

**MEMORANDUM OF UNDERSTANDING**

**STEPHEN J. WELCH  
GENERAL MANAGER**

**AND**

**CONTRA COSTA WATER DISTRICT**

**DECEMBER 2, 2019 TO OCTOBER 2, 2022**

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## MEMORANDUM OF UNDERSTANDING

### PREAMBLE

This **MEMORANDUM OF UNDERSTANDING (MOU)** is made and entered into between the Contra Costa Water District, hereinafter referred to as "District," and STEPHEN J. WELCH, hereinafter referred to as "Employee," pursuant to California Government Code §3500 et seq., and the Contra Costa Water District's Employer-Employee Relations Policy (Regulation No. 3.16).

The parties have reached agreement on terms and conditions of employment as set forth herein for the period commencing on December 2, 2019 unless otherwise modified in writing and signed by both parties, consistent with the provisions herein or unless terminated by either party pursuant to Article XVII ("Term").

### **ARTICLE I. EMPLOYMENT STATUS**

Employee shall have the status of an employee of the District, subject to all terms and conditions of employment pertaining to the job specifications and position under the ordinances, resolutions, rules, regulations, or other lawful directives or orders of the District or the Board; provided, however, that in the event of any conflict between such ordinances, resolutions, rules, regulations, directives or orders, and the provisions of this Agreement, the provisions of this Agreement shall prevail. To the extent not modified or otherwise provided in this Agreement, the District and Employee hereto agree that the provisions of said ordinances, resolutions, rules, regulations, or other lawful directives or orders pertaining to the relationship of employment between the District and its employees, shall also pertain to Employee. Notwithstanding any other provision, Employee shall serve at the pleasure of the Board and may be discharged for any non-discriminatory reason at any time with or without cause.

### **ARTICLE II. CONTINUOUS AVAILABILITY**

Employee shall maintain a continuous presence or means of communication with District staff at all times, either in person or via telephone, cell phone, e-mail, and/or Virtual Private Network ("VPN"). Allowance during off duty hours shall be made for social events or personal enjoyment involving reasonable levels of alcohol consumption. At such times Employee shall ensure that duties have been properly and appropriately delegated to qualified District staff. If District is unable to contact Employee in a reasonable time for reasons beyond the Employee's control such as on-duty or off-duty air travel, Employee's presence in areas without cellular phone service, email access, international travel or other similar circumstances, Employee's inability to maintain continuous availability shall not be considered a breach of this MOU or grounds for termination for cause.

### **ARTICLE III. 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 make a direct contribution to an employee's CalPERS medical premium equal to the minimum employer contribution under the Public Employees' Medical and Hospital Care Act (PEMHCA) on behalf of Employee together with a contribution through the District's cafeteria plan, to contribute up to the Kaiser Health Plan full family cost toward the Employee's medical/hospitalization insurance during the term of this agreement. If the Employee fails to make an election of health insurance benefits and/or provides proof of qualified enrollment in other group medical insurance, the Employee is not eligible to receive the employer contribution as cash.

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 less than \$100,000 and up to a maximum of \$450,000 during the term of this agreement. Eligible dependents shall have \$1,500 term life insurance.

E. **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 to other employees of the District.

F. **Short Term Disability**

Short term disability (STD) benefits are provided to the Employee equal to two-thirds (66-2/3%) of base salary to a maximum benefit of \$2,265 weekly. The terms and conditions of coverage are fully set forth in an STD policy available to the Employee.

G. **Long Term Disability**

The District will provide long-term disability ("LTD") insurance coverage for the Employee, equal to two-thirds (66-2/3%) of his base salary, to a maximum base salary of \$14,725 monthly, for a maximum monthly benefit payment of \$9,817. The terms and conditions of such LTD insurance coverage shall be as fully set forth in the LTD insurance policy provided to the Employee.

H. **Non-Salary Benefits**

The non-salary benefits portion of the General Manager's compensation shall be consistent with the Unrepresented Employee group benefits and will be modified if such group benefits are modified during the term of this MOU, with the exception of those benefits that are specifically enumerated in this MOU.

