

MEMORANDUM OF UNDERSTANDING
BETWEEN
BEAUMONT-CHERRY VALLEY WATER DISTRICT
AND
BEAUMONT-CHERRY VALLEY WATER DISTRICT
EMPLOYEE ASSOCIATION

January 1, 2022 – December 31, 2026

TABLE OF CONTENTS

Introduction	4
Duration	4
Purpose	4
Article 1: Compensation.....	4
Article 2: Recognition.....	4
Article 3: Provisions of Law	5
Article 4: Management Rights	5
Article 5: District’s Rights Relative to Payroll Deductions (Withholding)	6
Article 6: Employee Rights	6
Article 7: No Strike or Lock-Out	6
Article 8: Agendas	6
Article 9: Non-Discrimination.....	6
Article 10: On-Call and Alternate Work Schedules	7
Article 11: Overtime.....	7
Article 12: Standby and On-Call Duties.....	8
Article 13: Call Out Time	10
Article 14: Equitable Distribution of Call Out Overtime.....	10
Article 15: Promotions	11
Article 16: Introductory and Temporary Employees	11
Article 17: Performing Work Out of Classification.....	12
Article 18: Layoff and Recall.....	12
Article 19: MOU Grievance Procedure.....	12
Article 20: Progressive Discipline	13
Article 21: Step Increases.....	15
Article 22: Employee Compensation.....	15
Article 23: Incentive Pay	15
Article 24: Sick Leave.....	16
Article 25: Insurance	16
Article 26: Holidays	16
Article 27: Vacations	17
Article 28: Retirement Plan.....	17
Article 29: Uniforms and Safety Equipment	18

Article 30: Wellness18
Article 31: Job-Related Instruction18
Article 32: Bereavement Leave19
Article 33: Cost of Living Adjustments19
Article 34: Negotiation Preparation Time Off19
Article 35: Association Representative Compensation.....19
Article 36: Total Agreement.....20
Article 37: Reopener20
Article 38: Full Understanding, Modification, and Waiver20
Article 39: Term Agreement20
Article 40: Savings Clause.....21

Introduction

This Memorandum of Understanding, hereinafter referred to as "MOU" entered effective the 1st day of January 2022, is by and between the Beaumont-Cherry Valley Water District, hereinafter referred to as the "District", and the Beaumont-Cherry Valley Water District Employees' Association, hereinafter referred to as the "Association". The Association is the only employee organization which has been formally recognized by the District pursuant to District policy.

Duration

This MOU shall become effective the 1st day of January, 2022, and shall remain in full force and effective the 31st day of December 2026. If the effective period closes with no new MOU in place, the provisions defined in this document will remain in effect until a new MOU is adopted.

Purpose

The purposes and objectives of the Parties in entering this MOU are to preserve and continue the existing harmonious relationship between the District, Association, and the Association member employees.

Article 1: Compensation

It is agreed that the adopted "BCVWD Salary Schedule" will be the basis of compensation for employees in the bargaining unit or Association. The listed hourly rate for each step will be considered the "base rate" for the purposes of calculating overtime pay ("time and a half"). The BCVWD Salary Schedule will be published in the Operating Budget prepared by District staff, available to staff and the general public.

Article 2: Recognition

The District hereby recognizes the Association as the sole and exclusive bargaining agent for all District employees classified as non-exempt (hourly). The following is an example and non-exclusive list of classifications represented by the Association bargaining unit.

- Administrative Assistant
- Customer Service Representative I
- Customer Service Representative II
- Customer Service Representative Supervisor
- Development Services Technician
- Maintenance Worker
- Water Production Operator I
- Water Production Operator II
- Water Production Supervisor
- Water Utility Worker I
- Water Utility Worker II
- Senior Water Utility Worker

Water Utility Supervisor

Should additional classifications be added during the term of this agreement, the District and the Association shall meet to ascertain if added classifications should be included in the bargaining unit, in accordance with District policy.

Article 3: Provisions of Law

It is understood and agreed upon, that this MOU is subject to all current and future applicable federal and state laws, and federal and state regulations. If any part of the provisions of this MOU is in conflict or inconsistent with such above applicable laws, rules, and regulations, or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such part of the provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this MOU shall not be affected thereby.

Article 4: Management Rights

The Association recognizes that the District's Board of Directors has the responsibility and authority to set policy on behalf of the public, and the General Manager has the responsibility and authority to manage and direct all District operations and activities to the full extent permitted by applicable statutes of law.

The Association recognizes that the District and its representatives (Board of Directors, District Management, etc.) have the right, responsibility, and authority to manage and direct, on behalf of the public, all of the operations and activities of the District to the full extent authorized by law. All direction of bargaining unit employees will go through the duly authorized managerial employees.

The District is conceded to have the right to make technological improvements, to assign work not expressly covered by the job descriptions, to determine normal working hours, and to schedule accordingly.

