall engage in any outside employment whatsoever during the employee's working hours. No emblem, badge or other employee identification shall be worn by any person while in the employment of any agency or person other than the District.



Section 19. No Strike

Employees and their representatives agree that they will not engage in, authorize, sanction, or support any strike, slowdown, stoppage of work, curtailment of production, concerted refusal of overtime work, refusal to operate designated equipment (provided such equipment is safe and sound) or to perform customary duties.

Section 20. Miscellaneous: Driving Standards

The parties have met and conferred and agreed to the District's driving standards.

Section 21. Past Practices, and Prior/Existing Memoranda of Understanding

Past practices not addressed in this Memorandum of Understanding are not binding. This Memorandum of Understanding shall supersede all existing memoranda of understanding and any side letter not incorporated into their MOU between the District and the Employees.

Section 22. Existing Laws, Regulations and Policies

This Memorandum of Understanding is subject to all existing state and federal laws, ordinances and regulations of Sanitary District No. 5 of Marin County, and may be modified subsequent to law enacted hereafter. The District and the Employees, unless otherwise specified herein, shall be entitled to all benefits conferred thereby and shall observe all obligations engendered thereby.

Section 23. Separability of Provisions

Should any Section, clause or provision of this Memorandum of Understanding be declared illegal or unenforceable by a court of competent jurisdiction, or is rendered invalid by state or federal legislative enactment, such invalidation of such Section, clause or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Memorandum of Understanding.

Upon such invalidation the parties agree to meet and confer concerning substitute provisions for those rendered or declared illegal.

Section 24. Scope of Memorandum of Understanding

Except as otherwise specifically provided herein, this Memorandum of Understanding fully and completely incorporates the understandings of the parties hereto and constitutes the sole and entire understanding between the parties on any and all matters subject to meeting and conferring; provided, however, that nothing herein shall prohibit the parties from changing the terms of this Memorandum of Understanding by mutual agreement

**Attachment A**  
**Sanitary District No. 5 of Marin County**  
**Education Incentive Program**

The following is the training incentive stipend and continuing education incentive stipend program for Sanitary District No.5 of Marin County staff which includes both maintenance and operations.

The stipend(s) will be available to all employees represented under the MOU and will be based on a three tier system: \$1,000, \$2,500 and \$5,000. This Education Incentive Program is designed to promote higher learning and professionalism in the District and to increase the knowledge and industry expertise of the staff.

**\$1,000, \$2,500 and \$5,000 Training Stipend For CWEA Certifications  
(Collection System Workers)**

As shown below, stipends may be awarded to staff who complete any CWEA certificate that does not fall within the employee's current job description:

- Example: The \$1,000 stipend may be awarded to staff who complete any CWEA grade I certificate that does not fall within the employee's normal job description. A Collection System Maintenance worker who earns a CWEA Electrical/ Instrumentation Technologist Grade I, Mechanical Technologist Grade I, Environmental Compliance Inspections Grade I, Bio-solids Land Application Management Grade I, Laboratory Analyst Grade I or Industrial Treatment Plant Operations Grade I would be eligible for a \$1,000 stipend per certificate earned.
- The same employee who earns any of the above listed certificates at a Grade II level, would be eligible for an additional \$2,500 stipend.
- An additional \$2,500 stipend would be available for those employees who earn a Grade III from the listed certificates above.
- An additional \$5,000 stipend is available for those who earn a CWEA certificate listed above at a Grade IV level, (if applicable) or higher, (if applicable) in any of the listed fields.

Employees who have earned any of the above certificates BEFORE JULY 1, 2017 will not be eligible for these stipends.

