

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
ORANGE COUNTY SANITATION DISTRICT  
AND THE  
ORANGE COUNTY EMPLOYEES ASSOCIATION  
FOR THE  
TECHNICAL SERVICES UNIT

July 1, 2014 through June 30, 2016

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**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
ORANGE COUNTY SANITATION DISTRICT  
AND THE  
ORANGE COUNTY EMPLOYEES ASSOCIATION  
FOR THE  
TECHNICAL SERVICES UNIT**

In accordance with the provisions of California Government Code Sections 3500, et seq., and Resolution No. 75-127 of the Joint Board of Directors, the District's authorized representative has met and conferred in good faith with representatives of the Orange County Employees Association (OCEA) for the Technical Services Unit. These meetings have resulted in an agreement and understanding to recommend that the employees represented by OCEA accept these terms and conditions, and that the Board of Directors adopt by Resolution the changes and additions to the wages, hours, and conditions of employment for the employees represented by OCEA as set forth in this Agreement.

**ARTICLE 1. - RECOGNITION**

- 1.1 This Agreement, effective July 1, 2014, is entered into between the Orange County Sanitation District, referred to hereinafter as the "District," and the Orange County Employees Association, referred to hereinafter as "OCEA."
- 1.2 The District recognizes the Orange County Employees Association as the exclusive recognized employee organization for matters within the scope of representation for the following classifications, as set forth in Exhibit "A" (attached hereto and incorporated by reference), as well as additional classes as may be added hereafter by the District.

**ARTICLE 2. - DURATION**

- 2.1 This Agreement shall be binding on the District and OCEA when approved and adopted by the District's Board of Directors. This Agreement shall terminate on June 30, 2016. This Agreement shall act as a bar to the raising of the question of representation during its term, except that the question of representation may be raised during the period between sixty (60) and ninety (90) days prior to its expiration.

**ARTICLE 3. - SUCCESSOR AGREEMENT**

- 3.1 The Group shall submit in writing its initial proposal for a successor agreement prior to the expiration date of this Agreement.

**ARTICLE 4. - OCEA ACCESS**

- 4.1 An OCEA Representative shall have access to the District's facilities during working hours for the purpose of assisting Unit employees in processing grievances or investigating matters arising out of the application of provisions of this Agreement. The OCEA Representative must obtain authorization for each visit in advance from the Director of Human Resources, or designee.
- 4.2 The OCEA shall provide the Director of Human Resources, or designee, with a list of Representatives who are authorized to request access under this article, and shall notify the Director of any changes in that list.
- 4.3 OCEA access shall not interfere with the District's operations, or with the work of employees in any manner. The District reserves the right to restrict access in certain areas designated as confidential or secure.

## **ARTICLE 5. - OCEA RIGHTS**

- 5.1 The OCEA may designate employees to act as representatives for employees covered by this Agreement. The OCEA shall furnish the Director of Human Resources, or designee with the names of employees selected as representatives and shall update the list as necessary. An alternate representative may be designated to act in the absence of the regular representative. Employees not listed on the roster of representatives provided to the District by the OCEA may not act as representatives.
- 5.2 Representatives shall not perform non work-related duties on work time without the prior approval of their immediate supervisor. Neither the District nor the OCEA shall interfere with, intimidate, restrain, coerce or discriminate against employees because of the exercise or non-exercise of their rights to engage in OCEA activity.

## **ARTICLE 6. – DISTRICT RIGHTS**

- 6.1 District inherent rights, powers, functions, duties, responsibilities and authority related to a managerial or administrative character are reserved to the District in its exercise of management decision-making, except as specifically modified by the express provisions of this Memorandum. District rights include, but are not limited to, the exclusive right to consider the merits, necessity or organization of any service or activity provided by law, or administrative order; determine the mission of its constituent departments, commissions and boards; set standards of service, determine the procedures and standards of selection for employment and promotion; establish and implement performance standards; direct its employees; take disciplinary action for proper cause; layoff employees from duty because of lack of work or lack of funds; maintain the efficiency of District operations; determine the methods, means and personnel by which District operations are to be conducted; determine the content of job classifications; classify and reclassify positions; take 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.
- 6.2 District retains all authority and rights conferred on it by law, or other legal sources, except to the extent that such authority is explicitly waived by the express terms of this agreement. District exercise of its management rights hereunder shall not be subject to appeal or meeting and conferring, however, that the exercise of such rights does not preclude OCEA from appealing or meeting and conferring the practical consequences or impacts that District decisions have on wages, hours, and other terms and conditions of employment.

## **ARTICLE 7. - NONDISCRIMINATION IN EMPLOYMENT**

- 7.1 There shall be no unlawful discrimination in the application of the provisions of this Agreement with regard to race, color, religion, national origin, ancestry, sex, sexual orientation, or veteran status. To the extent required by law or by the District's rules or regulations, this provision of the Agreement shall be applied to all members of the unit without regard to marital status, handicap, medical condition, status as a disabled veteran, age or citizenship.

## **ARTICLE 8. - SMOKE-FREE WORK ENVIRONMENT**

- 8.1 The District endorses and supports the right of all employees to work in a healthy and safe environment free of recognized hazards. In view of the hazards associated with smoking and the potentially harmful effect it has on the health and well being of District employees and their families, smoking is not acceptable within District facilities, and may occur only in areas posted for smoking.

## **ARTICLE 9. - SAFETY**

- 9.1 It is the duty of the District to provide and maintain a safe place of employment. OCEA shall cooperate by encouraging all employees covered by this Agreement to perform their work in a safe manner. It is the duty of all employees covered by this Agreement, in the course of performing their assigned duties, to be alert to unsafe practices, equipment, and conditions, and to follow the safety regulations and requirements of the District, and to report any unsafe practices or conditions to their immediate supervisors. An employee shall not be required to perform work that is unsafe.

## ARTICLE 10. - DISCIPLINE AND DISMISSAL

- 10.1 Discipline may occur when any of the following actions are taken for just cause with respect to any employee in the unit: verbal reprimand, written reprimand, suspension without pay; reduction in pay, demotion to a classification with a lower maximum rate of pay or dismissal.
- 10.2 Dismissal, for purposes of this Article, is the separation of a non-probationary employee initiated by the District for just cause.
- 10.3 A Notice of Intent is not required when the disciplinary action involves a verbal reprimand or written reprimand.
- 10.4 A Notice of Intent is required and will be given to an employee whenever the disciplinary action involves a suspension without pay, a reduction in pay, a demotion to a classification with a lower pay grade, or dismissal. The notice will be given to the affected employee either by delivery in person or by Certified Mail sent to the employee's last known address. Such personal delivery or mailing shall be presumed to provide actual notice to the affected employee. The Notice of Intent shall indicate the date on which it was personally delivered or deposited in the mail, which shall be the date of issuance.
- 10.5 The Notice of Intent shall contain the following: (1) a description of the disciplinary action intended and the effective date of the action; (2) the reasons for the proposed action; (3) a copy of the charges and materials upon which the action is based; and, (4) a statement of the employee's right to respond, either verbally or in writing to the person initially imposing the discipline or to a District management representative with authority to make an effective recommendation on the proposed action, the person to whom any response must be directed, and the fact that such response must be received within ten (10) business days of the date of issuance of the notice. The Notice shall also advise the employee of his or her right to representation.
- 10.6 Prior to the effective date of the proposed disciplinary action, the employee shall be given an opportunity to respond either verbally or in writing to a management representative with authority to make an effective recommendation on the proposed action. After review of an employee's response, the District shall notify the employee in writing of the action that shall be taken. Such action may not involve discipline more severe than that described in the Notice of Intent, however, the District may reduce discipline without further notice. Further clarification of the disciplinary policies and procedures are covered in the District's Personnel Policies & Procedures Manual.
- 10.7 Dismissal shall be preceded by at least one (1) written reprimand, except in those situations in which the employee knows or reasonably should have known that the performance or conduct was unsatisfactory. Such performance or conduct may involve, but is not limited to, dishonesty, possession, use, sale or being under the influence of drugs or alcohol, theft or misappropriation of District property or funds, fighting on the job, insubordination, acts endangering people or property, or other serious misconduct. The District may substitute documented suspensions without pay for written reprimands.
- 10.8 If a Notice of Intent is upheld and the disciplinary action is imposed, the employee may request a post-disciplinary hearing. The request must be submitted to the Director of Human Resources, or designee, within ten (10) business days following the effective date of the disciplinary action (for suspensions, the effective date shall be the first business day following the final day of the suspension). The Director of Human Resources, or designee, shall schedule a post disciplinary hearing with the General Manager or a hearing officer selected by the General Manager. The hearing officer may not be an employee of the District. The hearing officer will provide a written, advisory decision to the General Manager. The General Manager may uphold the disciplinary action that has been taken or may reduce such discipline without the issuance of a further Notice of Intent. The decision of the General Manager shall be final.
- 10.9 Disciplinary action documentation shall be placed in an employee's personnel file in the Human Resources Department. Documentation regarding verbal and written reprimands may be removed from an employee's personnel file twenty-four (24) months subsequent to the date of issuance, provided that there has been no recurrence of a similar incident during the period. If the Director of Human Resources, or designee, agrees to remove disciplinary action documentation from an employee's personnel file, such documentation shall be retained in a separate file by the Human Resources Department for the purpose of showing that progressive discipline has been followed or in support of the District's proposed discipline.

- 10.10 Verbal reprimands and written reprimands may only be reviewed under this Agreement through the Problem Solving Procedure. Nothing in this article shall be construed as a waiver of any statutory or constitutional rights.
- 10.11 A reduction in pay or demotion to a classification with a lower pay grade that is not a result of performance deficiencies (for example, reclassifications, "bumping" associated with layoffs, reasonable accommodation) shall not be considered discipline.

## ARTICLE 11. - GRIEVANCE PROCEDURE

- 11.1 A grievance is any complaint that management has violated a specific provision of this Agreement, except that, in accordance with Article 10 above, discipline which requires a Notice of Intent may not be reviewed under this Grievance Procedure.
- 11.2 A grievance may be brought to the attention of the District by an individual employee within the Unit or by the OCEA. The District may not bring a grievance through this procedure. Grievances brought by two (2) or more employees, and concerning the same incident, issue, or course of conduct, or multiple grievances brought by the same employee may, upon mutual agreement of the District and the OCEA, be consolidated for the purposes of this procedure.
- 11.3 An employee may be self-represented or be represented by the OCEA at all steps of the Grievance Procedure, unless specifically agreed otherwise by the OCEA and the employee. The District shall provide a copy of all written grievance settlements to the OCEA. Any reference to days in this article implies business days.
- 11.3.1 Step 1. An employee will submit his/her complaint in writing to his/her immediate supervisor or designee within five (5) days of the occurrence of the event giving rise to the complaint, or within five (5) days from the time that the employee became aware of such event. The supervisor, or designee, shall attempt to resolve the issues surrounding the complaint, and respond in writing to the employee within five (5) days.
- 11.3.2 Step 2. If the grievance is not settled at Step 1, it may be submitted in writing to the employee's Division Manager, or designee. This request for formal review must be presented on a form provided by the District within five (5) days of the conclusion of Step 1. A copy of each written communication on a grievance will be filed with the Director of Human Resources, or designee. The written grievance must:
- a) Identify the specific management act to be reviewed;
  - b) Specify how the employee was adversely affected;
  - c) List the specific provisions of the MOU that were allegedly violated and state how they were violated;
  - d) Specify the remedy requested; and
  - e) Provide the date of attempts at informal resolution and the name of the supervisor or individual involved.
- 11.3.2.1 The Division Manager, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.
- 11.3.3 Step 3. If a grievance is not settled under Step 1 or 2, it may be presented to the employee's Department Director, or designee, for review and written response. The request for formal review must be presented on a form provided by the District within five (5) days of the conclusion of Step 1 or 2, and must contain the information specified in Step 2 above. A copy of each written communication on a grievance will be filed with the Director of Human Resources, or designee. The employee's Department Director, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.

- 11.3.4 Step 4. If the grievance cannot be resolved under Step 3, it may be presented to an Assistant General Manager, or designee, within five (5) days from the date the Step 3 finding was issued. The Assistant General Manager, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.
- 11.3.5 Step 5. Appeal to the General Manager, or designee, is the final step in the Grievance Procedure. If the grievance cannot be resolved under Step 4, it may be presented to the General Manager, or designee, within five (5) days from the date the Step 4 finding was issued. The General Manager, or designee, shall respond in writing to the employee within ten (10) days after the date of the grievance is received.
- 11.4 General Provisions: An employee shall be given reasonable time off without loss of pay to present and process a grievance. If an employee is represented by the OCEA, the OCEA may designate one employee to present and process the grievance. The employee representative shall be given reasonable time off without loss of pay to perform this responsibility. Absence from work shall be approved only if it does not cause disruption to District operations. However, if the time requested cannot be provided, an alternate time shall be arranged.
- 11.4.1 Failure of a management representative to respond within the appropriate time limit shall provide a basis for the employee appealing to the next step. If a grievance is not presented or appealed within the time limits, it shall be considered resolved on the basis of the preceding response. The Director of Human Resources, or designee, may be petitioned in writing to waive the step or time requirements provided sufficient cause exists.
- 11.4.2 Resolution may be agreed upon at any stage of the grievance process. However, the OCEA shall be notified prior to the resolution of any formal grievance matter.

## **ARTICLE 12. - PROBLEM SOLVING PROCEDURE**

- 12.1 Employees may bring problems to the attention of District managers through the Problem Solving Procedure. This Procedure was developed to encourage and facilitate the resolution of employee concerns in a responsive and fair manner, and may be used to attempt to resolve issues that may not be subjected to the Grievance Procedure. Any reference to days in this article implies business days.
- 12.2 Employees should discuss concerns regarding issues that are not grievable with their supervisor as soon as possible. The supervisor shall review the situation or decision, and provide a written response within five days from the date they were notified of the problem.
- 12.3 If the problem is not resolved to the employee's satisfaction, the employee may file a written statement concerning the problem with the Director of Human Resources, or designee, within ten (10) days of receipt of the supervisor's decision. Upon request of either party, a meeting shall be held to define issues and establish the remedies sought. The employee shall be provided a written response within ten (10) days after his or her statement is received. Time limits may be extended for cause upon mutual consent of the parties, and the decision of the Director of Human Resources, or designee, is final.

## **ARTICLE 13. - SALARY ADJUSTMENTS AND COMPENSATION**

- 13.1 Each pay grade is divided into five (5) steps, with an approximate 5.0% difference between each step.
- 13.2 Pay increases will only apply to eligible employees in an active payroll status on the effective date of implementation. Eligible employees will not receive retroactivity if active payroll status becomes effective after the date of implementation.
- 13.3 Merit Pay
- 13.3.1 Step Increase Pay – Bargaining unit employees will be eligible for Step Increase Pay based upon receipt of year-end performance appraisal ratings issued by the assigned supervisor. Step Increase Pay will be paid according to the following:



13.3.1.1 Eligible - Employees must have a proficient year-end performance appraisal to receive a one (1) step base-building salary increase until earning placement at step five (5).

13.3.1.2 Ineligible - Employees who are placed on a Performance Improvement Plan (PIP) due to a needs improvement performance review on the year-end appraisal or who are on a PIP at the time of the year-end appraisal period will remain at their current step until the PIP is satisfactorily completed.

13.3.1.3 Performance Management Program: The performance management program includes three (3) rating categories (exceeds, proficient, needs improvement) for performance appraisals.

13.3.2 Development Pay – Employees under this Agreement will be eligible for Development Pay. Development Pay is a non-base building pay type that will be distributed in a lump-sum amount each pay period. Employees must have a proficient year-end performance appraisal to be eligible for the following Development Pay types:

- Education – Eligible employees who obtain or who have obtained a degree of approved subjects at an accredited college or university will receive \$20.76 per pay period for an associate degree and \$41.53 per pay period for an undergraduate degree. The maximum amount of Education pay is fixed at \$41.53 per pay period.
- Certification/License – Eligible employees who obtain or who have obtained a District approved certification or license will receive \$7.62 per pay period per certificate or license with a maximum of three (3) certificates and/or licenses. The maximum amount of certification/license pay for any combination of certificates and/or licenses is fixed at \$22.86 per pay period.

