

MEMORANDUM OF UNDERSTANDING

SUPERVISORY AND CONFIDENTIAL BARGAINING UNIT

1.0 PREAMBLE:

This memorandum of Understanding, hereinafter referred to as "Memorandum", is made by and between the Mountain House Community Services District and the Service Employees International Union, hereinafter referred to as "SEIU" or "Union", representing employees who are members of the Supervisory and Confidential Bargaining Unit. This Memorandum of Understanding constitutes the result of meeting and conferring in good faith pursuant to the California Government Code and the Mountain House Community Services District Employer-Employee Relations Policy.

The bargaining unit shall include all full time and part-time employees as agreed to by the parties on March 1, 2017, including:

Administrative Analyst
Deputy Secretary of the Board
Engineer IV
Accountant I

DURATION:

This Memorandum shall be in effect from the date of adoption by the Board of Directors through June 30, 2020.

1.1 Management Rights

SEIU and the Mountain House Community Services District recognize that it is the exclusive right of the District, except as otherwise provided in this Memorandum of Understanding, or the Employee Relations Policy, to make all decisions of a managerial or administrative character, including but not limited to:

- a. To manage and direct its business and personnel.
- b. To manage, control, and determine the mission, its departments, building facilities and operations.
- c. To create, change, combine or abolish jobs, policies, departments and facilities in whole or in part.
- d. To subcontract or discontinue work for economic or operational reasons.
- e. To specify or assign work requirements and require overtime.
- f. To schedule working hours and shifts.
- g. To adopt rules of conduct and penalties for violation thereof.
- h. To take whatever action necessary to prepare for and to operate in an emergency.
- i. To hire, promote, transfer, assign, classify positions, retain employees, and to suspend, demote, discharge or take disciplinary action against employees.
- j. To layoff, demote or furlough employees from duties because of lack of funds, in the interest of the economy, or other legitimate reasons. The MHCS District General Manager

may determine the order of layoff and those employees who will be demoted based on the operational needs of the District.

- k. To determine the policies, standards, procedures, methods, means and personnel by which MHCSO operations are to be conducted.

Nothing in these policies and procedures shall be construed to interfere with the MHCSO's right to manage its operations in the most economical and efficient manner consistent with the best interests of all the citizens of MHCSO.

1.2 Joint Labor – Management Committees

SEIU and the Mountain House Community Services District agree to establish a joint committee comprised of two (2) labor and (2) management representatives to deal with specific areas of concern which may arise from time to time. The Joint Labor Management Committee shall meet at least three (3) times each calendar year. Either party may initiate a joint labor management committee meeting by making a written request to the other; requests to the union shall be made to the SEIU worksite organizer and requests to the MHCSO shall be made to the General Manager. Both parties agree to exchange agenda issues at least five (5) days in advance of a scheduled meeting.

1.3 Employees' Rights – Employer-Employee Relations

SEIU and the Mountain House Community Services District recognize that each employee shall have the following rights which he/she may exercise in accordance with this Memorandum, Employer-Employee Relations Policy, applicable law, ordinances and rules and regulations:

- a. The right to form, join, and participate in the activities of any labor organization of his/her own choosing for the purpose of representation on all matters within the scope of representation.
- b. The right to be free from interference, intimidation, restraint, coercion, discrimination, or reprisal on the part of the District, other employees or employee organizations, with respect to his/her membership or non-membership in any employee organization or with respect to any lawful activity.
- c. The right to refuse to join or participate in the activities of any employee organization.
- d. The right to represent himself/herself individually in his/her employee relations with the District.

1.4 Discrimination in Employment Prohibited

No employee shall be discriminated against in any aspect of employment because of age, ancestry, color, creed, marital status, medical condition (cancer or genetic characteristics) national origin, physical or mental disability, political affiliation or belief, pregnancy, race, religion, sex, or sexual orientation.

Any employee who believes he or she has been harassed or discriminated against because of any of the above reasons, may bring the matter to the attention of the supervisor. The initial contact should be made as soon as possible, but no later than 60 days after the alleged act of discrimination or harassment occurred. Employees are encouraged to process discrimination

complaints in accordance with Section 14 of the MHCS District Personnel Policies and Procedures, Equal Employment Opportunity Program, when they believe they are experiencing discrimination.

1.5 SEIU Rights

SEIU shall have the following rights:

- A. Representation: Upon request, to meet and confer in good faith with appropriate levels of the Mountain House Community Services District management regarding matters within the scope of representation.
- B. Advance Notice: Except in cases of emergency, SEIU shall be given reasonable advance written notice of any ordinance, resolution, rule or regulation, proposal or other action directly relating to matters within the scope of representation proposed to be adopted by the Mountain House Community Services District and shall be given the opportunity to meet and confer in good faith with management prior to its adoption. Written notice shall customarily be provided by furnishing SEIU with advance copies of the agenda of the Board of Directors meetings.
- C. Representatives – Meeting Attendance: SEIU may have a reasonable number of employees who serve as official representatives released from work without loss of compensation when meeting and conferring with management representatives where matters within the scope of representation are being considered. SEIU shall submit a request for such release and shall include therewith a listing of such employees including their titles and departments to the management representative and departments concerned in advance of the meeting. The use of District time for this purpose shall be reasonable, and shall not interfere with the performance of District services as determined by the District. The number of such employees shall be pre-approved by District management.
- D. Representatives Access to Employees:
 - 1. Authorized representatives of SEIU shall be allowed reasonable access to employees of the unit at their work locations during the working hours of the employees concerned for the purpose of discussing matters within the scope of representation, including but not limited to the processing of grievances and complaints and distributing materials and information provided that the work of the employee and the service to the public are not unduly impaired. The authorized representative shall give advance notice to the department head when contacting departmental employees during their duty period in accordance with (c) above.
 - 2. Reasonable solicitation for membership or other internal Union business or campaigning shall be conducted only during the non-duty hours of all employees concerned, so long as normal work functions of District are not interfered with.
 - 3. A SEIU Field Representative or designee will be allowed ten minutes during each scheduled new employee orientation to present information about the

Union to employees who are in bargaining units represented by SEIU. The Mountain House Community Services District will provide timely notice to SEIU regarding the orientation schedule by providing the Union with a calendar of orientation dates.

- E. Shop Stewards: Shop Stewards employed and recognized by the Mountain House Community Services District may assist employees in resolving complaints and grievances at the lowest possible administrative level of review. Shop Stewards will be authorized up to three hours release time per case at the 1st and 2nd levels of the grievance and complaint process. Stewards may also be present during “right to representation” discussions, if requested by the employee. The right to representation is established by the Supreme Court’s 1975 Weingarten decision. Once it is determined that a right to representation exists, shop stewards may then represent employees using no more than three hours per case.

A request for release time for the purposes outlined above shall be made prior to taking the release time. Such a request shall not be unreasonably denied.

Number of Stewards: The Mountain House Community Services District authorizes up to 2 shop stewards for the SEIU represented unit. If the number of represented employees increases to more than 30 employees, the number of shop stewards will increase by 1 for each additional 15 employees. The Union shall provide the name of the designated shop stewards to the District at the beginning of each calendar year and whenever there is a change in the list of Stewards. The list shall show the employee name, classification, department and work location and normal area to be covered. No steward shall be recognized as such by the District without written authorization from SEIU.

- F. SEIU – District Use: District facilities shall be available to SEIU as follows:
1. District Buildings: SEIU may be granted the use of District facilities for meetings composed of District employees within the bargaining unit provided space can be made available without interfering with District needs. SEIU shall obtain the permission of the designated District official for the use of such facilities.
 2. Bulletin Boards: SEIU has the right to the reasonable use of existing bulletin board space in each building or department at a location agreed upon by the Union and the department, under the following conditions:
 - a. Material shall be posted on space as designated.
 - b. Posted material shall bear the name of the Union.
 - c. Posted material shall not be misleading, contain any deliberate misstatements or violate any Federal, State or County laws.
 - d. Material shall be neatly displayed and shall be removed when no longer timely.
 - e. The District may remove any material that does not comply with the provisions (a-d) above.

G. Employee Payroll Deductions: SEIU shall have the right to payroll deduction for its members in this unit including regular dues and employee benefit program costs. Regular dues and employee benefit program costs may be deducted from the employee's individual paycheck. Except as otherwise provided in this Memorandum, payroll deductions shall be made only upon the revocable written authorization of the individual employee.

A continuation of SEIU payroll deductions, without resigning a payroll deduction card, shall be allowed after an employee returns from a leave of absence.

1.5.1 Financial Report

Annually, SEIU shall provide the Mountain House Community Services District with copies of the financial report required pursuant to the Labor Management Disclosure Act of 1959. Such report shall be available to covered employees. Failure to provide such a report within sixty (60) days after December 31 of each calendar year shall result in the termination of all fair share fee deductions without jeopardy to any employee, until said report is filed.