For the Collection System Certificate the following will apply:

- CWEA Collections System Grade I: No stipend offered as this part of the employee's job description.
- CWEA Collection System Grade II: \$1,000

- CWEA Collection System Grade III: \$2,500
- CWEA Collections System Grade IV: \$5,000

**\$1,000, \$2,500 and \$5,000 Training Incentive Stipends For CWEA Certifications (Operations Staff)**

As shown below, stipends may be awarded to operations staff members who complete any CWEA certificate that does not fall within the employee's current job description. Employees who have earned any of the above certificates BEFORE JULY 1, 2017 will not be eligible for these stipends for certificates already earned.

- An employee in operations that earns a CWEA Electrical/ Instrumentation Technologist Grade I, Mechanical Technologist Grade I, Environmental Compliance Inspections Grade I, Bio-solids Land Application Management Grade I, Industrial Treatment Plant Operations Grade I or Collection System Maintenance Grade I would be eligible for a \$1,000 stipend per certificate earned.
- The same employee who earns any of the above listed certificates at a Grade II level, would be eligible for an additional \$2,500 stipend per certificate earned, and
- An additional \$2,500 stipend would be available for those employees who earn a Grade III level certificate from the listed certificates above.
- An additional \$5,000 stipend per listed CWEA certificate is available for those who earn a CWEA certificate at a Grade IV (if applicable) or higher in any of the listed fields.
- For any non-senior operator who successfully earns a CWEA Laboratory Analyst Grade I, a \$1,000 stipend will be awarded. Senior Operators will not be eligible for a stipend for earning a Laboratory Analyst Grade I as this is part of the Senior Operator's job description.

For Laboratory Analyst certificate Grade II and higher, the following will apply for both senior and non-senior operators:

- For earning a CWEA Lab Analyst Grade II, a \$2,500 stipend will be awarded.
- An additional \$2,500 stipend will be awarded to any operator who earns a Lab Analyst Grade III certificate,
- And, an additional \$5,000 stipend will be awarded for earning a Grade IV CWEA Lab Analyst certificate.

For the WWTP Plant Operator Certificate the following will apply:

- CSWRCB WWTP Operator Grade I: No stipend offered as this is a minimum requirement

- CSWRCB WWTP Operator Grade II: No stipend offered as this is a minimum requirement
- CSWRCB WWTP Operator Grade III: \$2,500 stipend
- CSWRCB WWTP Operator Grade IV: \$5,000 stipend
- CSWRCB: WWTP Operator Grade V: \$5,000 stipend

### **Operators Certifications for Both Maintenance and Operations**

Maintenance employees will also be eligible for stipends for successfully completing a CSWRCB-WWTP Operator certificate after July 1, 2017, as follows:

- A \$2,500 stipend for successfully completing a CSWRCB WWTP Operator Grade I or II certificate.
- The same employee who successfully completes a CSWRCB WWTP Operator Grade III certificate will be eligible for an additional \$5,000 stipend for that certificate earned.
- Any maintenance worker who earns a CSWRCB WWTP Operator Grade IV or V certificate would be eligible for an additional \$5,000 stipend per certificate earned.

Any operations staff member who successfully completes a CSWRCB WWTP Operator Grade IV or V would be eligible for a \$5,000 stipend per certificate earned. (Please note that any Collection System Worker interested in pursuing a WWTP Operator certificate must apply for an O.I.T. certificate in order to become eligible for this program.) Current District employees who possess any CSWRCB WWTP Operator certificate are not eligible for a stipend for certificates held prior to July 1, 2017.

### **Training Incentive Stipends and Future Hires**

Future operators hired on or after July 1<sup>st</sup> 2017 who possess any of the above listed certifications at the time of hire will not be eligible for a stipend for any previously held certificates. New hires will be eligible for the stipends described above for any certificates initially earned after the employee's date of hire with the District and not required by their job description.

Example: If a new operator is hired by the District and holds a WWTP Grade III certificate at the time of hire, that certificate will not be eligible for a stipend. However, if the new employee earns a WWTP Grade IV or V after their hire date that was not held before their date of hire, then that employee would be eligible for the stipend program. (Reminder: Any future operators are not eligible for stipends for the Grade I or Grade II as this is a minimum requirement for employment with the District as an operator and is also part of their job description.)