Except as expressly limited by the provisions of this MOU, all management rights, including the control, direction, and supervision of all BCVWD operations and personnel, are vested in the District. Such functions include, but are not limited to, the District's sole right to manage the District and direct the work of its employees; right to hire new employees; determine the staffing patterns and the number of kinds of personnel required; determine its organization; determine performance standards; determine the types and the services to be provided; hire outside companies and/or vendors to perform services; increase and/or decrease the amount of work available; schedule and assign work; determine the number of work shifts and hours of work; sub contract work; determine the types of work to be performed; establish and enforce jobs standards and qualifications; conduct and implement safety regulations; determine job content; change materials, processes, services, equipment, jobs, operations, locations, and the number and types of facilities; decide on the building, location, or modification of a facility; determine the budget and methods of raising revenue; determine District objectives and policies; determine the time and hours of operation to District facilities; and determine rules applicable to employees. The District also retains the right to hire, transfer, promote, demote, lay off, recall, discharge, suspend, and discipline for just cause.

The District retains the right to amend, modify, or rescind policies and practices set forth in this

MOU in cases of emergency. An emergency is a sudden, generally unexpected occurrence or occasion requiring immediate action that affects District facilities or equipment or involves an act of God or specific governmental emergency order requiring the District to take certain action or refrain from taking certain action.

Article 5: District's Rights Relative to Payroll Deductions (Withholding)

The District shall have the unqualified right to make all proper and required deductions (withholdings) from the wages of District employees represented by the Association. Such amounts are including, but not limited to, Federal and State income taxes, employee contributions to CalPERS, and voluntary programs such as supplemental life insurance, deferred compensation, and benefits deductions.

Article 6: Employee Rights

Employees shall be free of restraint, intimidation, and coercion as a result of the exercise of their rights as guaranteed by this MOU.

Article 7: No Strike or Lock-Out

During the term of this MOU, BCVWD employees and MOU representatives will not instigate, promote, sponsor, engage in, or condone any strike (including sympathy strikes), slow down, concerted stoppage of work, sick out, or any disruption of the operations of the District, regardless of the reason for doing so. Any employee engaging in such activity prohibited by this MOU, or who instigates or gives leadership to such activity, shall be subject to disciplinary action up to and including termination. During the term of this MOU, the District will not institute lockout over dispute with the employees so long as there is no breach of the above no-strike provisions.

Each employee who is an Association Representative occupies a position of special trust and responsibility in maintaining the bringing about of compliance with the provisions of this MOU. Accordingly, such employees agree to inform District employees of their obligations under this agreement and to direct them to return to work in the event of any work stoppage, slow down, sick out, or other disruption of District operations.

Article 8: Agendas

Agendas for meetings of the BCVWD Board of Directors will be furnished to Association representatives at no charge.

Article 9: Non-Discrimination

The District is an Equal Opportunity Employer. The provisions of this agreement shall apply to all persons covered by this agreement without discrimination on account of any protected status recognized by law, nor will there be discrimination in respect to hiring and retention.

Article 10: On-Call and Alternate Work Schedules

1. The District may establish alternate work schedules for Association employees in the following manner:

Employees On Call: In order to provide for the monitoring of system facilities, respond to system failures and customer service calls after hours and during weekends and holidays the alternate schedule for designated on-call employees will continue, subject to the On-Call Work Schedule described below. The On-Call Work Schedule begins at 6:30 A.M. continuing to 3:00 P.M. Tuesday through the following Thursday (10 consecutive days) followed by three (3) consecutive days (Friday through Sunday) off.

Upon returning to work after the on-call rotation (On-Call Work Schedule), the employee shall work two consecutive weeks subject to the standard schedule until his/her next scheduled stand-by. Employees are assigned different starting weeks to provide weekend coverage.

Alternate Work Schedule (4/10): The normal workday is defined as ten (10) hours of work plus an unpaid one half (1/2) hour lunch break followed by thirteen and one half (13 ½) hours of rest for all employees. Employees would work four (4) ten (10) hour days and be off for three (3) days.

Overtime shall be in accordance with Article 11, herein.

Paid Time Off: Employees scheduled under an alternate work schedule, such as a 4/10 schedule, shall be charged at the rate of ten (10) hours per day for vacation and sick leave. Employees scheduled under Option B or C above shall be charged at the rate of eight (8) hours per day for vacation and sick leave.

2. The Alternate Work Schedule (4 days per week, 10 hours per day), currently operates for all staff except for designated production operators, with the understanding that a traditional work schedule (5 days per week, 8 hours per day), may be implemented with fourteen (14) calendar days' notice to all affected employee(s).

