

Memorandum of Understanding

Confidential Unit

and

Contra Costa Water District

October 3, 2011 – October 2, 2012

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MEMORANDUM OF UNDERSTANDING

PREAMBLE

This Memorandum of Understanding is made and entered into between the General Manager of the Contra Costa Water District, hereinafter referred to as "District," and the Confidential Employees Unit (Unit), pursuant to California Government Code §3500 et seq., and the Contra Costa Water District's Employer-Employee Relations Policy (Regulation No. 3.16).

The employees within the Unit are valued contributors and perform functions that are critical to achievement of the District's Mission. Therefore, the District will, as part of the annual consideration of wages, hours, and conditions of employment of the Unit, consider factors including cost-of-living adjustments and/or benefit changes or increases given to other units, and the District's ability to pay for such modifications.

The parties have reached agreement on terms and conditions of employment during the period commencing October 3, 2011, unless otherwise modified consistent with the provisions herein.

ARTICLE I. GROUP INSURANCE BENEFITS

The District agrees to provide the following group insurance benefits during the term of this agreement.

A. Medical/Hospitalization Insurance

The District will contribute up to the Kaiser Health Plan full family cost toward the Employee's medical/hospitalization insurance during the term of this agreement.

B. Dental Insurance

The District will provide fully paid dental insurance for the Employee and family during the term of this agreement.

C. Vision Insurance

The District will provide fully paid vision insurance for the Employee and family during the term of this agreement.

D. Life Insurance

The District will provide fully paid term life insurance equal to twice the Employee's base annual salary, but not more than \$150,000, and accidental death and dismemberment benefits. Eligible dependents shall have \$1,500 term life insurance.

E. Health Insurance Credit

Active employees who elect not to insure qualified dependents as a result of a spouse or registered domestic partner receiving group medical insurance through the District or another employer, may receive a cash payment of two-thirds (66-2/3%) of the District's monthly savings.

F. Employee Assistance

The District shall provide an Employee Assistance Program (EAP) for the Employee. Said EAP will cover the cost of professional medical, legal and financial counseling for the Employee and immediate family equal to that provided other employees of the District.

G. Long Term Disability

Long term disability (LTD) benefits are provided the Employee equal to two-thirds (66-2/3%) of base salary to a maximum benefit of \$5,833 monthly. The terms and conditions of coverage are fully set forth in an LTD policy provided to the Employee.

H. Health Assistance

The Employee is eligible for an individual grant of up to \$150, each MOU year, following an annual biennial comprehensive physical examination to apply toward a program or treatment directly related to improved health and recommended by the examining physician.

ARTICLE II. SALARY PRACTICES

Confidential Classifications Monthly Salary Ranges					
Effective October 3, 2011					
Classification Description	Step One	Step Two	Step Three	Step Four	Step Five
HUMAN RESOURCES SUPERVISOR	8,611.20	9,041.07	9,493.47	9,968.40	10,467.60
RISK MANAGEMENT OFFICER	7,886.67	8,280.13	8,694.40	9,129.47	9,585.33
SAFETY OFFICER	7,886.67	8,280.13	8,694.40	9,129.47	9,585.33
HUMAN RESOURCES ANALYST II	6,484.40	6,808.53	7,148.27	7,505.33	7,881.47
ADMINISTRATIVE ASSISTANT	5,881.20	6,175.87	6,484.40	6,808.53	7,148.27
EXECUTIVE SECRETARY	5,598.67	5,879.47	6,174.13	6,482.67	6,806.80
HUMAN RESOURCES ANALYST I	5,525.87	5,801.47	6,090.93	6,396.00	6,716.67
ADMINISTRATIVE SECRETARY	5,109.87	5,364.67	5,633.33	5,914.13	6,210.53
HUMAN RESOURCES ASSISTANT	5,078.67	5,333.47	5,600.40	5,881.20	6,175.87
RECORDS MANAGEMENT SPECIALIST	0.00	0.00	0.00	0.00	6,071.87

1. Salary adjustments based on performance shall be to the next higher step in the salary range.
2. Each Employee in a classification within the unit shall have probationary status during the first six months in the classification. During the probationary period, the employee is an at-will employee who can be dismissed from employment with or without cause.
3. An Employee shall continue to advance in the salary range after completion of each twenty-six pay periods thereafter providing the employee receives a performance evaluation immediately prior to the twenty-sixth pay period with an overall "satisfactory" evaluation immediately prior to the twenty-sixth pay period with an overall "satisfactory" performance rating. In the event a performance evaluation is not received immediately prior to the twenty-sixth pay period, salary step adjustment will be made immediately thereafter to the next highest step in the salary range.
4. Temporary Assignment to Higher Classification:

The salary of an Employee temporarily assigned to work in a vacant position, or a position vacant due to a leave of absence (vacation, sick leave, etc.), in any classification with a higher maximum salary range, shall be the first pay step in the range which results in at least a 5% increase but not more than the maximum salary of the higher class. Compensation for authorized out of classification assignments is effective as soon as the employee begins performing the duties of the higher class.