### **Continuing Education Stipends**

It is highly recommended for staff to improve their industry knowledge and personal education. Sanitary District No. 5 strongly encourages employees to seek out opportunities to

attend classes and earn certificates offered through local community colleges or local universities or online colleges. It is even more desirable that employees earn college degrees related to the treatment of wastewater and wastewater technologies. For this reason, the District, at the discretion of the District Manager, may offer stipends to employees for the following certificates or degrees. To assure that a certificate program or degree program qualifies for a continuing education stipend under the District's program, an employee should seek the District Manager's approval before enrolling in one of the following programs:

- For successful completion of any college level professional certificate program of at least 12 units related to the field of water or wastewater treatment or any combination of water technology or any certificate program with an emphasis on public service, a \$5,000 stipend will be awarded.
- For successful completion of any college level vocational certificate program of at least 4 units that may benefit the District (welding, engine or mechanical repair, electrical repair or automotive repair, public relations, human resources etc. are some examples), a \$2,500 stipend will be awarded.
- For earning any AS degree with a Water or Wastewater focus, or any AA/AS/BS /BA degree with at least 12 science units related to biology, ecology, water treatment or wastewater industries, or any Associates or Bachelor's Degree with coursework related to public service, a \$5,000 stipend will be awarded.

Any certification or training program that is not listed here may still be eligible for the incentive program by the following method:

- If an employee finds a technical training or vocational training that the employee feels meets the requirements of the Education Incentive Program, the employee will first write a written request to attend the training outlining the reasons the proposed training meets the criteria, and present the request to the District Manager.
- The District Manager will then convene a committee that will consist of 4 members: the District Manager; Office Manager; one representative from operations, either a Senior WWTP Operator or the WWTP Facilities Manager; and one representative from the collection system maintenance staff. The committee will review the employee's request and discuss the merit of the training and the benefit it would provide to the employee AND District.
- If the committee determines that the request falls within the prescribed guidelines of this program, the committee will vote on the monetary value of the requested training. (Not less than \$1,000.)
- If the committee determines that the request is ill suited for this program or does not coincide with the guidelines of this program or does not meet the committee's approval, the request for the stipend will be formally denied and a written letter will be signed by all four members and returned to the employee.

- In the event that the committee voting is split 2/2, the District Manager will exercise his or her authority and break the tie to either approve or deny the request. This tie-breaking authority of the District Manager extends to both the training request as well as the dollar amount of the stipend in the event that the committee voting is split 2/2 on either issue.

**General Provisions Applying to the Education Incentive Program  
(Training/Certification Stipends and Continuing Education Stipends)**

- Each District employee under the 2017 MOU is eligible to earn up to, but not exceed \$5,000 per fiscal year in any combination of training incentive stipends and/or continuing education stipends. This program does not guarantee that any employee will earn this maximum amount in any year. Stipend payments will be based on the level of certification and/or number of certifications completed by the employee within each fiscal year.
- Stipend amounts are not negotiable with individual employees. The training incentive stipends and continuing education incentive stipends are established above, or are established pursuant to the committee method.
- No employee is eligible for a stipend under this program for any certificate that is required for the District position held by the employee.
- Employees are not eligible for a stipend for any certificate or degree earned prior to July 1, 2017. Future hires are not eligible for a stipend for any certificate or degree earned prior to District employment.
- Each stipend is awarded on a one-time, nonrecurring basis only.

**Conclusion**

The goal of this program is to create incentive for employees to better their education and to have greater fulfillment in their career with the District. Although none of the incentives are required, it is strongly encouraged that staff take advantage of the program to better themselves both personally and professionally. A highly educated staff can be a significant factor to the successful operation a public agency and can greatly improve public image.