13.3.2.1 The overall maximum Development Pay for education, certification and/or licenses is fixed at \$64.39 per pay period.

13.3.2.2 Employees who are placed on a PIP due to a needs improvement performance review on the year-end performance appraisal are not eligible for Development Pay until the PIP is satisfactorily completed.

13.3.2.3 Employees who are placed on a PIP due to needs improvement performance outside the year-end appraisal will have all Development Pay suspended until the PIP is satisfactorily completed. The return of Development Pay will not be retroactive.

#### 13.4 Salary Range Adjustments

13.4.1 Effective the first pay period in July 2014, employees under this Agreement will receive salary range adjustments at a flat rate of 2.0%.

13.4.2 Effective the first pay period in July 2015, employees under this Agreement will receive salary range adjustments at a flat rate of 2.0%.

### **ARTICLE 14. - SEVERANCE PAY**

14.1 Employees are expected to give a minimum of two (2) weeks written notification when terminating employment with the District. Except for disciplinary cause, when a full-time employee is terminated by action of the District, the employee shall be notified in writing two (2) weeks prior to the effective separation date. In the event the District does not give such notification, the employee shall be entitled to severance pay in accordance with the formula set forth below:

14.1.1 Full-time, regular employees shall be entitled to eight (8) hours pay for each full calendar month of continuous employment not to exceed one hundred sixty (160) hours pay.

14.1.2 Employees in limited term or part-time positions, probationary employees and employees who are separated for cause, are not eligible for severance pay under any circumstances.

**ARTICLE 15. - DEFERRED COMPENSATION**

15.1 Employees may participate in the District's approved deferred compensation plan subject to IRS requirements, and in accordance with all guidelines for voluntary participation established by District management.

**ARTICLE 16. - HOLIDAYS**

16.1 The days listed below are observed by the District as holidays. Employees will receive holiday pay if their entire scheduled work shift immediately preceding and following the holiday are in a paid payroll status, meaning the employee worked those shifts or utilized paid time off in lieu of working those shifts. When an employee's work schedule requires that they work on an observed holiday, the employee will be paid at the employee's regular rate of pay for the holiday, and will also receive overtime pay at the rate of one and one half (1.5) times their regular hourly rate for all hours actually worked. Employees may also elect to receive Holiday Compensatory Time Off on an hour for hour basis rather than receive holiday pay. When a holiday occurs on an employee's regular scheduled day off, the employee will accrue compensatory time off for the amount of hours normally scheduled for that day. Employees with a compensatory time off balance in excess of fifty (50) hours as of the last pay period ending in October will receive a mandatory payout for the hours that exceed fifty (50).

|                        |
|------------------------|
| HOLIDAY                |
| New Year's Day         |
| Lincoln's Birthday     |
| President's Day        |
| Memorial Day           |
| Independence Day       |
| Labor Day              |
| Veteran's Day          |
| Thanksgiving Day       |
| Day after Thanksgiving |
| Day before Christmas   |
| Christmas Day          |
| Floating Holiday**     |

16.2 Employees may elect one (1) day during each year as a "Floating Holiday". New employees shall be granted a "Floating Holiday" on a pro rata basis in the first calendar year of service per the following table:

| Hire Date                                  | Percent |
|--|---------|
| 1 <sup>st</sup> Quarter (January-March)    | 100%    |
| 2 <sup>nd</sup> Quarter (April-June)       | 75%     |
| 3 <sup>rd</sup> Quarter (July-September)   | 50%     |
| 4 <sup>th</sup> Quarter (October-December) | 0%      |

16.3 Employees must use the "Floating Holiday" within the year it is granted. Every effort will be made to approve an employee's request for a "Floating Holiday" off providing sufficient notice is given.

## ARTICLE 17. – HOURS OF WORK

- 17.1 For record keeping and accounting purposes, the "workweek" for full-time employees is 40 hours per 168-hour period, to be paid on a biweekly payroll basis of 80 hours worked. Employee work periods may be scheduled in shifts of four 9-hour days and one 4-hour day each workweek (9/80 schedule), five 8-hour days each workweek (10/80), four 10-hour days each workweek (8/80), or three 12-hour days and one 4-hour day each workweek (7/80). The starting and ending times of individual employees' workweeks may vary.
- 17.2 Employees shall receive ten-minute rest periods twice in a nine-hour shift, and three times for a shift of more than ten hours. Meal and rest periods may not be avoided or accrued for the purpose of obtaining time off or shortening the regular shift. If an employee reports to work as scheduled and was not notified that their hours had been changed, he or she shall receive two hours pay at the overtime rate.
- 17.3 The District may, at its sole discretion, change an employee's work schedule with thirty (30) days written notice to the affected employee.

## ARTICLE 18. - CALL-BACK PAY

- 18.1 When an employee is called back to work by District management without prior notice, and the employee has completed his or her normal work shift and left the work station, or when prior notice is given but the work begins on the same day at least three hours after completion of the regular shift, the employee shall receive a minimum of three hours of call back pay. The three hours minimum, whether or not actually worked, shall be paid at the rate of one and one half times the regular hourly rate. Employees who are called back a second time within a normal shift period are considered to be working for the duration of that shift.

## ARTICLE 19. - STANDBY PAY

- 19.1 Standby is time during which an employee is not required to be at the work location or at the employee's residence but is required to be available for immediate return to work. Standby assignments shall first be made on a voluntary basis. A volunteer standby list shall be established by classification and job location. Standby assignments shall be made from the list of employees who are competent and experienced, in alphabetical order, on a rotating basis. In the event that no one volunteers, the District shall assign standby by job classification and work location from employees who are competent and experienced on a rotational basis. An employee placed on standby shall be compensated at the rate of three hundred forty-five (345) dollars per week, and shall receive Call Back pay when they are actually called to work.

## ARTICLE 20. – INSURANCE

- 20.1 The District will provide healthcare and welfare insurance benefits.
- 20.2 All insurance coverage shall become effective on the first day of the month following date of hire, regardless of hire date. An open enrollment period shall be held annually.
- 20.3 Medical Reopener The District and OCEA agree to reopen this Agreement at the beginning of the month following ratification to discuss the transition from Anthem to Blue Shield through California State Association of Counties – Excess Insurance Authority (CSAC-EIA), or to another carrier directly, and varied plan design changes in order to mitigate excise taxation in 2018. Potential strategies for consideration include, but are not limited to, the following: plan design changes to office and specialist copays, emergency room copays, plan deductibles and contribution rates; and alternative plan offerings such as a high deductible health plan with health savings account funding.
- 20.3.2 The parties agree that any reopener shall be subject to Government Code Section 3505.4 and case law, including PERB, decisions which interpret that provision.
- 20.4 Medical Insurance
- 20.4.1 The District will provide medical health insurance coverage through a Health Maintenance

Organization (HMO) medical insurance plan and a Preferred Provider Organization (PPO) medical insurance plan, until such time that the parties agree to changes through the medical reopener in Section 20.3.

20.4.2 Regular, full-time employees:

20.4.2.1 The District shall contribute 90% of employee only premiums for the HMO medical health plan and 80% of employee only premiums for the PPO medical health plan. The District will contribute 80% of the employee +1 dependent and full family premiums for the HMO and PPO medical plans. Any change in insurance rates shall be shared equally in same ratio as the District and employees currently pay premiums. Before the renewal of any District's sponsored health insurance plan, the parties agree to meet and confer as to changes in the plan.

20.5 Life Insurance

The District shall pay the full premium for \$50,000 term life insurance on each employee.

20.6 Short Term Disability

The District shall provide a non-work related, short-term disability indemnity plan that provides benefits for employees equal to California's State Disability Insurance (SDI) program for up to twenty-six (26) weeks following a fourteen (14) calendar day waiting period.

20.7 Long Term Disability

20.7.1 The District shall provide a non-work related, long-term disability indemnity plan that pays two-thirds of the employee's rate of pay in effect at the time of such disability, not to exceed \$5,000 per month, up to age 65, following a 90-day waiting period of continuous disability, at such time that an employee completes five (5) years of service.

20.7.2 For participants age 64 and younger, the maximum period of payment is based on the Social Security Act retirement age of 65. For participants age 65 and older, the maximum period of payment is specified. The specified periods and additional information about coverage is included in the District's long-term disability plan contract accession on the intranet.

20.7.3 No combination of disability or sick leave pay shall result in more than an employee's regular rate of pay. Employees may not receive short-term and long-term disability benefits at the same time. An employee who is otherwise not eligible for District paid Long Term Disability may purchase such coverage at his or her own expense.

20.8 Dental Insurance

The District will contribute 80% of employee only and 80% of full family premiums for dental insurance.

20.9 Vision Insurance

The District shall provide a vision insurance plan for regular, full-time employees and eligible dependents.

20.10 Retiring Employees

20.10.1 The District shall pay, for employees hired prior to July 1, 1988, two and one-half (2.5) months' premium for each year of continuous service of a retiring employee towards the premium costs of coverage for the employee and eligible dependents under the District's medical plan.

20.10.2 In the event the District adds additional optional insurance plans, the District's share of the premium shall be the same as for existing plans as set forth above. In the event the District changes underwriters for existing insurance plans, the District's share of the premium shall be the same as for existing insurance plans as set forth above.

- 20.10.3 The District will continue to implement the retiree medical health premium offset program wherein the cost of health premiums are offset by \$10 per month for every year of continuous service up to a maximum of 25 years or \$250 per month. Employees hired on or after August 1, 2011 shall not be eligible for the retiree medical health premium offset.

## **ARTICLE 21. - REIMBURSEMENT ACCOUNT**

- 21.1 Section 125 of the Internal Revenue Code permits employees to use pre-tax dollars to pay for their portion of the cost of benefits under the Plan through salary redirection arrangements. The options available under the flexible benefits program are listed below. This is a brief overview of the different options. For complete information regarding Flexible Spending Accounts, employees must refer to the plan booklet available in the Human Resources Department.

21.2 Group Insurance Premiums

Group insurance premiums that are paid by salary redirection can be made on a pre-tax basis.

21.3 Medical Care Reimbursement Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a Medical Care Reimbursement Account for purposes of reimbursing himself or herself for payment of health care costs not otherwise covered by his or her medical insurance.

21.4 Dependent Care Assistance Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a Dependent Care Assistance Account for purposes of reimbursing himself or herself for childcare expenses or day care for a disabled dependent.

## **ARTICLE 22. - OVERTIME**

- 22.1 Employees shall be notified as soon as practicable after the District decides upon the need for overtime or additional work. The District may require the performance of overtime. In the event no qualified employee wishes to work overtime, District's management may select employees with the ability to perform the work by inverse seniority. District managers shall attempt to evenly distribute overtime among employees based upon an employee's ability to perform the overtime work.
- 22.2 For the purposes of overtime calculation, all time charged to unscheduled sick leave shall not be counted as time worked. Pay for overtime time shall not occur until after actual work time of forty (40) hours in a seven (7) day workweek is reached.

## **ARTICLE 23. - PROBATIONARY PERIOD**

- 23.1 All new employees serve an initial probationary period beginning with the date of hire and extending to at least the first day of the pay period following twenty-six (26) weeks of employment without a break in service. Extended absence without pay, short-term and long-term disability and Workers' Compensation leave does not provide an opportunity to judge an employees' capability to meet performance expectations for a position, and thus the time spent on such leaves shall not be included towards completion of the probationary period and may result in an extension.
- 23.2 Employees who are rehired following a break in service must complete a new probationary period whether or not one was previously completed. An employee may be released during his or her Probationary Period at the discretion of the District without recourse to the Grievance Procedure.
- 23.3 Employees who are reassigned or laterally transferred will serve a probationary period of twenty-six (26) weeks. The "probationary period" shall not divest an employee of his/her property rights in his/her former position. Rejection of probation during this period shall result in the employee reverting to his/her former assignment and/or position.

## ARTICLE 24. - PROMOTIONS

- 24.1 A promotion is the appointment of an employee to another classification with a higher maximum rate of pay. The District will determine whether a vacant position shall be filled as an open or promotional opportunity or recruitment. Whenever the District intends to fill a position by promotion, the District shall post the opportunity for a minimum of ten (10) business days. Employees must apply during the period of posting. Notices shall be posted on the District's intranet.
- 24.2 A promoted employee shall serve a promotional probationary period lasting at least until the first day of the pay period twenty-six (26) weeks after the effective date of the promotion. At any time during the promotional probationary period, an employee may be returned to his or her previous position. The promotional probation period may be extended by mutual agreement between the employee and District's management for up to ninety (90) days. If an employee is promoted during his or her initial probationary period, the period shall be extended until at least the first day of the pay period twenty-six (26) weeks after the effective date of the promotion.
- 24.3 Promoted employees will receive the equivalent of a step increase in pay, not to exceed the top of the range for the new classification or the minimum rate of the new classification whichever is greater.

## ARTICLE 25. - RETIREMENT

- 25.1 The District shall continue participation in the Orange County Employees Retirement System (OCERS), wherein all full-time employees are considered members. The following retirement program is in effect pursuant to the contract between OCERS and the District.
- 25.1.1 Employees hired before September 21, 1979: The District will continue to contract with OCERS to provide the 2.5% @ 55 benefit formula (Plan G) based on the highest consecutive twelve (12) months average earnings, past and future service.
- 25.1.1.1 The District will continue to pay 4.5% toward the employee's contribution to OCERS for those employees who elected to make a one-time decision to remain in the Plan G program.
- 25.1.2 Employees hired on or after September 21, 1979 and before August 1, 2011: The District will continue to contract with OCERS to provide the 2.5% @ 55 benefit formula (Plan H) based on the highest consecutive thirty-six (36) months average earnings, past and future service.
- 25.1.2.1 The District will continue to pay 3.5% of an eligible employee's base salary toward the employee's contributions to OCERS.
- 25.1.3 Employees hired on or after August 1, 2011 and before January 1, 2013: The District will contract with OCERS to provide the 1.667% @ 57.5 benefit formula (Plan B) based on the highest consecutive thirty-six (36) months average earnings, past and future service.
- 25.1.3.1 The District will pay 0% of an eligible employee's base salary towards the employee's contribution to OCERS.
- 25.1.4 Employees hired on or after January 1, 2013: The District will contract with OCERS to provide the 2.5% @ 67 benefit formula (Plan U - PEPPA) based on the highest consecutive thirty-six (36) months average earnings, past and future service.
- 25.1.4.1 The District will pay 0% of an eligible employee's base salary towards the employee's contribution to OCERS.
- 25.2 All monies actually contributed into the retirement system by an employee shall be deducted from gross salary for taxation purposes in accordance with Internal Revenue Code provisions.

## ARTICLE 26. - SHIFT DIFFERENTIAL

- 26.1 Employees who are regularly assigned to work a night shift that consists of 50% or more of their hours between 6:00 p.m. and 6:00 a.m. and who actually work that shift shall receive a shift differential of \$2.50 per hour.

## ARTICLE 27. - LEAVE-OF-ABSENCE WITH PAY

### 27.1 Vacation Leave

- 27.1.1 Except as otherwise provided, regular full-time employees accrue vacation leave, beginning with the first day of employment, in accordance with the following schedule:

| Years of Service      | Hours-Biweekly | Hours-Annual |
|-----------------------|----------------|--------------|
| In years 0 through 1  | 3.08           | 80           |
| In years 2 through 4  | 3.08           | 80           |
| In years 5 through 10 | 4.62           | 120          |
| In year 11            | 4.93           | 128          |
| In year 12            | 5.24           | 136          |
| In year 13            | 5.54           | 144          |
| In year 14            | 5.85           | 152          |
| In year 15            | 6.16           | 160          |
| In year 16            | 6.46           | 168          |
| In year 17            | 6.77           | 176          |
| In year 18            | 7.08           | 184          |
| In year 19            | 7.39           | 192          |
| In year 20 and over   | 7.69           | 200          |

- 27.1.2 Part-time employees accrue vacation leave on a pro-rata basis as set forth in District Policy.
- 27.1.3 Vacation leave begins after an employee has completed twenty-six (26) weeks of continuous service. After the individual's first twenty-six (26) weeks of service, his or her account will be credited with 40 hours. After that time, he or she will accrue vacation hours consistent with the above chart. Vacation leave may only be utilized in increments of one-half hour or more. Vacation leave is accrued for all paid hours, including hours actually worked and hours in a paid-leave payroll status.
- 27.1.4 When unpaid absences occur, vacation leave accruals will be applied by straight proration of leave accruals based on the number of hours actually worked, and is applicable to all types of leave, whether legally protected or not.
- 27.1.5 Employees may have a maximum accumulation of 200 hours as of the last day of the final pay period in December of each year. In the event an employee accrues vacation leave in excess of 200 hours, it must be used prior to said December date, all other remaining hours in excess of 200 will be paid to the employee in the first pay period in January at the employee's then current hourly rate of compensation.

