

**MEMORANDUM OF UNDERSTANDING
(MOU)**

AMADOR WATER AGENCY
AND
AMADOR WATER AGENCY
EMPLOYEES' ASSOCIATION

General Bargaining Unit
And
Supervisor Bargaining Unit

Term: July 1, 2018 – June 30, 2021

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PURPOSE

This Memorandum of Understanding ("Agreement") describes those terms and conditions of employment of which agreement has been reached between the Board of Directors of the Amador Water Agency ("Agency") and those employees designated as the AWA Employees' Association ("Association"), after meeting and conferring by the duly appointed representatives of both parties. This Agreement relates particularly to the major issues existing between the parties at the time of meeting and conferring, and for the term of this Agreement. This Agreement is not, however, inclusive of all employment terms, conditions, requirements, standards, and other factors that may bear upon the employment relationship between the Agency and the Unit. Nevertheless, should a conflict in the specific terms and conditions of this Agreement occur between the provisions contained herein to those of another Agency document, the provisions of this Agreement shall prevail during the term of this Agreement.

TERM OF AGREEMENT

Except as otherwise provided for herein, this Agreement shall be binding upon the Agency and the Association, or its successors, for the period from July 1, 2018 through June 30, 2021.

ARTICLE 1: RECOGNITION AND COVERAGE

The Agency's Board of Directors hereby recognizes that the Association has met amongst themselves and designated certain employees within the Units as their exclusive negotiating representatives for all employees within the Association.

Further, the Association shall consist of those employees occupying the classifications listed in Article 3 herein.

ARTICLE 2: REPRESENTATION

The Agency recognizes and agrees to formal consultation, upon request, with the designated representatives of the Association, made known to the Agency, on all matters relating to the interpretation, application or enforcement of the express terms of this Agreement.

All current regular employees and all new employees in the bargaining unit shall, as a condition of employment, be members in good standing of the Association or opt out of membership. All active members shall have dues deductions effective on the employee's hire date.

ARTICLE 3: SHOP STEWARDS

The Association will identify to the Agency three (3) bargaining unit employees to serve as shop stewards. Such employees shall be allowed release time (i) if a representative is required in an investigatory interview which may lead to discipline of an employee, (ii) if a representative is requested by an employee to assist in presenting a grievance at Step II or Step III of the grievance process, or (iii) in other situations where the steward's attendance is requested by the Agency. Shop steward release time will be allowed only upon the advance approval of the steward's supervisor.

ARTICLE 4: CLASSIFICATION AND WAGES

A. *Classifications*

The following classifications shall be included in the Employees' Association:

General Bargaining Unit
Accountant
Accounting Clerk
Administrative Assistant I, II and III
Construction I, II and III
Customer Service Representative I, II and III
Instrumentation/Electrical Technician
Inspector
Meter Reader/Customer Service Tech
Plant Operator II and III
Purchasing Agent
Distribution I, II and III
Utility I, II and III
Wastewater Operator I and II
Regulatory Compliance Specialist

Supervisor Bargaining Unit
Construction Supervisor
Distribution/Canal Supervisor
Instrumentation/Electrical Supervisor
Wastewater Supervisor
Water Treatment Supervisor

B. *Cost of Living Adjustment*

Upon MOU ratification, effective annually on July 1, 2018, July 1, 2019 and July 1, 2020, a cost of living adjustment (COLA) of 2% shall be implemented, and effective to salary ranges and employee pay.

C. *Anniversary Date Pay Adjustments*

Employees shall receive their annual performance review and may be eligible for merit pay as follows: 1-3% fiscal year 7/1/2018-6/30-2019; 1-4% fiscal years 7/1/2019-6/30/2020 and 7/1/2020-6/30/2021.

D. *Standby Pay*

Standby compensation shall be \$45 per weekday and \$65 per weekend day and holiday.

E. *Cell Phone Allowance*

The Agency shall provide a cell phone allowance of \$50 per month.

F. *Certification Bonus*

The Agency shall pay a lump sum, one-time payment of \$250 to each member who achieves certification of one grade above their job required certification (i.e. employee is required to have a Grade I treatment license; if achieve a Grade II, employee would receive a one-time lump sum bonus of \$250) or for certification beyond their job requirements for a pre-approved certification that is a benefit to the Agency's operations.