Article 11: Overtime

Non-exempt (hourly) employees will receive overtime as required by the Fair Labor Standards Act of 1938 (FLSA), at the rate of time and one half for all hours actually worked in excess of 40 hours in a work week. All overtime is to be approved in advance by the employee's supervisor. Employees shall accurately record all hours worked, neither over reporting nor under reporting. If a non-exempt employee is asked or directed to work hours without accurately reporting them, the employee shall notify the General Manager and/or Human Resources department as soon as possible. All overtime shall be paid on the payday immediately following the pay period in which overtime is worked. Holidays, vacation leave, nor sick leave, shall count as time worked for the purposes of computing overtime. An employee working on a holiday, that is not scheduled to work said holiday, as part of the normal work schedule, shall be paid time and one half their normal hourly rate for hours worked. Any additional hours worked in excess of twelve (12) hours in a day shall be paid at double their

normal hourly rate. Employees who are scheduled to work on a District recognized Holiday, shall be paid their regular rate of pay for the holiday and their regular rate of pay for all hours worked and shall also be eligible for overtime as stated above.

During normal work week schedules (non-standby period), non-exempt employees will receive overtime, at the rate as set forth above. All hours in excess of twelve (12) hours worked in a single workday shall be paid at double the employee's normal hourly rate. In the event that an employee works overtime that goes beyond a single workday (i.e., after midnight, in excess of 12 hours in a single day), that employee shall continue to be paid overtime for all consecutive hours worked and shall not return to normal hourly rates until they return to work after a period of rest, no less than eight (8) hours. If an employee is required to return to work before the minimum rest period of eight (8) hours, that employee shall start the next work shift at the overtime rate for all hours worked until a minimum rest period of eight (8) hours is achieved.

It is the intent of the District to make honest efforts to ensure that all full-time employees are given the opportunity to work forty (40) hours per week at the employee's normal hourly rate. In the event that an employee's eight (8) hour rest period, between work shifts, interferes with the employee's ability to achieve the typical working hours of a workday, the District reserves the right to:

- A. Schedule the employee to work hours outside of a workday, providing there is a need and available work to do so.
- B. Authorize the employee to use vacation time to make up the deficit.
- C. Compensate the employee for all hours worked, including overtime, and allow the deficit, without an adverse effect to the employee's full-time status and/or benefit compensation.

An eight (8) hour rest period shall not be required when a "Call-Out" for stand-by personnel can be achieved in less than one hour of actual time away from the employee's home.

Article 12: Standby and On-Call Duties

Production Operator:

A Production Operator(s) assigned to standby duty for the purposes of being on-call to handle emergency situations arising at times other than normal scheduled working hours, and not as an extension of a regularly scheduled shift, shall be paid a flat fee of forty dollars (\$40) per day.

A "standby day" for purposes of calculating standby compensation shall be the period of time when an employee has been assigned to be available for purposes of handling emergency situations arising at times other than normally scheduled working hours and not as an extension of a regularly scheduled shift.

It is understood that standby duty for Production Operator(s) will be provided by qualified and available employees as assigned by the supervisor and/or Director of Operations. Standby rotation for Production Operator(s) shall be, at a planned minimum, four (4) operators in rotation. A single Production Operator shall be on standby from Thursday to the following Thursday (one week). The intent of the rotation is to provide, a planned minimum, three (3) weeks off of standby rotation before reporting for another standby shift. In the event it is not

possible to accommodate a 3-week lapse in on-call duty, the District shall reserve the right to fill the vacancy with appropriate Production Operators. Employee supervisors and/or the Director of Operations reserve the right to assign any employee they deem fit to standby rotation to provide the District with the planned minimum of four (4) operators in standby rotation (this is the District planned rotation period but in no way guarantee's this rotation cycle period will always be able to be maintained). While on standby, the operator shall be provided with a District vehicle to drive home after normal working hours for use during after-hours emergencies. The District vehicle shall be taken home to provide a reasonable response time of twenty minutes to any actual emergency. It is understood that District Vehicles are for official District business only. District vehicles shall only be used to drive to and from work and/or to and from an actual emergency. Any misuse of District vehicles (i.e. using a District vehicle to run personal errands) shall be subject to disciplinary action as deemed fit by the employee's supervisor and/or the Director of Operations. The District shall pay any fuel, or additional charges, associated with standby vehicles. The District will establish a fringe benefit commuting valuation for the commuting benefit of each one-way commute at the current rate allowed by the IRS.

The employee shall pay applicable taxes associated with the use of standby vehicles.

Utility Worker:

In addition to Production Operators, One (1) Utility Worker and one (1) Utility Worker Helper shall also be on standby rotation. It is understood that standby duty for distribution operations will be provided by qualified and available employees as assigned by the supervisor and/or Director of Operations.

Standby rotation for Utility Workers shall be, at a planned minimum, four (4) Utility Workers in rotation. A single Utility Worker shall be on standby with a single standby helper assigned to back up the Utility Worker on call.

Standby rotation for Water Utility Helpers shall be, at a planned minimum, eight (8) Water Utility Helpers in rotation. A single Water Utility Helper shall be on standby with a single Standby Production Operator assigned to supervise the Water Utility Helper on call.