### 27.2 Sick Leave

- 27.2.1 Definition. - Sick leave is an insurance or protection provided by the District to be granted to employees in circumstances of adversity to promote the health and welfare of the individual employee. It is not an earned right to take time off from work. Sick leave is defined as the absence from duty of an employee because of a bona fide illness, injury, or pregnancy, or to

attend to the illness or injury of a family member as hereinafter defined. Temporary employees are not entitled to sick leave benefits.

27.2.2 **Method - Sick Leave Accrual.** Full-time employees hired prior to November 27, 1981, accrue paid sick leave at the rate of three point five (3.5) hours for each biweekly pay period of continuous service (ninety-one (91) hours per year). Full-time employees hired on or after November 27, 1981, accrue paid sick leave at the rate of three (3.0) hours for each biweekly pay period of continuous service (seventy-eight (78) hours per year), beginning with the first day of employment. 27.2.3 Part-time employees accrue sick leave on a pro-rata basis as set forth in applicable District Policy.

27.2.4 When unpaid absences occur, sick leave accruals will be applied by straight proration for leave accruals based on the number of hours actually worked, and is applicable to all types of leave, whether legally protected or not.

27.2.5 **Annual Payoff** - Employees may elect annually to be paid for any unused sick leave hours accrued through the end of October at their current hourly rate according to the following payoff schedule or as specified in a Memoranda of Understanding.

| Accrued Sick Leave Hours | Rate of Payoff |
|--------------------------|----------------|
| 0-100                    | 0%             |
| 101-240                  | 25%            |
| 241-560                  | 35%            |
| Over 560 (mandatory)     | 50%            |

27.2.6 Employees who terminate for any reason other than retirement or death shall be compensated for any accrued and unused sick leave according to the above schedule. Employees who retire or die with twenty (20) years or more of service shall be paid at the one hundred percent (100%) rate for all accrued and unused sick leave. Employees who retire or die with less than twenty (20) years of service will be paid at the seventy-five percent (75%) rate for all accrued and unused sick leave.

27.2.7 **Permissible Uses** - Sick leave may be applied only to:

- A. Absence due to illness, injury or pregnancy of an employee.
- B. Absence due to medical and dental office appointments of an employee when approved by the employee's supervisor.
- C. Absence for the care of the employee's father, father-in-law, mother, mother-in-law, brother, sister, husband, wife, child, grandparent, legal guardian, or any family member with whom the employee resides.
- D. Absence due to a job-related injury.

27.2.8 **General Provisions** - To qualify for sick leave pay, the employee must notify the District at or in advance of the time the employee is scheduled to report for duty. Minimum charge to the employee's sick leave account shall be one-half hour and thereafter in one-half hour increments.

Human Resources and department management shall be responsible for control of abuse of the sick leave privilege. If notified in advance, the employee may be required, at any time, to furnish a certificate issued by a licensed physician or nurse, or other satisfactory evidence of illness; however, for absences of ten consecutive working days or more, a request for leave and a medical statement, on prescribed forms, stating expected date of return must be submitted to Human Resources. Upon return to work, a written doctor's release must be submitted to Human Resources. For absences of one or more working days in an unpaid status, a request for leave



and a medical statement, on prescribed forms, stating expected date of return must be submitted to Human Resources.

If the need for leave is due to the employee's serious health condition, as defined in the Family and Medical Leave Act ("FMLA") or the California Family Rights Act ("CFRA"), the certification requirement shall comply with the provisions of these Acts.

### 27.3 Jury Duty Leave

- 27.3.1 Any full-time, including probationary, employee who is called for jury duty shall, upon request on prescribed forms, be entitled to his or her regular pay for those hours of absence due to performance of the jury duty for a period up to twenty-two (22) working days.
- 27.3.2 Prior to jury duty service, each employee must complete a time off request through the District's timesheet system and provide a copy of the summons to his or her supervisor. To be entitled to receive regular pay for such jury leave, the employee must report for work at the District for time not actually retained on jury unless there is less than ½ of their regular shift remaining. Employees are not compensated for jury duty occurring on scheduled days off.

### 27.4 Witness Leave

- 27.4.1 Any full-time, including probationary, employee, who is required to be absent from work by a subpoena properly issued by a court, agency or commission legally empowered to subpoena witnesses, which subpoena compels his or her presence as a witness, except in a matter wherein he or she is named as a defendant or plaintiff or as an expert witness, shall, upon approval of an online time off request, be entitled the time necessary to comply with such subpoena, provided any fees received for such service, exclusive of mileage, are submitted to the District for deposit in the General Fund of the District.
- 27.4.2 An employee so subpoenaed must submit a copy of the subpoena to his or her supervisor and complete an online time off request form in order to be eligible for pay for such absence. To be entitled to receive regular pay for such witness leave, the employee must report for work at the District for time not actually retained on witness service of one hour or more prior to and/or upon completion of each day's service, exclusive of travel time.

### 27.5 Military Leave

- 27.5.1 A request for military leave shall be made upon leave-of-absence forms approved by the Human Resources Department and shall state the date when it is desired to begin the leave-of-absence and the date of anticipated return. A copy of the orders requiring such military service shall be submitted with the request.
- 27.5.2 Provisions of the Military and Veterans Code of the State of California, Sections 395-395.5 shall govern military leave. In general, current law provides that an employee having one (1) year or more service with a public entity is entitled to military leave with pay not exceeding thirty (30) days per year if the employee is engaged in military duty ordered for purposes of active military training or encampment. An employee who is required to attend scheduled service drill periods or perform other inactive duty reserve obligations is entitled to military leave without pay, not exceeding seventeen (17) calendar days per year, although the employee may, at his or her option, elect to use accrued leave time to attend the scheduled reserve drill periods or to perform other inactive drill period obligations. Employees who participate in weekend military drill duty are not eligible for leave with pay for such activity, but may have their regular work schedule changed to accommodate the required time off.

### 27.6 Bereavement Leave

- 27.6.1 Using the online time off request system, any full-time employee, whether probationary or regular, shall receive a maximum of thirty-six (36) hours of paid time for the death or funeral of an immediate family member. Immediate family member is defined as the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister,

husband, wife, domestic partner, biological child, adopted child, step-child, child of a domestic partner, grandchild, grandparent, foster parent, foster child, legal guardian, or any family member with whom the employee resides.

**27.7 Supplemental Leave**

27.7.1 Regular full-time employees in the bargaining unit shall be granted Supplemental Leave in accordance with the following schedule in the first pay period in July:

|                                 |       |         |         |         |     |
|---------------------------------|-------|---------|---------|---------|-----|
| <b>Years of Service</b>         | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25+ |
| <b>Supplemental Leave Hours</b> | 5     | 10      | 15      | 20      | 25  |

27.7.2 Supplemental Leave will be administered in accordance with the following guidelines:

- 27.7.2.1 Supplemental Leave may be used in one-quarter (0.25) hour increments.
- 27.7.2.2 Any unused Supplemental Leave, within the fiscal year granted, will not be carried over to the next fiscal year.
- 27.7.2.3 Any unused Supplemental Leave, within the fiscal year granted, is not subject to cash out or eligible for any mandatory payout.
- 27.7.2.4 Employees who cease to be part of the bargaining unit for any reason will forfeit any unused Supplemental Leave.
- 27.7.2.5 Employees who are hired or transferred into the bargaining unit shall be granted Supplemental Leave on a pro-rata basis per the following schedule:

| <b>Hire/Transfer Date</b> | <b>Percent</b> |
|---------------------------|----------------|
| July - September          | 100%           |
| October - December        | 75%            |
| January - March           | 50%            |
| April - June              | 25%            |

**ARTICLE 28. - LEAVE-OF-ABSENCE WITHOUT PAY**

28.1 It is the policy of the District to grant employees leave-of-absences without pay under certain circumstances and in accordance with state and federal benefit entitlement laws. Except as stated below, employees shall not receive compensation during an unpaid leave-of-absence. Employees will not be granted an unpaid leave of absence prior to exhausting all paid leave accrual balances, excluding employees protected by PDL (Pregnancy Disability Leave)/FMLA (Family and Medical Leave Act)/CFRA (California Family Rights Act) for their own serious health condition.

28.2 Using the prescribed forms, approved by District management, any full-time, including probationary, or part-time employees with at least fifty-two (52) weeks of service and at least twelve hundred fifty (1,250) hours of service, may be granted an FMLA or CFRA leave-of-absence without pay, not to exceed twelve (12) weeks in a rolling twelve (12) month calendar period. A "rolling" twelve (12) month period is measured backward from the date the employee uses the leave. A request for leave of absence without pay must be made upon prescribed forms in all instances where an employee is absent without pay for more than five (5) consecutive working days, or for absences of ten (10) working days or more when using paid sick leave accruals.

### 28.3 Substitution of Paid Leave

- 28.3.1 Employees who request FMLA or CFRA Leave for qualifying purposes other than the employee's own serious health condition shall be required to use all accruals, before unpaid leave is granted. Paid time off will not accrue during any pay period that an employee is absent without pay for more than one (1) day.
- 28.3.2 Paid time off accruals may be used for the care of the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, domestic partner, biological child, adopted child, step-child, foster child, legal ward, child of a domestic partner, grandchild, grandparent, foster parent, legal guardian, or any family member with whom the employee resides.

### 28.4 Permissible Uses

#### 28.4.1 FMLA Leave. FMLA leave may be used for:

- 28.4.1.1 The birth of a child or to care for a newborn of an employee;
- 28.4.1.2 The placement of a child with an employee in connection with the adoption or foster care of a child;
- 28.4.1.3 The care for the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, biological child, adopted child, step-child, foster child, legal ward, child of a domestic partner, grandchild, grandparent, legal guardian, or any family member with whom the employee resides who has a serious health condition, as defined in the Act;
- 28.4.1.4 The employee's own serious health condition that renders the employee unable to perform the essential functions of his or her position, including incapacity due to pregnancy;
- 28.4.1.5 A qualifying exigency arising out of the fact that an employee's family member is on covered active duty or called to covered active duty status in the Armed Forces. A qualifying exigency may include activities such as making arrangements for childcare, attending counseling relating to the active duty of the service member, or attending to farewell or arrival arrangements for the service member.
- 28.4.1.6 The care for the employee's family member or "next of kin" service member of the United States Armed Forces who has a serious injury or illness incurred in the line of duty while on active military duty. This leave may consist of up to twenty-six (26) weeks of unpaid leave during a single twelve (12) month period.

#### 28.4.2 CFRA Leave. CFRA Leave may be used for:

- 28.4.2.1 The same purposes as FMLA Leave, including the care of a domestic partner or child of a domestic partner, and shall run concurrently with FMLA leave.
- 28.4.2.2 CFRA may not be used for 1) an employee's incapacity due to pregnancy, 2) leave due to a qualifying exigency, or 3) to care for a family member or next of kin with a serious injury or illness incurred in the line of duty. However, incapacity due to pregnancy may entitle an employee to up to four (4) months of pregnancy disability leave under California's Pregnancy Disability Leave (PDL) law.

#### 28.4.3 General Provisions: Requests for FMLA and CFRA Leave

Where the need for Leave is foreseeable, the District requests thirty (30) days advance notice.

#### 28.4.4 Medical Certification

As a condition of FMLA or CFRA Leave because of a serious health condition, the District may require certification by the employee's attending physician in accordance with Department of

Labor (DOL) regulations.

28.4.5 Medical and Dental Premiums

During FMLA and CFRA Leave, the District shall pay for medical and dental benefits at the same level as coverage would have been provided if the employee was not on leave. The employee shall be required to pay his or her share of medical and dental premiums. Failure to submit a monthly co-payment, in full, within sixty (60) days of the invoice date will result in loss of group coverage. Coverage will be reinstated upon return to active employment.

28.4.6 Reinstatement

Upon expiration of FMLA or CFRA Leave, the employee shall be reinstated to the same or a comparable position, unless the employee would not otherwise have been entitled to that position for reasons unrelated to such leave (e.g., layoff), in which case the District's obligation to continue health and dental or other benefits shall cease.

28.4.7 District Employment of Spouses/Domestic Partners

28.4.7.1 FMLA Leave. Married employees shall be limited to a combined total of twelve (12) weeks FMLA or CFRA Leave in a rolling twelve (12) month calendar period for the care of a parent or newly born or placed child.

28.4.7.2 CFRA Leave. Married employees and employees in domestic partnerships will be limited to a combined total of twelve (12) weeks CFRA leave in a rolling twelve (12) month calendar period for the care of a parent or newly born or placed child.

28.5 General Leave

28.5.1 Employees who have exhausted all paid time off accruals may request to be granted a general leave-of-absence by District management to attend to personal matters or for FMLA or CFRA qualifying events after the expirations of previously authorized leave.

28.5.2 During a general leave-of-absence, the employee will be required to pay both the District's and the employee's share of medical and dental premiums.

28.5.3 Failure to submit a monthly co-payment, in full, within sixty (60) days of the invoice date will result in loss of group coverage. Coverage will be reinstated upon return to active employment.

28.6 Return to Work Policy

28.6.1 An employee who has been absent from work due to a medical reason may be subject to a Return-to-Work medical evaluation.

28.6.2 If it is determined that the job demands of the position last held by the employee are not compatible with the employee's restrictions (with reasonable accommodation if the employee is disabled within the meaning of the ADA/FEHA) and the employee is willing to return to work, placement in an alternative position, if available, shall be considered. The employee shall be re-classified as medically disqualified while alternative positions are being considered. Such time off shall be without pay; however, the employee may elect to use accrued leave hours, such as vacation, sick or personal, to receive compensation. Placement of an employee in an alternative position requires a pre-placement medical evaluation for the alternative job.

28.6.3 If it is determined that the job demands of the position last held by the employee are not compatible with the employee's restrictions (and cannot be reasonably accommodated if the employee is disabled within the meaning of ADA/FEHA) and there is not an alternative position, or the employee's restrictions are not compatible with an alternative position, or the employee is not willing to return to work, the employee shall be re-classified as medically disqualified and not permitted to work. Thereafter, the employee shall be retired for disability, if eligible, or dismissed. Such dismissal will not imply disciplinary action for cause. If requested, the employee's file will indicate the employee left for personal reasons.

28.6.4 Bridge of Service

If an employee is dismissed per Section 28.6.3, and then is rehired to a position within the District within one (1) year, the District shall bridge the employee's service date. Bridging of service procedures involve adding the total number of days away from work to the employee's original date of hire.

**28.6.5 Failure to Return to Work**

If, upon the expiration of FMLA or CFRA Leave, or any District approved extension thereof including General Leave, an employee fails to return to work and no additional leave has been authorized, the employee shall be considered to have automatically resigned from his or her position. In such cases, the employee will receive advance notification of the District's intent to implement an automatic resignation.

**28.7 Compliance with Law**

These Leave-of-Absence provisions shall be interpreted and applied in a manner that is consistent with the provisions of FMLA, CFRA, ADA and all other laws. In the event there is a direct conflict between these provisions, as written or applied, the provisions of law shall govern.

**ARTICLE 29. - CLASSIFICATION STUDIES**

29.1 OCSD will include a representative from OCEA to participate as a partner in the agency-wide classification and compensation study.

29.2 An employee who believes his/her position is not properly classified may submit a written request to the Department Director asking that a classification study be conducted. The Department Director will acknowledge the request in writing and review the request for accuracy, and forward it to the Director of Human Resources, or designee, for consideration and response. Classification studies will only be conducted twice a year in November and during the budget process; therefore, classification study requests shall be submitted October 1<sup>st</sup> for the November review and according to the Finance budget schedule. District's management may also conduct classification studies at their discretion to ensure that the duties and responsibilities of all employees are appropriately allocated within the classification structure.