Proper documentation identifying the vacant position and dates worked out of classification shall be submitted with an affected Employee's time card for each out of classification assignment qualifying under this provision.

Persons receiving pay for work in a higher classification shall receive pay step adjustments in the higher class only if a pay step advancement in their permanent lower class is approved and the same step placement formula as above then applies.

ARTICLE III. LEAVE PROVISIONS

A. Vacation Credits

The Employee shall accumulate vacation credits on a bi-weekly basis in accordance to the following schedule:

1. Upon employment, the Employee shall be credited with forty hours of vacation credits.

2. The following schedule shall apply thereafter:

DURATION OF EMPLOYMENT	ANNUAL ACCUMULATION	BI-WEEKLY CREDITS
Beginning service	10 days	3.077 hours
After completion of 1 year	15 days	4.615 hours
After completion of 2 years	17 days	5.231 hours
After completion of 4 years	21 days	6.462 hours
After completion of 9 years	23 days	7.077 hours
After completion of 14 years	28 days	8.615 hours
After completion of 19 years	33 days	10.154 hours
After completion of 24 years	35 days	10.769 hours

3. Vacation credits may be converted to extra compensation on a hour-used hour-paid basis for the first 120 hours of vacation taken each Employee anniversary year.
4. Employees may accumulate up to two (2) times their annual vacation credits. The maximum accumulation does not include incentive vacation credits set forth.
5. Employees may convert vacation credits to sick leave credits at the rate of one (1) hour of vacation credit equals two (2) hours of sick leave credit.

B. Sick Leave Benefits

1. Employees will accumulate eight (8) hours of sick leave credit for each month of service.
2. Employees shall have an unlimited accumulation of sick leave credits.
3. Sick leave shall be charged in increments of one (1) hour.
4. Sick leave shall be defined as follows:
- a. an illness that physically incapacitates an Employee; from performing their regular duties;
 - b. injury not incurred in line of duty except where traceable to employment by an employer other than the District;
 - c. medical, dental or eye examination or treatment for which appointments cannot be made outside of working hours.

5. Special leave with pay for the following reasons shall be chargeable to sick leave credits:
 - a. exposure to contagious disease when the presence of the Employee for duty would endanger the health of others;
 - b. death in the immediate family;
 - c. hospitalization of a member of the immediate family;
 - d. providing care for a member of the immediate family where such member is seriously ill or injured and who requires the care and attendance of the Employee.

Immediate family shall include the Employee's spouse or registered domestic partner, child, grandchild, parent, grandparents, in-laws, siblings of the Employee or the Employee's spouse or registered domestic partner, dependents or foster relatives of the Employee or the Employee's spouse or registered domestic partner, or any other person residing with and dependent upon the Employee as determined by the IRS definition of dependent.

The use of sick leave credits for special leave purposes is subject to the approval of the Employee's supervisor.

6. An Employee shall be responsible for seeing that absence due to sickness is reported to the Employee's supervisor no later than the beginning of the workday where sick leave is claimed.
7. An Employee shall, on request of the Employee's supervisor, furnish a doctor's report or other evidence of the nature and estimated duration of the Employee's sickness.
8. An Employee absent due to sickness shall permit a licensed physician to examine the Employee on the request of, and at the expense of, the District.
9. Upon termination of employment of not less than ten (10) years, the Employee shall receive extra compensation for accumulated and unused sick leave in accordance to the following schedule:

YEARS OF SERVICE	RESIGNATION	RETIREMENT	SURVIVORS
After completion of 10 years	25%	35%	45%
After completion of 19 years	35%	45%	55%
After completion of 29 years	45%	55%	65%

C. Holidays

The following holidays shall be observed during the term of this agreement:

Holiday	Date of Holiday Observance	
Veteran's Day	Friday	November 11, 2011
Thanksgiving Day	Thursday	November 24, 2011
Friday after Thanksgiving	Friday	November 25, 2011
Christmas	Monday	December 26, 2011
New Year's Day	Monday	January 2, 2012
Martin Luther King's Birthday	Monday	January 16, 2012
Lincoln's Birthday	Monday	February 13, 2012
President's Day	Monday	February 20, 2012
Memorial Day	Monday	May 28, 2012
Independence Day	Wednesday	July 4, 2012
Labor Day	Monday	September 3, 2012

Holidays which fall on an Employee's day off shall be accumulated and taken on a date mutually agreeable to the Employee and the District. Holidays which occur on Saturday shall be taken on Friday, and holidays which occur on Sunday shall be taken on Monday.

D. Discretionary Leave

Discretionary leave is a leave of absence with or without pay that is granted at the discretion of the General Manager and is in addition to vacation leave and sick leave.