1.6 SEIU Officer Release Time

One (1) specified bargaining unit employee elected to union-wide office within SEIU 1021 may be afforded reasonable release time to travel to and attend meetings which are required due to the duties of their union-wide office. Reasonable release time will be dependent upon the operational needs of the individual department to which the employee is assigned and shall not exceed 14 days per calendar year. This provision will be interpreted to apply to the two (2) bargaining units represented by SEIU and shall not mean (1) employee chosen from each unit.

Upon the signing of this Agreement the Union agrees to provide the General Manager or designee with a copy of the SEIU constitution and by-laws which shall include the duties of each union wide officer.

The Union shall reimburse the District for all costs associated with the release time of the specified union wide officers. Reimbursement for all costs associated with the release time of the specified union wide officers shall be made to the Mountain House Community Services District within thirty (30) calendar days of such release time absence.

2.0 INSURANCE

2.1 Effective Date of Coverage

The effective date of coverage for new employee members in the health, dental, and vision insurance plans provided employees shall be the first day of the first bi-weekly pay period next following the date of appointment to employment as a regular employee or as a regular part-time employee.

2.2 Health Insurance Options

The District shall continue to provide an option for health insurance coverage for eligible employees and dependents in one of several plans. The District shall offer the same health, dental, vision and life insurance plans made available to the Office and Office Technical Bargaining Unit of San Joaquin County. The coverage, providers, insurance brokers, and annual benefits shall be the same as made available to the Office and Office Technical Bargaining Unit of San Joaquin County.

2.3 Health Insurance Premiums

The District shall pay 80% of the employee-only premium for employees and the employee shall pay 20% of the premium. For employees electing dependent coverage the District shall contribute 80% of the premium and the employee shall pay 20% of the premium.

The District agrees to grandfather the current incumbent working in the class of Deputy Secretary of the Board with the current Cafeteria Plan benefits, with the only changes being the year to year premium rates as set by their plan of choice. If the incumbent vacates their current position, the new incumbent will not be eligible for the Cafeteria Plan.

If on Leave of Absence Without Pay – Refer to Section 2.12 – Continuation of Insurance Benefits While On Leave.

2.4 Coverage for Surviving Dependents

Consistent with the Federal Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), any employee who is covered by District-offered health insurance and who dies while employed, whether in paid or unpaid status, their surviving dependents shall be allowed to retain their dependents' coverage, provided that the dependents elect COBRA coverage and pay their applicable premiums by the due date.

2.5 Health Plan Information

The District shall offer the same health, dental, vision and life insurance plans made available to the Office and Office Technical Bargaining Unit of San Joaquin County. The coverage, providers, insurance brokers, and annual benefits shall be the same as made available to the Office and Office Technical Bargaining Unit of San Joaquin County.

2.6 Dental Insurance

The District shall provide an option for dental insurance coverage for eligible employees and dependents in a plan made available to the Office and Office Technical Bargaining Unit of San Joaquin County. The District shall pay the employee-only premium and any increases thereof for the term of this memorandum. Dependent dental coverage shall be available at the employee's expense in accordance with the plans offered to the Office and Office Technical Bargaining Unit of San Joaquin County.

2.7 Vision Insurance

The District shall provide vision insurance coverage for eligible employees in a plan made available to the Office and Office Technical Bargaining Unit of San Joaquin County. The District shall pay the employee-only premium and any increases thereof for the term of this memorandum. Dependent vision coverage shall be available at the employee's expense in accordance with the plans offered to the Office and Office Technical Bargaining Unit of San Joaquin County.

2.8 Life Insurance

The District shall provide each eligible employee with life insurance coverage as follows:

- a. At least one but less than three continuous years of service -- \$1,000.
- b. Three but less than five continuous years of service -- \$3,000.
- c. Five but less than ten continuous years of service -- \$5,000.
- d. Ten continuous years of service or more -- \$10,000.

For the purposes of this subsection only, a year is defined as twelve (12) consecutive calendar months of employment.

2.9 Additional Life Insurance

Eligible employees in this unit shall have the option to purchase additional term life insurance in increments of \$25,000 to a maximum of \$200,000 at the District's rate.

2.10 State Disability Insurance

Employees in this bargaining unit shall purchase at the employee's expense State Disability Insurance. State Disability Insurance provides weekly benefits in the event an employee is unable to work due to an illness or injury that is not job-related. Employees receiving benefits from State Disability Insurance and supplementing those benefits with accrued leave time to receive a full paycheck shall receive the District's contribution to their health, dental, vision, life insurance and retirement, if applicable.

2.11 Flexible Benefits

Employees in this bargaining unit shall have the option to participate in a flexible benefit program (as allowed and prescribed by Section 125 of the Internal Revenue Code and applicable IRAC sections and regulations) which permits the pre-taxing of insurance premiums, reimbursement of eligible dependent care costs, and un-reimbursed healthcare expenses with pre-tax dollars.

2.12 Continuation of Insurance Benefits While on Leave of Absence

When an employee is on an authorized leave of absence without pay, or receives insufficient pay to cover their share of the premium cost, the employee shall be allowed at the employee's own expense to remain under the health, dental, vision, and life insurance coverage for up to twenty-six (26) bi-weekly pay periods provided that such employee shall pay the applicable premiums at

least two (2) weeks prior to the premium due date. Specific arrangements for such coverage shall be made with the General Manager or designee.

3.0 AUTHORIZED LEAVE

A. General Policy: The MHCS D provides employees with paid and unpaid time off and leave options to cover illness, vacation, family emergencies, and other occurrences requiring time away from the job. MHCS D policy is designed to encourage planned leave which can be more productively managed than unplanned leave. Unless otherwise provided by law, all leave is granted at the discretion of the MHCS D General Manager.

B. Vacation: Full-time employees (2,080 hours) accrue vacation at the rate shown below. Regular part-time employees accrue vacation for each straight-time hour on payroll on a pro-rated basis, based upon the following chart. Vacation time shall accrue as follows:

Length of Service	Pay Period Accrual Per Hour Worked	Bi-weekly Accrual (Full-Time Employees)	Annual Vacation (Full-Time Employees)	Maximum Hours Accrual	Maximum Accrual in Weeks
Less than 10 Years (Less than 260)	.0577	4.616	120	240	6 Weeks
10 Years, Less than 20 (Less than 520 Hours)	.0770	6.160	160	320	8 Weeks
Over 20 Years (520 Hours or more)	.0885	7.080	184	368	9 Weeks

Whenever a regular employee's accumulation of vacation reaches the maximum as provided herein, any further vacation accrual shall be credited to such employee's sick leave accumulation until such time as the employee's vacation accumulation falls below the maximum allowed, unless the MHCS D General Manager grants an exception to accumulate not more than one additional year of vacation for a clearly specified purpose. All vacation time must be approved by the Department Manager. Each Department must have adequate coverage at all times.

Leave without pay or disciplinary suspension shall delay the advancement to the next higher accrual rate until the employee has been on payroll the number of straight-time hours which equal the number of full, continuous, bi-weekly pay periods specified above.

Subject to the approval of the MHCS D General Manager, each regular employee shall have the option of receiving cash payment in-lieu of using up to two (2) weeks' vacation time once each calendar year from the employee's accumulated vacation and will have the employee's accumulated vacation balance reduced by said hours. Employees must have at least eighty (80) hours of vacation time remaining after vacation is reduced.

An employee may choose to use accrued vacation or compensatory time, if any, if the employee is absent beyond the limits of accumulated sick leave for reasons of illness, injury or quarantine or death in the immediate family as defined in this policy.

- C. Holidays:** Full-time and regular part-time employees become eligible for paid holidays after completing one full pay period and must be at work for a minimum of one hour the business day immediately preceding the holiday or the business day immediately following the holiday. When the holiday falls either within a regularly scheduled vacation or immediately preceding or following a day of other paid leave approved by the employee's supervisor, the work requirement before or after the holiday need not be met to be eligible for the holiday allowance. Holiday pay for regular part-time employees is based on the average hours worked in the preceding five (5) pay periods.

Employees who work a regular holiday will be paid one-and-one-half (1-1/2) times the regular hourly rate for all hours worked on the holiday, in addition to receiving eight (8) hours of pay for the holiday. The following are regular holidays:

- a) January 1, New Year's Day
- b) Third Monday in January, Martin Luther King Birthday
- c) Third Monday in February, Washington's Birthday
- d) Last Monday in May, Memorial Day
- e) July 4, Independence Day
- f) First Monday in September, Labor Day
- g) November 11, Veterans Day
- h) Any November day designated as Thanksgiving
- i) Friday following the day designated as Thanksgiving
- j) December 25, Christmas Day
- k) All other holidays as may be proclaimed by the Governor of the State of California or the President of the United States and adopted by the MHCS D Board of Directors

When one of the above holidays falls on a Saturday, the preceding Friday shall be observed as a holiday but will be observed as a floating holiday if the MHCS D offices are not closed. When one of the above holidays falls on a Sunday, the following Monday shall be observed as a holiday but will be observed as a floating holiday if the MHCS D offices are not closed.