**29.3 Y-Rating**

29.3.1 All classification study findings regarding existing classifications are subject to approval by the General Manager; findings recommending a new job classification range are subject to approval by the District's Board of Directors. The recommendations of the classification study shall be implemented in the first pay period immediately following the completion of the study, unless the recommendations require action be taken by the Board of Directors prior to implementation. In such event, the recommendations shall be implemented in the first pay period immediately following authorization by the Board.

29.3.2 In the event the duties and responsibilities of a position are allocated to a lower paid classification, the salary of the incumbent of that position shall remain unchanged (Y-rated) in accordance with the following table:

| Years of Service | Term of Y-Rate |
|------------------|----------------|
| 0-3              | 1 year         |
| 4-5              | 2 years        |
| 6-10             | 3 years        |
| 11-20            | 4 years        |
| 20 or more       | 5 years        |

- 29.3.3 Y-rating based on the above schedule shall be granted for all reclassifications where employees are working in a job classification with a lower maximum rate of resulting from changes to the District's staffing requirements, organizational structure or "bumping" associated with layoffs. Y-rating shall not apply in cases involving disciplinary actions or voluntary changes to a job classification with a lower maximum rate of pay.
- 29.3.4 The Y-rate shall remain in effect until the salary range for the new classification equals or exceeds the employee's Y-rated salary, or until the term of the Y-rate expires in accordance with the table above. If the Y-rate expires before the employee's salary falls within the range of the new classification, the employee shall be placed at the top of the range. Employees become eligible for merit increases and range adjustments when the Y-rate is no longer in effect.

29.4 Z-Rating

- 29.4.1 Employees allocated to classifications with a lower range maximum than their current salary as a result of the District's comprehensive Classification Study results implemented effective July 12, 2002 will have their salary remain unchanged (z-rated) until such time that the range maximum of their salary range exceeds or equals their current salary.
- 29.4.2 If a position is allocated to a higher paid classification, and the incumbent is promoted to that level, his or her salary will be placed at the step of the new range that is nearest a one-step increase, not to exceed the maximum rate of pay.

**ARTICLE 30. - DRIVER'S LICENSE**

- 30.1 Employees who are required by the District to drive must notify their supervisor and the Human Resources Risk Management Division immediately upon receipt of any suspension or revocation of their California Driver's License privileges. Failure to do so could result in disciplinary action up to and including separation.
- 30.2 If an employee whose license is suspended or revoked and is unable to perform his or her regular duties and responsibilities notifies the District in a timely fashion, an attempt shall be made to place the employee in an equal or lower level position for which he or she is qualified. Placement in the range of the new classification is subject to District management's discretion.
- 30.3 The District will continue to pay the license renewals and physical examination costs of Class A & B licenses that are specifically required by the District.

**ARTICLE 31. - LAYOFF PROCEDURE**

- 31.1 Nothing herein shall be construed to require the District to fill vacant, budgeted positions nor to prohibit the District from eliminating vacant positions from the budget. The District reserves the right to reassign staff to other positions in instances involving job restructuring, reorganization or due to lack of work.
- 31.2 The layoff procedure outlined below shall be followed if the District finds it necessary to layoff personnel who were hired after January 1, 2000 and for any layoffs which occur after November 1, 2002.
- 31.3 If, in the sole discretion of District management, personnel reductions are necessary, layoff order and recall lists shall be developed based upon job classification, priority of function, job performance, individual qualifications and seniority. The OCEA and employees subject to layoff shall be provided with at least two weeks notification in writing, whenever possible.
- 31.4 Employees in classifications subject to layoff may request a voluntary demotion to any previously held position for which they remain qualified. Such requests must be made in writing to the Human Resources Department within five (5) days of receipt of the Layoff Notice. The salary of an employee who voluntarily demotes shall be unchanged, except that it may not exceed the maximum rate of the range for the lower level classification.
- 31.5 Recall lists shall be developed for all classifications experiencing personnel reductions, and shall be maintained for a period of two years from the date of layoff. Individuals shall be placed on the list in the

inverse order of layoff, so that the last person laid off is the first recalled. When a vacancy occurs in a classification for which a Recall list exists, an offer of reemployment shall be made to the individual on the top of the list. That individual must respond to the offer within five days, or the offer shall be made to the next person on the list. An individual who either does not respond or refuses three consecutive offers shall have their name removed from the list.

- 31.6 All notification and responses must be in writing and delivered either in person or by Certified Mail. It is the responsibility of all employees to keep the Human Resources Department informed of their current address, or where they may be contacted.

## **ARTICLE 32. - LIGHT DUTY**

- 32.1 An employee who is released by a physician to perform limited duties because of a temporary disability may be assigned to light duty at the discretion of the District. Light duty may consist of duties other than those normally performed by the employee and that are within the employee's medical restrictions. An employee assigned to light duty will be paid the regular wage rate for the job classification to which he or she was assigned prior to being temporarily disabled.

## **ARTICLE 33. - MEDICAL EXAMINATION**

- 33.1 When there is reasonable evidence to suggest that an employee is impaired in a manner that endangers their own health or safety, or that of others, the District may require that employee to be examined or evaluated by a health care provider. The purpose of such examination must be job related. Any examination under this provision shall be conducted on District time and at District expense. An employee may submit an independent medical opinion regarding the individual's condition and addressing his or her ability to competently perform the duties of the position. This information shall be reviewed and considered by a competent medical authority in arriving at a decision regarding the individual's continued employment in the position.

## **ARTICLE 34. - MILEAGE ALLOWANCE**

- 34.1 Approved use of a personal vehicle for District business shall be reimbursed at the current IRS rate.

## **ARTICLE 35. - ACTING PAY**

- 35.1 Employees who are assigned by District management to perform the duties of a position at a higher level for a period of at least eighty (80) consecutive hours shall be eligible for a one step salary increase, or the first step of the range for the higher level classification, whichever is greater. The higher rate of pay begins with the hour eighty-one (81), and continues until the assignment ends or the six (6) month limitation has been reached at which time a determination will be made as to whether the position should or should not be posted. Requests for acting pay require the approval of the Department Director and the Director of Human Resources, or designee. The eighty (80) hour eligibility period may be waived at the discretion of the General Manager.

## **ARTICLE 36.**

(This Article intentionally left blank.)

## **ARTICLE 37. - PERSONNEL FILES**

- 37.1 Employees have the right to inspect their personnel file in the Human Resources Department during the normal office hours of the Human Resources Department, by appointment. Employees who wish to correct allegedly erroneous information in their file, or request that items related to disciplinary matters be removed after the indicated time period has elapsed, should submit a request in writing to the Director of Human Resources, or designee. It is the responsibility of each employee to keep the personal information in his or her file current, including home address, telephone number and person to contact in an emergency.

## ARTICLE 38. – BULLETIN BOARDS

- 38.1 The OCEA may use the bulletin boards located at Plant 1 and Plant 2, which are designated for use by employee groups to post notices to District employees, provided that: (a) no controversial matter which is critical of or derogatory to the District, its employees, officers or Directors may be posted; (b) nothing posted by the District may be removed; (c) the OCEA shall remove its notices after a reasonable length of time; and (d) only a reasonable number of notices shall be posted.

## ARTICLE 39. - RELEASE TIME FOR MEET AND CONFER SESSIONS

- 39.1 A maximum of three (3) employees covered by this Agreement and appointed by the OCEA shall be granted reasonable release time for attending meet and confer sessions at the bargaining table. Release time shall not be compensated for any hours that exceed the employee's regularly scheduled hours of work.
- 39.2 The OCEA shall provide the Director of Human Resources, or designee, with the names of employees requiring meet and confer release time in advance of the meet and confer session. The release time shall be granted provided that the needs of the District permits the time away from assigned work.

## ARTICLE 40. - USE OF DISTRICT FACILITIES

- 40.1 District facilities may be used by the OCEA with prior notice to the Director of Human Resources, or designee, for the purpose of holding meetings, to the extent that such use does not interfere with normal District operations. The OCEA agrees to pay for the cost of any additional custodial or security services.

## ARTICLE 41. - SCOPE OF BARGAINING

- 41.1 The District and the OCEA acknowledge that during the negotiations, which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to all proper subjects within the scope of representation. Therefore, the District and the OCEA, for the term of this Agreement, except as otherwise provided herein, each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter contained in this Agreement.

## ARTICLE 42. - IMPASSE PROCEDURES

- 42.1 If either the District or OCEA declares that an impasse exists in the meet and confer process, the party so declaring may initiate the impasse procedure by providing the other party with a written request for an impasse meeting, together with a statement of its position on all issues. An impasse meeting shall be scheduled and held between the parties within fourteen (14) calendar days or as soon as practicable to:
- 42.2 Review the position of the parties in a final effort to reach agreement on a memorandum of understanding, and if the impasse is not resolved, to discuss the immediate utilization of impasse procedures outlined herein.
- 43.3 Impasse procedures are:
- 43.3.1 Mediation: If the parties mutually agree to submit the dispute to the State Mediator and Conciliation Service, all mediation proceedings shall be private and occur as soon as practicable. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues.
- 43.3.2 Fact-Finding: If the parties fail to resolve the dispute through mediation, the parties may agree to submit the impasse to fact finding as soon as practicable. The cost of a fact finder and other mutually incurred costs shall be mutually shared by the District and OCEA.
- 43.3.3 Board Actions: If the parties fail to resolve the impasse, the dispute shall be sent to the District's Board of Directors for resolution. Each party shall submit its written proposal on all issues to the



Board. The Board may take such action to resolve the impasse as it deems appropriate to the public interest. Any action taken by the Board to resolve the impasse shall be final and binding.

#### **ARTICLE 43. - SEVERABILITY**

- 43.1 Notwithstanding any other provisions in this Agreement, in the event that any article, section or subsection of this Agreement shall be declared invalid by any court or by any state or federal law or regulation, or should a decision by any court or any state or federal law or regulation diminish the benefits provided by this Agreement, or impose additional obligations on the District, the District and OCEA shall meet and confer on the affected article, section or subsection. In such event, all other articles, sections or subsections of this Agreement not affected shall continue in full force and effect.

#### **ARTICLE 44. - UNIFORMS**

- 44.1 The District shall provide and maintain ten (10) uniform pants and shirts, which may include the name of the employee and District's seal, at no cost to employees whose duties require that they wear uniforms. The District will also provide lab coats as required by the lab manager.
- 44.2 All employees who are issued uniforms must wear them during the performance of their regular duties. Other clothing appropriate to the occasion, as determined by District management, may be worn when attending business meetings. Failure to wear required clothing, shoes and safety equipment may be cause for disciplinary action.

#### **ARTICLE 45. - SUBSTANCE ABUSE POLICY**

- 45.1 The District's Substance Abuse Policy will apply to all unit members. The District may adopt or implement rules, regulations and policies to be in compliance with federal and state laws. In such cases, notification will be provided to the bargaining unit prior to implementation.
- 45.2 Department of Transportation (DOT) Regulations
- 45.2.1 Every driver who operates a commercial motor vehicle in interstate or intrastate commerce, and is subject to the commercial driver's license requirements of the Department of Transportation, Federal Highway Administration CFR Part 382 is subject to the District's Anti-Drug and Alcohol Program. The District will ensure that all alcohol or controlled substances testing conducted under the Substance Abuse and Alcohol Misuse Plan complies with the procedures set forth in CFR Part 40.
- 45.3 District's Substance Abuse Policy
- 45.3.1 Any employee may be subject to discipline, up to and including termination, for any alcohol screen test that indicates an alcohol concentration level of 0.02% or greater.

#### **ARTICLE 46. - DUES DEDUCTIONS**

- 46.1 The District shall deduct from each regular paycheck and remit to OCEA the dues, initiation fees and assessments for each employee who voluntarily authorizes such deduction in writing. Such authorizations must be filed by the end of the pay period prior to the period for which the deduction is requested.
- 46.2 The District shall provide the OCEA a quarterly list of the names of those employees for whom it has made deductions. In addition, the District shall provide the names and addresses of new employees and the names of employees who have terminated within the previous quarter.

#### **ARTICLE 47.**

(This Article intentionally left blank)

**ARTICLE 48. - PEACEFUL RESOLUTION OF DISPUTES**

48.1 During the term of this Memorandum, or any subsequent period when impasse resolution procedures are in progress or recommendations resulting from such procedures are being considered by the parties, the District agrees it shall not lockout employees in this bargaining unit, and OCEA agrees that it shall neither advocate, encourage or participate in any strike, including sympathy strike, or work stoppages, nor encourage employees to refrain in whole or in part from the full, faithful and proper performance of their duties of employment.

**ARTICLE 49.**

(This Article intentionally left blank)

**ARTICLE 50. - WORKPLACE VIOLENCE AND WEAPONS POLICY**

50.1 The District's Workplace Violence and Weapons Policy will apply to all unit members.

**ARTICLE 51. - RESIGNATION**

51.1 Voluntary written termination of employment with the District is irrevocable after seventy-two (72) hours from the receipt of the resignation, except by approval of the Director of Human Resources, or designee.

**ARTICLE 52.**

(This Article intentionally left blank)

**ARTICLE 53. - LABOR MANAGEMENT COMMITTEE**

53.1 Orange County Employees Association (OCEA) and the Orange County Sanitation District (OCSD) hereby agree to meet within two (2) months from the OCSD Board approval of this MOU to discuss the structure and process of a Labor Management Committee at OCSD. Absent mutual agreement regarding the structure and process of a Labor Management Committee, the parties will defer discussions to the time when a successor MOU is raised.

**SIGNATURE PAGE**

**2014 – 2016  
MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
ORANGE COUNTY SANITATION DISTRICT  
AND THE  
ORANGE COUNTY EMPLOYEES ASSOCIATION  
FOR THE  
TECHNICAL SERVICES UNIT**

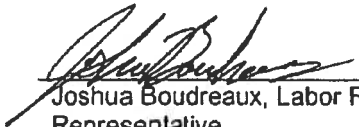
Executed: \_\_\_\_\_

**OCEA TECHNICAL SERVICES UNIT**


**ORANGE COUNTY SANITATION DISTRICT**

  
\_\_\_\_\_  
Bo Gutierrez, Labor Relations Representative

\_\_\_\_\_  
Steve Filarsky, Chief Negotiator

  
\_\_\_\_\_  
Joshua Boudreaux, Labor Relations Representative

\_\_\_\_\_  
James Herberg, General Manager

  
\_\_\_\_\_  
Deon Carrico, Source Control Inspector II

\_\_\_\_\_  
Robert P. Ghirelli, Assistant General Manager

\_\_\_\_\_  
Richard Spencer, Human Resources Manager

\_\_\_\_\_  
Andrew Nau, Principal Human Resources Analyst

\_\_\_\_\_  
Stephanie Good, Human Resources Analyst

# Exhibit A

## TECHNICAL SERVICES UNIT

| Classification | Pay Grade |
|----------------|-----------|
|----------------|-----------|

|                                      |    |
|--------------------------------------|----|
| Data Management Technician II        | 75 |
| Source Control Inspector II          | 73 |
| Data Management Technician I         | 71 |
| Source Control Inspector I           | 69 |
| Information Technology Technician II | 65 |
| Environmental Technician             | 61 |
| Information Technology Technician I  | 61 |
| Laboratory Assistant                 | 57 |

Effective  
11-Jul-14

| MIN | MAX |
|-----|-----|
|-----|-----|

|         |         |
|---------|---------|
| \$40.45 | \$49.17 |
| \$38.48 | \$46.79 |
| \$36.63 | \$44.52 |
| \$34.89 | \$42.41 |
| \$31.60 | \$38.40 |
| \$28.62 | \$34.79 |
| \$28.62 | \$34.79 |
| \$25.94 | \$31.54 |

Effective  
10-Jul-15

| MIN | MAX |
|-----|-----|
|-----|-----|

|         |         |
|---------|---------|
| \$41.26 | \$50.15 |
| \$39.25 | \$47.73 |
| \$37.36 | \$45.41 |
| \$35.59 | \$43.26 |
| \$32.23 | \$39.17 |
| \$29.19 | \$35.49 |
| \$29.19 | \$35.49 |
| \$26.46 | \$32.17 |

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
ORANGE COUNTY SANITATION DISTRICT  
AND THE  
ORANGE COUNTY EMPLOYEES ASSOCIATION  
FOR THE  
ENGINEERING UNIT

July 1, 2014 through June 30, 2016

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**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
ORANGE COUNTY SANITATION DISTRICT  
AND THE  
ORANGE COUNTY EMPLOYEES ASSOCIATION  
FOR THE  
ENGINEERING UNIT**

In accordance with the provisions of California Government Code Sections 3500, et seq., and Resolution No. 75-127 of the Joint Board of Directors, the District's authorized representative has met and conferred in good faith with representatives of the Orange County Employees Association (OCEA) for the Engineering Unit. These meetings have resulted in an agreement and understanding to recommend that the employees represented by OCEA accept these terms and conditions, and that the Board of Directors adopt by Resolution the changes and additions to the wages, hours, and conditions of employment for the employees represented by OCEA as set forth in this Agreement.