**ARTICLE IV. SALARY**

- A. The Employee's base annual salary shall be \$285,000.00 effective December 2, 2019.
- B. Adjustments to base salary will be considered at least annually. Subsequent salary adjustments will be determined in the sole discretion of the Board, and in accordance with its satisfaction with the Employee's performance as measured by employment standards established with the employee.
- C. Within ninety (90) days from the date of employment, and annually thereafter during the term of this agreement, the Board of Directors (Board) and the General Manager will agree on a performance plan for the General Manager which shall be used for annual performance evaluations.

The Board and General Manager shall meet pursuant to the Board established process and schedule for performance assessments of the General Manager for each year of this MOU. As a result of the annual review, the Board may, but shall not be obligated to, adjust the General Manager's compensation and/or revise the terms of this MOU, including benefits, as the Board shall determine. Failure of the Board to complete the evaluation process shall not preclude the Board from giving notice of termination in accordance with the Termination section of this MOU.

**ARTICLE V. LEAVE PROVISIONS**

A. **Vacation Credits**

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

<b>Duration of Employment</b>	<b>Annual Accumulation</b>	<b>Biweekly Credit</b>
0 - 1 year	10 days	3.077 hours
After 1 - 2 years	15 days	4.615 hours
After 2 - 4 years	17 days	5.231 hours
After 4 - 9 years	21 days	6.462 hours
After 9 - 14 years	23 days	7.077 hours
After 14 - 19 years	28 days	8.615 hours
After 19 - 24 years	33 days	10.154 hours
After 24 years	35 days	10.769 hours

2. Vacation credits may not exceed two times the Employee's annual accumulation. If the Employee accrues twice his annual accumulation at any time, he will cease accruing any further vacation credits until he uses (or cashes out) sufficient vacation time to bring his total bank below the cap.

**B. Vacation Leave Transfer**

1. Employee may donate accrued but unused vacation hours on an hour for hour basis to another employee who has exhausted all sick leave credits, pursuant to the following provisions:
2. If Employee (Donor) has at least 80 hours of accrued vacation at the time of donation, he may donate a designated number of hours of his vacation accruals for a designated number of pay periods to a specific Employee.
3. The election to donate must be in writing and approved and is irrevocable.
4. If Employee has a verified medical emergency expected to cause a prolonged absence of at least 80 hours, he may make a formal request to the Human Resources and Risk Manager for donations of accrued but unused vacation hours of other employees, which may be donated to and used by Employee after the exhaustion of all paid accruals.
5. Employee may neither receive nor donate more than 80 hours of accrued but unused vacation in any one pay period. The recipient of the donated paid time off assumes tax liability for the value of hours donated at the time of usage.

**C. Payment for Vacation**

The Employee may, in accordance with the District's Irrevocable Election of Accrued Leave Cash Out Program, elect to convert vacation hours to additional cash compensation subject to the following rules:

1. Vacation hours may be converted to extra compensation on an hour used/hour-paid basis for up to 120 hours of vacation taken each Employee anniversary year.
2. In addition, if the Employee is unable to use vacation time by reason of serving the interest of the District, with said service causing the Employee to reach maximum vacation accrual and thus resulting in the cessation of accrual of further vacation time, with approval of the Board of Directors, the Employee may receive compensation for that time which would otherwise be lost for a period not to exceed four pay periods each fiscal year.
3. The Employee may accumulate up to a maximum of two times his/her annual vacation credits. If the Employee accrues twice his/her annual accumulation at any time, he/she will cease accruing any further vacation credits until he/she uses (or cashes out) sufficient vacation time to reduce his/her total vacation bank below the cap.

D. **Sick Leave Credits**

The Employee shall accumulate eight (8) hours of sick leave credit monthly.

E. **Sick Leave Usage**

1. Sick leave shall be charged in increments of not less than one half hour.
2. Employee must comply with the District's Administrative Procedure VII-3: Sick Leave.

F. **Conversion of Unused Vacation Credits to Sick Leave Credits**

The Employee may convert accumulated unused vacation credits to sick leave credits subject to the following conditions:

1. Conversion shall be permitted only after the Employee has been absent from work due to illness that is eligible for disability insurance benefits.
2. The number of hours converted to sick leave shall not exceed the number of hours by which the Employee's accumulated sick leave was reduced by the illness.
3. The conversion shall be at the rate of one hour of vacation credit for two hours of sick leave credit.
4. A request for conversion shall be made within 30 days after the Employee returns to work following the illness which shall state the number of hours of vacation credit to be converted to sick leave credit.