In addition to floating holidays as defined above, the following days are established as floating holidays for regular full-time and regular part-time employees:

February 12, Lincoln's Birthday

September 9, Admissions Day

The second Monday in October, Columbus Day

Employee's Birthday

Per Resolution 2013-03, the Mountain House Community Services District will be closed on Christmas Eve, December 24th, and New Year's Eve, December 31st. Employees are required

to use their own accumulated leave. Employees who elect to work shall receive straight-time compensation.

The District and SEIU agree to two (2) additional floating holidays to be used in the 2017-2018, 2018-2019, and 2019-2020 fiscal years. These floating holidays will sunset with the MOU unless extended by mutual agreement of the parties, and must be used no later than June 30, 2020.

Regular full-time employees and those regular part-time employees scheduled to work on the floating holiday and eligible to receive benefits may individually, with the approval of MHCS D General Manager or designee, take such holiday:

- On the date of the holiday
- On the day preceding the holiday in the case of holidays which fall on a Saturday
- On the day following the holiday in the case of holidays which fall on a Sunday
- On some deferred date not later than twelve months following the date of the floating holiday. Such deferred date must be approved and taken at the discretion of the MHCS D General Manager or designee.

If the MHCS D offices and departments shall remain open for business on any day deemed to be a floating holiday, employees who elect to defer taking the holiday time shall receive regular compensation for working on the floating holiday. Any regular full-time employee whose regularly scheduled day off falls on a floating holiday may defer taking the holiday time, as approved. Regular part-time employees who are eligible for benefits and whose regularly scheduled day off falls on a floating holiday may defer taking the holiday time on a prorated basis.

Employees must use all accumulated Floating Holiday's and Regular Holiday's within one year of the date earned. All Administrative Leave must be used within the Fiscal Year it was granted unless the MHCS D General Manager grants an exception.

- D. Sick Leave:** The use of sick leave with pay is a privilege and not a right. Regular employees eligible for benefits shall accrue .0462 hours of sick leave for each straight time hour on payroll not to exceed eighty (80) straight-time hours per pay period (annual accrual rate, approximately 96 hours). Any employee who was on the MHCS D payroll prior to August 27, 2001, and eligible for sick leave conversion as defined and described in the San Joaquin County Memorandum of Understanding and Resolutions in effect on June 14, 2004, for the employee's classification shall be entitled to sick leave conversion as an MHCS D employee under the same terms and conditions as set for the in the appropriate Memorandum of Understanding and Resolutions referenced immediately above.

Sick leave may be authorized for any of the following reasons:

- a) Illness, injury or quarantine of the employee;
- b) Medical, dental or optical care of the employee;
- c) Illness, injury or quarantine of a member of the employee's immediate family which requires the employee to tend, care for, or otherwise provide for the care of such person, up to a maximum of 64 hours in a fiscal year. Immediate family means the

spouse, registered domestic partner*, child, parent, sibling, grandparent, grandchild, great grandparent, great grandchild of the employee; or the child, parent, sibling, grandparent, grandchild, great grandparent or great grandchild of the employee's spouse or registered domestic partner;

- d) Illness, injury or quarantine during an authorized vacation or on a floating holiday as evidenced by satisfactory proof attesting to the nature and length of the disability. Sick leave for non-emergency medical, dental, or optical care during an authorized vacation or on a floating holiday period is not permitted.
- e) An amount sufficient which, when added to an employee's disability indemnity under Workers' Compensation, will result in a payment to the employee not more than the employee's regular salary.
- f) Care for a new adopted child (using up to a maximum of 40 hours sick leave) unless the use of additional time is approved by the MHCS D General Manager.

No employee shall be entitled to sick leave because of:

- a) Disability arising from any illness or injury purposely self-inflicted or caused by the employee's misconduct;
- b) Illness, injury, quarantine or disability while on leave without pay;

An employee scheduled to work on a regular holiday who is absent on that holiday due to illness, injury, or quarantine shall not be permitted to use sick leave but shall be deemed to have used the regular holiday.

Employees absent from work because of illness, injury, or quarantine, or for non-emergency medical, dental or optical care shall be paid only upon furnishing the MHCS D General Manager or designee with satisfactory proof as may be required by the MHCS D General Manager or designee that the absence was due to such cause. The requirement, need and form for such verification shall be made known to the employee in advance of any absence, but not later than the time the employee calls in sick. Employees may be required to provide a Doctor's note after two (2) consecutive days of absence, or after the third (3) day per quarter.

A former employee, re-employed by MHCS D, shall not be entitled to accumulated sick leave benefits unless his or her return to MHCS D service is the result of reinstatement within one year of termination of employment OR is the result of re-employment after a layoff due to lack of work, lack of funds, or in the interest of economy.

- E. Bereavement Leave:** Bereavement leave provides time to attend to funeral arrangements and other responsibilities associated with the death of an immediate family member. Regular full-time and regular part-time employees may be allowed to be absent with pay for up to three (3) regularly scheduled work days or 24 hours, in the event of the death of each immediate family member. Immediate family members include parent, spouse, child, sibling, grandparent, great grandparent, grandchild or great grandchild of the employee, employee's spouse or registered domestic partner. Bereavement leave is not granted automatically, and

* For a domestic partnership to become official – and therefore enjoy the same rights that married couples have in California – a couple must register with the Domestic Partnership Registry. This is done by filing a Declaration of Domestic Partnership with the Secretary of State.

the MHCS D General Manger or designee will balance operational needs with such factors as employee responsibility for arrangements, date and place of the service prior to approving a request. If an employee requires more than three (3) days or 24 hours away from the job, other leave time may be requested, pending approval by the Department Head or the General Manager.

- F. **Jury Duty:** Employees must inform the supervisor when the initial notice or questionnaire is received for jury duty. Since time off with pay will be granted for such duty, the employee must remit to MHCS D the jury duty pay. If the employee chooses to keep the jury duty pay, personal leave must be used.

Because employees may be called for jury duty late in the morning or released early in the day, supervisors may require employees to work the remaining fraction of the workday. If employees do not comply with this obligation, they will not be paid their MHCS D salary for time not at work.

- G. **Witnesses:** Employees subpoenaed as a witness in a civil or criminal trial or hearing must provide their supervisor with a copy of the court order requiring appearance prior to the date of the appearance. They must use personal leave for this time off unless the trial or hearing involves the MHCS D as determined by the MHCS D General Manager and under these circumstances, the employee will be given paid time off for this appearance. Any witness fees received by the employee while receiving paid time off for such court appearance shall be to the MHCS D together with any mileage allowed if the employee uses MHCS D-provided transportation.

Other Court Related Appearances: Employees called as expert witnesses in a trial in which the MHCS D has no interest must use personal leave for the time off.

If an employee is personally involved in a court case as a party such as the plaintiff or defendant, he or she must take personal leave to appear in court or to transact business associated with the case.

- H. **Military Leave:** Military leave will be granted consistent with the California Military and Veterans Code and the MHCS D will grant the difference between the military salary and the employee's District salary for a period not to exceed 26 pay periods for each military leave and the MHCS D will continue medical, dental, vision and life insurance benefits on the same terms as if the employee were not on military leave. The time on military leave will count as time worked toward the calculation of the employee's next step increase and for determining the accrual rate of vacation, except that the employee will not earn nor accrue sick leave or vacation while on military leave.

- I. **General Leaves of Absence:** A leave of absence without pay provides a means for employees to take prolonged time off without terminating employment. Such leaves are granted only when there is an expectation that the employee will return to work. Employees may request a leave of absence without pay for employee or family illness, maternity or paternity leave, adoption, education, or training which will benefit the MHCS D, military service, or urgent or substantial personal reasons. The MHCS D General Manager will determine whether the leave can be granted based on urgency and workload requirements. No employee who has been

granted a leave of absence without pay shall accrue any vacation, sick leave or holiday during the time of such leave. For an employee who has been granted an unpaid leave of absence, the MHCS D will only continue paying health, dental, vision and life insurance premiums through the end of the month in which such leave commenced. The MHCS D payment of health, dental, vision and life insurance premiums will resume beginning with the month in which the employee returns to paid status or as otherwise provided by any MHCS D insurance contractual requirements.