**ARTICLE 1. - RECOGNITION**

- 1.1 This Agreement, effective July 1, 2014, is entered into between the Orange County Sanitation District, referred to hereinafter as the "District," and the Orange County Employees Association, referred to hereinafter as "OCEA."
- 1.2 The District recognizes the Orange County Employees Association as the exclusive recognized employee organization for matters within the scope of representation for the following classifications, as set forth in Exhibit "A" (attached hereto and incorporated by reference), as well as additional classes as may be added hereafter by the District.

**ARTICLE 2. - DURATION**

- 2.1 This Agreement shall be binding on the District and OCEA when approved and adopted by the District's Board of Directors. This Agreement shall terminate on June 30, 2016. This Agreement shall act as a bar to the raising of the question of representation during its term, except that the question of representation may be raised during the period between sixty (60) and ninety (90) days prior to its expiration.

**ARTICLE 3. - SUCCESSOR AGREEMENT**

- 3.1 The Group shall submit in writing its initial proposal for a successor agreement prior to the expiration date of this Agreement.

**ARTICLE 4. - OCEA ACCESS**

- 4.1 An OCEA Representative shall have access to the District's facilities during working hours for the purpose of assisting Unit employees in processing grievances or investigating matters arising out of the application of provisions of this Agreement. The OCEA Representative must obtain authorization for each visit in advance from the Director of Human Resources, or designee.
- 4.2 The OCEA shall provide the Director of Human Resources, or designee, with a list of Representatives who are authorized to request access under this article, and shall notify the Director of any changes in that list.
- 4.3 OCEA access shall not interfere with the District's operations, or with the work of employees in any manner. The District reserves the right to restrict access in certain areas designated as confidential or secure.

**ARTICLE 5. - OCEA RIGHTS**

- 5.1 The OCEA may designate employees to act as representatives for employees covered by this Agreement. The OCEA shall furnish the Director of Human Resources, or designee with the names of employees



selected as representatives and shall update the list as necessary. An alternate representative may be designated to act in the absence of the regular representative. Employees not listed on the roster of representatives provided to the District by the OCEA may not act as representatives.

- 5.2 Representatives shall not perform non work-related duties on work time without the prior approval of their immediate supervisor. Neither the District nor the OCEA shall interfere with, intimidate, restrain, coerce or discriminate against employees because of the exercise or non-exercise of their rights to engage in OCEA activity.

## **ARTICLE 6. – DISTRICT RIGHTS**

- 6.1 District inherent rights, powers, functions, duties, responsibilities and authority related to a managerial or administrative character are reserved to the District in its exercise of management decision-making, except as specifically modified by the express provisions of this Memorandum. District rights include, but are not limited to, the exclusive right to consider the merits, necessity or organization of any service or activity provided by law, or administrative order; determine the mission of its constituent departments, commissions and boards; set standards of service, determine the procedures and standards of selection for employment and promotion; establish and implement performance standards; direct its employees; take disciplinary action for proper cause; layoff employees from duty because of lack of work or lack of funds; maintain the efficiency of District operations; determine the methods, means and personnel by which District operations are to be conducted; determine the content of job classifications; classify and reclassify positions; take 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.
- 6.2 District retains all authority and rights conferred on it by law, or other legal sources, except to the extent that such authority is explicitly waived by the express terms of this agreement. District exercise of its management rights hereunder shall not be subject to appeal or meeting and conferring, however, that the exercise of such rights does not preclude OCEA from appealing or meeting and conferring the practical consequences or impacts that District decisions have on wages, hours, and other terms and conditions of employment.

## **ARTICLE 7. - NONDISCRIMINATION IN EMPLOYMENT**

- 7.1 There shall be no unlawful discrimination in the application of the provisions of this Agreement with regard to race, color, religion, national origin, ancestry, sex, sexual orientation, or veteran status. To the extent required by law or by the District's rules or regulations, this provision of the Agreement shall be applied to all members of the unit without regard to marital status, handicap, medical condition, status as a disabled veteran, age or citizenship.

## **ARTICLE 8. - SMOKE-FREE WORK ENVIRONMENT**

- 8.1 The District endorses and supports the right of all employees to work in a healthy and safe environment free of recognized hazards. In view of the hazards associated with smoking and the potentially harmful effect it has on the health and well being of District employees and their families, smoking is not acceptable within District facilities, and may occur only in areas posted for smoking.

## **ARTICLE 9. - SAFETY**

- 9.1 It is the duty of the District to provide and maintain a safe place of employment. OCEA shall cooperate by encouraging all employees covered by this Agreement to perform their work in a safe manner. It is the duty of all employees covered by this Agreement, in the course of performing their assigned duties, to be alert to unsafe practices, equipment, and conditions, and to follow the safety regulations and requirements of the District, and to report any unsafe practices or conditions to their immediate supervisors. An employee shall not be required to perform work that is unsafe.

## ARTICLE 10. - DISCIPLINE AND DISMISSAL

- 10.1 Discipline may occur when any of the following actions are taken for just cause with respect to any employee in the unit: verbal reprimand, written reprimand, suspension without pay; reduction in pay, demotion to a classification with a lower maximum rate of pay or dismissal.
- 10.2 Dismissal, for purposes of this Article, is the separation of a non-probationary employee initiated by the District for just cause.
- 10.3 A Notice of Intent is not required when the disciplinary action involves a verbal reprimand or written reprimand.
- 10.4 A Notice of Intent is required and will be given to an employee whenever the disciplinary action involves a suspension without pay, a reduction in pay, a demotion to a classification with a lower pay grade, or dismissal. The notice will be given to the affected employee either by delivery in person or by Certified Mail sent to the employee's last known address. Such personal delivery or mailing shall be presumed to provide actual notice to the affected employee. The Notice of Intent shall indicate the date on which it was personally delivered or deposited in the mail, which shall be the date of issuance.
- 10.5 The Notice of Intent shall contain the following: (1) a description of the disciplinary action intended and the effective date of the action; (2) the reasons for the proposed action; (3) a copy of the charges and materials upon which the action is based; and, (4) a statement of the employee's right to respond, either verbally or in writing to the person initially imposing the discipline or to a District management representative with authority to make an effective recommendation on the proposed action, the person to whom any response must be directed, and the fact that such response must be received within ten (10) business days of the date of issuance of the notice. The Notice shall also advise the employee of his or her right to representation.
- 10.6 Prior to the effective date of the proposed disciplinary action, the employee shall be given an opportunity to respond either verbally or in writing to a management representative with authority to make an effective recommendation on the proposed action. After review of an employee's response, the District shall notify the employee in writing of the action that shall be taken. Such action may not involve discipline more severe than that described in the Notice of Intent; however, the District may reduce discipline without further notice. Further clarification of the disciplinary policies and procedures are covered in the District's Personnel Policies & Procedures Manual.
- 10.7 Dismissal shall be preceded by at least one (1) written reprimand, except in those situations in which the employee knows or reasonably should have known that the performance or conduct was unsatisfactory. Such performance or conduct may involve, but is not limited to, dishonesty, possession, use, sale or being under the influence of drugs or alcohol, theft or misappropriation of District property or funds, fighting on the job, insubordination, acts endangering people or property, or other serious misconduct. The District may substitute documented suspensions without pay for written reprimands.
- 10.8 If a Notice of Intent is upheld and the disciplinary action is imposed, the employee may request a post-disciplinary hearing. The request must be submitted to the Director of Human Resources, or designee, within ten (10) business days following the effective date of the disciplinary action (for suspensions, the effective date shall be the first business day following the final day of the suspension). The Director of Human Resources, or designee, shall schedule a post disciplinary hearing with the General Manager or a hearing officer selected by the General Manager. The hearing officer may not be an employee of the District. The hearing officer will provide a written, advisory decision to the General Manager. The General Manager may uphold the disciplinary action that has been taken or may reduce such discipline without the issuance of a further Notice of Intent. The decision of the General Manager shall be final.
- 10.9 Disciplinary action documentation shall be placed in an employee's personnel file in the Human Resources Department. Documentation regarding verbal and written reprimands may be removed from an employee's personnel file twenty-four (24) months subsequent to the date of issuance, provided that there has been no recurrence of a similar incident during the period. If the Director of Human Resources, or designee, agrees to remove disciplinary action documentation from an employee's personnel file, such documentation shall be retained in a separate file by the Human Resources Department for the purpose of showing that progressive discipline has been followed or in support of the District's proposed discipline.

- 10.10 Verbal reprimands and written reprimands may only be reviewed under this Agreement through the Problem Solving Procedure. Nothing in this article shall be construed as a waiver of any statutory or constitutional rights.
- 10.11 A reduction in pay or demotion to a classification with a lower pay grade that is not a result of performance deficiencies (for example, reclassifications, "bumping" associated with layoffs, reasonable accommodation) shall not be considered discipline.

## ARTICLE 11. - GRIEVANCE PROCEDURE

- 11.1 A grievance is any complaint that management has violated a specific provision of this Agreement, except that, in accordance with Article 10 above, discipline which requires a Notice of Intent may not be reviewed under this Grievance Procedure.
- 11.2 A grievance may be brought to the attention of the District by an individual employee within the Unit or by the OCEA. The District may not bring a grievance through this procedure. Grievances brought by two (2) or more employees, and concerning the same incident, issue, or course of conduct, or multiple grievances brought by the same employee may, upon mutual agreement of the District and the OCEA, be consolidated for the purposes of this procedure.
- 11.3 An employee may be self-represented or be represented by the OCEA at all steps of the Grievance Procedure, unless specifically agreed otherwise by the OCEA and the employee. The District shall provide a copy of all written grievance settlements to the OCEA. Any reference to days in this article implies business days.
- 11.3.1 Step 1. An employee will submit his/her complaint in writing to his/her immediate supervisor or designee within five (5) days of the occurrence of the event giving rise to the complaint, or within five (5) days from the time that the employee became aware of such event. The supervisor, or designee, shall attempt to resolve the issues surrounding the complaint, and respond in writing to the employee within five (5) days.
- 11.3.2 Step 2. If the grievance is not settled at Step 1, it may be submitted in writing to the employee's Division Manager, or designee. This request for formal review must be presented on a form provided by the District within five (5) days of the conclusion of Step 1. A copy of each written communication on a grievance will be filed with the Director of Human Resources, or designee. The written grievance must:
- a) Identify the specific management act to be reviewed;
  - b) Specify how the employee was adversely affected;
  - c) List the specific provisions of the MOU that were allegedly violated and state how they were violated;
  - d) Specify the remedy requested; and
  - e) Provide the date of attempts at informal resolution and the name of the supervisor or individual involved.
- 11.3.2.1 The Division Manager, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.
- 11.3.3 Step 3. If a grievance is not settled under Step 1 or 2, it may be presented to the employee's Department Director, or designee, for review and written response. The request for formal review must be presented on a form provided by the District within five (5) days of the conclusion of Step 1 or 2, and must contain the information specified in Step 2 above. A copy of each written communication on a grievance will be filed with the Director of Human Resources, or designee. The employee's Department Director, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.

- 11.3.4 Step 4. If the grievance cannot be resolved under Step 3, it may be presented to an Assistant General Manager, or designee, within five (5) days from the date the Step 3 finding was issued. The Assistant General Manager, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.
- 11.3.5 Step 5. Appeal to the General Manager, or designee, is the final step in the Grievance Procedure. If the grievance cannot be resolved under Step 4, it may be presented to the General Manager, or designee, within five (5) days from the date the Step 4 finding was issued. The General Manager, or designee, shall respond in writing to the employee within ten (10) days after the date of the grievance is received.
- 11.4 General Provisions: An employee shall be given reasonable time off without loss of pay to present and process a grievance. If an employee is represented by the OCEA, the OCEA may designate one employee to present and process the grievance. The employee representative shall be given reasonable time off without loss of pay to perform this responsibility. Absence from work shall be approved only if it does not cause disruption to District operations. However, if the time requested cannot be provided, an alternate time shall be arranged.
  - 11.4.1 Failure of a management representative to respond within the appropriate time limit shall provide a basis for the employee appealing to the next step. If a grievance is not presented or appealed within the time limits, it shall be considered resolved on the basis of the preceding response. The Director of Human Resources, or designee, may be petitioned in writing to waive the step or time requirements provided sufficient cause exists.
  - 11.4.2 Resolution may be agreed upon at any stage of the grievance process. However, the OCEA shall be notified prior to the resolution of any formal grievance matter.

**ARTICLE 12. - PROBLEM SOLVING PROCEDURE**

- 12.1 Employees may bring problems to the attention of District managers through the Problem Solving Procedure. This Procedure was developed to encourage and facilitate the resolution of employee concerns in a responsive and fair manner, and may be used to attempt to resolve issues that may not be subjected to the Grievance Procedure. Any reference to days in this article implies business days.
- 12.2 Employees should discuss concerns regarding issues that are not grievable with their supervisor as soon as possible. The supervisor shall review the situation or decision, and provide a written response within five days from the date they were notified of the problem.
- 12.3 If the problem is not resolved to the employee's satisfaction, the employee may file a written statement concerning the problem with the Director of Human Resources, or designee, within ten (10) days of receipt of the supervisor's decision. Upon request of either party, a meeting shall be held to define issues and establish the remedies sought. The employee shall be provided a written response within ten (10) days after his or her statement is received. Time limits may be extended for cause upon mutual consent of the parties, and the decision of the Director of Human Resources, or designee, is final.

**ARTICLE 13. - SALARY ADJUSTMENTS AND COMPENSATION**

- 13.1 Each pay grade is divided into five (5) steps, with an approximate 5.0% difference between each step.
- 13.2 Pay increases will only apply to eligible employees in an active payroll status on the effective date of implementation. Eligible employees will not receive retroactivity if active payroll status becomes effective after the date of implementation.
- 13.3 Merit Pay
  - 13.3.1 Step Increase Pay – Bargaining unit employees will be eligible for Step Increase Pay based upon receipt of year-end performance appraisal ratings issued by the assigned supervisor. Step Increase Pay will be paid according to the following:

13.3.1.1 Eligible - Employees must have a proficient year-end performance appraisal to receive a one (1) step base-building salary increase until earning placement at step five (5).

13.3.1.2 Ineligible - Employees who are placed on a Performance Improvement Plan (PIP) due to a needs improvement performance review on the year-end appraisal or who are on a PIP at the time of the year-end appraisal period will remain at their current step until the PIP is satisfactorily completed.

13.3.1.3 Performance Management Program: The performance management program includes three (3) rating categories (exceeds, proficient, needs improvement) for performance appraisals.

13.3.2 Development Pay – Employees under this Agreement will be eligible for Development Pay. Development Pay is a non-base building pay type that will be distributed in a lump-sum amount each pay period. Employees must have a proficient year-end performance appraisal to be eligible for the following Development Pay types:

- Education – Eligible employees who obtain or who have obtained a degree of approved subjects at an accredited college or university will receive \$20.76 per pay period for an associate degree and \$41.53 per pay period for an undergraduate degree. The maximum amount of Education pay is fixed at \$41.53 per pay period.
- Certification/License – Eligible employees who obtain or who have obtained a District approved certification or license will receive \$7.62 per pay period per certificate or license with a maximum of three (3) certificates and/or licenses. The maximum amount of certification/license pay for any combination of certificates and/or licenses is fixed at \$22.86 per pay period.

