EMPLOYMENT AGREEMENT
BETWEEN
THE CONTRA COSTA WATER DISTRICT
AND
EMPLOYEE NAME
EMPLOYEE TITLE

PREAMBLE

This agreement ("Agreement") is made and entered into between the Contra Costa Water District, hereinafter referred to as "District," and Employee Name 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 one-year period commencing October 3, 2018 unless otherwise modified in writing and signed by both parties, consistent with the provisions herein or unless terminated by either party pursuant to Article XII ("Term").

ARTICLE I. EMPLOYMENT STATUS

The Employee is appointed by and serves at the pleasure of the General Manager. This "at-will" status cannot be modified except in a written agreement signed by the General Manager. If the District policies or procedures pertaining to all employees have provisions that appear to supersede "at-will" status, then the "at-will" status will nonetheless prevail as to Employee.

ARTICLE II. SALARY

Effective the pay period beginning September 24, 2018, the salary for Employee Title is $ monthly. Subsequent salary adjustments shall be based on satisfactory performance.

ARTICLE III. VEHICLE ALLOWANCE

Employee will be provided a vehicle allowance of $475 monthly, in addition to mileage allowance consistent with federal 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 IV. GROUP INSURANCE BENEFITS

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

A. **Medical/Hospitalization Insurance**

The District will make a direct contribution to Employee's CalPERS medical premium equal to the minimum employer contribution under the Public Employees' Medical and Hospital Care Act (PEMHCA) together with a contribution to 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 his/her eligible dependents during the term of this agreement.

C. **Vision Insurance**

The District will provide fully paid vision insurance for the Employee and his/her eligible dependents 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 be provided $1,500 term life insurance.

E. **Health Insurance Credit**

Opt-Out Entirely
Employees may opt-out entirely of the CalPERS medical plans after providing proof of other qualified coverage. In this event, 66⅔% of the District premium savings resulting from this opt-out, and based on the tier level the Employee is eligible for; (utilizing the corresponding Kaiser tier rate), shall be credited to the Employee as additional compensation per month.

Opt-Out for Qualified Dependents
Employees may enroll self and not insure some or any of his/her qualified dependents in a CalPERS medical plan. After providing proof of qualified coverage for eligible dependents

not covered by the District's plan, 66⅔% of the District premium savings resulting from this election, based on the tier level the Employee selects as compared to the tier level eligible for, (utilizing the corresponding Kaiser tier rate), shall be credited to the employee as additional compensation per month.

F. **Employee Assistance**

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

G. **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 a STD policy available to the Employee.

H. **Long Term Disability**

The District will provide long-term disability ("LTD") insurance coverage for the Employee, equal to two-thirds (66-2/3%) of their base salary, to a maximum base salary of fourteen thousand seven hundred twenty-five dollars ($14,725) monthly, for a maximum monthly benefit payment of nine thousand eight hundred seventeen dollars ($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.

ARTICLE V. LEAVE PROVISIONS

A. **Vacation Accrual**

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

Duration of Employment		Annual Accumulation	Bi-Weekly Accrual
Less than	2 years	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

B. **<u>Vacation Leave Transfer</u>**

An Employee may donate accrued but unused vacation hours on an hour for hour basis to another employee who has exhausted all sick leave hours, pursuant to the following provisions:

(a) An employee (donor) who has at least 80 hours of accrued vacation at the time of donation may donate a designated number of hours of his/her vacation accruals for a designated number of pay periods to a specific employee.

(b) The election to donate must be in writing and approved by the District, and once made is irrevocable.

(c) If an employee has a verified medical emergency expected to cause a prolonged absence of at least 80 hours, he/she may make a formal request to the Human Resources and Risk Division for donations of accrued but unused vacation hours of other employees, which may be donated and used after the exhaustion of all paid accruals.

(d) The recipient may not receive more than 80 hours of donations in any one pay period and assumes tax liability for the value of hours donated at the time of usage.

C. **<u>Payment for Vacation Hours</u>**

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 the first 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, then, as determined by the General Manager or his Designee, and with approval of the Board of Directors, the Employee may receive additional compensation in each fiscal year.

3. The Employee may accumulate up to two (2) times his/her annual vacation accrual. If the Employee accrues twice his/her annual accumulation at any time, he/she will cease accruing any further vacation hours until she uses (or cashes out) sufficient vacation time to reduce his/her total vacation bank below the cap.

D. **Sick Leave Accrual**

The Employee shall accumulate eight (8) hours of paid sick leave 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 Hours to Sick Leave Hours**

The Employee may convert accumulated unused vacation hours to sick leave hours 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 for two hours of sick leave.

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 to be converted to sick leave.

G. **Payment for Sick Leave Hours**

The Employee may, in accordance with the District's Irrevocable Election of Accrued Leave Cash Out Program, elect to convert sick Leave hours to additional cash compensation.