- J. **Pregnancy Disability Leave:** Leave without pay shall be granted to temporary, part-time and regular employees in accordance with state and federal laws. Leave for medical reasons may be granted with a physician's statement, and employees may use sick leave or other accrued leave. Current law provides up to four (4) months leave for pregnancy disability. Employees may also be eligible for an additional twelve (12) weeks of leave under the California Family Rights Act (CFRA). The MHCS D will comply with any state or federal law and reserves any rights of restrictions.

- K. **State Family Leave:** In accordance with State law, any employee with one (1) or more years of continuous service with the MHCS D and a minimum of 1,250 hours on payroll in the twelve (12) months prior to the start date of the leave, may take a family care leave of up to twelve (12) weeks in a twelve-month period. The MHCS D elects to use a rolling twelve month period to determine eligibility for leave. An employee who takes such family care leave shall be returned to employment in the same or comparable position upon return from said leave.

Family care leave may be utilized in conjunction with the birth of a child of the employee, the placement of a child with an employee in connection with the adoption of the child by the employee, for the serious medical condition or illness of the employee, or to allow the employee to care for a parent, spouse, registered domestic partner, or child who has a serious health condition. For the purposes of this Section, the terms "employment in the same or a comparable position", "child", "parent", and "serious health condition" are as defined in Section 12945.2 of the Government Code. The reasonable advanced notice, scheduling and certification requirements of 12945.2 (g), (h), and (i) shall also apply.

An employee who takes family care leave shall be required to use accrued vacation, compensatory time, floating holiday, and regular holiday time during such leave. In accordance with the MHCS D regulations governing the use of sick leave, the employee may also use accrued sick leave time.

For an employee covered under the MHCS D's medical, dental, vision and life insurance, the MHCS D shall make premium payments as though the employee were in paid status for the duration of the leave. An employee who takes family care leave in an unpaid status shall be eligible for all other fringe benefit on the same terms as an employee on any other unpaid leave of absence.

- L. **Federal Family Leave Act:** The MHCS D will comply with the Family Leave Act, maintaining all rights of restrictions which are permitted by the Act.

- M. **School Activities:** The MCHSD shall comply with any federal or state law requiring an employer to grant time off to participate in a child's school activities. Current state law

provides that parents may take up to forty (40) hours per year, but not more than eight (8) hours per month, to participate in their children's school activities. An employee may take unpaid leave or may use accrued vacation, compensatory leave, or a floating holiday to the extent that this is consistent with the Fair Labor Standards Act.

- N. Unpaid Medical Leave:** Employees physically unable to work and under a doctor's care who have exhausted all sick leave and other accrued leave such as vacation or compensatory time may be granted unpaid medical leave until the attending physician releases the employee to return to work. Supervisors may request a doctor's verification of the employee's physical condition. Leaves of absence for disability related to pregnancy are governed by the California Fair Employment and Housing Act, Government Code Section 12945. Leaves may also be governed by the California Family Rights Act or Federal Family and Medical Leave Act. Additional unpaid medical leave may be granted by the MHCS D General Manager beyond that required under PDL, CFRA, and FMLA at the discretion of the MHCS D General Manager.
- O. Unpaid Leave, Non-Medical:** This covers leave for non-medical, urgent, or substantial personal reasons for needing time off from the job. All personal leave must be used before an unpaid leave of absence will be granted.
- P. Leave of Absence Without Pay/Benefits:** While an employee is on an unpaid leave of absence, except as may otherwise be provided in this policy, no vacation or sick leave will be earned, no seniority will be accrued, and no holidays will be paid. Employees using a combination of leave credits and disability insurance payments will accrue leave credits and holidays on a prorated basis. Granting of unpaid leave status allows the employee to return to this or her former position or a comparable position to which he or she otherwise would have been allowed had he or she not been on leave.

Employees may continue participating in health, dental, and life insurance plans by paying the appropriate premium during the period of time in which such premiums are not paid by MHCS D.

- Q. Administrative Leave:** Administrative Leave is paid time off granted by the MHCS D General Manager for circumstances not defined in other paid leave categories that the Manager considers justifiably payable.
- R. Abuse of Leave:**
 - 1. Expiration of Leave: Failure to return to work upon the expiration of leave constitutes an automatic resignation.
 - 2. Inappropriate Use of Leave: If an employee uses leave for purposes other than for which it was granted, it may be terminated, employment with the MHCS D may be terminated, and pay for the leave may need to be reimbursed to the MHCS D, as determined by the MHCS D General Manager.
 - 3. Unauthorized Leave: Absence without approved leave, voluntary or involuntary, for five (5) consecutive workdays constitutes resignation from the MHCS D on the last day worked.

- S. Time Off to Vote:** The MHCSD is willing to accommodate employees who need to take time off to participate in public elections. Generally, employees are able to find time to vote before or after their regular work schedule. If an employee is unable to vote in an election during non-working hours, the MHCSD will grant up to two (2) hours of unpaid time off to vote.
- T. Leave During Job Action:** No employee shall be eligible for paid leave as a result of, or while participating in or engaged in, any concerted work action.

U. Catastrophic Leave Program

At the discretion of the General Manager, employees will be permitted to transfer eligible leave credits to a time bank to be used by an employee when a non-work related catastrophic illness or injury occurs. The Catastrophic Leave Program, makes it possible for employees to donate from their leave bank to help their coworkers. An employee may donate a minimum of four (4) hours per pay period. Employees may donate up to a maximum of sixteen (16) hours of leave per pay period. Employees must have at least eighty (80) hours on the books after you donate time if you are a full time employee.

Catastrophic illness or injury is defined as a non-work related illness or injury which is expected to incapacitate an employee and which creates a financial hardship because the employee has exhausted all of this/her sick leave and other paid time off.

A time bank is one or more hours of leave credit donated by one or more employees to another employee who has been incapacitated by a catastrophic illness or injury.

A time bank for catastrophic illness or injury may be established:

1. Upon the request of an employee;
2. Upon determination by the General Manager that the employee in the District is unable to work due to the employee's catastrophic illness or injury; and
3. That the employee has exhausted all paid leave credit.

If a time bank is established, any employee may, upon written notice to the General Manager, donate eligible leave credits in one-hour increments, up to a maximum of forty (40) hours in a one year period, to the time bank. Donations will be reflected as an hour for hour deduction from the leave balance of the donating employee. When transferring leave credits into a time bank, the District will assure that only credits that may be needed are transferred.

In order to receive time from the time bank, an employee must provide appropriate verification of illness or injury as determined by the MHCSD. The employee for whom the time bank is established will have any time which is donated to the time bank transferred to his/her account in one hour increments for use as sick leave only. Donated credits will be reflected as an hour-for-hour addition to the leave balance of the receiving employee. The total amount of leave credits donated may not exceed an amount sufficient to insure the continuance of regular compensation. An employee who receives time through this program shall use any leave credits he continues to accrue on a monthly basis prior to receiving time from the time bank.

Use of time from the time bank may not be used to augment benefits received due to a work-related injury or illness.

All donations are confidential, voluntary and IRREVOCABLE.

4.0 SALARIES AND OTHER ASSOCIATED COMPENSATION AND REIMBURSEMENTS

4.1 Establishment of Job Classifications and Salary Schedules

The Board shall establish classes (also may be referred to as job codes) for positions in the MHCSO and shall establish salary ranges (also may be referred to as salary grades) for such classes. When the district plans to establish a new classification covered by the terms of this MOU, the district will notify the union of the proposed salary of the proposed new class and will meet and confer with the union regarding the salary of the class if the union requests to meet and confer. Such request by the union shall be made to the General Manager, in writing.

4.2 Salary Steps

The District has a five-step pay range for each class with approximately five percent (5%) between steps. Initial appointment shall be at the first step of the range adopted; however, the Board may authorize advanced step hiring by the General Manager when recruiting difficulties exist. The General Manager may authorize that an allocated position be filled at a step above the minimum of the range commensurate with the qualifications of the prospective appointee which are above the minimum requirements set forth in the class specifications.

Annually, on an employee's anniversary date of employment with MHCSO, a regular full-time employee may be granted a merit step increase if performance is at least satisfactory and advancement is recommended by the supervisor. If an employee promotes to a higher class within the MHCSO, the effective date of the promotion shall become the employee's new anniversary date.

Annually, on an employee's anniversary date of employment, a regular full-time or part-time employee may be granted a merit step increase if performance is at least satisfactory and advancement is recommended by the supervisor after the employee has worked 1,840 hours at their present step. Step increases are not automatic and may not result in a base pay rate exceeding the fifth step of the employee's classification. If an employee promotes to a higher class within the MHCSO, the effective date of the promotion shall become the employee's new anniversary date.