G. *Compensatory Time Bank (CTO)*

Policy revised to remove the mandatory cash out of CTO, Exhibit A attached. Policy to be added to the Employee Handbook and removed from future MOUs.

H. *Safety Boot Allowance*

The Agency shall reimburse eligible members for safety boots upon submission of an expense report and receipt complying with policy

to the Human Resources Department. The approved member is eligible for \$150 reimbursement per fiscal year (7/1-6/30).

I. Meet and Discuss Non-AWA EA Salary Adjustments

The Agency agrees to meet and discuss pay increases for non-AWA EA employees for any pay increase provided it is greater than the terms negotiated within this MOU, with the exception of contract employees.

J. Performance Evaluations

The Agency agrees to form a Committee to meet and confer on the evaluation form to be completed by December 31, 2018.

K. 457 Deferred Compensation Matching

Effective July 1, 2019, the Agency shall match 457 deferred compensation contributions up to .5% (one-half percent) of the employee's salary. Effective July 1, 2020, the Agency shall match 1% (one percent) of the employee's salary.

L. Agency Salary Survey

The Agency will conduct a salary survey. The following implementation/methodology is being recommended pending the survey results. If an employee's current salary falls below the new proposed salary range, the employee will be brought up to the bottom of the new range.

0-5% Range shall be adjusted; employees below bottom of the range shall receive salary adjustment to the new bottom of the range.

6-10% Range shall be adjusted; employees shall receive salary adjustment based on difference between 6-10% minus 5% for above step (ie. Range adjustment is 8% - employee salary adjustment will be 3%), depending on where an employee is in their range.

If the range adjustment is more than 10%, the range shall be adjusted, with the Board of Directors determining implementation of the salary.

ARTICLE 5: INSURANCE PLANS

A. Medical Insurance – Medical insurance coverage for the employees of the Unit shall be through the ACWA/JPIA Health Benefits Program (“Program”) or the program that is currently offered. Note: employees must qualify for Kaiser HMO by their home zip code. The Agency does not have a qualifying employer zip code. During the term of this Agreement, the Agency shall make the following contribution towards the premium costs of such insurance coverage:

1. Employee Coverage

Coverage shall remain at paying one hundred percent (100%) of the “employee only” premium of the medical plan selected by the employee which does not exceed the “employee only” premium for the Program’s Anthem Advantage Basic Plan. If the premium exceeds the base plan, the employee will pay the difference through payroll deductions.

2. Dependent Coverage

Effective upon MOU ratification, dependent coverage premium shall increase to seventeen percent (17%) for the employee premium copay. July 1, 2019, dependent coverage shall increase to eighteen and one-half percent (18.5%) and July 1, 2020, dependent coverage shall increase to twenty percent (20%).

The formula is determined as follows: Dependent Premium minus the Employee Only premium for the selected plan, times 17% (in the first yr), 18.5% in the second year and 20% in the third year, plus any difference in the Employee Only rate between the chosen plan and base plan, times 12 months, divided by 24 payrolls for the cost per paycheck.

3. Dental Insurance – The Agency shall pay 100 percent of the total premium for the employee and his/her dependent(s) for coverage under the dental insurance plan offered by the Agency.

4. Vision Insurance – The Agency shall pay 100 percent of the total premium for the employee and his/her dependent(s) for

coverage under the vision insurance plan offered by the Agency.

5. Other Insurance – The Agency shall pay 100 percent of the total premium for the employee's coverage for life insurance, short term and long term disability insurance and Employee Assistance Program.

6. Benefit Trust

The Agency and the Association agree to meet and confer to establish and maintain a segregated fiduciary retiree health benefit trust with matching pre-tax employer and employee contributions for the benefit of retirees hired before the establishment of the Tier 4 **Retiree Health Savings** Plan, to assist in paying for the costs of continuing retirement health benefits.

ARTICLE 6: PENSION CONTRIBUTION

1. CalPERS Pension – All employees shall pay their share of their respective CalPERS Pension Retirement Plan.

ARTICLE 7: CALPERS UNIFORM REPORTING

1. CalPERS Uniform Compensation Reporting

Under CalPERS California Code of Regulations (CCR Section 571 (a) and (b)) the purchase, rental and maintenance services of the Agency's required uniform qualifies as special compensation under the category of Uniform Allowance, subject to CalPERS rules, regulations, and interpretations regarding special compensation. However, the Agency does not guarantee or warranty that CalPERS will include any payment in compensation earnable in the future.