1. Discretionary leave may be granted for any of the following purposes:
 - a. The leave is deemed to be for the benefit of the Employee including leave for education, vocational training, health or welfare.
 - b. The leave is deemed to be in the interest of the District, including leave to enhance the Employee's skill, knowledge or ability to perform service for the District.
 - c. The leave is deemed to be in the public interest, including service by the Employee for governmental entity, public utility or public service organization.
2. All discretionary leaves shall be requested by the Employee in writing.
3. Approval:
 - a. Discretionary leaves may be approved for a specified period of time at full pay, part pay, or without pay.

- b. Leaves for more than one year or which involve payment of more than the equivalent of four weeks full salary shall be subject to the approval of the Board of Directors.
 - c. Leave during the first 18 months of employment shall not be approved unless the primary purpose of the leave is to serve the interest of the District or the public.
 - d. A discretionary leave shall not exceed 12 months.
- 4. The time an Employee is on discretionary leave without pay shall not be counted for vacation benefit or for retirement service time purposes.
 - 5. A discretionary leave may be terminated before expiration. Said leave may be terminated by the Employee to enable return to work with the approval of the General Manager. Said leave may be terminated by the District by written notice delivered or mailed to the Employee at least 30 days prior to the effective date thereof.

E. Overtime/Compensating Time Off

Time and one-half compensation is provided to Employees not exempt under the Fair Labor Standards Act (FLSA) for all paid hours exceeding 40 in a seven-day period. Employees may elect to receive compensating time off (CTO) in lieu of overtime pay. If an Employee elects to receive CTO, the Employee may accumulate up to a maximum of forty (40) hours.

FLSA exempt employees include the Risk Management Officer/Safety Officer, Human Resources Analysts I and II, and the Human Resources Supervisor, who are not eligible for CTO.

F. Floating and Administrative Leave

Employees shall receive eight (8) hours of floating leave per calendar year. This leave day is not subject to carryover or cash out, and it is to be used in an 8-hour increment. Fair Labor Standards Act (FLSA) exempt employees who are not eligible for CTO shall receive sixteen (16) hours of administrative leave in lieu of CTO. Eight (8) hours shall be credited in the pay period commencing 10/4/10; eight (8) hours shall be credited each January. Employees eligible for administrative leave include:

Risk Management Officer
Safety Officer
Human Resources Analysts I and II
Human Resources Supervisor

ARTICLE IV. RETIREMENT BENEFITS

A. Retirement Plan

The Retirement Plan of the Contra Costa Water District shall provide positions assigned within the Confidential Representation Unit with benefits as set forth herein:

1. The amount of retirement income paid monthly to a Confidential Representation Unit Employee shall be the average basic monthly compensation paid during the twelve most highly compensated consecutive months of service multiplied by the factor in the following table determined by the length of time of the participant's continuous service and the participant's age at the commencement of retirement income, with a pre-retirement death benefit. The defined benefit formula is currently 2.3 percent at age fifty-five (55), increasing to 2.35 percent at age fifty-five (55) for active employees retiring on or after January 1, 2009. The following table provides benefit factors specific to the upcoming 2.35 percent formula:

**CONTRA COSTA WATER DISTRICT RETIREMENT FORMULA
FOR CONFIDENTIAL EMPLOYEES
(EFFECTIVE JANUARY 1, 2009)**

benefit percent:	AGE AT COMMENCEMENT OF PAYMENT										
2.35%											
YEARS OF CONTINUOUS SERVICE	50	51	52	53	54	55	56	57	58	59	60 or over
5	8.38%	8.94%	9.56%	10.23%	10.96%	11.75%	12.06%	12.36%	12.67%	12.98%	13.29%
6	10.05%	10.73%	11.48%	12.28%	13.16%	14.10%	14.47%	14.83%	15.20%	15.58%	15.95%
7	11.73%	12.52%	13.39%	14.33%	15.35%	16.45%	16.88%	17.31%	17.73%	18.18%	18.60%
8	13.40%	14.31%	15.30%	16.37%	17.54%	18.80%	19.29%	19.78%	20.27%	20.77%	21.26%
9	15.08%	16.10%	17.22%	18.42%	19.73%	21.15%	21.70%	22.25%	22.80%	23.37%	23.92%
10	16.76%	17.88%	19.13%	20.47%	21.93%	23.50%	24.11%	24.72%	25.33%	25.97%	26.58%
11	18.43%	19.67%	21.04%	22.52%	24.12%	25.85%	26.52%	27.19%	27.87%	28.56%	29.24%
12	20.11%	21.46%	22.95%	24.56%	26.31%	28.20%	28.93%	29.67%	30.40%	31.16%	31.89%
13	21.78%	23.25%	24.87%	26.61%	28.50%	30.55%	31.34%	32.14%	32.93%	33.76%	34.55%
14	23.46%	25.04%	26.78%	28.66%	30.70%	32.90%	33.76%	34.61%	35.47%	36.35%	37.21%
15	25.13%	26.83%	28.69%	30.70%	32.89%	35.25%	36.17%	37.08%	38.00%	38.95%	39.87%
16	26.81%	28.61%	30.61%	32.75%	35.08%	37.60%	38.58%	39.56%	40.53%	41.55%	42.53%
17	28.48%	30.40%	32.52%	34.80%	37.27%	39.95%	40.99%	42.03%	43.07%	44.14%	45.18%
18	30.16%	32.19%	34.43%	36.84%	39.47%	42.30%	43.40%	44.50%	45.60%	46.74%	47.84%
19	31.84%	33.98%	36.35%	38.89%	41.66%	44.65%	45.81%	46.97%	48.13%	49.34%	50.50%
20	33.51%	35.77%	38.26%	40.94%	43.85%	47.00%	48.22%	49.44%	50.67%	51.94%	53.16%
21	35.19%	37.56%	40.17%	42.98%	46.04%	49.35%	50.63%	51.92%	53.20%	54.53%	55.81%
22	36.86%	39.34%	42.08%	45.03%	48.24%	51.70%	53.04%	54.39%	55.73%	57.13%	58.47%
23	38.54%	41.13%	44.00%	47.08%	50.43%	54.05%	55.46%	56.86%	58.27%	59.73%	61.13%
24	40.21%	42.92%	45.91%	49.12%	52.62%	56.40%	57.87%	59.33%	60.80%	62.32%	63.79%
25	41.89%	44.71%	47.82%	51.17%	54.81%	58.75%	60.28%	61.81%	63.33%	64.92%	66.45%
26	43.56%	46.50%	49.74%	53.22%	57.01%	61.10%	62.69%	64.28%	65.87%	67.52%	69.10%
27	45.24%	48.29%	51.65%	55.26%	59.20%	63.45%	65.10%	66.75%	68.40%	70.11%	71.76%
28	46.92%	50.07%	53.56%	57.31%	61.39%	65.80%	67.51%	69.22%	70.93%	72.71%	74.42%
29	48.59%	51.86%	55.47%	59.36%	63.58%	68.15%	69.92%	71.69%	73.47%	75.31%	77.08%
30	50.27%	53.65%	57.39%	61.41%	65.78%	70.50%	72.33%	74.17%	76.00%	77.90%	79.74%
31	51.94%	55.44%	59.30%	63.45%	67.97%	72.85%	74.74%	76.64%	78.53%	80.50%	82.39%
32	53.62%	57.23%	61.21%	65.50%	70.16%	75.20%	77.16%	79.11%	81.07%	83.10%	85.05%
33	55.29%	59.02%	63.13%	67.55%	72.35%	77.55%	79.57%	81.58%	83.60%	85.69%	87.71%
34	-	60.80%	65.04%	69.59%	74.55%	79.90%	81.98%	84.05%	86.13%	88.29%	90.37%
35	-	-	66.95%	71.64%	76.74%	82.25%	84.39%	86.53%	88.67%	90.89%	93.02%
36	-	-	-	73.69%	78.93%	84.60%	86.80%	89.00%	91.20%	93.48%	95.68%
37	-	-	-	-	81.12%	86.95%	89.21%	91.47%	93.73%	96.08%	98.34%
38	-	-	-	-	-	89.30%	91.62%	93.94%	96.27%	98.68%	100.00%
39	-	-	-	-	-	-	94.03%	96.42%	98.80%	00.00%	100.00%
40	-	-	-	-	-	-	-	98.89%	100.00%	00.00%	100.00%
41	-	-	-	-	-	-	-	-	100.00%	00.00%	100.00%
42	-	-	-	-	-	-	-	-	-	00.00%	100.00%
43	-	-	-	-	-	-	-	-	-	-	100.00%

2. Effective June 3, 1996, 8.5% of the basic compensation of each Confidential participant shall be contributed to the plan. Participant shall contribute 5.5% of said compensation and 3% of said compensation shall be contributed for the participant by the District.

Effective January 1, 1997, 9.28% of the basic compensation of each Confidential participant shall be contributed to the plan. Participant shall contribute 6.28% of said compensation and 3% of said compensation shall be contributed for the participant by the District. No credited interest shall be allowed on contributions for the participants made by the District prior to July 1, 1989.

3. The minimum number of years of service for vesting shall be five (5).

B. Deferred Compensation

The District shall contribute on an annual matching basis to employee's deferred compensation account, the maximum allowable under Internal Revenue Code section 457b, including the age 50 catch-up amount, up to four (4) percent of the Employee's base annual salary. The District's contribution on behalf of the Employee shall be divided equally and deposited during the first two pay periods of each month. Employees participating in the 401(a) program must have the employer match deposited into the 401(a) account.