Employee supervisors and/or the Director of Operations reserve the right to assign any employee they deem fit to standby rotation. The rotation shall provide, a planned minimum, three (3) weeks off of standby rotation for Distribution Operators and seven (7) weeks off of standby rotation for Distribution Helpers before reporting for another standby shift. In the event it is not possible to accommodate the planned lapse in on-call duty, the District shall reserve the right to fill the vacancy with appropriate distribution operators.

The primary on-call employee shall be compensated at forty dollars (\$40) per on call day, and thirty dollars (\$30) for the standby helper per on call day.

While on standby, the Water Utility Operator and possibly the Water Utility Helper shall be provided with a District vehicle to drive home after normal working hours for use during after-hours emergencies. The District vehicle shall be taken home to provide a reasonable response time of twenty (20) minutes to any actual emergency. It is understood that District Vehicles

are for official District business only. District vehicles shall only be used to drive to and from work and/or to and from an actual emergency. Any misuse of District vehicles (i.e. using a District vehicle to run personal errands) shall be subject to disciplinary action as deemed fit by the employee's supervisor and/or the Director of Operations. The District vehicle will only be provided to the standby_Distribution Operator. The District shall pay any fuel, or additional charges, associated with standby vehicles. The employee shall pay applicable taxes associated with the use of standby vehicles. The District will establish a fringe benefit commuting valuation for the commuting benefit of each one-way commute at the current rate allowed by the IRS.

The employee shall pay applicable taxes associated with the use of standby vehicles.

All Standby Employees shall:

1. Be ready to respond immediately to a call for service.
2. Be readily available at all hours by telephone or other agreed upon communication equipment.
3. Refrain from activities which might impair their assigned duties upon call.
4. Respond to the emergency caller within five (5) minutes of receiving the call.
5. Ensure that the assigned cell phone and/or personal cell or home phone devices are in working order.

Failure to reply to an emergency call within five (5) minutes of receipt and response to the actual emergency within twenty (20) minutes from receiving the call shall be grounds for forfeiture of standby pay for that 24 hour period and may be cause for further disciplinary action.

Article 13: Call Out Time

Employees shall be paid a minimum of two (2) hours at the regular overtime rate as defined in Article 11, when called out to work during their normal off duty hours, other than his/her regular shift. No other compensation shall be provided during the initial call-out period in the event other calls for service are received during that period.

A "call-out" occurs when an employee on assigned standby duty is required to return to a District-designated worksite or is otherwise required to commence work following completion of the employee's regularly scheduled work shift and following the employee's departure from the worksite at the end of that regular scheduled work shift. Therefore, a "call-out" is not an extension of a regular scheduled work shift. Compensable work hours shall also include the time spent on the telephone or other electronic device whereby the "call-out" is assigned and/or efforts by telephone or other electronic device are undertaken to address the subject of the "call-out" (this telephone or electronic device activity shall be included as part of the call out time calculation for any particular item and does not represent a separate call out time period).

Article 14: Equitable Distribution of Call Out Overtime

There will be equitable distribution of call out overtime. The District will make use of an overtime schedule, and if there are volunteers for additional or unscheduled overtime, volunteers will be selected for overtime. Considerations will be made to ensure safety so that individuals are not working excessively long shifts without rest. If all considerations are equal,

volunteers for overtime will be selected using a random method.

Article 15: Promotions

When the District has an opening in a classification above the entry level for employees covered under the MOU, a notice shall be posted in the break room, located at the District Headquarters and Field Office, five (5) days prior to closing the position. The District reserves the right to advertise internal positions to the general public, and to select an outside candidate, if that candidate is the best qualified for the open position. Positions shall be filled on the following basis:

These positions will be filled based on merit, ability to perform in the vacant position, and, where applicable, possession of certification/education that is required or desirable for the position. Where the District determines that all other factors are equal, seniority may be considered.

Employees receiving promotions shall serve a six (6) month introductory period in the higher classification. The introductory period will extend from the date of promotion, rather than date of hire. Compensation at the new classification will be set at a minimum of 5% above previous rate of pay in the salary schedule for the new classification, if achievable within the salary range for the new position. The District reserves the right to hire outside the present workforce.

Article 16: Introductory and Temporary Employees

Introductory Employee. All newly hired employees covered under the MOU will serve an introductory period. The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. The District uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or the District may end the employment relationship at-will at any time during or after the introductory period, with or without cause or advance notice.

All new (including rehired) employees work on an introductory basis for the first six (6) months after their date of hire. Any significant absence will automatically extend the introductory period by the length of the absence. If the District determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended one or more times.

Upon satisfactory completion of the introductory period, full-time employees enter the "regular" employment classification. Successful completion of the introductory period does not guarantee employment for any specific duration or change the at-will status of regular employment. Successful completion of the introductory period does not make an employee eligible for a merit increase in regular pay.

Temporary Employee. A temporary employee is defined as anyone covered under the MOU who is hired for a period of 999 hours or less.