For providing (purchasing and renting) and maintaining the employee's required uniform the Agency will report a set monetary value not to exceed \$600 per year per employee to CalPERS. The set uniform monetary value amount reported to CalPERS will derive from the current uniform distributor contract/quote using the average cost of all types of clothing available to each field employee. The value reported to CalPERS will be the same for each field employee.

Note: the reporting of the purchase, rental and maintenance of uniforms is for classic members only as defined by CalPERS.

ARTICLE 8: DISCIPLINE AND GRIEVANCE PROCEDURES

Minor Discipline

1. Notice of Discipline

When the Agency has decided to take disciplinary action consisting of a written action, the affected employee shall be given written notice of the disciplinary action. The notice of disciplinary action shall include: (a) the action taken, the date it will be effective, and the specific grounds and particular facts upon which the disciplinary action is being taken; (b) the materials upon which the action is based or a statement indicating where the materials upon which the action is based are available for inspection, or a combination of the two; and (c) a statement informing the employee of his/her right to appeal in the manner set forth in this section.

2. Appeal of Minor Discipline

Within 10 (ten) calendar days of the date the employee received the disciplinary notice, the employee may file a written appeal with the General Manager. The General Manager shall schedule a meeting with the employee and, where applicable, his/her representative, to discuss the appeal. Within 10 (ten) days after that meeting, or such longer period as the General Manager may determine is required to investigate the matter, the General Manager shall provide the employee with a written response to the appeal. The General Manager's decision shall be final and binding.

If an employee does not file an appeal within 10 (ten) calendar days, the right to appeal shall be considered waived.

Major Discipline

1. Notice of Discipline

When the Agency is considering taking disciplinary action consisting of a suspension without pay, a termination, or a demotion/reduction in pay, the

affected employee shall be given written notice of the proposed disciplinary action. The notice of proposed action shall include: (a) the proposed action to be taken, the date it is intended to become effective, and the specific grounds and particular facts upon which the proposed disciplinary action will be taken; (b) the materials upon which the charge(s) is based or a statement indicating where the materials upon which the charge is based are available for inspection, or a combination of the two; and (c) a statement informing the employee of his/her right to respond, either orally or in writing, to the charge(s) which 10 (ten) calendar days of the date of the notice. If the employee timely requests to respond, he/she may be represented by his/her labor representative.

The Agency may, at any time during the time when a charge(s) is pending against an employee, place the employee on paid administrative leave.

If the employee does not respond to the charge(s) within 10 (ten) calendar days of the date of the notice of proposed disciplinary action, the proposed disciplinary action will be considered conclusive and shall take effect as described in the notice of proposed disciplinary action.

2. Right to Appeal Disciplinary Decision

If the employee does respond to the charge(s) within 10 (ten) calendar days from the date of the notice of proposed disciplinary action, the Agency shall consider the employee's response and all of the information upon which the charge(s) is based. The Agency shall then issue a determination on the notice of proposed disciplinary action. If the determination includes disciplinary action consisting of a suspension without pay, a termination, or a demotion/reduction in pay, the employee may appeal such determination in writing within 10 (ten) calendar days of the date that the Agency issued the determination, by notifying the General Manager in writing that the grievance is being advanced to arbitration.

The parties shall then request a list of seven (7) experienced labor arbitrators from the State Mediation and Conciliation Service. The parties shall, alternately, strike names from the list until there is one name remaining, who will serve as the arbitrator. The arbitrator will hear and issue a written recommendation and opinion as soon as practical. The arbitrator's opinion is advisory only and will be referred to the Board. If the Board disagrees with the arbitrator's recommendation, the Board may overrule the arbitrator's recommendation by a four-fifths (4/5) vote. If the Board agrees with the arbitrator, or a four-fifths (4/5) vote cannot be reached; the arbitrator's

recommendation becomes final and binding. The Board's four-fifths (4/5) decision shall be final and binding.

All fees and expenses of the arbitrator shall be shared equally by the Agency and the employee or, if applicable, the employee organization.

Grievance Policy

Purpose: To provide the means for employees, recognized employee organizations, and management together to solve grievances in an orderly manner within a reasonable time period.

A grievance shall be defined as an alleged violation of the MOU, Agency rule, regulation, ordinance, resolution affecting an employee's wages, hours or conditions of work, excluding any and all disciplinary action. Employees shall have the right to representation (as defined below) at all levels of the grievance procedure.