G. **Payment for Sick Leave Credits**

At the Employee's request, accrued but unused paid sick leave accumulated in excess of 360 hours may be cashed out at a rate of one-third current base salary. Upon termination of employment of not less than five (5) years, the Employee shall receive extra compensation for accumulated and unused sick leave credits at the rate of one-half the Employee's current salary for the first thirty-five (35) days and one-third the Employee's current salary for days in excess of 35. If employment is terminated by death, the extra compensation shall be paid to the beneficiary as designated for retirement purposes.

H. **Holidays**

The following paid holidays shall be provided to the Employee during the term of this agreement:



	2019	2020	2021	2022
New Year's Day		W 1/1	F 1/1	M 1/3
Dr. Martin Luther King, Jr.'s Birthday		M 1/20	M 1/8	M 1/10
Lincoln's Birthday		M 2/10	M 2/8	M 2/7
President's Day		M 2/17	M 2/15	M 2/14
Memorial Day		M 5/25	M 5/31	M 5/30
Independence Day		F 7/3	M 7/5	M 7/4
Labor Day		M 9/7	M 9/6	M 9/5
Veteran's Day	M 11/11	W 11/11	TH 11/11	
Thanksgiving Day	TH 11/28	TH 11/26	TH 11/25	
Friday after Thanksgiving	F 11/29	F 11/27	F 11/26	
Christmas	W 12/25	F 12/25	F 12/24	

In addition, either Christmas Eve Day or New Year's Eve Day will be recognized when those days fall on Monday through Thursday. Holidays that occur on Saturday shall be taken on Friday and holidays that occur on Sunday shall be taken on Monday.

I. **Administrative Leave**

The Employee will accrue a total of one hundred and ten (110) hours of Administrative Leave per year, credited at a rate of 4.231 hours per pay period (26 pay periods per year) with the 26<sup>th</sup> pay period adjusted to 4.225 hours. Administrative Leave accrual is capped at 96 hours. Administrative Leave accrued in excess of 96 hours will automatically be paid in cash at the Employee's current base hourly rate of pay on the payroll date for the pay period in which it accrues, or the Employee can elect to contribute that amount to the Employee's 457(b) Deferred Compensation Plan Account in accordance with the terms of the Plan. Accrued and unpaid Administrative Leave will be paid out at time of the Employee's separation of employment.

J. **Floating Leave**

The Employee shall receive eight (8) hours of floating leave per calendar year credited on the first pay date in January. Floating leave hours must be used within the year it is granted, or it will be cashed out to the Employee on the final paycheck of the calendar year or at the time of the Employee's separation of employment, whichever comes first. Floating leave time must be used, if at all, in an eight (8) hour increment.

**ARTICLE VI. WELLNESS PROGRAM**

The Employee shall have the option to participate in the District Wellness Program under the same terms and conditions as set out in the represented unit contracts.

## **ARTICLE VII. RETIREMENT BENEFITS**

The Employee shall be provided retirement benefits with retirement compensation based upon a 2.35 percent at age fifty-five (55) formula and calculated using the average base monthly compensation paid over the twelve (12) most highly compensated consecutive months of service multiplied by the total number of full years and full months the Employee has served plus any service credits purchased. The benefit formula schedule is set forth in the Retirement Plan Trust Agreement for Unrepresented employees.

### **Employee Contribution to Other Post-Employment Benefits:**

The General Manager will be required to pay 50% of normal cost of Other Post-Employment Benefits (OPEB) based on the most recent fiscal year actuarial valuation, but in no event shall the amount of the contribution be increased or decreased by more than 0.2% (two tenths of one percent) of base salary per year. The OPEB contribution as of the date of this agreement is 4.1%. These contributions will be made on a pre-tax basis.

### **Surviving Spouse Benefit**

Lifetime spousal medical insurance coverage is available for eligible employees who meet retirement and District-service vesting requirements. After the retiree's death, if the employee/retiree selected the unmodified option and predeceases their spouse, the surviving spouse is eligible to receive medical benefits until he/she reaches the age of 65. After the retiree's death, if the retiree selected a joint and survivor option at the time of retirement, naming their spouse as joint annuitant, medical coverage will continue for the lifetime of the spouse. Such benefits shall be integrated with Medicare for the rest of the spouse's lifetime. Failing to select a joint and survivor option at the time of retirement will result in only the eligible retiree being provided with District-paid medical benefits.