13.3.2.1 The overall maximum Development Pay for education, certification and/or licenses is fixed at \$64.39 per pay period.

13.3.2.2 Employees who are placed on a PIP due to a needs improvement performance review on the year-end performance appraisal are not eligible for Development Pay until the PIP is satisfactorily completed.

13.3.2.3 Employees who are placed on a PIP due to needs improvement performance outside the year-end appraisal will have all Development Pay suspended until the PIP is satisfactorily completed. The return of Development Pay will not be retroactive.

#### 13.4 Salary Range Adjustments

13.4.1 Effective the first pay period in July 2014, employees under this Agreement will receive salary range adjustments at a flat rate of 2.0%.

13.4.2 Effective the first pay period in July 2015, employees under this Agreement will receive salary range adjustments at a flat rate of 2.0%.

### **ARTICLE 14. - SEVERANCE PAY**

14.1 Employees are expected to give a minimum of two (2) weeks written notification when terminating employment with the District. Except for disciplinary cause, when a full-time employee is terminated by action of the District, the employee shall be notified in writing two (2) weeks prior to the effective separation date. In the event the District does not give such notification, the employee shall be entitled to severance pay in accordance with the formula set forth below:

14.1.1 Full-time, regular employees shall be entitled to eight (8) hours pay for each full calendar month of continuous employment not to exceed one hundred sixty (160) hours pay.

14.1.2 Employees in limited term or part-time positions, probationary employees and employees who are separated for cause, are not eligible for severance pay under any circumstances.

**ARTICLE 15. - DEFERRED COMPENSATION**

15.1 Employees may participate in the District's approved deferred compensation plan subject to IRS requirements, and in accordance with all guidelines for voluntary participation established by District management.

**ARTICLE 16. - HOLIDAYS**

16.1 The days listed below are observed by the District as holidays. Employees will receive holiday pay if their entire scheduled work shift immediately preceding and following the holiday are in a paid payroll status, meaning the employee worked those shifts or utilized paid time off in lieu of working those shifts. When an employee's work schedule requires that they work on an observed holiday, the employee will be paid at the employee's regular rate of pay for the holiday, and will also receive overtime pay at the rate of one and one half (1.5) times their regular hourly rate for all hours actually worked. Employees may also elect to receive Holiday Compensatory Time Off on an hour for hour basis rather than receive holiday pay. When a holiday occurs on an employee's regular scheduled day off, the employee will accrue compensatory time off for the amount of hours normally scheduled for that day. Employees with a compensatory time off balance in excess of fifty (50) hours as of the last pay period ending in October will receive a mandatory payout for the hours that exceed fifty (50).

|                        |
|------------------------|
| HOLIDAY                |
| New Year's Day         |
| Lincoln's Birthday     |
| President's Day        |
| Memorial Day           |
| Independence Day       |
| Labor Day              |
| Veteran's Day          |
| Thanksgiving Day       |
| Day after Thanksgiving |
| Day before Christmas   |
| Christmas Day          |
| Floating Holiday**     |

16.2 Employees may elect one (1) day during each year as a "Floating Holiday". New employees shall be granted a "Floating Holiday" on a pro rata basis in the first calendar year of service per the following table:

| Hire Date                                  | Percent |
|--|---------|
| 1 <sup>st</sup> Quarter (January-March)    | 100%    |
| 2 <sup>nd</sup> Quarter (April-June)       | 75%     |
| 3 <sup>rd</sup> Quarter (July-September)   | 50%     |
| 4 <sup>th</sup> Quarter (October-December) | 0%      |

16.3 Employees must use the "Floating Holiday" within the year it is granted. Every effort will be made to approve an employee's request for a "Floating Holiday" off providing sufficient notice is given.

## ARTICLE 17. – HOURS OF WORK

- 17.1 For record keeping and accounting purposes, the “workweek” for full-time employees is 40 hours per 168-hour period, to be paid on a biweekly payroll basis of 80 hours worked. Employee work periods may be scheduled in shifts of four 9-hour days and one 4-hour day each workweek (9/80 schedule), five 8-hour days each workweek (10/80), four 10-hour days each workweek (8/80), or three 12-hour days and one 4-hour day each workweek (7/80). The starting and ending times of individual employees’ workweeks may vary.
- 17.2 Employees shall receive ten-minute rest periods twice in a nine-hour shift, and three times for a shift of more than ten hours. Meal and rest periods may not be avoided or accrued for the purpose of obtaining time off or shortening the regular shift. If an employee reports to work as scheduled and was not notified that their hours had been changed, he or she shall receive two hours pay at the overtime rate.
- 17.3 The District may, at its sole discretion, change an employee’s work schedule with thirty (30) days written notice to the affected employee.

## ARTICLE 18. - CALL-BACK PAY

- 18.1 When an employee is called back to work by District management without prior notice, and the employee has completed his or her normal work shift and left the work station, or when prior notice is given but the work begins on the same day at least three hours after completion of the regular shift, the employee shall receive a minimum of three hours of call back pay. The three hours minimum, whether or not actually worked, shall be paid at the rate of one and one half times the regular hourly rate. Employees who are called back a second time within a normal shift period are considered to be working for the duration of that shift.

## ARTICLE 19. - STANDBY PAY

- 19.1 Standby is time during which an employee is not required to be at the work location or at the employee’s residence but is required to be available for immediate return to work. Standby assignments shall first be made on a voluntary basis. A volunteer standby list shall be established by classification and job location. Standby assignments shall be made from the list of employees who are competent and experienced, in alphabetical order, on a rotating basis. In the event that no one volunteers, the District shall assign standby by job classification and work location from employees who are competent and experienced on a rotational basis. An employee placed on standby shall be compensated at the rate of three hundred forty-five (345) dollars per week, and shall receive Call Back pay when they are actually called to work.

## ARTICLE 20. – INSURANCE

- 20.1 The District will provide healthcare and welfare insurance benefits
- 20.2 All insurance coverage shall become effective on the first day of the month following date of hire, regardless of hire date. An open enrollment period shall be held annually.
- 20.3 Medical Reopener The District and OCEA agree to reopen this Agreement at the beginning of the month following ratification to discuss the transition from Anthem to Blue Shield through California State Association of Counties – Excess Insurance Authority (CSAC-EIA), or to another carrier directly, and varied plan design changes in order to mitigate excise taxation in 2018. Potential strategies for consideration include, but are not limited to, the following: plan design changes to office and specialist copays, emergency room copays, plan deductibles and contribution rates; and alternative plan offerings such as a high deductible health plan with health savings account funding.
- 20.3.2 The parties agree that any reopener shall be subject to Government Code Section 3505.4 and case law, including PERB, decisions which interpret that provision.
- 20.4 Medical Insurance
- 20.4.1 The District will provide medical health insurance coverage through a Health Maintenance

Organization (HMO) medical insurance plan and a Preferred Provider Organization (PPO) medical insurance plan, until such time that the parties agree to changes through the medical reopener in Section 20.3.

20.4.2 Regular, full-time employees:

20.4.2.1 The District shall contribute 90% of employee only premiums for the HMO medical health plan and 80% of employee only premiums for the PPO medical health plan. The District will contribute 80% of the employee +1 dependent and full family premiums for the HMO and PPO medical plans. Any change in insurance rates shall be shared equally in same ratio as the District and employees currently pay premiums. Before the renewal of any District's sponsored health insurance plan, the parties agree to meet and confer as to changes in the plan.

20.5 Life Insurance

The District shall pay the full premium for \$50,000 term life insurance on each employee.

20.6 Short Term Disability

The District shall provide a non-work related, short-term disability indemnity plan that provides benefits for employees equal to California's State Disability Insurance (SDI) program for up to twenty-six (26) weeks following a fourteen (14) calendar day waiting period.

20.7 Long Term Disability

20.7.1 The District shall provide a non-work related, long-term disability indemnity plan that pays two-thirds of the employee's rate of pay in effect at the time of such disability, not to exceed \$5,000 per month, up to age 65, following a 90-day waiting period of continuous disability, at such time that an employee completes five (5) years of service.

20.7.2 For participants age 64 and younger, the maximum period of payment is based on the Social Security Act retirement age of 65. For participants age 65 and older, the maximum period of payment is specified. The specified periods and additional information about coverage is included in the District's long-term disability plan contract accession on the intranet.

20.7.3 No combination of disability or sick leave pay shall result in more than an employee's regular rate of pay. Employees may not receive short-term and long-term disability benefits at the same time. An employee who is otherwise not eligible for District paid Long Term Disability may purchase such coverage at his or her own expense.

20.8 Dental Insurance

The District will contribute 80% of employee only and 80% of full family premiums for dental insurance.

20.9 Vision Insurance

The District shall provide a vision insurance plan for regular, full-time employees and eligible dependents.

20.10 Retiring Employees

20.10.1 The District shall pay, for employees hired prior to July 1, 1988, two and one-half (2.5) months' premium for each year of continuous service of a retiring employee towards the premium costs of coverage for the employee and eligible dependents under the District's medical plan.

20.10.2 In the event the District adds additional optional insurance plans, the District's share of the premium shall be the same as for existing plans as set forth above. In the event the District changes underwriters for existing insurance plans, the District's share of the premium shall be the same as for existing insurance plans as set forth above.



- 20.10.3 The District will continue to implement the retiree medical health premium offset program wherein the cost of health premiums are offset by \$10 per month for every year of continuous service up to a maximum of 25 years or \$250 per month. Employees hired on or after August 1, 2011 shall not be eligible for the retiree medical health premium offset.

## **ARTICLE 21. - REIMBURSEMENT ACCOUNT**

- 21.1 Section 125 of the Internal Revenue Code permits employees to use pre-tax dollars to pay for their portion of the cost of benefits under the Plan through salary redirection arrangements. The options available under the flexible benefits program are listed below. This is a brief overview of the different options. For complete information regarding Flexible Spending Accounts, employees must refer to the plan booklet available in the Human Resources Department.

21.2 Group Insurance Premiums

Group insurance premiums that are paid by salary redirection can be made on a pre-tax basis.

21.3 Medical Care Reimbursement Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a Medical Care Reimbursement Account for purposes of reimbursing himself or herself for payment of health care costs not otherwise covered by his or her medical insurance.

21.4 Dependent Care Assistance Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a Dependent Care Assistance Account for purposes of reimbursing himself or herself for childcare expenses or day care for a disabled dependent.

## **ARTICLE 22. - OVERTIME**

- 22.1 Employees shall be notified as soon as practicable after the District decides upon the need for overtime or additional work. The District may require the performance of overtime. In the event no qualified employee wishes to work overtime, District's management may select employees with the ability to perform the work by inverse seniority. District managers shall attempt to evenly distribute overtime among employees based upon an employee's ability to perform the overtime work.
- 22.2 For the purposes of overtime calculation, all time charged to unscheduled sick leave shall not be counted as time worked. Pay for overtime time shall not occur until after actual work time of forty (40) hours in a seven (7) day workweek is reached.

## **ARTICLE 23. - PROBATIONARY PERIOD**

- 23.1 All new employees serve an initial probationary period beginning with the date of hire and extending to at least the first day of the pay period following twenty-six (26) weeks of employment without a break in service. Extended absence without pay, short-term and long-term disability and Workers' Compensation leave does not provide an opportunity to judge an employees' capability to meet performance expectations for a position, and thus the time spent on such leaves shall not be included towards completion of the probationary period and may result in an extension.
- 23.2 Employees who are rehired following a break in service must complete a new probationary period whether or not one was previously completed. An employee may be released during his or her Probationary Period at the discretion of the District without recourse to the Grievance Procedure.
- 23.3 Employees who are reassigned or laterally transferred will serve a probationary period of twenty-six (26) weeks. The "probationary period" shall not divest an employee of his/her property rights in his/her former position. Rejection of probation during this period shall result in the employee reverting to his/her former assignment and/or position.

## ARTICLE 24. - PROMOTIONS

- 24.1 A promotion is the appointment of an employee to another classification with a higher maximum rate of pay. The District will determine whether a vacant position shall be filled as an open or promotional opportunity or recruitment. Whenever the District intends to fill a position by promotion, the District shall post the opportunity for a minimum of ten (10) business days. Employees must apply during the period of posting. Notices shall be posted on the District's intranet.
- 24.2 A promoted employee shall serve a promotional probationary period lasting at least until the first day of the pay period twenty-six (26) weeks after the effective date of the promotion. At any time during the promotional probationary period, an employee may be returned to his or her previous position. The promotional probation period may be extended by mutual agreement between the employee and District's management for up to ninety (90) days. If an employee is promoted during his or her initial probationary period, the period shall be extended until at least the first day of the pay period twenty-six (26) weeks after the effective date of the promotion.
- 24.3 Promoted employees will receive the equivalent of a step increase in pay, not to exceed the top of the range for the new classification or the minimum rate of the new classification whichever is greater.

## ARTICLE 25. - RETIREMENT

- 25.1 The District shall continue participation in the Orange County Employees Retirement System (OCERS), wherein all full-time employees are considered members. The following retirement program is in effect pursuant to the contract between OCERS and the District.
- 25.1.1 Employees hired before September 21, 1979: The District will continue to contract with OCERS to provide the 2.5% @ 55 benefit formula (Plan G) based on the highest consecutive twelve (12) months average earnings, past and future service.
- 25.1.1.1 The District will continue to pay 4.5% toward the employee's contribution to OCERS for those employees who elected to make a one-time decision to remain in the Plan G program.
- 25.1.2 Employees hired on or after September 21, 1979 and before August 1, 2011: The District will continue to contract with OCERS to provide the 2.5% @ 55 benefit formula (Plan H) based on the highest consecutive thirty-six (36) months average earnings, past and future service.
- 25.1.2.1 The District will continue to pay 3.5% of an eligible employee's base salary toward the employee's contributions to OCERS.
- 25.1.3 Employees hired on or after August 1, 2011 and before January 1, 2013: The District will contract with OCERS to provide the 1.667% @ 57.5 benefit formula (Plan B) based on the highest consecutive thirty-six (36) months average earnings, past and future service.
- 25.1.3.1 The District will pay 0% of an eligible employee's base salary towards the employee's contribution to OCERS.
- 25.1.4 Employees hired on or after January 1, 2013: The District will contract with OCERS to provide the 2.5% @ 67 benefit formula (Plan U - PEPR) based on the highest consecutive thirty-six (36) months average earnings, past and future service.
- 25.1.4.1 The District will pay 0% of an eligible employee's base salary towards the employee's contribution to OCERS.
- 25.2 All monies actually contributed into the retirement system by an employee shall be deducted from gross salary for taxation purposes in accordance with Internal Revenue Code provisions.

## ARTICLE 26. - SHIFT DIFFERENTIAL

- 26.1 Employees who are regularly assigned to work a night shift that consists of 50% or more of their hours between 6:00 p.m. and 6:00 a.m. and who actually work that shift shall receive a shift differential of \$2.50 per hour.

## ARTICLE 27. - LEAVE-OF-ABSENCE WITH PAY

### 27.1 Vacation Leave

- 27.1.1 Except as otherwise provided, regular full-time employees accrue vacation leave, beginning with the first day of employment, in accordance with the following schedule:

| Years of Service      | Hours-Biweekly | Hours-Annual |
|-----------------------|----------------|--------------|
| In years 0 through 1  | 3.08           | 80           |
| In years 2 through 4  | 3.08           | 80           |
| In years 5 through 10 | 4.62           | 120          |
| In year 11            | 4.93           | 128          |
| In year 12            | 5.24           | 136          |
| In year 13            | 5.54           | 144          |
| In year 14            | 5.85           | 152          |
| In year 15            | 6.16           | 160          |
| In year 16            | 6.46           | 168          |
| In year 17            | 6.77           | 176          |
| In year 18            | 7.08           | 184          |
| In year 19            | 7.39           | 192          |
| In year 20 and over   | 7.69           | 200          |

- 27.1.2 Part-time employees accrue vacation leave on a pro-rata basis as set forth in District Policy.
- 27.1.3 Vacation leave begins after an employee has completed twenty-six (26) weeks of continuous service. After the individual's first twenty-six (26) weeks of service, his or her account will be credited with 40 hours. After that time, he or she will accrue vacation hours consistent with the above chart. Vacation leave may only be utilized in increments of one-half hour or more. Vacation leave is accrued for all paid hours, including hours actually worked and hours in a paid-leave payroll status.
- 27.1.4 When unpaid absences occur, vacation leave accruals will be applied by straight proration of leave accruals based on the number of hours actually worked, and is applicable to all types of leave, whether legally protected or not.
- 27.1.5 Employees may have a maximum accumulation of 200 hours as of the last day of the final pay period in December of each year. In the event an employee accrues vacation leave in excess of 200 hours, it must be used prior to said December date, all other remaining hours in excess of 200 will be paid to the employee in the first pay period in January at the employee's then current hourly rate of compensation.