Policy:

- A. Any employee has the right to file a grievance free of intimidation or coercion by the Agency.
- B. Any employee may represent him/herself or have a professional representative (e.g., business agent or attorney) from the recognized employee organization for the employee's bargaining unit do so.

Step I – Except as set forth below, if an employee believes he/she has a grievance, the employee shall bring the matter verbally to the attention of his/her Supervisor/Department Head no later than ten (10) calendar days from the time the employee(s) became aware of the circumstances forming the basis for the grievance. The Supervisor/Department Head will discuss the matter with the employee and provide a response to the employee within ten (10) calendar days of the meeting with the employee.

Step II – If the Step I process does not resolve the grievance, the grieving employee or a professional representative from the employee organization representing the employee's bargaining unit, may forward the grievance, in written form on an Agency Grievance Form, within ten (10) calendar days of the Step I response, to the General Manager or his/her designee for consideration at Step II. The grievance form shall include:

1. The name of the grievant(s);
2. The basis for the grievance including the MOU provision(s) allegedly violated;
3. The remedy requested;
4. The dates the grievance was filed at Step I and filed at Step II.

Within ten (10) calendar days of receipt of the Step II grievance, the General Manager shall meet with the grievant(s) and, if applicable, the grievant's representative, to try to resolve the dispute. The General Manager shall issue a written response to the grievant(s) within ten (10) calendar days of the Step II meeting.

Step III – If the grievance is not resolved at Step II, the grievant may, within fifteen (15) calendar days of the General Manager's written response, request in writing, a list of seven (7) experienced labor arbitrators from the State Mediation and Conciliation Service. If the grievant makes this request, he/she must simultaneously send the Agency a copy of this request. The parties shall, alternately, strike names from the list until there is one name remaining, who will serve as the arbitrator. The arbitrator will hear and issue a written recommendation and opinion as soon as practical. The arbitrator's opinion is advisory only and will be referred to the Board. If the Board disagrees with the arbitrator's recommendation, the Board may overrule the arbitrator's recommendation by a four-fifths (4/5) vote. If the Board agrees with the arbitrator, or a four-fifths (4/5) vote cannot be reached, the arbitrator's recommendation becomes final and binding. The Board's four-fifths (4/5) decision shall be final and binding on the grievance.

All fees and expenses of the arbitrator and the court reporter, if requested by any party, shall be shared equally by the Agency and the employee or, if applicable, the employee organization.

Failure of the Agency to respond within the timelines set forth above shall be construed as a denial of the grievance at that step, effective the last date for issuing a decision.

ARTICLE 9: AUTHORIZATION

This Memorandum of Understanding shall become effective following approval by the Unit and the Agency Board of Directors, and shall remain in effect until June 30, 2021, unless so modified by mutual agreement of both parties. The representatives of the parties to this Agreement have caused their names to be signed on this 27 day of June, 2018.

AMADOR WATER AGENCY



Gene Mancebo
General Manager



Karen Gish
AWA Authorized Representative

**AMADOR WATER AGENCY
EMPLOYEES ASSOCIATION**



Andrea Hinton
Authorized Representative



Don Hutchison
Authorized Representative



Ryan Tesch
Authorized Representative

Exhibit A: CTO Policy

In lieu of being paid for overtime hours worked, AWA EA members may request that overtime be credited toward compensatory time off (CTO) at the rate of 1 ½ CTO hours for each 1 hour of overtime worked. Projects that are Grant or Loan Funded are not eligible for CTO accrual; they must be captured in overtime hours. However, CTO hours shall not accrue in excess of 40 hours. The use of earned CTO time must be approved, in advance, by the requesting employee's Supervisor and/or Department.

Provided the AWA EA member gives seven (7) working days' advance written notice, eligible employees who have accrued CTO hours may request that all or any portion of such hours be paid to them at their current regular based rate of pay on the next regular payroll.

Employee who accrue the maximum 40 CTO hours shall have all subsequent overtime worked paid automatically at their overtime rate of pay in conjunction with the applicable payroll cycle. Once an employee has used sufficient CTO time to reduce their CTO balance below the 40-hour maximum, the employee may again request that overtime compensation be in the form of CTO accrual.

At the time of employment separation, employees who have unused accrual of CTO hours shall be paid for such hours at their regular base rate of pay at the time.