### **Core Plan Selection**

Subject to the eligibility requirements of CalPERS and the District, for all employees who retire within 120 days of separation from active District employment, the District will provide a medical plan benefit of either the: 1) core plan the retiree was on at the time of their retirement provided they remain in the same core plan and enroll in Medicare (when eligible) and applicable supplemental medical insurance as required; or 2) initial core plan a retiree selects post-retirement if they had no District-sponsored medical insurance at the time of retirement and if they had not selected any non-core plan post-retirement. These benefits are fully or partially paid based on District-service vesting requirements.

If an eligible retiree chooses to enroll in a different core plan than the core plan selected at time of retirement or a different core plan than the initial core plan selected post-retirement, the District will pay up to the cost of the family Kaiser plan premium.

### **Non-Core Plan Selection**

Subject to the eligibility requirements of CalPERS and the District, for all employees who retire within 120 days of separation from active District employment, and who retire with a non-core plan or select a non-core plan post-retirement, the District will pay the cost of the non-core plan up to the highest

of the three core plans for the retiree's applicable selection (employee only, employee +1, employee +2), capped at the Kaiser family (employee +2) plan rate.

**Change in Eligible Dependents Status**

Should a spouse or eligible dependent no longer be eligible for coverage, the District will pay the full premium cost of a core plan for the new coverage level (employee only or employee +1) for which the retiree is eligible. Retirees may add a new spouse or new eligible dependents post-retirement, but the cost of additional spouses and/or additional eligible dependents will be the responsibility of the retiree or surviving spouse.

**Retiree Pension Deduction**

Retirees or surviving spouses are responsible to pay the cost difference of retirement medical benefits selected via pension deduction, due to receiving partially District-paid benefits, selecting a non-core plan, selecting a different core plan post-retirement, adding a new spouse, or other eligible dependent, or for any other reason. Should the pension check be insufficient to pay the retiree or surviving spouse portion, the retiree or surviving spouse is responsible to submit a check payable to CCWD to arrive no later than the 5<sup>th</sup> of each month for which the premium is due with a grace period of ten (10) calendar days. Failure of a retiree or surviving spouse to make a timely payment for the retiree's portion of the premium cost will result in termination of the medical insurance coverage.

**Medicare Integration**

Once the retiree and/or spouse reaches the age of 65, they are required to enroll in Medicare at their own expense and any supplement insurance plan offered by CalPERS. Medical plan insurance benefits shall be integrated with Medicare for the rest of the retiree and their spouse lifetimes and the District will continue to fund medical insurance: 1) up to the highest of the two core plans for the retiree's applicable selection for the retiree, the retiree's same spouse and eligible dependents at the time of retirement, if still married and having the same eligible dependents for those employees who meet the applicable District-service vesting requirements for fully-paid benefits; or 2) the corresponding PEHMCA percentage amount provided at the time for those who do not meet the applicable District-service vesting requirements for fully-paid benefits. There are currently only two Medicare core plans.

**ARTICLE VIII. VEHICLE ALLOWANCE**

The District shall provide the Employee a vehicle allowance of \$475 monthly, in addition to mileage allowance consistent with applicable law for business related purposes, maintenance fuel and insurance for travel outside of the District service area. Said mileage reimbursement shall be claimed during the first seven calendar days of each month for the previous month's mileage, or otherwise be forfeited.

**ARTICLE IX. SUPPLEMENTAL BENEFITS**

The Employee shall be provided supplemental benefits each of which shall not be less than those provided to represented employees.

**ARTICLE X. FLEXIBLE BENEFIT**

The District shall provide to Employee \$170 monthly, subject to all applicable taxes, that may be applied toward compensation and/or benefits consistent with the provisions of state and federal tax law.

**ARTICLE XI. DEFERRED COMPENSATION PLANS, INTERNAL REVENUE CODE SECTIONS 457(b) and 401(a)**

The District shall contribute on behalf of the employee the maximum amount allowable under the Internal Revenue Code Section 457(b) on an annual basis toward deferred compensation, including additional allowances under the "Age 50 Catch-Up" provision. The District's contribution on behalf of the Employee shall be divided equally and deposited during the first two pay periods of each month, beginning the first pay period of January 2020.