\$300 lump sum payment for non-exempt employees:

In addition, for non-exempt employees, the District shall provide an annual deferred compensation payment of \$300, paid in a lump sum in the pay period coinciding with the execution of the Memorandum of Understanding. This is not an employer match; it is an employer contribution payable to the non-exempt employees' 457(b) account. New employees will be eligible for the \$300 lump-sum deferred compensation payment at the same time as other members of the unit.

1. Deferred Compensation 457b Plan

The amount of deferred compensation actually contributed by Employee to a 457b Plan account shall be matched by the District subject to the limitations of this Article.

2. Deferred Compensation 401a Plan

Employee shall have an irrevocable option to direct that the District's deferred compensation contribution be deposited in a 401a Plan account instead of in the 457b Plan account. If employee selects this option, the maximum District matching contribution, as set out above, must be matched by employee.

Employee shall also have an irrevocable option to contribute an additional, unmatched portion of Employee's base salary to the 401a Plan account, in accordance with the rules of the 401a Plan, as established and amended from time

to time by the Internal Revenue Service. The additional contribution rates that may be selected by the employee are 1%, 2%, 3%, 5%, 7%, 10% or 15%.

The decision of the Employee concerning whether to participate and the designation of the amount to place in their 401a account will be final and irrevocable as long as the Employee is employed in the unit, in accordance with the IRS rules and the 401a Plan documents.

In no event will the District's obligation to contribute to the IRS 401a Plan exceed the amount that the District would have contributed to an IRS 457b deferred compensation plan.

C. Retirement Medical Benefits

In accordance with the District's Code of Regulations, the District shall pay the full cost of continuing the existing medical plan for all eligible retirees. Eligible retirees are all employees of the District who retire under the provisions of Article V of the District's retirement plan, who have successfully completed probation, if applicable, or completed at least six months of continuous District service, and who enter directly into retirement status from their active District employment. The coverage paid for by the District shall include the retiree's spouse or State of California Registered Domestic Partner (RDP) and eligible dependents and shall continue as long as the retiree lives.

In the event the District retiree predeceases his/her spouse/RDP, the surviving spouse/RDP will continue to receive fully-paid District-sponsored health care until the surviving spouse/RDP reaches age 65, provided a Joint and Survivor retirement annuity selection was made by the retiree at the time of retirement, naming the surviving spouse/RDP as the beneficiary.

1. Service Vesting Requirement

Employees hired on or after September 1, 2011, shall be subject to a five (5) year District-service vesting period to be eligible for retirement medical upon direct retirement from the District. Reciprocal agency service does not count toward the 5-year vesting for retirement medical. Employees hired prior to September 1, 2011 are not subject to the 5-year District service eligibility requirement, and would be eligible for retirement medical benefits upon meeting retirement eligibility and retiring directly from District employment.

2. Employee Contributions to Other Post Employment Benefits (OPEB)

Effective September 1, 2011 through September 1, 2014, Confidential Employees will begin making contributions to OPEB (retirement medical) via payroll deductions as follows:

September 1, 2011 through September 1, 2012 = 2.5% of basic compensation

September 1, 2012 through September 1, 2013 = 3.5% of basic compensation

September 1, 2013 through September 1, 2014 = 4.5% of basic compensation

These contributions will be made on a pre-tax basis.

The issue of Employee Contributions to OPEB will be revisited by Confidential Employees (and all other participating employee groups) coincident with the expiration of the Local 39 contract on June 30, 2014. Any change in Employee OPEB Contribution would become effective on September 1, 2014.

3. Return of Contributions

Should an employee separate from District service other than through a direct retirement, and/or prior to vesting in the OPEB (retirement medical) benefit, all employee contributions, plus 5% interest per annum, compounded annually, shall be returned to the employee upon separation. Such a separation payment will be made through a separately established reserve fund, as payments of this nature out of the OPEB Trust itself are not permissible per IRS regulations. The distribution would be a taxable event, with no option to roll-over or otherwise tax-defer the distribution.

4. Advisory Committee To The Plan Administrator

An employee advisory committee to review OPEB Trust performance and make recommendations, similar in function to the existing Employee Retirement Committee, shall be established. The District shall amend the OPEB Trust to expressly define the composition, role and responsibilities of the Employee OPEB Committee. Given the similarities in responsibilities, the respective employee representatives for the Retirement Plan Committee shall also serve as the representatives for the Advisory Committee To The Plan Administrator.

In the event the IRS issues an adverse ruling in the future affecting the OPEB Trust provisions and relevant sections of this MOU, including requiring employee contributions to OPEB be on a post-tax basis, or the appropriateness of a return of contribution, the MOU and Trust provisions will be amended to comply with IRS regulations.