Employees hired to replace a regular employee covered under the MOU who is on a leave of absence shall be hired as temporary employees unless said leave of absence is in excess of

one hundred and eighty (180) days. If said leave of absence will be in excess of one hundred and eighty (180) **calendar** days, the General Manager may extend a temporary employee's assignment, hire a regular employee to fill the vacancy, promote or transfer an employee, or appoint an interim employee, depending on the District's needs.

A temporary employee will not be eligible for any fringe benefits including holiday pay, vacation pay, health insurance coverage, jury duty pay, bereavement pay, or items of a similar nature, nor will he/she accrue seniority or leave of absence rights unless required by federal, state, or local law.

Article 17: Performing Work Out of Classification

Employees required by their supervisor to work a normal shift in a temporary classification higher than his/her current classification will be paid a step increase equivalent to five percent (5%) of his/her base pay rate for those hours worked performing the duties of the higher classification. This out of class work shall be clearly identified by the supervisor, which will require authorization by the supervisor at the beginning of the normal work shift, in which said out of class work is performed.

Should an employee be required to work temporarily in a classification paying less than his/her established rate, he/she will be paid at their normal rate.

Performing work out of classification is limited to a total of six (6) months within a calendar year.

Article 18: Layoff and Recall

Should the District be required to reduce the bargaining unit work force for any reason, the following shall be the layoff procedure:

1. Temporary bargaining unit employees shall be laid off first.
2. Should a further reduction be necessary, full-time probationary bargaining unit employees shall be laid off next.
3. Full-time employees shall be laid off last.

The District shall notify an employee of their intention to lay him/her off at least **ten (10)** calendar days prior to the date the layoff is to take effect. Employee Association Representatives will be notified in the event of a layoff in each circumstance. Recall to work shall be in reverse order of layoff based on a Re-Employment list that shall expire six (6) months from the date of layoff.

Article 19: MOU Grievance Procedure

A MOU grievance is any alleged violation, or major difference of opinion, as to the interpretation or application of the negotiated MOU agreement.

An employee is entitled to representation in the preparation and presentation of his/her MOU grievance at any step in the grievance procedure. The grievant is entitled to be released from work for a reasonable period of time in order to present the grievance.

An employee and any representation will be unimpeded and free from restraint, discrimination, interference with the MOU, or reprisal in seeking appropriate adjustment of a MOU grievance. The following steps illustrate the MOU grievance procedure:

Step 1: A MOU grievance, as defined above, shall be presented to the immediate supervisor within seven (7) business days of the event giving rise to the grievance. If not presented within the said time requirement, the MOU grievance will be deemed to have been waived. Prior to filing a written MOU grievance, an employee will first discuss the matter with his/her immediate supervisor. The immediate supervisor shall respond, either orally or in writing, within three (3) business days of the discussion with the employee concerning the matters giving rise to the MOU grievance.

Step 2: In the event the problem is not resolved through informal discussion as outlined in Step 1, the MOU grievance will be submitted in writing to Human Resources, within five (5) business days of receipt of the immediate supervisor's answer. Upon receipt of a written MOU grievance, Human Resources shall meet with the employee and his/her representative within ten (10) business days. Human Resources will review the matter with management and shall render a written decision no later than three (3) business days after the Step 2 meeting.

Step 3: In the event the problem is not resolved through the procedure outlined in Step 2, the MOU grievance shall be submitted in writing to the General Manager, within five (5) business days of receipt of the response from Human Resources. Upon receipt of a written MOU grievance, the General Manager shall meet with the employee, his/her representative, and with management within ten (10) business days. The General Manager shall render a written decision no later than three (3) business days after the Step 3 meeting.

Step 4: Should the grievance not be resolved in step 3, it may then be appealed by the grievant, in writing, to the Personnel Committee of the Board of Directors within three (3) business days. The Personnel Committee shall meet with the grievant, and his/her representative, within ten (10) business days of submission for review and render a written decision ten (10) business days thereafter, which decision shall be final.

A MOU grievance will be considered resolved based on the last determination if it is not advanced by the grievant within the time limits provided. If a supervisor or manager fails to respond within the time limit provided, the employee may advance the grievance to the next step within the time limits provided. If the nature of the MOU grievance concerns the safety of employees and/or the public, the grievant may choose to skip to Step 2 or 3 to issue the grievance to either Human Resources or the General Manager directly.

Article 20: Progressive Discipline

- i. The General Manager, or his/her designee has the authority to discipline or terminate any employee. The following is a nonexclusive list of the types of disciplinary action which may be imposed.
 - A. Oral or written warnings.
 - B. Probation - the placing of an employee in a position wherein his/her past and current performance is being reevaluated. Failure to improve his/her performance during the probationary period will result in further disciplinary action.