The District contribution will be made to the General Manager 401(a) Plan. Employee shall continue to contribute the Employee's previously irrevocably elected 10% of eligible compensation to the 401(a) account to the extent such contribution does not exceed 401(a) deferral limits when combined with the District contribution under this Article. Employee shall be eligible to make Employee deposits into a 457(b) Plan.

**ARTICLE XII. SENIOR MANAGEMENT**

The Employee is employed in a senior management position. The benefits described within this article apply to and are determined by service time with the District.

**A. Retirement Contribution**

Effective September 28, 2015, The Employee's retirement contribution shall be determined in accordance to the following schedule:

<b>YEARS OF CCWD EXPERIENCE</b>	<b>EMPLOYEE RETIREMENT CONTRIBUTION</b>
Less than 7 years	5%
7 - 9 years	4%
10 or more years	3%

**ARTICLE XIII. PROFESSIONAL ASSOCIATIONS/MEMBERSHIPS**

The District will pay reasonable costs on an annual basis for licenses and memberships in professional organizations where membership is determined in the sole discretion of the Board to be beneficial to the District and the Employee.

#### **ARTICLE XIV. TERMINATION**

**Service at Pleasure of the Board.** It is understood and agreed that as of the Effective Date of this Agreement, General Manager shall, and does, hold position of employment as such at the will and pleasure of the Board. General Manager may be discharged for any non-discriminatory reason at any time with or without cause. There is no express or implied promise made to the General Manager of continued District employment.

**Termination by District for Cause.** Nothing herein provided shall be deemed to affect or limit the right of District to terminate General Manager's employment for cause, or otherwise to exercise District's rights, whether in law or in equity, by reason of breach hereof by General Manager or for any other cause. "Cause" as used herein shall include, but not necessarily be limited to: below standard performance; refusal or failure to act in accordance with a specific written directive or order of the Board provided that such directive or order is legal; violation of district policies and procedures, Political Reform Act, or conflict of interest statutes; malfeasance or misfeasance in office; conviction of any felony or any crime involving moral turpitude; any act of dishonesty or moral turpitude; unauthorized absence; incompetence or inefficiency; insubordination; performance of duties or obligations as General Manager under the influence of illegal drugs, narcotics, other substances, where the use, dispensing, or sale of which is prohibited or controlled by the State of California; neglect of duty; failure to maintain satisfactory working relationship with other employees or the public; improper use of District funds; other failure of good behavior either during or outside of employment such that employee's conduct brings discredit to the District; or breach of this MOU or any similar or like act or omission. Notwithstanding the use of the term "cause" herein, nothing herein contained shall be deemed to create or establish a property right or a right to continuing employment in the position of employment of General Manager or affect District's right to terminate the employment of General Manager with or without cause.

In the event of termination for cause, District shall not be obligated to compensate General Manager in any amount except for services already rendered, including paid leave accrued by General Manager prior to the date of termination; provided that payment of such compensation shall not bar District's recovery of such damages as may accrue to District under the circumstances, nor shall termination for cause preclude District from exercising any other right or remedy it may have, whether in law or equity, which may accrue to District under the circumstances giving rise to such termination, or otherwise.

Termination for cause shall also include an agreement by the District that the General Manager may resign in lieu of termination for cause.

**Termination at Discretion of District.** At District's sole discretion, District may terminate this MOU and General Manager's employment without cause and in accordance with this paragraph by giving written notice of its intent thereof to General Manager which notice shall specify the effective date on which General Manager shall no longer act in said capacity. Any notice provided in accordance with this section shall be deemed given on the date it is given by District. Upon notice, and unless otherwise agreed, District shall place General Manager in paid administrative leave status from the

date of said notice to the effective date specified in that notice. Nothing herein provided in this paragraph or this MOU constitutes an appeal procedure for the General Manager of termination in accordance with this provision.

**Termination by General Manager.** At General Manager's sole discretion, General Manager may terminate this MOU at any time upon a minimum of thirty (30) calendar days prior written notice to District. Any notice provided in accordance with this section shall be deemed given on the date it is given by General Manager. In the event General Manager terminates the MOU in accordance with this provision, General Manager shall not be entitled to severance or other benefits or COBRA payments beyond the date of termination, but the District shall pay General Manager for salary earned and accrued leave and accrued benefits through the effective date of termination. In the event during the period covered by the notice, the District terminates the MOU at its discretion, in accordance with the preceding paragraph, severance shall be reduced to a lump sum amount equal to one-half of one month's base salary.