**AN AGREEMENT BETWEEN SANITARY DISTRICT NO. 5 OF MARIN COUNTY  
AUTHORIZED REPRESENTATIVE AND THE EMPLOYEES OF SANITARY  
DISTRICT NO. 5 OF MARIN COUNTY TO ENTER INTO A NEW MEMORANDUM  
OF UNDERSTANDING BETWEEN SANITARY DISTRICT NO. 5 OF MARIN  
COUNTY AND EMPLOYEES OF SANITARY DISTRICT NO. 5 OF MARIN COUNTY**

On October 1, 1990, the Employees of Sanitary District No. 5 of Marin County (“Employees”) and Sanitary District No. 5 of Marin County (“District”) entered into a Memorandum of Understanding regarding employer-employee relations (“MOU”);

Since 1990, the MOU has been amended numerous times by mutual agreement of the Employees and the District;

On December 12, 2012 the Employees of Sanitary District No.5 of Marin County (“Employees”) and Sanitary District No.5 of Marin County (“District”) entered into a new Memorandum of Understanding regarding employer- employee relations (“MOU”)

On November 12, 2014 the Employees of Sanitary District No.5 of Marin County (“Employees”) and Sanitary District No.5 of Marin County (“District”) amended the Memorandum of Understanding regarding employer- employee relations (“MOU”) for compliance with applicable sections of the California Government Code of Regulations (CCR) and its contract with the California Public Employees Retirement System (CalPERS) as a result of an Audit.

On January 25, 2017 the Employees of Sanitary District No.5 of Marin County (“Employees”) and Sanitary District No.5 of Marin County (“District”) met and conferred and reached a tentative agreement for a successor MOU to be approved and adopted at its regular scheduled board meeting of April 20, 2017

The Employees and the District have met and conferred as required by the MOU and now desire to edit, add, and/or replace the following Sections of the MOU:

- Section 3: Term
- Section 6: Overtime, Call Back and Standby Pay  
6.6 Standby Pay
- Section 7: Classification and Salaries  
7.3 Educational Incentive  
7.4 Job Titles and Step Ranges
- Section 8: Health and Welfare  
8.4 State Disability Insurance (SDI)
- Section 9: Retirement Benefits

Section 10: Safety Uniform and Equipment

- 1 Safety Shoes
- 2 Safety Glasses

- Section 13: Sick Leave
  - 13.5 Sick Leave Conversion

The Employees and the District have met and conferred as required by the MOU and have agreed to the following amendments:

**1. Section 3: Term of the MOU shall be amended as follows:**

This Memorandum of Understanding shall be deemed effective as of the date of July 1, 2017 and remain in full force and effect until June 30, 2022.

**2. Section 6: Overtime, Call Back and Standby Pay of the MOU shall be amended as follows:**

6.6 Standby Pay

Employees on standby shall receive 14 hours of straight-time pay per week, paid at a rate of 2 hours of straight-time pay per day. No overtime shall be paid for calls/responses that do not require reporting in.

**3. Section 7: Classification and Salaries of the MOU shall be amended as follows:**

7.3 Educational Incentive

(a) The District will reimburse employees for fees paid for pre-approved courses and examinations only when the employee passes the course or examination. This one-time stipend shall be reported to CalPERS as special compensation.

(b) Educational incentive program available, see “Attachment A, Education Incentive Program” for specific details.



7.4 Section 7.4 Job Titles and Step Ranges

Job Title	Salary Step Range
Senior WWTP Operator/ Lab Director	24-30 (7 Steps)
Senior WWTP Operator/ Safety Coordinator	24-30 (7 Steps)
Senior WWTP Operator/Pollution Prevention Coordinator	24-30 (7Steps)
Senior WWTP Maintenance & Collection System Tech	22-28 (7 Steps)
Wastewater Permits & Construction Inspector	21-27 (7 Steps)
WWTP Operator	20-26 (7 Steps)
WWTP Maintenance & Collection System Tech	19-25 (7 Steps)

**4. Section 8 Health and Welfare of the MOU shall be amended as follows:**

8.4. Long Term Disability Insurance

The District shall provide each employee with Long Term Disability Insurance (“LTD”). The District shall contribute for each employee the sum necessary per month to cover the entire premium cost of a long-term disability insurance policy selected by the District.