### 27.2 Sick Leave

- 27.2.1 Definition. - Sick leave is an insurance or protection provided by the District to be granted to employees in circumstances of adversity to promote the health and welfare of the individual employee. It is not an earned right to take time off from work. Sick leave is defined as the absence from duty of an employee because of a bona fide illness, injury, or pregnancy, or to

attend to the illness or injury of a family member as hereinafter defined. Temporary employees are not entitled to sick leave benefits.

- 27.2.2 Method - Sick Leave Accrual. Full-time employees hired prior to November 27, 1981, accrue paid sick leave at the rate of three point five (3.5) hours for each biweekly pay period of continuous service (ninety-one (91) hours per year). Full-time employees hired on or after November 27, 1981, accrue paid sick leave at the rate of three (3.0) hours for each biweekly pay period of continuous service (seventy-eight (78) hours per year), beginning with the first day of employment.
- 27.2.3 Part-time employees accrue sick leave on a pro-rata basis as set forth in applicable District Policy.
- 27.2.4 When unpaid absences occur, sick leave accruals will be applied by straight proration for leave accruals based on the number of hours actually worked, and is applicable to all types of leave, whether legally protected or not.
- 27.2.5 Annual Payoff - Employees may elect annually to be paid for any unused sick leave hours accrued through the end of October at their current hourly rate according to the following payoff schedule or as specified in a Memoranda of Understanding.

| Accrued Sick Leave Hours | Rate of Payoff |
|--------------------------|----------------|
| 0-100                    | 0%             |
| 101-240                  | 25%            |
| 241-560                  | 35%            |
| Over 560 (mandatory)     | 50%            |

- 27.2.6 Employees who terminate for any reason other than retirement or death shall be compensated for any accrued and unused sick leave according to the above schedule. Employees who retire or decrease with twenty (20) years or more of service shall be paid at the one hundred percent (100%) rate for all accrued and unused sick leave. Employees who retire or decrease with less than twenty (20) years of service will be paid at the seventy-five percent (75%) rate for all accrued and unused sick leave.
- 27.2.7 Permissible Uses - Sick leave may be applied only to:
- A. Absence due to illness, injury or pregnancy of an employee.
  - B. Absence due to medical and dental office appointments of an employee when approved by the employer's supervisor.
  - C. Absence for the care of the employee's father, father-in-law, mother, mother-in-law, brother, sister, husband, wife, child, grandparent, legal guardian, or any family member with whom the employee resides.
  - D. Absence due to a job-related injury.

- 27.2.8 General Provisions - To qualify for sick leave pay, the employee must notify the District at or in advance of the time the employee is scheduled to report for duty. Minimum charge to the employee's sick leave account shall be one-half hour and thereafter in one-half hour increments.

Human Resources and department management shall be responsible for control of abuse of the sick leave privilege. If notified in advance, the employee may be required, at any time, to furnish a certificate issued by a licensed physician or nurse, or other satisfactory evidence of illness; however, for absences of ten consecutive working days or more, a request for leave and a medical statement, on prescribed forms, stating expected date of return must be submitted to Human Resources. Upon return to work, a written doctor's release must be submitted to Human Resources. For absences of one or more working days in an unpaid status, a request for leave

and a medical statement, on prescribed forms, stating expected date of return must be submitted to Human Resources.

If the need for leave is due to the employee's serious health condition, as defined in the Family and Medical Leave Act ("FMLA") or the California Family Rights Act ("CFRA"), the certification requirement shall comply with the provisions of these Acts.

### 27.3 Jury Duty Leave

27.3.1 Any full-time, including probationary, employee who is called for jury duty shall, upon request on prescribed forms, be entitled to his or her regular pay for those hours of absence due to performance of the jury duty for a period up to twenty-two (22) working days.

27.3.2 Prior to jury duty service, each employee must complete a time off request through the District's timesheet system and provide a copy of the summons to his or her supervisor. To be entitled to receive regular pay for such jury leave, the employee must report for work at the District for time not actually retained on jury unless there is less than ½ of their regular shift remaining. Employees are not compensated for jury duty occurring on scheduled days off.

### 27.4 Witness Leave

27.4.1 Any full-time, including probationary, employee, who is required to be absent from work by a subpoena properly issued by a court, agency or commission legally empowered to subpoena witnesses, which subpoena compels his or her presence as a witness, except in a matter wherein he or she is named as a defendant or plaintiff or as an expert witness, shall, upon approval of an online time off request, be entitled the time necessary to comply with such subpoena, provided any fees received for such service, exclusive of mileage, are submitted to the District for deposit in the General Fund of the District.

27.4.2 An employee so subpoenaed must submit a copy of the subpoena to his or her supervisor and complete an online time off request form in order to be eligible for pay for such absence. To be entitled to receive regular pay for such witness leave, the employee must report for work at the District for time not actually retained on witness service of one hour or more prior to and/or upon completion of each day's service, exclusive of travel time.

### 27.5 Military Leave

27.5.1 A request for military leave shall be made upon leave-of-absence forms approved by the Human Resources Department and shall state the date when it is desired to begin the leave-of-absence and the date of anticipated return. A copy of the orders requiring such military service shall be submitted with the request.

27.5.2 Provisions of the Military and Veterans Code of the State of California, Sections 395-395.5 shall govern military leave. In general, current law provides that an employee having one (1) year or more service with a public entity is entitled to military leave with pay not exceeding thirty (30) days per year if the employee is engaged in military duty ordered for purposes of active military training or encampment. An employee who is required to attend scheduled service drill periods or perform other inactive duty reserve obligations is entitled to military leave without pay, not exceeding seventeen (17) calendar days per year, although the employee may, at his or her option, elect to use accrued leave time to attend the scheduled reserve drill periods or to perform other inactive drill period obligations. Employees who participate in weekend military drill duty are not eligible for leave with pay for such activity, but may have their regular work schedule changed to accommodate the required time off.

### 27.6 Bereavement Leave

27.6.1 Using the online time off request system, any full-time employee, whether probationary or regular, shall receive a maximum of thirty-six (36) hours of paid time for the death or funeral of an immediate family member. Immediate family member is defined as the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister,

husband, wife, domestic partner, biological child, adopted child, step-child, child of a domestic partner, grandchild, grandparent, foster parent, foster child, legal guardian, or any family member with whom the employee resides.

**27.7 Supplemental Leave**

27.7.1 Regular full-time employees in the bargaining unit shall be granted Supplemental Leave in accordance with the following schedule in the first pay period in July:

|                                 |       |         |         |         |     |
|---------------------------------|-------|---------|---------|---------|-----|
| <b>Years of Service</b>         | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25+ |
| <b>Supplemental Leave Hours</b> | 5     | 10      | 15      | 20      | 25  |

27.7.3 Supplemental Leave will be administered in accordance with the following guidelines:

- 27.7.3.1 Supplemental Leave may be used in one-quarter (0.25) hour increments.
- 27.7.3.2 Any unused Supplemental Leave, within the fiscal year granted, will not be carried over to the next fiscal year.
- 27.7.3.4 Any unused Supplemental Leave, within the fiscal year granted, is not subject to cash out or eligible for any mandatory payout.
- 27.7.3.5 Employees who cease to be part of the bargaining unit for any reason will forfeit any unused Supplemental Leave.
- 27.7.3.6 Employees who are hired or transferred into the bargaining unit shall be granted Supplemental Leave on a pro-rata basis per the following schedule:

| <b>Hire/Transfer Date</b> | <b>Percent</b> |
|---------------------------|----------------|
| July - September          | 100%           |
| October - December        | 75%            |
| January - March           | 50%            |
| April - June              | 25%            |

**ARTICLE 28. - LEAVE-OF-ABSENCE WITHOUT PAY**

- 28.1 It is the policy of the District to grant employees leave-of-absences without pay under certain circumstances and in accordance with state and federal benefit entitlement laws. Except as stated below, employees shall not receive compensation during an unpaid leave-of-absence. Employees will not be granted an unpaid leave of absence prior to exhausting all paid leave accrual balances, excluding employees protected by PDL (Pregnancy Disability Leave)/FMLA (Family and Medical Leave Act)/CFRA (California Family Rights Act) for their own serious health condition.
- 28.2 Using the prescribed forms, approved by District management, any full-time, including probationary, or part-time employees with at least fifty-two (52) weeks of service and at least twelve hundred fifty (1,250) hours of service, may be granted an FMLA or CFRA leave-of-absence without pay, not to exceed twelve (12) weeks in a rolling twelve (12) month calendar period. A "rolling" twelve (12) month period is measured backward from the date the employee uses the leave. A request for leave of absence without pay must be made upon prescribed forms in all instances where an employee is absent without pay for more than five (5) consecutive working days, or for absences of ten (10) working days or more when using paid sick leave accruals.

28.3 Substitution of Paid Leave

- 28.3.1 Employees who request FMLA or CFRA Leave for qualifying purposes other than the employee's own serious health condition shall be required to use all accruals, before unpaid leave is granted. Paid time off will not accrue during any pay period that an employee is absent without pay for more than one (1) day.
- 28.3.2 Paid time off accruals may be used for the care of the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, domestic partner, biological child, adopted child, step-child, foster child, legal ward, child of a domestic partner, grandchild, grandparent, foster parent, legal guardian, or any family member with whom the employee resides.

28.4 Permissible Uses

28.4.1 FMLA Leave. FMLA leave may be used for:

- 28.4.1.1 The birth of a child or to care for a newborn of an employee;
- 28.4.1.2 The placement of a child with an employee in connection with the adoption or foster care of a child;
- 28.4.1.3 The care for the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, biological child, adopted child, step-child, foster child, legal ward, child of a domestic partner, grandchild, grandparent, legal guardian, or any family member with whom the employee resides who has a serious health condition, as defined in the Act;
- 28.4.1.4 The employee's own serious health condition that renders the employee unable to perform the essential functions of his or her position, including incapacity due to pregnancy;
- 28.4.1.5 A qualifying exigency arising out of the fact that an employee's family member is on covered active duty or called to covered active duty status in the Armed Forces. A qualifying exigency may include activities such as making arrangements for childcare, attending counseling relating to the active duty of the service member, or attending to farewell or arrival arrangements for the service member.
- 28.4.1.6 The care for the employee's family member or "next of kin" service member of the United States Armed Forces who has a serious injury or illness incurred in the line of duty while on active military duty. This leave may consist of up to twenty-six (26) weeks of unpaid leave during a single twelve (12) month period.

28.4.2 CFRA Leave. CFRA Leave may be used for:

- 28.4.2.1 The same purposes as FMLA Leave, including the care of a domestic partner or child of a domestic partner, and shall run concurrently with FMLA leave.
- 28.4.2.2 CFRA may not be used for 1) an employee's incapacity due to pregnancy, 2) leave due to a qualifying exigency, or 3) to care for a family member or next of kin with a serious injury or illness incurred in the line of duty. However, incapacity due to pregnancy may entitle an employee to up to four (4) months of pregnancy disability leave under California's Pregnancy Disability Leave (PDL) law.

28.4.3 General Provisions: Requests for FMLA and CFRA Leave

Where the need for Leave is foreseeable, the District requests thirty (30) days advance notice.

28.4.4 Medical Certification

As a condition of FMLA or CFRA Leave because of a serious health condition, the District may require certification by the employee's attending physician in accordance with Department of

Labor (DOL) regulations.

**28.4.5 Medical and Dental Premiums**

During FMLA and CFRA Leave, the District shall pay for medical and dental benefits at the same level as coverage would have been provided if the employee was not on leave. The employee shall be required to pay his or her share of medical and dental premiums. Failure to submit a monthly co-payment, in full, within sixty (60) days of the invoice date will result in loss of group coverage. Coverage will be reinstated upon return to active employment.

**28.4.6 Reinstatement**

Upon expiration of FMLA or CFRA Leave, the employee shall be reinstated to the same or a comparable position, unless the employee would not otherwise have been entitled to that position for reasons unrelated to such leave (e.g., layoff), in which case the District's obligation to continue health and dental or other benefits shall cease.

**28.4.7 District Employment of Spouses/Domestic Partners**

28.4.7.1 FMLA Leave. Married employees shall be limited to a combined total of twelve (12) weeks FMLA or CFRA Leave in a rolling twelve (12) month calendar period for the care of a parent or newly born or placed child.

28.4.7.2 CFRA Leave. Married employees and employees in domestic partnerships will be limited to a combined total of twelve (12) weeks CFRA leave in a rolling twelve (12) month calendar period for the care of a parent or newly born or placed child.

**28.5 General Leave**

28.5.1 Employees who have exhausted all paid time off accruals may request to be granted a general leave-of-absence by District management to attend to personal matters or for FMLA or CFRA qualifying events after the expirations of previously authorized leave.

28.5.2 During a general leave-of-absence, the employee will be required to pay both the District's and the employee's share of medical and dental premiums.

28.5.3 Failure to submit a monthly co-payment, in full, within sixty (60) days of the invoice date will result in loss of group coverage. Coverage will be reinstated upon return to active employment.

**28.6 Return to Work Policy**

28.6.1 An employee who has been absent from work due to a medical reason may be subject to a Return-to-Work medical evaluation.

28.6.2 If it is determined that the job demands of the position last held by the employee are not compatible with the employee's restrictions (with reasonable accommodation if the employee is disabled within the meaning of the ADA/FEHA) and the employee is willing to return to work, placement in an alternative position, if available, shall be considered. The employee shall be re-classified as medically disqualified while alternative positions are being considered. Such time off shall be without pay; however, the employee may elect to use accrued leave hours, such as vacation, sick or personal, to receive compensation. Placement of an employee in an alternative position requires a pre-placement medical evaluation for the alternative job.

28.6.3 If it is determined that the job demands of the position last held by the employee are not compatible with the employee's restrictions (and cannot be reasonably accommodated if the employee is disabled within the meaning of ADA/FEHA) and there is not an alternative position, or the employee's restrictions are not compatible with an alternative position, or the employee is not willing to return to work, the employee shall be re-classified as medically disqualified and not permitted to work. Thereafter, the employee shall be retired for disability, if eligible, or dismissed. Such dismissal will not imply disciplinary action for cause. If requested, the employee's file will indicate the employee left for personal reasons.

**28.6.4 Bridge of Service**



If an employee is dismissed per Section 28.6.3, and then is rehired to a position within the District within one (1) year, the District shall bridge the employee's service date. Bridging of service procedures involve adding the total number of days away from work to the employee's original date of hire.

**28.6.5 Failure to Return to Work**

If, upon the expiration of FMLA or CFRA Leave, or any District approved extension thereof including General Leave, an employee fails to return to work and no additional leave has been authorized, the employee shall be considered to have automatically resigned from his or her position. In such cases, the employee will receive advance notification of the District's intent to implement an automatic resignation.

**28.7 Compliance with Law**

These Leave-of-Absence provisions shall be interpreted and applied in a manner that is consistent with the provisions of FMLA, CFRA, ADA and all other laws. In the event there is a direct conflict between these provisions, as written or applied, the provisions of law shall govern.

**ARTICLE 29. - CLASSIFICATION STUDIES**

29.1 OCSD will include a representative from OCEA to participate as a partner in the agency-wide classification and compensation study.