- C. Suspension - an involuntary leave without pay.
 - D. Demotion - reduction from a position in one class to a position in another class having a lower salary range, affected for disciplinary purposes (demotions resulting from organizational changes and layoffs are not disciplinary).
 - E. Termination – involuntary discharge from service with the District.
- ii. It is intended that discipline be imposed primarily for corrective purposes and to address deficiencies in work performance. All disciplinary actions shall be kept confidential. The following is a nonexclusive and illustrative list of the more common causes for disciplinary action, provided however, these provisions are not intended, nor shall they change or modify, the at-will status of employees:
- A. Action contrary to the Personnel Rules and Regulations of the District.
 - B. Inefficiency or incompetence.
 - C. Disobedience or insubordination.
 - D. Dishonesty.
 - E. Consumption of alcoholic beverages or drugs - employees shall not use, carry, or transport alcoholic beverages or non-prescription drugs during work shift or on District property nor report for work while under the influence of alcohol or drugs. Employees who reside in District housing may utilize legal substances in the confines of their respective residential spaces when off duty and not on standby.
 - F. Disorderly conduct.
 - G. Discourteous treatment of the public.
 - H. Accepting gratuities or tips offered in exchange for District services rendered to a customer or prospective customer.
 - I. Conviction of a felony.
 - J. Tardiness.
 - K. Absenteeism.
 - L. Neglect of duty.
 - M. Failure to follow safe working practices or failure to report promptly any injury.
- iii. Upon termination, the employee shall return all District property.

These disciplinary action procedures and any other provided in this MOU are not intended to change the at-will nature of the employment relationship with the District. Either an employee or the District may end the employment relationship at any time with or without cause and with or without prior notice. The District reserves the right to terminate the employment relationship, to demote or to otherwise take disciplinary and corrective action without resort to these disciplinary procedures. Nothing in these procedures or in this MOU is intended to create a property interest in employment with the District. Except in significant situations such as theft, fighting, drunkenness, drug use, etc. as determined by District Management, the District agrees to the following order of discipline:

1. First offenders shall be counseled and given a warning. Both verbal and written

warnings shall be documented and documentation shall be maintained in the employee's personnel file.

2. Should the misconduct continue, management has the option to issue a second, written warning, along with notification that further misconduct could be grounds for more severe disciplinary action.
3. If, after 1 and 2, the employee still persists in the conduct giving rise to the disciplinary action, the district may take whatever action it deems appropriate, up to and including discharge.

After each twelve (12) months of corrective conduct, resulting from the imposition of 1, 2, or 3 above, the disciplinary action will remain in the employee's file, but a letter of clearance showing the District recognizes that the employee has worked to correct the issue resulting in the disciplinary action shall be added to the employee's record, in reverse order in which it was imposed.

All progressive discipline violations shall be documented in the employee's personnel file.

All disciplinary actions, other than verbal warning, shall be subject to the grievance procedures, including representation.

Article 21: Step Increases

Employees below Step 5 in his/her classification shall be eligible for a step increase based on individual performance evaluations conducted by the District. Evaluations shall be conducted annually by the District, based on the most recent anniversary date of hire or promotion.

Article 22: Employee Compensation

All full-time employees covered under the MOU shall receive compensation in accordance with the provisions of this MOU, District Policies and Procedures manual, and adjusted ranges in the Salary Schedule (as defined in the approved annual District budget).

Article 23: Incentive Pay

Full-Time continuous employees with 3 years of service or more (at time of application) receiving education certification one step or higher above their existing job classification requirements will be eligible to receive a monthly incentive of fifty dollars (\$50) per month per certificate, up to one hundred dollars (\$100) per month. Employees must first make application to their supervisors to be eligible to participate in the Incentive Pay program including employees whose job classification may not have corresponding education certification. All applications are subject to approval of the General Manager. Education and/or certifications must be relevant to the employee's job class to be eligible for incentive pay. The following is a non-exclusive, illustrative list of certifications which may be eligible for incentive pay:

- California Water Distribution Operator (level D-2 and above)
- California Water Treatment Operator (level T-1 and above)
- Backflow Water Tester
- California Class A Driver's License
- Other relevant education, certification, or degree as approved by the General Manager.

Article 24: Sick Leave

Bargaining Unit employees shall accumulate sick leave at the rate of 3.70 hours per pay period (bi-weekly).

Incentive Plan "A":

An employee not using any sick leave for twelve (12) consecutive months may convert their accrued sick hours to cash at a rate of half (0.5) times their regular hourly rate. Sick hours may be "cashed out" at the employee's request no more than two (2) times per calendar year. Employees must maintain a balance of a least forty (40) hours of sick leave.

Incentive Plan "B":

Upon retirement or death, an employee, or his/her beneficiary, shall be entitled to receive 50% of all accumulated sick leave not compensated for in Incentive Plan "A" above, at the employee's Life Insurance Beneficiary Form.

NOTE: Beneficiary shall be the individual indicated on the employee's Life Insurance Beneficiary Form.

Article 25: Insurance

The District shall provide to Bargaining Unit members health insurance coverage through the Public Employees Retirement System (PERS) for all members of the Bargaining Unit and their eligible dependents.