At the Employee's request, accrued but unused paid sick leave 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 hours 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:

Holiday	Date of Holiday Observance
Veteran's Day	Monday, November 12, 2018
Thanksgiving Day	Thursday, November 22, 2018
Friday after Thanksgiving	Friday, November 23, 2018
Christmas	Tuesday, December 25, 2018
New Year's Day	Tuesday, January 1, 2019
Martin Luther King's Jr. Birthday	Monday, January 21, 2019
Lincoln's Birthday	Monday, February 11, 2019
President's Day	Monday, February 18, 2019
Memorial Day	Monday, May 27, 2019
Independence Day	Thursday, July 4, 2019
Labor Day	Monday, September 2, 2019

In addition, either Christmas Eve Day or New Year's Eve Day will be observed as a holiday 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 paid Administrative Leave per year, credited at a rate of 4.231 hours per pay period (26 pay periods per year), with the 26th 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 they are granted, or they 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 must be used, if at all, in 8-hour increments.

ARTICLE VI. FLEXIBLE BENEFIT

The District shall provide to each employee affected by this agreement $170 monthly subject to all applicable taxes, which may be applied toward compensation and/or benefits consistent with the provisions of state and federal tax law.

ARTICLE VII. WELLNESS BENEFIT

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 VIII. DEFERRED COMPENSATION / RETIREMENT CONTRIBUTION AND OPEB CONTRIBUTIONS

A. Deferred Compensation

The District shall contribute, on an annual matching basis to employee's deferred compensation account, the maximum amount allowable under Internal Revenue Code Section 457b, including the age 50 catch up amount, the percentage of the employee's base annual salary as set out below. The District's contribution on behalf of the employee shall be divided equally and deposited during the first two pay periods of each month.

Years of CCWD Experience	Employee Contribution
Less than 3 years	Matching to 2%
3-5 years	Matching to 3%
6-8 years	Matching to 4%
9 or more years	Matching to 5%

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 Plan 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 account exceed the amount the District would have contributed to an IRS 457b deferred compensation plan.

B. **Retirement**

For Employees hired on or before December 31, 2012, or employees hired on or after January 1, 2013 with classic status reciprocity recognized under the District's retirement plan, the employee shall be provided retirement benefits that provide for five-year vesting with retirement compensation based upon a 2.35 percent at age 55 formula, calculated using the average monthly basic 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. The benefit formula schedule is set forth in the Retirement Plan Trust Agreement for Unrepresented Employees.

For employees hired on or after January 1, 2013 without classic status reciprocity recognized under the District's retirement plan, the employee shall be provided retirement benefits that provide for five-year vesting with retirement compensation based upon a 2.0 percent at age 62 formula (set forth under Government Code §7522.20(a)), calculated using the highest average annual pensionable compensation during a period of 36-consecutive months multiplied by the total number of full years and full months the Employee has served. The maximum pensionable compensation is subject to the limit set forth under Government Code §7522.10(d). Additional requirements are specified in the Retirement Plan Trust Agreement for Unrepresented Employees.

For those employees hired on or before December 31, 2012, and those employees hired on or after January 1, 2013 who have classic status reciprocity recognized under the District's retirement plan, the employee's retirement contribution shall be determined in accordance to the following schedule:

YEARS OF CCWD EXPERIENCE	EMPLOYEE RETIREMENT CONTRIBUTION
Less than 7 years	6%
7 – 9 years	5%
10 or more years	4%

For employees hired on or after January 1, 2013 who do not have classic status reciprocity recognized under the District's retirement plan, the employee's retirement contribution shall be 50% of the normal cost of the retirement benefits.

C. <u>Post-Retirement Medical Benefits</u>

The District will provide lifetime retiree medical benefits to eligible employees and their spouses or State of California Registered Domestic Partners (RDP) as follows:

1. <u>District-Service Vesting Requirements</u>

There is no minimum vesting requirement for employees hired prior to September 1, 2011 to be eligible for retiree medical plan benefits: Employees must meet all retirement eligibility requirements including retiring within 120 days of separation from active District employment.

Five-Year CCWD Service Vesting Period for Employees Hired on or after September 1, 2011 through December 31, 2015: Employees hired on or after September 1, 2011 through December 31, 2015 shall be subject to a five (5) year District-service vesting period to be eligible for retirement medical upon retirement within 120 days of separation from active District employment. Reciprocal agency service does not count toward this 5-year vesting requirement.

Ten-Year CCWD Service Vesting Period for Employees Hired on or after January 1, 2016: Effective January 1, 2016, employees hired on or after this date shall be subject to a ten (10) Year District-service vesting period to be eligible for retirement medical upon retirement within 120 days of separation from active District employment. Reciprocal agency service does not count toward this 10-year vesting requirement.

Employees who do not meet the above District-service vesting requirements, but who are eligible for District retirement annuity benefits based on established reciprocity, are eligible to receive partially-paid retirement medical benefits based on the corresponding PEMHCA percentage amount provided at the time. The percentage of the PEMHCA minimum is provided as long as the retiree or their surviving spouse/RDP is enrolled in and pays their portion of their CalPERS medical plan premium. Should the District no longer contract with CalPERS for medical benefits, PEMHCA requirements do not apply and the percentage of the PEMHCA minimum would no longer be provided to the retiree and/or their surviving spouse/RDP.