Whenever an allocated position is filled above the entry step, the General Manager may, at his/her discretion, direct that all incumbents of allocated positions who have qualifications above the minimum set forth in the class specification in the same class and who are earning less than the step in the salary range at which the new employee enters may be raised to the step in the range that will retain the appropriate interrelationship between the classes/positions.

Any step increase withheld because of administrative oversight or inadvertence shall be made retroactive to the normal effective date of the step increase. If the step increase is made

retroactive to the normal effective date of the step increase, the employee shall retain the employee's current anniversary date as of the normal effective date of the step increase.

4.3 Salary Upon Promotion

Upon promotion, an employee appointed to a position with a higher salary range shall have his or her salary adjusted to the first step of the new range or to the step in the new range which is at least 5% higher than the salary the employee was receiving prior to the promotion, whichever is greater, provided that the new salary is within the new range. Any pay supplements being received by the employee and which are a percentage of base salary (except above class pay and special assignment pay) shall be added to the pre-promotion base salary prior to determining the appropriate step in the new range.

4.4 Y Rating of Salary

Whenever an employee accepts a demotion for reasons other than disciplinary action to a class or position having a lower salary range, the General Manager may direct that the capital letter "Y" be set opposite the position to which the employee was demoted in the department budget and all payroll and other personnel records. Whenever the effect of a reclassification is to place the incumbent in a class having a lower salary range, the MHCS D General Manager may direct that the capital letter "Y" be set opposite the reclassified position in the department budget and all payroll and other personnel records.

Whenever the "Y" is set opposite a position, the incumbent shall continue to receive his or her previously authorized salary until termination of employment in the position, or until a higher rate of pay may be authorized, whichever comes first.

4.5 Salary Upon Demotion

If an employee demotes, other than voluntary demotion, through no fault of the employee, the employee shall be "Y-rated" at the employee's current salary and remain at that salary until the salary falls within the range for the employee's demoted class. If an employee voluntarily demotes, the employee shall be placed at the highest step of the range that represents a reduction in pay. If an employee is demoted for failure to complete expected tasks following a promotion, the employee shall return to the step of the range the employee held prior to promotion, but may be granted any merit step increases that would have occurred had the employee not accepted a promotion. If an employee is demoted for causes as a result of a disciplinary action, the employee shall be placed at the step of the range stated in the order of discipline.

4.6 Special Assignment Supplement

The General Manager may authorize a 5% salary increase to any employee designated by the MHCS D General Manager to be on special assignment.

4.7 Receipt of Supplemental Pay

No employee shall receive supplemental pay when on vacation, sick leave, sick leave in conjunction with the receipt of State Disability Insurance or Workers' Compensation temporary disability payments, compensatory time off, holiday, or paid military leave unless such employee shall have been performing duties for a period of not less than four (4) full bi-weekly pay periods or such supplemental duties are scheduled, upon assignment, to last not less than four (4) full bi-weekly pay periods.

4.8 Standby Pay

The General Manager or designee may assign employees to be in a stand-by status and must do so in writing. An employee who is on standby status must be at a location where the employee can be reached at all times and upon being called, shall return to work immediately. An employee who is recalled to work shall be deemed to be off standby status. While on standby status, non-exempt employees shall be compensated at 20% of their regular hourly rate. Exempt employees shall receive no additional compensation for being on stand-by status.

4.9 Work Above Class

The General Manager or designee may temporarily assign any employee to perform duties normally assigned to a classification with a higher salary without changing the salary of such employee provided the temporary assignment concludes at the end of the fiscal year and does not exceed twenty (20) work days in a one hundred and eighty (180) calendar day period. If an employee is assigned to a classification with a higher salary range for a period of time exceeding this, the employee shall be compensated, beginning with the 21st work day of such above-class assignment, at an amount equal to what the employee would receive if promoted to the higher class or 5% if no class exists. Employees who are being paid for working in a higher classification are not eligible for merit increases in the higher classification. Whenever an employee working in a higher classification receives a merit increase in the employee's regular classification or the employee's regular salary is otherwise increased or decreased, the employee's pay for working above class shall be adjusted so that the employee continues to be compensated at the rate specified above.

4.10 License/Certificate Fee

The District shall pay the cost of renewing state required licenses or certifications that are necessary for the employee, as determined by the General Manager, to fulfill the requirements of the job classification or the tasks assigned to the employee. The General Manager may also authorize the payment of professional organization dues or membership fees if the General Manager considers it in the best interest of employee development that may benefit the District.

4.11 Paycheck Exceptions

A paycheck exception is defined as the incorrect reporting of payroll or failure to process the following payroll actions, causing an employee to receive less than the pay to which he or she is entitled for that pay period with regard to step increase, supplemental pay, and overtime. Paycheck exceptions shall normally be paid no later than the following paycheck.

All payroll errors resulting in either gross or net salary overpayment must be repaid to the MHCS D. Employees shall be allowed, at employee's option, to use accrued annual and holiday leave and compensatory time to repay the MHCS D in cases of payroll error resulting in gross salary overpayment as determined by the MHCS D General Manager. Such errors may result from use of an incorrect salary rate, reporting the wrong number of hours worked, or misclassification of hours worked.

4.12 Negotiated Salary Adjustments

4.12.1 During the term of this MOU the following negotiated general adjustments shall take place:

- a. Effective July 1, 2017 all employees shall receive a 3% increase.
- b. Effective July 1, 2018 all employees shall receive a 3% increase.
- c. Effective July 1, 2019 all employees shall receive a 3% increase.

4.12.2 The parties agree to utilize the jurisdictions listed in Appendix "A" for a salary study which will be the basis for discussion of equity adjustments during negotiation of the successor agreement.

4.13. Deferred Compensation Contribution

The MHCS D will contribute to deferred compensation accounts of the members of the Bargaining Unit. The amount of the contribution will be 1% of wages.

4.14 Bilingual Pay

Employees shall receive bilingual pay at 41 cents per hour only if they meet all of the following criteria:

- a. Have demonstrated a bilingual proficiency in a designated language other than English, and
- b. Have been approved by the General Manager or designee, and
- c. Have been designated by the General Manager in a position requiring bilingual skills at least 20% of the time.

4.15 Travel

Mileage reimbursement for the use of personal vehicles on MHCS D business shall be paid according to the rates allowed by the Internal Revenue Service. Meals and lodging shall be authorized and paid in accordance with the policy for reimbursement for MHCS D travel and expenses as adopted by the MHCS D Board of Directors.

5 DAYS AND HOURS OF WORK AND OVERTIME

A. Work Hours: The MHCS D shall establish regular work hours for each employee. The General Manager may change working hours of individual employees to accommodate

functional needs of the MHCS D. Alternate work schedules may be authorized by the MHCS D General Manager provided the alternate schedule does not disrupt or interfere with business operations and service to clients. Employees on alternate work schedules may be required to alter such schedule to cover for absences of other staff members. When possible, one-week advance notice shall be provided for change in working hours. All work schedules of employees hired effective the first pay period following adoption of the MOU by the Board of Directors shall be assigned to a 5/8/40 or 9/80 work schedule as provided in (D) below.

- B. All employees who have been previously approved to work a 9/80 work schedule prior to the adoption of the MOU will retain their 9/80 work schedule unless they voluntarily offer to relinquish that work schedule.

An employee may, with supervisory approval, flex hours worked within a workweek only for special events or Board of Directors' meetings. The employee's supervisor is required to approve such a request in advance. This section will not apply to medical or personal appointments. Absences from work during the employee's normal work shift for medical or personal appointments shall be handled by taking vacation or sick leave as provided by the leave provisions of this MOU.

- C. **Work Week:** The work week is Sunday through Saturday, except that the MHCS D General Manager may specify an alternate work week period for any employee. The base compensation for employees shall be deemed to be compensation per bi-weekly pay period and is predicated upon a forty (40) hour work week for full-time employees. A bi-weekly pay period shall consist of eighty (80) working hours for full-time employees and the base compensation provided shall be payment in full for all services rendered to the MHCS D except as otherwise provided. If an alternate work schedule is approved pursuant to Section 5.0.A, the work week and pay period may not coincide.

- D. **Workplace Assignment:** The place of work and department or division to which an employee is assigned shall be determined by the MHCS D General Manager or designee, who may also reassign the employee at any time to a different workplace, department or division. The MHCS D General Manager may also designate employees whose response time to the workplace in emergency situations is critical and may specify for these employees the maximum response time between their place of residence and the workplace. This information must be supplied to the employee prior to their acceptance of a job offer with MHCS D.