State Disability Insurance: Employees shall pay the cost of the premiums associated with State Disability Insurance.

Life Insurance: Life Insurance and/or Accidental Death and Dismemberment (AD&D) insurance shall be provided at the employee's current regular rate of pay, at the time of death or qualified event, equal to one year's salary.

Article 26: Holidays

Employees shall be entitled to the following paid holidays:

- January 1 (New Year's Day)
- Third Monday in January (Martin Luther King Jr. Day)
- Third Monday in February (Presidents' Day)
- Last Monday in May (Memorial Day)
- July 4 (Independence Day)
- First Monday in September (Labor Day)
- November 11 (Veteran's Day)
- Thanksgiving Day
- Friday after Thanksgiving
- December 25 (Christmas)

Employee Birthday (Floating Holiday)

Unless required as part of the District required rotation schedule set forth under Article 13, an employee required to work the holiday shall be paid one and one-half (1/2) times his/her rate of pay.

If the scheduled holiday falls on a nonworking day such as Friday or Saturday, it shall be observed on the previous Thursday. If the holiday falls on a Sunday, it will be observed on the following Monday.

For the alternative (4/10) work week schedule, the Friday after thanksgiving shall be credited to the employee as a paid floating holiday to be used later in the fiscal year.

Unless excused due to pre-approved vacation, jury duty, hospitalization, or the death of an immediate family member, employees must work a full shift on the regular scheduled business day before and after the holiday to qualify for this benefit. Human Resources may request documentation of these exceptions in order for Holiday Pay to be approved. Holiday pay shall not be counted for the purposes of computing overtime.

Article 27: Vacations

Employees shall accrue vacation in the following manner:

Years of Service	Vacation Earned
Zero (0) through four (4) years	80 hours
Five (5) through nine (9) years	120 hours
Ten (10) years	130 hours
Eleven (11) years	140 hours
Twelve (12) years	150 hours
Thirteen (13) years or more	160 hours

Vacation shall be earned from date of hire.

An employee with less than five (5) years seniority would receive 80 hours vacation per year. The first year shall be prorated and accrued at a rate of 6.667 hours per month commencing with the first full month of employment and awarded after January 1 of the following year. Vacations shall be scheduled in advance with District Management on a first come, first serve basis, and be coordinated to minimize disruption to District operations.

The District agrees that an employee may carry over, to the following year, his/her previously accrued vacation. Vacation will be capped according to District policy.

If an employee elects not to schedule his/her vacation, the District agrees to purchase unused vacation at an employee's regular hourly rate of compensation if desired by the employee. The cash out option is available twice per calendar year per District policy.

Article 28: Retirement Plan

The retirement plan for all bargaining unit members shall be the public Employees Retirement System (PERS) of the State of California.

- Benefit Description: Section 21354.5
The PERS plan will be the "2.7% @ 55 formula with all prior years of service recognized" for employees hired before January 1, 2013. Employees hired after January 1, 2013, who are new to PERS, will receive benefits under the Public Employees' Pension Reform Act (PEPRA) 2% at 62 plan.
- Benefit Description: Section 20042
One-Year Final Compensation
- Benefit Description: Section 21624, 21626, & 21628
Post Retirement Survivor Allowance

The District and the employees agree that the District will pay the entire 8% employee contribution for all employees hired prior to 2001. Employees hired after January 1, 2001, and on or before January 1, 2012, shall pay 7%. Employees hired after January 1, 2012, shall pay their entire employee contribution.

Vesting for retirement benefits will be in accordance with CalPERS requirements.

Article 29: Uniforms and Safety Equipment

The District shall provide, as an employee benefit, all full-time field operational personnel with uniforms to be worn while on duty and District owned safety equipment. The District shall provide, as an employee benefit, all full-time office personnel with at least two (2) office appropriate shirts and/or sweater. The district will reimburse full-time operational personnel, upon date of hire and annually thereafter, up to a maximum amount of \$200 for the purchase of steel-toe shoes or boots. Field operational personnel may purchase a second pair of shoes if field personnel can do so within the allotment of \$200; the employee shall contribute the additional funds required if the cost exceeds the \$200 allotment. Employees will be allowed to use this amount to also purchase other uniform related items such as belts, shoe or boot inserts, laces, etc. Employees who have provided notice of intent to voluntarily resign or retire are not eligible for the \$200 allowance.

Article 30: Wellness

The District shall provide, as an employee benefit, an Employee Assistance Program (EAP).

Article 31: Job-Related Instruction

The District agrees to reimburse the full cost of any District approved work related course of instruction or study that MOU members may attend. Reimbursement will only occur upon successful completion of the course with a passing grade and appropriate certification if applicable.

The District retains the right to approve any and all courses of study prior to attendance by the MOU Employee. The course must be approved by a supervisor prior to attendance in order to be eligible for reimbursement.