**5. Section 9 Retirement Benefits of the MOU shall be amended as follows:**

9.1 CalPERS Pension

The District shall continue to contract with the California Public Employees’ Retirement System (CalPERS) to provide retirement benefits for eligible employees as described in this Section.

9.2 Tier One: “2.7% at 55” Retirement Benefit Formula – Employees Hired On or Before December 30, 2012

This Section 9.2, including subsections, shall apply to employees hired on or before December 30, 2012.

9.2.1 “2.7% at 55” Pension Benefit Formula

The “2.7% at 55” pension benefit formula will be available to employees covered by this Section 9.2.

9.2.2 Final Compensation Based On 12-Month Period

For purposes of determining a pension benefit, final compensation for employees covered by this Section 9.2 shall mean the highest twelve (12) consecutive month period as specified in Government Code Section 21362.2.

9.3 Tier Two: “2% @ 60” Retirement Formula Benefit – Employees Hired After December 30, 2012 and Employees Qualified for Reciprocity (Classic Member)

This Section 9.3, including subsections, shall apply to employees hired after December 30, 2012 and employees hired on or after January 1, 2013 who are qualified for pension reciprocity as stated in Government Code Section 7522.02(c) and related CalPERS reciprocity (Classic Member) requirements.

9.3.1. “2% @ 60” Pension Formula

The “2% at 60” pension benefit formula will be available to employees covered by this Section 9.3.

9.3.2 Final Compensation Based On 36-Months

For the purposes of determining a retirement benefit, final compensation for employees covered by this Section 9.3 shall mean the highest annual average pensionable compensation earned during a period of thirty-six (36) consecutive months of service.

9.4 Tier One and Tier Two Employees: Employer Paid Member Contribution and Pension Cost-Sharing

Under the Public Employees’ Retirement Law, two types of contributions are required to fund the District’s PERS benefits: (1) member (employee) contributions and (2) employer contributions. Employee and employer contributions are stated as a percentage of pensionable compensation.

Member contributions for District employees are set by statute: 8% for Tier One employees (“2.7% at 55” retirement benefit formula) and 7% for Tier Two employees (“2% at 60” retirement benefit formula.) The District’s contribution rates are set by CalPERS.

Government Code Section 20691 permits an employer to pay all or a portion of the member (employee) contributions for employees hired on or before December 31, 2012. (“Employer paid member contribution” or “EMPC”)

Government Code Section 20516 permits employees to share a portion of their employer’s pension cost. (“Pension cost-sharing”)

9.4.1 For Tier One and Tier Two employees subject to Sections 9.2 or 9.3 above, the District shall pay the member (employee) contribution (“employer paid member contribution,” or “EPMC”) and the employees shall pension cost-share as follows:

For FY 2017-2018: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 2% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2018-2019: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 2% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2019-2020: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 3% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2020-2021: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 3% of PERSable compensation as permitted by Government Code Section 20516(f).

For FY 2021-2022: The District shall pay the full member contribution, and the employee shall pay, through payroll deduction, 4% of PERSable compensation as permitted by Government Code Section 20516(f).

9.4.2 Implementation of Internal Revenue Code Section 414(h)(2)

All EPMCs for employees are reported to CalPERS as compensation in accordance with Government Code Section 20636(c)(4). The District shall continue to implement Internal Revenue Code Section 414 (h)(2).

9.5 Tier Three: PEPPRA Retirement Tier Required For Employees Hired On or After January 1, 2013 and Not Qualified For Reciprocity (Not A Classic Member)

This Section 9.5 including subsections shall apply to employees who were hired on or after January 1, 2013, and who do not qualify for pension reciprocity (not a Classic Member) as stated in Government Code Section 7522.02(c) of the Public Employees' Pension Reform Act ("PEPPRA").