- E. **Work Site Closure:** If the MHCS D General Manager or designee closes a work site because it is unsafe or because work operations cannot be carried out, regular full time and regular part-time employees who are scheduled to work and who are not reassigned to alternate work sites and are subsequently sent home, shall receive administrative pay for the remainder of the scheduled work day. Other regularly scheduled employees who are sent home may be paid, at the discretion of the MHCS D General Manager, for the balance of their scheduled workday. Employees who are sent home and who are receiving administrative pay shall remain available to return to the work site for the duration of their scheduled shift.

- F. **Paydays:** The MHCS D has a bi-weekly pay period.
- G. **Advances:** Advances in pay are not permitted.
- H. **Break and Lunch Time:** To promote maximum productivity and morale, it is the policy of the MHCS D, when MHCS D operations permit, to allow employees two (2) rest periods not exceeding fifteen (15) minutes each, during a regular eight (8) hour shift. When MHCS D operations permit, such rest periods are to be taken as nearly as possible in the middle of each four (4) hour segment of each employee's workday. Time allowed for rest periods may not be accumulated from one half of the workday to another, nor may rest periods be used to alter an employee's normal work hours and meal periods. Lunch breaks are unpaid and may be thirty (30) or sixty (60) minutes depending on the employee's work schedule. While every effort will be made to schedule breaks and lunch breaks during the middle of each work period, employees may be required to stagger such breaks to ensure adequate levels of customer service.
- I. **Wages:** Employees will be paid bi-weekly based on the hours recorded on time cards, or other manner as required by the MHCS D General Manager.
- J. **Overtime:** There are certain periods where overtime may be required. If, in the judgment of the MHCS D General Manager or designee, work beyond an employee's normal work day or work week is required, the MHCS D General manager or designee may order such overtime work. All employees are expected to work overtime when deemed necessary, but may not work overtime without the specific authorization of the MHCS D General Manager or designee.

Hours of work, for purposes of determining overtime eligibility, means only those hours that an employee is at their assigned place of work, being compensated for these hours by MHCS D and performing their assigned duties at the direction of the MHCS D General Manager or designee. Hours of work for purposes of determining overtime eligibility does not include any compensated or uncompensated leave time, including holidays.

All FLSA non-exempt employees shall be eligible for overtime compensation when:

- a. A regular full time employee works in excess of the number of hours in his or her normal work day, provided that the employee has worked eight hours prior to the commencement of overtime; and any part-time employee shall not be eligible for overtime compensation until such employee works at least 12 hours in a day;
- d. An employee works in excess of eighty (80) hours in a bi-weekly pay period.
- c. An employee whose normal work week is five (5) scheduled eight (8) hour days in a calendar week of seven (7) days works more than forty (40) hours in five (5) days in a calendar week;
- d. An employee who, because of shift changes, works two (2) or more shifts in any twenty-four (24) hour period and is off duty less than eight (8) hours between

shifts. In such case, the employee shall be compensated for any additional shift(s) in the same manner as for other overtime notwithstanding (b) and (c) above;

FLSA nonexempt employees whose normal work week varies from the normal five (5) days in a calendar week of seven (7) days shall not be eligible for overtime compensation except as described in (a), (b) and (d) above.

Employees who are employed in classifications eligible for exemption from the overtime provisions of the Fair Labor Standards Act (FLSA) and designated by the MHCS D Board of Directors to be salaried are exempt from the overtime provisions of the FLSA. Since these employees may be required periodically or routinely to work long and irregular hours to fulfill the responsibilities of their positions and are not eligible for overtime compensation or compensatory time off, the MHCS D will provide paid administrative leave as follows in recognition of the long and irregular hours that they may be required to work to accomplish program objectives:

- a. Each fiscal year, the MHCS D General Manager shall grant ten days of administrative leave to employees in designated job classifications who are employed by MHCS D on July 1 of that fiscal year. For eligible salaried employees whose first day of employment is after July 1, the MHCS D General Manager shall grant a pro-rata amount of the ten days, rounded up to the next whole day, based on the number of whole months remaining in the fiscal year.
- b. The benefits provided by this program are not related to hours worked nor are they subject to accrual, and under normal circumstances, may not be carried over beyond the end of the fiscal year, except that the MHCS D General manager may approve such carryover on a case by case basis.

Employees shall be compensated for overtime according to the following guidelines. Employees eligible for overtime shall be compensated for overtime by either cash payment at the rate of one and one-half (1-1/2) times the employee's hourly salary (including any applicable supplements) or by the accrual of compensatory time at the rate of one and one-half (1-1/2) times the overtime hours worked. The maximum compensatory time accumulation shall be eighty (80) hours and any additional overtime worked shall be compensated by cash payment at the rate of one and one-half (1-1/2) times the employee's hourly salary (including any applicable supplements). Compensatory time, in lieu of cash payment, will be given based upon the determination of the MHCS D General Manager or designee that the budgetary situation or work requirements of the MHCS D allows latitude to confer either compensatory time off or overtime. Compensatory time shall be used at times mutually agreeable to the MHCS D and employee.

6.0 CLASSES OF EMPLOYMENT

Definitions of classes of employment shall be as follows:

- A. **Regular Full-Time Employee:** An employee who is appointed to a regular allocated position, regularly scheduled to work eight (80) hours per bi-weekly pay period.
- B. **Regular Part-Time Employee:** An employee who is appointed to a regular allocated position, regularly scheduled to work at least thirty (30) hours per bi-weekly pay period,

but not more than 1,664 hours per calendar year and whose employment is anticipated to exceed 7 months in duration.

- C. **Part-Time Employee:** An employee who is appointed to a position to work less than thirty (30) hours per bi-weekly pay period and whose employment is anticipated to exceed 7 months in duration. Such employees do not receive any leave, health insurance, or other benefits except those required by law.
- D. **Temporary Employee:** An employee who is appointed to a position which is either seasonal in nature (not to exceed seven months in a calendar year) and recurs year to year, or who covers peak workloads, regular employee absences, or a vacant position for a period not to exceed nine months. Such employees do not receive any leave, health insurance, or other benefits except those required by law.

7.0 RETIREMENT

Unless otherwise stated, all statutory references in this section of this Memorandum of Understanding are to the California Government Code.

7.1 Benefit Tiers and Eligibility

SJCERA Tier I – Employees who established and maintain membership in the San Joaquin County Employees’ Retirement Association (SJCERA) prior to January 1, 2013, and other eligible employees as defined by law, participate in the defined benefit formula that was in place before January 1, 2013, hereinafter “SJCERA Tier I.”

SJCERA Tier II – Employees who meet the definition of “new member” and establish membership in SJCERA on or after January 1, 2013, who are subject to the provisions of the Public Employees’ Pension Reform Act of 2013 (Article 4 (commencing with Section 7522, et seq.) of Chapter 21 of Division 7 of Title 1 of the Government Code), hereinafter “PEPRA, participate in the defined benefit formula prescribed by PEPRA for these employees, hereinafter “SJCERA Tier II.”

7.2 Retirement Formula

The District shall maintain the defined benefit retirement formula specified in Section 31676.14 (2% at age 55 ½) for General Members of SJCERA Tier I.

General Members of SJCERA Tier II participate in the defined benefit formula prescribed by Section 7522.20 of PEPRA (2.0% at age 62).

An annual cost of living adjustment of up to three percent (3%) shall be maintained in accordance with Section 31780.1 for monthly benefits payable by SJCERA to retired members (Tiers I and II) or their beneficiaries.

7.3 Retirement Age and Service

The provisions of Section 31672 permitting service retirement for members of SJCERA Tier I at age fifty (50) years with the completion of ten (10) years of continuous service, as adopted by County Resolution R-72-1245, shall be maintained for employees who are members of SJCERA Tier I.

Section 7522.20 permits service retirement for General Members of SJCERA Tier II after five (5) years of service and upon reaching fifty-two (52) years of age.

7.3.1 Retirement Benefits – Final Compensation Calculation

For employees who are members of SJCERA Tier I, final compensation shall, as authorized by County Resolution R-71-2161 pursuant to Section 31462.1, be the average annual compensation earnable by the member in the twelve consecutive months elected by the member or, if no election is made, immediately preceding the member's retirement.

As required by Section 7522.32, for employees who are members of SJCERA Tier II, final compensation shall mean the highest average annual pensionable compensation earned by the member during a period of 36 consecutive months designated by the member or, if not designated, immediately preceding the member's retirement or last separation from service if earlier.

7.4 Retirement Contributions

Employees who are members of SJCERA Tier I shall pay the member contributions as determined pursuant to Section 31621.3 for General Members.

Employees who are members of SJCERA Tier II shall pay member contributions pursuant to Section 7522.30, which shall be at least 50% of normal cost as determined annually by the plan actuary and expressed as a percentage of payroll. The District shall not pay any of the required member contribution. The member contribution rate shall not be adjusted unless the normal cost rate increases or decreases by more than 1%.