ARTICLE V. EDUCATION ASSISTANCE

The District shall reimburse the Employee up to 100% of the cost of tuition and required books and materials for coursework directly related to the Employee's duties, and 50% of said costs for coursework benefiting the District which is generally related to the Employee's duties. There shall be a reimbursement cap of \$3,000, per employee, per year. The Educational Assistance Program is described more specifically in the District's Administrative Procedures.

ARTICLE VI. FLEXIBLE BENEFITS

The District shall provide to each Employee affected by this agreement \$135 monthly which may be applied toward compensation and/or benefits consistent with the provisions of state and federal tax law.

ARTICLE VII. MISCELLANEOUS

A. Hours of Work

The normal work week shall consist of five (5) eight (8) hour workdays which may be interrupted by an unpaid lunch period. The General Manager or the General Manager's designee shall approve other than a normal work week.

B. Lateral Transfers

The Human Resources Division will maintain a lateral transfer list which may be used by department heads when filling positions. Lateral transfers apply to those classes with the same base salary range.

C. Jury Duty

An employee called for jury duty or to appear as a subpoenaed witness shall be excused from work for the time necessary to allow the employee to be in attendance as required; and will be paid normal straight time for the workdays involved provided the fee received for acting as juror for normally scheduled days of work, is paid to the District. Such excused time from work must be listed on the employee's timecard and juror monies received must be turned in to the District.

D. Benefits for Regular Part-Time Help

1. Definition: A regular part-time employee shall be defined as one occupying a regular position as a probationary or permanent employee on an annualized schedule of at least 20, but less than 40, hours per week.
2. Benefits: Regular part-time employees shall be eligible only for the fringe benefits listed below. The benefits shall be provided on a prorated basis, calculated on the number of annualized weekly, regularly scheduled hours as compared to a 40-hour work week. Hours worked in substituting, filling in, or upgrading to positions other than the regular part-time employee's regular position shall not be considered in determining the proration of benefits.

Health Plan participation	Sick Leave
Term Life Insurance	Vacation
Dental Plan	Holiday Pay
Vision Plan	Floating Holiday Leave

All eligible part-time employees may, at the part-time employee's option, enroll in health, and/or vision insurance. Also, all eligible regular part-time employees may enroll all eligible dependents, if any, for health and vision insurance. To be eligible for dental and life insurance, the employee must be regularly scheduled on an annual basis to work at least 32 hours per week. All eligible regular part-time employees who are scheduled to work at least 32 hours per week may enroll all eligible dependents, if any, for dental and life insurance.

The District will provide all regular part-time employees with fully paid employee assistance plan benefits equal to those provided full-time permanent employees.

The employee must execute a payroll deduction authorization for the employee's share of the cost of providing benefits concurrently with completing enrollment forms for insurance, at the designated open enrollment time.

E. Project Employees

Project positions are positions that are specifically designated as "Project" positions, used for special District projects that will not continue indefinitely. Upon completion of the business need for the Project position, the individual in a Project position will be given a Notice of Termination at least 90 days prior to the effective date of the termination of the position.

A Project position may be terminated at the discretion of the District due to completion of the project, end of funding, or for any other business operational reason. Individuals who have completed a probationary period as a regular Confidential employee and are then subsequently appointed to a Project position, retain the right to return to the regular Confidential classification he/she occupied immediately prior to the Project assignment. The employee shall be given credit for the service time in the Project position that shall be applied to determine placement on the regular classification salary range upon return.

Individuals who have not first completed a probationary period in a regular District classification, are not considered part of the regular service of the District regardless of the service rendered under the appointment as a Project employee and do not have a right to any position at the District upon expiration of the Notice of Termination period.

Project employees shall receive the health and retirement benefits provided for a regular Confidential employee in the regular service of the District and shall receive performance

evaluations and step increases under the same procedure as regular employees. During an initial six-month term, the Project employee shall be considered an at-will employee, subject to dismissal from the position with or without cause, at the discretion of the District. After successful completion of six months of service in the Project position, the Project employee shall be eligible for advancement to the next step in the salary range for which they were hired, if they are not already at the top of the range.

ARTICLE VIII. GRIEVANCE PROCEDURE

A. Purpose

1. This grievance procedure shall be used to process and resolve grievances arising under this Memorandum of Understanding.
2. The purposes of this procedure are:
 - i. to resolve grievances informally at the lowest possible level;
 - ii. to provide an orderly procedure for reviewing and resolving grievances promptly.

B. Definitions

1. A grievance is a good faith complaint of one or a group of Employees, or a dispute between the District and the Unit involving the interpretation, application, or enforcement of the express terms of this Memorandum of Understanding. No matter shall be considered as a grievance under this article unless it is presented within thirty (30) calendar days after occurrence of the events on which the grievance was based.
2. As used in this procedure, the term “supervisor” means the individual who assigns, reviews and directs the work of an Employee.
3. As used in this procedure, the term “party” means an employee, the Unit, the District or their authorized representatives.
4. The Employee retains all rights conferred by Sections 3500 et seq., of the Government Code.