**Mutual Termination.** This MOU may be terminated at any time by mutual written consent of the Board and General Manager. In the event of mutual termination in accordance with this provision, General Manager shall not be entitled to severance or other benefits beyond the date of termination but the District shall pay General Manager for salary earned and accrued leave and accrued benefits through the effective date of termination.

**Termination is Final.** This MOU, the General Manager's employment and the District's obligations to compensate the General Manager excepting benefits which are specifically identified to continue into retirement shall cease on the effective date of General Manager's termination.

#### **ARTICLE XV. SEVERANCE PAY**

The General Manager shall serve at the pleasure of the Board of Directors. If the Board of Directors terminates General Manager's employment without cause, the General Manager shall be provided with six (6) months of severance pay (based on General Manager's base monthly salary at the time of termination), or severance pay in the amount equal to General Manager's base monthly salary at the time of termination multiplied by the number of months remaining on the term of the contract, whichever is less. If the General Manager is terminated for cause, General Manager is not eligible for severance pay.

If the Board of Directors terminates General Manager's employment, without cause, during the term of this contract, the General Manager will be provided, at District expense, medical/hospitalization, dental, and vision insurance (hereafter "health insurance") for the same number of months used to calculate the severance payment, as provided above, or until General Manager finds other employment, whichever occurs first.

This section is intended to comply with Section 53260 et seq. of the California Government Code. This severance payment shall be made within thirty (30) days of the effective date of the termination and is subject to applicable withholding taxes.

The severance payment and the payments for health insurance shall be the maximum payment General Manager may receive as a result of the termination of employment by the Board of Directors. In the event of a conviction of the General Manager for unlawful activity in connection with his duties as General Manager, the General Manager will not be eligible to receive severance pay. In accordance with California Government Code section 53243.2, regardless of the term of this contract, General Manager shall fully reimburse the District for any severance payments and the cost of the health insurance provided herein related to the termination of employment in the event the General Manager is convicted of a crime involving an abuse of this office or position. For purposes of this agreement, the term "abuse of his office or position" shall have the meaning set forth in Government Code section 53243.4.

#### **ARTICLE XVI. INCORPORATION AND ENTIRE AGREEMENT**

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.

Unless as otherwise provided herein, this MOU integrates, includes, and supersedes all prior agreements, understandings, whether written or oral, whether mutual or unilateral on the part of either party. This MOU constitutes the only and entire agreement between District and Employee. Each party to this MOU acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, that are not embodied herein, and that no agreement, statement, or promise not contained in this MOU shall be valid or binding on either party. Neither party has relied upon any representation, express or implied, not contained in this MOU.

#### **ARTICLE XVII. 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, from time to time in effect, or other laws regulating, authorizing, or empowering the District to act or refrain from acting.

**ARTICLE XVIII. 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 XIX. TERM**

The Memorandum of Understanding shall remain in full force and effect from December 2, 2019 to and including October 2, 2022, unless otherwise terminated pursuant to the terms herein.

**ARTICLE XX. CONTRACT RENEWAL**

The Board of Directors (Board) will provide written notification no later than four (4) months prior to the expiration date of the existing contract of its decision regarding a new Memorandum of Understanding. If the Board elects to renew the Memorandum of Understanding, the term shall not be less than two years and the Board and the Employee shall, within thirty (30) days of said notice, begin discussions concerning a new contract.

**ARTICLE XXI. AMENDMENT AND ORIGINAL COUNTERPARTS**

This MOU may be amended only by a written document executed by each party hereto. Prior to the annual anniversary of the Effective Date of this MOU, either party may request an amendment to any part of this MOU. The other party is under no obligation to accept such proposed amendment.

This MOU shall be executed in duplicate original counterparts, each of which, when executed, shall be deemed an original agreement.

DATED: December 2, 2019

**CONTRA COSTA WATER DISTRICT**

**GENERAL MANAGER**

BY:   
Lisa M. Borba, President  
Board of Directors

BY:   
Stephen J. Welch  
General Manager