Employees' retirement contributions to SJCERA shall be made on a pre-tax basis.

7.4.1 Retirement COLA Cost Share

Effective January 1, 2012, the County modified Resolution R-75-1592 whereby it agreed to pay the costs of the contributions which would otherwise be assessed to individual members of SJCERA for their cost of living contributions. In accordance with Section 31873, the contributions required for the normal cost of post-retirement cost-of-living adjustments shall be shared equally between the District and employees who are members of SJCERA.

7.5 Retirement Death Benefits

The death benefits provisions of Section 31789.3 shall be maintained for qualified employees who are members of SJCERA.

7.6 Retirement Information

Employees nearing retirement age who desire to discuss their retirement with SJCERA shall be allowed to do so on District time.

7.7 Purchase of Additional Retirement Service Credit

Any employees who are a member of SJCERA and eligible to purchase additional retirement service credit may elect to purchase such service credit in accordance with the provisions of the County Employees' Retirement Law, the SJCERA Bylaws, and the policies and procedures applicable to SJCERA members. Any required contributions paid by a member of SJCERA for additional service credit shall become part of the member's accumulated contributions with SJCERA. Any additional liability assumed by or contributions paid by the District because of an employee's purchase of additional service credit shall not become part of the employee's accumulated contributions and shall not be considered compensation for purposes of contributions to or benefits from SJCERA.

8.0 TRAINING AND EDUCATION

8.1 In-service and Job Related Training

Employees who participate in District-mandated supplemental education programs shall either be assigned to such programs during their regular working hours or be compensated for each hour spent participating in such programs at the applicable overtime rate in accordance with this memorandum. Travel time for District-authorized training shall be computed in accordance with FLSA procedures.

8.2 Educational Reimbursement Program

District employers who are employed in an allocated budgeted position shall be reimbursed for career-related course work taken on the employee's own time, but not to exceed a maximum reimbursement for each fiscal year of \$850; however an employee enrolled in an approved degree program may be reimbursed up to \$800 per semester for a maximum of \$1,600 per fiscal year and may include reimbursement for educational materials. Reimbursement is subject to approval by the MHCS D General Manager upon satisfaction that the course work is career-related and an acceptable form of a receipt is provided.

9.0 WORKERS' COMPENSATION AND EMPLOYEE SAFETY

9.1 Workers' Compensation

Under the Workers' Compensation Act, provisions are made for benefit payments if an employee is disabled in the course of employment and misses work as a result of the disabling condition. The Workers' Compensation Act also provides free medical and hospital service, if necessary, for the disabling condition. In order to meet the requirements of the act, the District shall carry Workers' Compensation Insurance. For the employee's protection, it is mandatory that any injury, no matter how slight, be reported immediately to the employee's supervisor. If medical attention is needed, the employee will arrange for a visit to a local doctor.

Employees who are receiving temporary disability indemnity payments under Division 4 or Division 4.5 of the Labor Code shall accumulate vacation, holidays and sick leave during such period of time that they are drawing such temporary disability indemnity. The District shall continue to provide health, dental, vision, and life insurance plan coverage for such employees as if they were on payroll as employees.

Employee's disabled in the course of employment and eligible for Workers' Compensation Benefits shall be on paid administrative leave until the effective date of temporary disability indemnity payments to the employee or until it is determined that recovery from disability is sufficient to release the employee to return to work, whichever occurs sooner. With the commencement of temporary disability payments, the employee may use accrued leave in an amount such that the combination of leave time and temporary disability payments equals the employee's regular salary. When and if leave time is exhausted, the employee shall be on unpaid leave until it is determined that recovery from disability is sufficient to release the employee to return to work or it is determined that the employee's disability is permanent and the employee will not be able to return to work.

9.2 Safety Equipment

The MHCS D shall provide employees with safety prescription glasses (glasses only not prescription examination) whenever safety glasses are required by the CAL/OSHA or other State or Federal regulation. The MHCS D will not provide for broken lenses or frames unless such breakage is the result of an on-the-job accident. The MHCS D shall provide employees with safety shoes as specified by the MHCS D General Manager whenever such shoes are required by the CAL/OSHA or other State of Federal regulations.

9.3 Physical Examinations

Employees required to take physical examinations to maintain licenses or employment with District shall be given physical examinations at a medical facility of the District's choosing at no cost to the employee.

10.0 EVALUATIONS AND PERSONNEL FILES

10.1 Employee Performance Evaluations

The District and the union agree that regular evaluations are a constructive way to provide employees with regular feedback, to recognize exemplary performance, and to correct unsatisfactory performance if necessary.

- a. Probationary employees. Probationary employees shall be provided evaluations following three (3), six (6) and nine (9) months of service. Any employee performance evaluation shall be prepared by the employee's supervisor who has the responsibility and authority to prepare such reports.
- b. Regular employees. Regular full-time employees. Regular full-time employees shall be evaluated annually.

Employee performance evaluation reports shall be discussed with the employee prior to finalization of each category of the report.

An employee will receive an appointment with his/her department's reviewing officer to discuss the evaluation by signing the evaluation form in the space provided. Each department shall make a reasonable effort to ensure that the reviewing officer for this purpose has not been a party to the preparation of the evaluation. In no case shall the reviewing officer sign the evaluation form until a review has occurred.

Any regular or special evaluation with a rating of "unsatisfactory" shall include plans for employee development. Except in cases of termination, release from probation, or leave of absence, employees who receive an unsatisfactory performance evaluation must receive a follow-up evaluation. The follow-up evaluation shall cover a period of time no greater than ninety (90) calendar days from the date of the final review of the initial unsatisfactory evaluation.

An employee shall have the right to submit written comments regarding any evaluation and to have such comments included in his/her personnel file along with the evaluation.

Any proposed change to the established evaluation form shall be subject to negotiations.

10.2 Probationary Evaluations – Notice

For the purposes of the initial probationary period only, an employee who fails to complete probation and is released from probationary status within two weeks of the end of the probationary period may be paid regular salary for the hours the employee would have been scheduled between the release date and the end of the probationary period.

10.2.1 Probationary Period

All employees hired by the District will serve an initial probationary period of one (1) year from their date of hire. Upon successful completion of the initial probationary period the employee will gain permanent status. Any employee who subsequently promotes shall serve a six (6) month probationary period. If the employee does not complete the six months satisfactorily, that employee will be returned to their former position in the District.

10.3 Employee Personnel Files

Employees shall have the right to review and at their own expenses obtain copies of their District, department and division personnel files. An employee's representative may inspect the contents of an employee's personnel files upon signed, dated authorization by the employee. Authorization shall be valid for sixty (60) calendar days from the date of signature.

The District reserves the right to withhold from employee review reports of an employee's pre-employment physical examination, medical files, records of an employee relating to investigation of possible criminal offense or other legally privileged records.

Employees shall be given an opportunity to read and initial any report to be added to their personnel files, but an employee shall not be required to sign any such report. An employee's signature on a report shall be understood to be acknowledgment of receipt and shall not be construed as agreement or disagreement with its content. If the employee refuses to sign any report, a notation to that effect may be entered on the document. A copy will be provided to the employee upon request. Any information that the District attempts to use in any disciplinary or other derogatory way against an employee and does not contain either the employee's signature or a notation of refusal to sign shall be disqualified from being used.

An employee shall have the right to submit written comments regarding any document in his/her personnel file and to have such comments included in his/her personnel file along with the document.

10.4 Letters of Reprimand

A letter of reprimand shall be removed from the employee's personnel file if three years have elapsed from the date of reprimand and there has been no recurrence of the issue contained in the reprimand. The employee or employee representative must make the request in writing for it to be removed.

If the reprimand is in the department or division personnel file, the request must be directed to the department head or designee. If the reprimand is in the central Human Resources files, the request must be directed to the General Manager.

11.0 LAYOFFS

11.1 Notice

Any permanent District employee (over one year of service with the District) who is to be laid off or dismissed for other than disciplinary reasons shall be given ten (10) working days notice. This provision does not apply to probationary employees. Nothing contained herein shall be deemed to require the District to pay an employee except for services rendered.

11.1.1 Seniority

Layoffs shall be in the inverse order of hire date within the classification.

11.1.2 Meet and Confer

Ten (10) working days prior to issuing any layoff notices, the District shall notify the Union in writing of the proposed layoffs. Such notice will identify the proposed layoffs by department and by classification. Upon the request of the Union in writing, the District will meet and confer with the Union regarding the effects of the proposed layoffs and will consider any proposals advanced by the Union regarding the effects of the proposed layoffs.