Step One

An Employee who believes they have cause for grievance may contact their supervisor alone and/or with their representative. If, after discussions with the supervisor, the Employee does not feel the grievance has been properly adjusted, the grievance shall be reduced to writing.

Step Two

If the grievance is not resolved under Step One of this procedure, and the Employee elects to process a written grievance, the grievance statement shall include the following:

1. A statement of the grievance clearly indicating the question raised by the grievance and the article(s) and section(s) of this Memorandum of Understanding which the grievant claims has/have been violated.
2. The remedy or correction requested of the District.
3. The grievance form shall be signed by the grieving Employee, the date and time of presentation affixed thereto, and signed as received by the Employee's supervisor.
4. The grieving Employee's supervisor will give their answer to the grievance in writing within seven (7) working days from the time they received the grievance in writing. The supervisor's answer shall include the following:
 - i. a complete statement of the District's position and the facts upon which it is based.
 - ii. the remedy or correction which has been offered, if any.

Step Three

The Unit's representative and the designated representative of the District shall meet to hear the grievance appealed to the third step. Grievances appealed to the third step shall be heard within seven (7) working days after receiving the District's step two response. The grievance shall be in writing stating the grievant's position and shall be heard within ten (10) working days after the appeal to the third step of the grievance procedure.

1. A written answer shall be made within seven (7) working days after the hearing, stating the District's position.
2. If the grievance is not settled in accordance with the foregoing procedure, the Employee and/or their representative may refer the grievance to binding arbitration within ten (10) working days after receipt of the District's answer in step three.

C. Arbitration Procedure

1. Request for Arbitration: The request for arbitration shall be in writing and served personally or by certified mail on the other party within the time limits established in step three of the grievance procedure.

2. Selecting the Arbitrator: Within ten (10) working days subsequent to receipt of the written request for arbitration, the Director of the Federal or State Mediation and Conciliation Service shall be requested to submit a list of five (5) arbitrators. Upon receipt of such list, the District and the Unit shall promptly select an arbitrator by alternately striking one name until a single name remains.
3. Hearing and Decision: The arbitrator shall then set a date, time and place for hearing the evidence and render a decision thereon within a reasonable period of time after the hearing has been concluded, but not to extend thirty (30) days thereafter without the consent of the District and the Unit. The decision of the arbitrator shall be final and binding on both parties and all persons affected thereby.
4. Authority of the Arbitrator: The arbitrator shall have jurisdiction only over disputes concerning the interpretation or application of the specific terms of this agreement. The arbitrator shall have no authority to add to, delete, change, alter, modify, or amend any of the provisions of this agreement.
5. Expenses: The District and the Unit and/or Employee shall bear the expense of preparing and presenting its own case. The fees and expenses of the arbitrator and the incidental arbitration expenses shall be borne equally by both parties.
6. Written Record: The final disposition of each grievance shall be set forth in writing and copies furnished to both parties.

D. Disciplinary Procedure

1. Disciplinary action may be imposed upon an Employee for just cause.
2. An Employee may appeal a written reprimand to the General Manager or the General Manager's designee. Such appeals must be in writing and submitted within seven (7) working days of the reprimand. The General Manager or the General Manager's designee shall convene a meeting within fourteen (14) calendar days to consider the appeal.
3. A written answer shall be made within seven (7) working days after the meeting, stating the District's position.
4. Copies of documents which support proposed disciplinary action will be made available in the Human Resources Department to the Employee or their representative, upon request.
5. Disciplinary action for permanent employees may be appealed through the arbitration procedure set forth in Article IX, Section 3.

ARTICLE IX. LAYOFF/ELIMINATION OF POSITIONS

A. Authority

The District, at its sole discretion, may eliminate positions and/or lay off employees due to lack of work, lack of funds, or any other reason deemed appropriate by the Board of Directors.

B. Notice

When the District determines that a layoff is necessary, it shall notify affected Employees and the Unit in writing at least thirty (30) calendar days in advance of the effective date of layoff. The District will offer to meet with the Unit at least 21 calendar days prior to the effective date of layoff.

C. Seniority Defined

For purposes of the layoff of permanent Employees in their present classification, seniority shall be defined as classification seniority. In the event that classification seniority is the same, District seniority shall be the determining factor. If classification seniority and District seniority are the same, seniority shall be determined in descending order by an Employee’s final four Social Security numbers.

D. Order of Layoff

The Employee with the least seniority within the classification shall be laid off first. Employees serving in a temporary position in a classification with permanent positions designated for layoff shall be laid off prior to a permanent Employee.

E. Regression Ladders

The below listed groupings of related classifications are established regression ladders for layoff purposes. Employees shall have bumping rights only within the regression ladders.