Fully or partially paid medical benefits based on the employee/retiree District-service vesting tiers above, extends to the payment of medical benefits for and by eligible surviving spouses/RDPs.

2. Surviving Spouse/RDP Benefit

Lifetime spousal/RDP 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/RDP, the surviving spouse/RDP 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/RDP as joint annuitant, medical coverage will continue for the lifetime of the spouse/RDP. Such benefits shall be integrated with Medicare for the rest of the spouse's and/or RDP'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.

3. 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.

4. 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, employees +1, employee +2), capped at the Kaiser family (employee +2) plan rate.

5. Change in Eligible Dependents Status

Should a spouse/RDP 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/RDP or new eligible dependents post-retirement, but the cost of additional spouses/RDPs and/or additional eligible dependents will be the responsibility of the retiree or surviving spouse/RDP.

6. Retiree Pension Deduction

Retirees or surviving spouses/RDPs 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, RDP or other eligible dependent, or for any other reason. Should the pension check be insufficient to pay the retiree or surviving spouse/RDP portion, the retiree or surviving spouse/RDP is responsible to submit a check payable to CCWD to arrive no later than the 5th 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/RDP to make a timely payment for the retiree's portion of the premium cost will result in termination of the medical insurance coverage.

7. Medicare Integration

Once the retiree and/or spouse/RDP 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/RDP 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 or same RDP and eligible dependents at the time of retirement, if still married, in the same RDP, 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.

8. Employee Contributions to Other Post-Employment Benefits (OPEB)

Unrepresented Employees will continue making contributions to the OPEB Trust via payroll deductions with an employee contribution rate of 4.3% of basic compensation. These contributions will be made on a pre-tax basis. The first pay period beginning in January 2018 employees will pay 50% of normal cost of the OPEB benefit 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 in any year. Any change in contribution rate, based on the most recent fiscal year actuarial valuation, will be effective the first pay period beginning in January of each calendar year thereafter.

Further, the parties agree that the District retains the sole responsibility of funding the remainder of the Annual Required Contribution (ARC) for the OPEB program, which includes the portion of the Normal Cost not addressed by Employee OPEB Contributions. Should the District, for any reason, not fully fund the remaining portion of the ARC, it will not cause the employee contribution to be increased to more than what is described above.

For transparency purposes, an annual audited accounting of all contributions (employee and employer) shall be completed, and funding progress will be reported and made generally available.

9. Return of Contributions

Should an employee separate from District service prior to meeting minimum retirement plan vesting requirements (at least: age 50 for classic members, age 52 for PEPRA members, and 5 years of District/reciprocal service) all employee OPEB contributions, plus 5% interest per annum, compounded annually, shall be returned to the employee upon separation or to his/her beneficiary upon death. Should an employee separate from District service after meeting minimum retirement plan vesting requirements and does not retire the day following active employment, the employee is entitled to a refund of OPEB contributions plus 5% interest following 120 calendar days provided that the employee did not retire within those 120 calendar days. Such separation payments 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.

10. Advisory Committee To The Plan Administrator

An employee advisory committee to review OPEB Trust performance and make recommendations, similar in function to the existing Retirement Plan Committee, shall be established. The District shall amend the OPEB Trust to expressly define the composition, role and responsibilities of the Advisory Committee To The Plan

Administrator. Given the similarities in responsibilities, the respective employee representatives for the Retirement 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 Agreement, including requiring employee contributions to OPEB be on a post-tax basis, or the appropriateness of a return of contribution, the Agreement and Trust provisions will be amended to comply with IRS regulations.

ARTICLE IX. 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 Agreement unless superseded by a provision herein, and are hereby incorporated by reference.

ARTICLE X. 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 XI. 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 XII. TERM

The Agreement shall remain in full force and effect beginning October 3, 2018, up through and including October 2, 2019 unless otherwise terminated by either of the parties to this agreement.

If terminated by either of the parties for other than separation from employment, it is understood that the terms and conditions of employment conferred upon the Employee shall be those set forth in policies, regulations, and salary schedules approved by the District.

ARTICLE XIII. ENTIRE AGREEMENT

This document, and those incorporated herein through Article IX ("Incorporation"), contains the entire Agreement of the District and Employee. Except for those agreement(s) incorporated herein, this Agreement supersedes and cancels all previous agreements, oral or written, between the Employee and District, with respect to the Employee's employment.

ARTICLE XIV. GOVERNING LAW

This Agreement is governed by the laws of the State of California.

DATED: October 3, 2018

CONTRA COSTA WATER DISTRICT	**EMPLOYEE**
BY: ______________________________	BY: ______________________________
Jerry Brown General Manager	Employee Name Employee Title