Article 32: Bereavement Leave

Employees shall be allowed forty (40) hours of excused time off with pay for bereavement leave upon the death of a spouse, child, or domestic partner, and twenty (20) hours of excused time off with pay for bereavement leave upon the death of a parent, parent-in-law, sibling, grandchild, or grandparent. The designated number of hours of bereavement leave shall be allowed for each death of a qualifying family member. Documentation of the relation(s) death may be requested by Human Resources prior to approval. If additional time is needed, employees may use accrued leave time, such as sick leave or vacation, to supplement bereavement. Bereavement leave hours do not accrue, and bereavement leave is not considered an earned benefit. Time off due to bereavement will be counted concurrently against other approved leave, such as Family and Medical Leave due to FMLA.

Bereavement leave must be used within thirty (30) days of the loss and must be used in minimum five (5) hour increments of time. Employees will document time used and submit documentation of the loss to Human Resources if requested.

In extenuating circumstances, the General Manager has the discretion to approve bereavement leave for relationships not disclosed in this Article, or to extend excused time off, with or without pay.

Article 33: Cost of Living Adjustments

Salaries to be adjusted on January 1, 2022 in accordance with the Salary Schedule for 2022. Salaries for 2023, 2024, 2025, 2026, and 2027 shall be adjusted beginning on January 1, 2023 for an increase of 1.5% or based on the August-to-August Unadjusted Consumer Price Index, U.S. Cities average, whichever is greater, with a maximum cap of a 5% increase. A COLA for January 1, 2027, shall be applied in accordance with this Article unless a different provision is negotiated prior to the expiration of this MOU.

Article 34: Negotiation Preparation Time Off

The Association may use District facilities to hold general membership meetings with employees. The District agrees to allow up to three (3) members of the Association employee representatives up to three (3) hours of paid leave prior to each scheduled meeting with District representatives to prepare for negotiation discussions. Said time off shall not interfere with District operations and be coordinated with the District in advance.

Article 35: Association Representative Compensation

One (1) duly elected representative of the Employee Association will be provided a stipend of \$75.00 per meeting to attend Personnel Committee meetings, Regular Board Meetings, and special Board meetings if he/she attends in his/her capacity as an Association representative on Association business, and are not performing any work for the District at the meeting. The representative to be paid the stipend will be determined in advance of the meeting by the Association. Meeting attendance is not eligible for overtime pay unless required by law. Association representatives are not required by District management to attend Board meetings

outside of regular working hours, unless required in the employee's regular working capacity, such as making a presentation to the Board regarding District business.

Article 36: Total Agreement

This Memorandum of Understanding represents the total agreement of the parties as required by California Government Code § 3505.1 and supersedes all prior Memoranda of Understanding and verbal agreements between the parties. This Memorandum of Understanding is not binding until duly approved and adopted by the District's Board of Directors. It is also recognized that the District Personnel and Policies & Procedures Manual applies to all District employees, including unit members, except where there is a direct conflict with this Memorandum of Understanding. In the event of a direct conflict, this Memorandum of Understanding shall prevail while in force.

Article 37: Reopener

The District may reopen the MOU at any time after January 1, 2022, for the purpose of negotiating health insurance benefits, and related provisions as necessary. The District may exercise its right to reopen by delivering a written request to the Association. Meeting and conferring will commence no later than 30 calendar days following the date of the request to reopen.

Article 38: Full Understanding, Modification, and Waiver

It is intended that this MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby suspended or terminated in its entirety.

Except as specifically provided herein, it is agreed and understood that the Association hereto voluntarily and unequivocally waives its rights and agrees that the District will not be required to negotiate with respect to any subject matter covered herein during the term of this agreement. Except in cases of emergency as provided by Government Code Section 3504.5, the District shall provide reasonable written notice to the Association of any ordinance, resolution; rule of regulation directly related to the matters within the scope of the representation proposed to be adopted by the District and shall give Association the opportunities to meet with the District representatives.

Any agreement, alteration, understanding, variation, waiver, or modifications of any terms of provisions contained in writing signed by both parties and approved and implemented by the District.

The Waiver of any breach, term, or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

Article 39: Term Agreement

This agreement shall remain in full force and effect from January 1, 2022 until December 31,

2026. The District agrees to conduct an internal compensation survey every third (3rd) year, and an external compensation study, conducted by an outside consultant, every ninth (9th) year, to facilitate salary range discussions to be considered for rate calculations and for the next term.

Article 40: Savings Clause

Should any provision of this agreement or any application thereof, be unlawful by virtue of any federal, State or Local Laws and regulations, such provision of this agreement shall be effective and implemented only to the extent permitted by such laws and regulations. In all other respects, the provisions of this agreement shall continue in full force and effect for the life thereof.

BEAUMONT-CHERRY VALLEY WATER DISTRICT EMPLOYEE REPRESENTATIVES

By: _____
Lona Williams, President of the Board of
Directors

By: _____

By: _____
Dan Jagers, General Manager

By: _____

By: _____