Regression Ladders	
Group 1	Human Resources Supervisor Human Resources Analyst II Human Resources Analyst I
Group 2	Administrative Assistant Executive Secretary Administrative Secretary-Confidential

F. Displacement Rights

An Employee in a higher salaried classification in one of the regression ladders listed above, who is laid off from their present classification in accordance with classification seniority, may displace an Employee in the next lower class in the regression ladder, in accordance with total District seniority, the least senior employee being displaced first. The Employee being displaced may, in turn, displace an employee in a lower class within the regression ladder in accordance with total District seniority.

G. Recall

Employees who have been laid off from District employment pursuant to this provision shall have their names placed on a layoff list in inverse order of seniority for a period of twenty-four (24) months from the effective date of the layoff. If a permanent position in the regression ladder becomes available during the period of recall eligibility, the Employee shall be offered re-employment before the District fills the position in another manner, with the most senior laid off Employee on the layoff list being rehired first. Such offers of re-employment shall be in writing, sent certified mail, and must be accepted within ten (10) calendar days of the mailing of notice.

H. Forfeiture of Re-employment Rights

An Employee shall forfeit their re-employment rights by not accepting a position when offered, or not responding to a re-employment notice in the time allowed.

I. Rights Upon Re-Employment

Employees rehired from a layoff list shall be re-employed at the same salary step of the class they occupied immediately prior to layoff and have the same employment status (i.e. probationary, permanent) as when they were laid off. They shall also have all rights and benefits as when they were laid off, or subsequently adjusted by operation of the Memorandum of Understanding, with the exception that they do not earn seniority credits or other benefits.

ARTICLE X. DRUG AND ALCOHOL FREE WORKPLACE

The District is committed to establishing and maintaining a high-quality, safe environment for employees and the public. The District and the Confidential Employees Unit agree to cooperate in maintaining a drug and alcohol free workplace. Any unlawful use, possession, distribution, or manufacture of a controlled substance in the workplace by employees, or using or being under the influence of drugs or alcohol in the workplace shall be prohibited. The District shall immediately take appropriate action to insure compliance with this provision.

- A. The District and the Confidential Employees Unit mutually agree to the following: The use or abuse of alcohol or drugs which impairs an employee's job performance has the potential to negatively impact the District, other employees or the public, and is considered a safety issue.

- B. The District shall promptly and thoroughly investigate all incidents of suspected job impairment due to alcohol or drug use.
- C. Mandatory referrals shall be made to the Employee Assistance Program for employees determined to be impaired on the job from alcohol or drug usage.
- D. The District reserves the right to take necessary action to ensure a drug and alcohol free workplace providing such actions do not violate any express provision of this contract.
- E. Any disciplinary actions proposed in connection with violations of this provision shall be done consistent with the District's disciplinary procedures.

ARTICLE XI. INCORPORATION

The parties agree that the Retirement Plan Trust Agreement and any other document impacting terms and conditions of employment, approved by the Board of Directors and from time to time amended, are applicable to this Memorandum of Understanding unless superseded by a provision herein, and are hereby incorporated by reference.

ARTICLE XII. DISTRICT RIGHTS

The District retains the exclusive right, among others, to do each and all of the following: determine the mission of its departments; set standards of service; determine the procedures and standards of selection for employment and promotion; manage its employees and its operations; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of District operations; determine the numbers, locations and nature of its facilities; determine the methods, means, and personnel by which District operations are to be conducted; determine and re-determine the content of job classifications; take any and all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. Nothing in this section shall be considered to limit, amend, decrease, revoke, or otherwise modify the rights vested in the District by the County Water District Law, or other laws regulating, authorizing, or empowering the District to act or refrain from acting.

ARTICLE XIII. NON-DISCRIMINATION

The Employee and the District agree that there shall be no discrimination because of race, religion, national origin, sex, age, handicap, or sexual preference, under the terms and provisions of this Memorandum of Understanding.

ARTICLE XIV. SAVINGS CLAUSE

If any article or provision of this agreement or any portion thereof is in conflict or inconsistent with applicable laws or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such article or provision or portion thereof shall be suspended and

superseded by such applicable law and the remainder of such article, provision or portion thereof of the agreement shall not be affected thereby.

ARTICLE XV. TERM

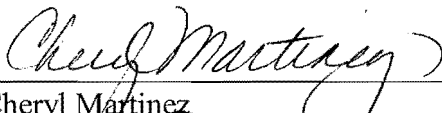
The Memorandum of Understanding shall remain in full force and effect from October 3, 2011 to and including October 2, 2012. It is understood that the terms and conditions of employment conferred upon the Employee shall be those set forth in this Memorandum of Understanding, policies, regulations, and salary schedules approved by the District.


Dated: September 8, 2011

CONTRA COSTA WATER DISTRICT

By: 
Jerry Brown
General Manager

CONFIDENTIAL EMPLOYEES UNIT

By: 
Cheryl Martinez
Confidential Unit Employee Representative

By: 
Rick Drury
Confidential Unit Employee Representative