11.1.3 Mitigation

In order to attempt to mitigate the effect of lay-offs, the District will provide employees identified for layoff with the opportunity to participate in an orientation program. The District will make all reasonable efforts to place employees who have been placed on any resulting layoff list. The District shall also provide a monthly mailing of the District Employment Bulletin and any other information deemed relevant by the District to all employees who remain on the layoff list.

11.1.4 Benefits

Employees who are provided a notice of layoff pursuant to section 11.1 of this Agreement shall have their eligibility for employee benefits extended for one pay period beyond the date coverage would have terminated due to the notice of layoff. In such situation the District will make payment for benefits as provided in section 2.3.1 of this Agreement.

12.0 GRIEVANCE PROCEDURE

12.1 Definitions

Grievance: An alleged violation of the Mountain House Community Services District Personnel Policies and Procedures, or the Memorandum of Understanding (MOU).

12.2 Purpose/Rights

It is the intention of this procedure to resolve all issues at the lowest supervisory level possible. The employee has the right to representation at any and/or all steps of the procedure.

SEIU may file and process grievances on behalf of employees, but the employee must be identified by name if necessary to the processing of the grievance. In those circumstances where a grievance is filed alleging a grievance dispute between a member of the Supervisory and Confidential unit and a member of the General Bargaining Unit, SEIU will provide separate SEIU representatives to represent the interests of each SEIU member.

12.3 Filing Deadline

Grievances filed under this Section should be initiated within twenty (20) days from the time the employee knew or had reason to know of the facts giving rise to the grievance. For the purpose of this section days shall be work days.

12.4 Grievance Processing

STEP 1: Any grievance shall be discussed with the employee's immediate supervisor. If the issue is not resolved at the supervisor's level within fifteen (15) days from the day of presentation, the issue may be processed to the second step. If the department head is the immediate supervisor, the grievance shall be in writing and contain the information specified in Step 2 below.

STEP 2: If the grievance is not resolved at Step 1 of this procedure, then the grievance may be filed with the General Manager or designee. The grievance must be in writing and must be filed within fifteen (15) days of the response from Step 1 or from the date when such response was due. The grievance must state: (1) the specific MOU provision or policy or procedure which is alleged to have been violated; (2) the statement of facts comprising the violation; (3) the requested remedy. The General Manager, or designee shall have fifteen (15) working days in which to investigate the issues and respond in writing to the grievance. NOTE: If grievance is against the General Manager or caused by actions of the General Manager, the process shall start at Step 2 with a filing, in writing, to the General Manager.

STEP 3: If the grievance is not resolved at Step 2 of this procedure following the General Manager's response at Step 2, the employee or representative may then, within fifteen (15) days request Mediation with the State Mediation and Conciliation Services (SMCS) in accordance with Section 10 (A-D) of the District Labor Relations Policy. The Union would be responsible for notifying the General Manager of the intent, contact SMCS with a copy to the District. The request shall spell out what is in dispute.

The parties shall meet with the mediator in a timely manner in an effort to resolve the grievance. The mediator's recommendations regarding the resolution of the grievance shall be shared with the Union and the General Manager in writing following the completion of mediation. The mediator's recommendations shall be advisory to the General Manager, whose decision shall be final and binding.

All grievances shall be represented and acted upon in a timely manner. However, with the mutual consent of the parties, the time limitation for any step may be extended.

The District and the Union shall be responsible for all their sides costs associated with the SMCS.

13. DISCIPLINARY ACTIONS

13.1 Notice of Proposed Disciplinary Action

When the district proposes to initiate disciplinary action against a non-probationary bargaining unit employee, the General Manager or designee must submit to the employee a written notice of intent to take disciplinary action. The notice must state specifically the reason(s) for the action and explain the employee's "Skelly" rights of appeal. When applying discipline, the concept of progressive discipline shall generally apply.

13.2 Request for Hearing

The employee may appeal the proposed action and request a hearing by responding in writing to the appointing authority within seven (7) business days of receipt of the notice. Upon receipt of a timely response, the General Manager or designee and the Union shall schedule a mutually agreed upon date and time to conduct a "Skelly" hearing as soon as possible, but no later than seven (7) business days after receiving such notice. In the event the parties cannot meet with seven (7) business days the employee may submit a written rebuttal directly to the General Manager.

13.3 Rights of Access

The employee shall be given access to copies of all materials upon which the District relied in taking the proposed action and shall be provided with copies upon request.

13.4 Representation

The employee may be represented at the hearing by a representative of the employee's choice.

13.5 Conduct of Skelly Hearing

The General Manager or his/her designee shall be the hearing officer at the informal "Skelly" hearing. Upon consideration of all materials and discussions presented at the hearing, the General Manager or his/her designee may uphold, modify, or revoke the proposed disciplinary action.

13.6 Final Order of Disciplinary Action

If the employee does not respond to the notice of intent within the prescribed time limits, or if, after hearing, the General Manager or his/her designee upholds or modifies the proposed discipline, the General Manager or designee shall submit to the employee a written final order of disciplinary action. The order shall state the proposed action, the reasons for the action, and the employee's rights of appeal. No discipline shall be effective until the date of order.

13.7 Appeal of Final Order of Disciplinary Action

In the event the employee wishes to appeal the Final Order of Discipline, he/she may do so by filing a written appeal to the General Manager within seven (7) business days following receipt. If the discipline involves a termination, the employee, in making the appeal, shall designate in writing his/her request that the matter be heard by a neutral arbitrator. Other disciplines, are not subject to the arbitration clause of this section but may be appealed to the General Manager who shall meet with the employee within ten (10) business days. The decision of the General Manager shall be final.

13.8 Arbitration

When an employee appeals the final order of termination to arbitration the timing and procedure of such arbitration shall be established by agreement of the District and the Union. Unless agreed otherwise, the arbitrator shall be selected from a list of five (5) names provided by the State Mediation and Conciliation Service (SMCS). In selecting the arbitrator the parties shall alternately strike two names from the list, with the District striking the first name. Absent an agreement otherwise, the final name remaining shall be the arbitrator.

The arbitrator shall render his/her decision in writing by no later than forty-five (45) calendar days, following the conclusion of the hearing, unless mutually extended in writing by the parties. The costs of the arbitration shall be borne equally by the District and the Union. The decision of the arbitrator shall be binding on the parties.

14.0 ENTIRE AGREEMENT

Except as otherwise specifically provided herein, the Memorandum of Understanding (MOU) fully and completely incorporates the understanding of the parties hereto regarding the provisions contained in this MOU. The parties, for the term of this Agreement, do not waive the obligation to negotiate with respect to any practice, subject, or matter within the scope of bargaining not specifically referred to or covered in this Agreement. In the event the District proposes a change in any practice, subject, or matter which is within the scope of bargaining and is not covered by this Agreement, the District will give the Union advance written notice of the proposal and will, upon request of the Union, negotiate in good faith with the Union concerning the proposal.

APPENDIX A
SALARY SURVEY

The District and Union agree to a salary survey using the City of Lathrop, City of Manteca, City of Tracy, County of San Joaquin, City of Stockton, City of Lodi, City of Ripon, City of Escalon, and Town of Discovery Bay CSD, as the comparative jurisdictions.

The results of the study will be used as the basis for discussion of equity adjustments during the successor agreement. It is understood that equities are not a guarantee as a result of the survey, but will be the subject of negotiations.

The District will survey each classification in the bargaining unit. Comparisons will be made with classifications in the surveyed jurisdictions with an emphasis on comparing job duties and requirements.

The survey will be conducted by a firm that is selected by the General Manager or designee. Prior to awarding the contract the District will discuss the District's choice for the preferred vendor with the Union. Upon completion of the survey, the District will furnish a copy of the raw data and the process, as it is available, with the Union. The parties will share the cost of the survey equally.

The study will calculate the median as it relates to the surveyed jurisdictions.

If there are less than five (5) matches in the nine (9) jurisdictions the District will rely upon other factors including but not limited to internal relationships, recruitment and retention.

The survey elements that will be translated into a monthly figure are:

1. Wages – Top Step Monthly salary

Non-Core survey elements to be gathered:

1. Amount and date of last salary increase
2. Amount and date of any future negotiated salary increases
3. Retirement Formula and employer contribution percent

The District will conduct the aforementioned salary survey in January, 2019 and discuss results with SEIU in May, 2019.

The parties attest to this Memorandum of Understanding (MOU) which has been entered into between the Mountain House Community Services District (District) and SEIU Local 1021 (Union – Supervisory and Confidential Unit.)

For SEIU Local 1021



Bill Petrone
Field Director & Chief Negotiator



NAME Nicole Adamo
Negotiations Committee Member




NAME Denae DeBrough
Negotiations Committee Member

For the District



Edwin Pattison
General Manager



Donald W. Turko
Chief Negotiator



Sarah Ragsdale
Administrative Services Director

10/17/2017

Dated