9.5.1 2% at 62 Pension Formula

The "2% @ 62" retirement program as described in Government Code Section 7522.20 will be available to employees covered by this Section 9.5.

9.5.2 Final Compensation Based On 36-Months

Effective January 1, 2013, for the purposes of determining a retirement benefit, final compensation for employees covered by this Section 9.5 shall mean the highest average annual pensionable compensation earned during a period of thirty-six (36) consecutive months of service.

9.5.3 Required Employee (Member) Contributions

January 1, 2013, bargaining unit members covered by this Section 9.5 shall pay, through payroll deduction, fifty percent (50%) of normal costs as determined by CalPERS.

9.6 Other Options Included In CalPERS Contract

Subject to CalPERS rules and regulations, employees shall be eligible for other options included in the District's contract with CalPERS:

- (a) Sick leave credit
- (b) Non-Industrial Disability
- (c) Optional Settlement 2W Pre-Retirement Death Benefit
- (d) \$500 lump sum post-retirement death benefit
- (e) 2% COLA
- (f) Full formula plus social security
- (g) Military service credit as public service

9.7 Reopener

This Section 9 shall be subject to a reopener confined to addressing any state law mandates that become effective during the term of the MOU impacting any aspect of the pension benefits/funding as are applicable to any unit members. Agreement in the above regard is not required.

**6. Section 10 Safety Uniforms and Equipment of the MOU shall be amended as follows:**

- (1) Safety Shoes – All employees shall be reimbursed up to a maximum of \$200.00 per fiscal year for the purchase of safety shoes. The District employee must submit a receipt to the District Manager for the safety shoes. Employees must replace safety shoes as necessary.
- (2) Safety Glasses – Employees in the Operations and Maintenance Departments may seek reimbursement for prescription safety glasses. The District will reimburse an employee the actual cost for the purchase of prescription safety glasses up to a maximum amount not to exceed \$300.00 every 2 years. District employees may seek reimbursement for one pair of prescription safety glasses per fiscal year, and the District Manager may authorize reimbursement for additional prescription safety glasses under this policy in special circumstances. The District employee

**7. Section 13 Sick Leave of the MOU shall be amended as follows:**

(13.5-Sick Leave Conversion- deleted)

13.5 Personal Necessity Leave

An employee may use up to sixteen (16) hours of accrued sick leave for personal emergencies with the approval of the District Manager.

January 25, 2017

- (2) Safety Glasses – Employees in the Operations and Maintenance Departments may seek reimbursement for prescription safety glasses. The District will reimburse an employee the actual cost for the purchase of prescription safety glasses up to a maximum amount not to exceed \$300.00 every 2 years. District employees may seek reimbursement for one pair of prescription safety glasses per fiscal year, and the District Manager may authorize reimbursement for additional prescription safety glasses under this policy in special circumstances. The District employee

**7. Section 13 Sick Leave of the MOU shall be amended as follows:**

(13.5-Sick Leave Conversion- deleted)  
13.5 Personal Necessity Leave

An employee may use up to sixteen (16) hours of accrued sick leave for personal emergencies with the approval of the District Manager.

IN WITNESS HEREOF, the Employees and the District have entered into this Tentative Agreement as of January 25<sup>th</sup>, 2017.

**EMPLOYEES OF SANITARY DISTRICT NO. 5 OF MARIN COUNTY**

  
\_\_\_\_\_  
Joe Triola

  
\_\_\_\_\_  
Steve Driscoll

  
\_\_\_\_\_  
Rulon Cottrell

  
\_\_\_\_\_  
Jason Theobald

  
\_\_\_\_\_  
John Rosser

  
\_\_\_\_\_  
Dan LaTorre

  
\_\_\_\_\_  
Tim O'Day

**SANITARY DISTRICT NO. 5 OF MARIN COUNTY**

By:

  
\_\_\_\_\_  
Tony Rubio

District Manager