29.2 An employee who believes his/her position is not properly classified may submit a written request to the Department Director asking that a classification study be conducted. The Department Director will acknowledge the request in writing and review the request for accuracy, and forward it to the Director of Human Resources, or designee, for consideration and response. Classification studies will only be conducted twice a year in November and during the budget process; therefore, classification study requests shall be submitted October 1<sup>st</sup> for the November review and according to the Finance budget schedule. District's management may also conduct classification studies at their discretion to ensure that the duties and responsibilities of all employees are appropriately allocated within the classification structure.

**29.3 Y-Rating**

29.3.1 All classification study findings regarding existing classifications are subject to approval by the General Manager; findings recommending a new job classification range are subject to approval by the District's Board of Directors. The recommendations of the classification study shall be implemented in the first pay period immediately following the completion of the study, unless the recommendations require action be taken by the Board of Directors prior to implementation. In such event, the recommendations shall be implemented in the first pay period immediately following authorization by the Board.

29.3.2 In the event the duties and responsibilities of a position are allocated to a lower paid classification, the salary of the incumbent of that position shall remain unchanged (Y-rated) in accordance with the following table:

| Years of Service | Term of Y-Rate |
|------------------|----------------|
| 0-3              | 1 year         |
| 4-5              | 2 years        |
| 6-10             | 3 years        |
| 11-20            | 4 years        |
| 20 or more       | 5 years        |

29.3.3 Y-rating based on the above schedule shall be granted for all reclassifications where employees are working in a job classification with a lower maximum rate of resulting from changes to the District's staffing requirements, organizational structure or "bumping" associated with layoffs. Y-rating shall not apply in cases involving disciplinary actions or voluntary changes to a job classification with a lower maximum rate of pay.

29.3.4 The Y-rate shall remain in effect until the salary range for the new classification equals or exceeds the employee's Y-rated salary, or until the term of the Y-rate expires in accordance with the table above. If the Y-rate expires before the employee's salary falls within the range of the new classification, the employee shall be placed at the top of the range. Employees become eligible for merit increases and range adjustments when the Y-rate is no longer in effect.

#### 29.4 Z-Rating

29.4.1 Employees allocated to classifications with a lower range maximum than their current salary as a result of the District's comprehensive Classification Study results implemented effective July 12, 2002 will have their salary remain unchanged (z-rated) until such time that the range maximum of their salary range exceeds or equals their current salary.

29.4.2 If a position is allocated to a higher paid classification, and the incumbent is promoted to that level, his or her salary will be placed at the step of the new range that is nearest a one-step increase, not to exceed the maximum rate of pay.

### **ARTICLE 30. - DRIVER'S LICENSE**

30.1 Employees who are required by the District to drive must notify their supervisor and the Human Resources Risk Management Division immediately upon receipt of any suspension or revocation of their California Driver's License privileges. Failure to do so could result in disciplinary action up to and including separation.

30.2 If an employee whose license is suspended or revoked and is unable to perform his or her regular duties and responsibilities notifies the District in a timely fashion, an attempt shall be made to place the employee in an equal or lower level position for which he or she is qualified. Placement in the range of the new classification is subject to District management's discretion.

30.3 The District will continue to pay the license renewals and physical examination costs of Class A & B licenses that are specifically required by the District.

### **ARTICLE 31. - LAYOFF PROCEDURE**

31.1 Nothing herein shall be construed to require the District to fill vacant, budgeted positions nor to prohibit the District from eliminating vacant positions from the budget. The District reserves the right to reassign staff to other positions in instances involving job restructuring, reorganization or due to lack of work.

31.2 The layoff procedure outlined below shall be followed if the District finds it necessary to layoff personnel who were hired after January 1, 2000 and for any layoffs which occur after November 1, 2002.

31.3 If, in the sole discretion of District management, personnel reductions are necessary, layoff order and recall lists shall be developed based upon job classification, priority of function, job performance, individual qualifications and seniority. The OCEA and employees subject to layoff shall be provided with at least two weeks notification in writing, whenever possible.

31.4 Employees in classifications subject to layoff may request a voluntary demotion to any previously held position for which they remain qualified. Such requests must be made in writing to the Human Resources Department within five (5) days of receipt of the Layoff Notice. The salary of an employee who voluntarily demotes shall be unchanged, except that it may not exceed the maximum rate of the range for the lower level classification.

31.5 Recall lists shall be developed for all classifications experiencing personnel reductions, and shall be maintained for a period of two years from the date of layoff. Individuals shall be placed on the list in the

inverse order of layoff, so that the last person laid off is the first recalled. When a vacancy occurs in a classification for which a Recall list exists, an offer of reemployment shall be made to the individual on the top of the list. That individual must respond to the offer within five days, or the offer shall be made to the next person on the list. An individual who either does not respond or refuses three consecutive offers shall have their name removed from the list.

- 31.6 All notification and responses must be in writing and delivered either in person or by Certified Mail. It is the responsibility of all employees to keep the Human Resources Department informed of their current address, or where they may be contacted.

## **ARTICLE 32. - LIGHT DUTY**

- 32.1 An employee who is released by a physician to perform limited duties because of a temporary disability may be assigned to light duty at the discretion of the District. Light duty may consist of duties other than those normally performed by the employee and that are within the employee's medical restrictions. An employee assigned to light duty will be paid the regular wage rate for the job classification to which he or she was assigned prior to being temporarily disabled.

## **ARTICLE 33. - MEDICAL EXAMINATION**

- 33.1 When there is reasonable evidence to suggest that an employee is impaired in a manner that endangers their own health or safety, or that of others, the District may require that employee to be examined or evaluated by a health care provider. The purpose of such examination must be job related. Any examination under this provision shall be conducted on District time and at District expense. An employee may submit an independent medical opinion regarding the individual's condition and addressing his or her ability to competently perform the duties of the position. This information shall be reviewed and considered by a competent medical authority in arriving at a decision regarding the individual's continued employment in the position.

## **ARTICLE 34. - MILEAGE ALLOWANCE**

- 34.1 Approved use of a personal vehicle for District business shall be reimbursed at the current IRS rate.

## **ARTICLE 35. - ACTING PAY**

- 35.1 Employees who are assigned by District management to perform the duties of a position at a higher level for a period of at least eighty (80) consecutive hours shall be eligible for a one step salary increase, or the first step of the range for the higher level classification, whichever is greater. The higher rate of pay begins with the hour eighty-one (81), and continues until the assignment ends or the six (6) month limitation has been reached at which time a determination will be made as to whether the position should or should not be posted. Requests for acting pay require the approval of the Department Director and the Director of Human Resources, or designee. The eighty (80) hour eligibility period may be waived at the discretion of the General Manager.

## **ARTICLE 36.**

(This Article intentionally left blank.)

## **ARTICLE 37. - PERSONNEL FILES**

- 37.1 Employees have the right to inspect their personnel file in the Human Resources Department during the normal office hours of the Human Resources Department, by appointment. Employees who wish to correct allegedly erroneous information in their file, or request that items related to disciplinary matters be removed after the indicated time period has elapsed, should submit a request in writing to the Director of Human Resources, or designee. It is the responsibility of each employee to keep the personal information in his or her file current, including home address, telephone number and person to contact in an emergency.

## ARTICLE 38. – BULLETIN BOARDS

- 38.1 The OCEA may use the bulletin boards located at Plant 1 and Plant 2, which are designated for use by employee groups to post notices to District employees, provided that: (a) no controversial matter which is critical of or derogatory to the District, its employees, officers or Directors may be posted; (b) nothing posted by the District may be removed; (c) the OCEA shall remove its notices after a reasonable length of time; and (d) only a reasonable number of notices shall be posted.

## ARTICLE 39. - RELEASE TIME FOR MEET AND CONFER SESSIONS

- 39.1 A maximum of three (3) employees covered by this Agreement and appointed by the OCEA shall be granted reasonable release time for attending meet and confer sessions at the bargaining table. Release time shall not be compensated for any hours that exceed the employee's regularly scheduled hours of work.
- 39.2 The OCEA shall provide the Director of Human Resources, or designee, with the names of employees requiring meet and confer release time in advance of the meet and confer session. The release time shall be granted provided that the needs of the District permits the time away from assigned work.

## ARTICLE 40. - USE OF DISTRICT FACILITIES

- 40.1 District facilities may be used by the OCEA with prior notice to the Director of Human Resources, or designee, for the purpose of holding meetings, to the extent that such use does not interfere with normal District operations. The OCEA agrees to pay for the cost of any additional custodial or security services.

## ARTICLE 41. - SCOPE OF BARGAINING

- 41.1 The District and the OCEA acknowledge that during the negotiations, which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to all proper subjects within the scope of representation. Therefore, the District and the OCEA, for the term of this Agreement, except as otherwise provided herein, each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter contained in this Agreement.

## ARTICLE 42. - IMPASSE PROCEDURES

- 42.1 If either the District or OCEA declares that an impasse exists in the meet and confer process, the party so declaring may initiate the impasse procedure by providing the other party with a written request for an impasse meeting, together with a statement of its position on all issues. An impasse meeting shall be scheduled and held between the parties within fourteen (14) calendar days or as soon as practicable to:
- 42.2 Review the position of the parties in a final effort to reach agreement on a memorandum of understanding, and if the impasse is not resolved, to discuss the immediate utilization of impasse procedures outlined herein.
- 43.3 Impasse procedures are:
- 43.3.1 Mediation: If the parties mutually agree to submit the dispute to the State Mediator and Conciliation Service, all mediation proceedings shall be private and occur as soon as practicable. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues.
- 43.3.2 Fact-Finding: If the parties fail to resolve the dispute through mediation, the parties may agree to submit the impasse to fact finding as soon as practicable. The cost of a fact finder and other mutually incurred costs shall be mutually shared by the District and OCEA.
- 43.3.3 Board Actions: If the parties fail to resolve the impasse, the dispute shall be sent to the District's Board of Directors for resolution. Each party shall submit its written proposal on all issues to the

Board. The Board may take such action to resolve the impasse as it deems appropriate to the public interest. Any action taken by the Board to resolve the impasse shall be final and binding.

#### **ARTICLE 43. - SEVERABILITY**

- 43.1 Notwithstanding any other provisions in this Agreement, in the event that any article, section or subsection of this Agreement shall be declared invalid by any court or by any state or federal law or regulation, or should a decision by any court or any state or federal law or regulation diminish the benefits provided by this Agreement, or impose additional obligations on the District, the District and OCEA shall meet and confer on the affected article, section or subsection. In such event, all other articles, sections or subsections of this Agreement not affected shall continue in full force and effect.

#### **ARTICLE 44. - UNIFORMS**

- 44.1 The District shall provide and maintain ten (10) uniform pants and shirts, which may include the name of the employee and District's seal, at no cost to employees whose duties require that they wear uniforms. The District will also provide lab coats as required by the lab manager.
- 44.2 All employees who are issued uniforms must wear them during the performance of their regular duties. Other clothing appropriate to the occasion, as determined by District management, may be worn when attending business meetings. Failure to wear required clothing, shoes and safety equipment may be cause for disciplinary action.

#### **ARTICLE 45. - SUBSTANCE ABUSE POLICY**

- 45.1 The District's Substance Abuse Policy will apply to all unit members. The District may adopt or implement rules, regulations and policies to be in compliance with federal and state laws. In such cases, notification will be provided to the bargaining unit prior to implementation.
- 45.2 Department of Transportation (DOT) Regulations
- 45.2.1 Every driver who operates a commercial motor vehicle in interstate or intrastate commerce, and is subject to the commercial driver's license requirements of the Department of Transportation, Federal Highway Administration CFR Part 382 is subject to the District's Anti-Drug and Alcohol Program. The District will ensure that all alcohol or controlled substances testing conducted under the Substance Abuse and Alcohol Misuse Plan complies with the procedures set forth in CFR Part 40.
- 45.3 District's Substance Abuse Policy
- 45.3.1 Any employee may be subject to discipline, up to and including termination, for any alcohol screen test that indicates an alcohol concentration level of 0.02% or greater.

#### **ARTICLE 46. - DUES DEDUCTIONS**

- 46.1 The District shall deduct from each regular paycheck and remit to OCEA the dues, initiation fees and assessments for each employee who voluntarily authorizes such deduction in writing. Such authorizations must be filed by the end of the pay period prior to the period for which the deduction is requested.
- 46.2 The District shall provide the OCEA a quarterly list of the names of those employees for whom it has made deductions. In addition, the District shall provide the names and addresses of new employees and the names of employees who have terminated within the previous quarter.

#### **ARTICLE 47.**

(This Article intentionally left blank)

## **ARTICLE 48. - PEACEFUL RESOLUTION OF DISPUTES**

- 48.1 During the term of this Memorandum, or any subsequent period when impasse resolution procedures are in progress or recommendations resulting from such procedures are being considered by the parties, the District agrees it shall not lockout employees in this bargaining unit, and OCEA agrees that it shall neither advocate, encourage or participate in any strike, including sympathy strike, or work stoppages, nor encourage employees to refrain in whole or in part from the full, faithful and proper performance of their duties of employment.

## **ARTICLE 49.**

(This Article intentionally left blank)

## **ARTICLE 50. - WORKPLACE VIOLENCE AND WEAPONS POLICY**

- 50.1 The District's Workplace Violence and Weapons Policy will apply to all unit members.

## **ARTICLE 51. - RESIGNATION**

- 51.1 Voluntary written termination of employment with the District is irrevocable after seventy-two (72) hours from the receipt of the resignation, except by approval of the Director of Human Resources, or designee.

## **ARTICLE 52.**

(This Article intentionally left blank)

## **ARTICLE 53. - LABOR MANAGEMENT COMMITTEE**

- 53.1 Orange County Employees Association (OCEA) and the Orange County Sanitation District (OCSD) hereby agree to meet within two (2) months from the OCSD Board approval of this MOU to discuss the structure and process of a Labor Management Committee at OCSD. Absent mutual agreement regarding the structure and process of a Labor Management Committee, the parties will defer discussions to the time when a successor MOU is raised.

**SIGNATURE PAGE**

**2014 – 2016  
MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
ORANGE COUNTY SANITATION DISTRICT  
AND THE  
ORANGE COUNTY EMPLOYEES ASSOCIATION  
FOR THE  
ENGINEERING UNIT**


Executed: \_\_\_\_\_

**OCEA ENGINEERING UNIT**

**ORANGE COUNTY SANITATION DISTRICT**

  
\_\_\_\_\_  
Bo Gutierrez, Labor Relations Representative

\_\_\_\_\_  
Steve Filarsky, Chief Negotiator

  
\_\_\_\_\_  
Joshua Boudreaux, Labor Relations Representative

\_\_\_\_\_  
James Herberg, General Manager

  
\_\_\_\_\_  
Richard Chappell, Senior Construction Inspector

\_\_\_\_\_  
Robert P. Ghirelli, Assistant General Manager

\_\_\_\_\_  
Richard Spencer, Human Resources Manager

\_\_\_\_\_  
Andrew Nau, Principal Human Resources Analyst

\_\_\_\_\_  
Stephanie Good, Human Resources Analyst

# Exhibit A

## ENGINEERING UNIT

| Classification | Pay Grade |
|----------------|-----------|
|----------------|-----------|

|                               |    |
|-------------------------------|----|
| Senior Construction Inspector | 78 |
| Engineering Associate         | 76 |
| Construction Inspector        | 74 |
| Engineering Assistant II      | 70 |
| Engineering Assistant I       | 66 |

**Effective  
11-Jul-14**

| MIN | MAX |
|-----|-----|
|-----|-----|

|         |         |
|---------|---------|
| \$43.55 | \$52.94 |
| \$41.44 | \$50.39 |
| \$39.47 | \$47.97 |
| \$35.76 | \$43.46 |
| \$32.40 | \$39.38 |

**Effective  
10-Jul-15**

| MIN | MAX |
|-----|-----|
|-----|-----|

|         |         |
|---------|---------|
| \$44.42 | \$54.00 |
| \$42.27 | \$51.40 |
| \$40.26 | \$48.93 |
| \$36.48 | \$44.33 |
| \$33.05 | \$40.17 |



# BOARD OF DIRECTORS

## AGENDA REPORT

|                          |                            |
|--------------------------|----------------------------|
| Meeting Date<br>02/25/15 | To Bd. of Dir.<br>02/25/15 |
| Item Number<br>4         | Item Number<br>11          |

Orange County Sanitation District

**FROM:** James D. Herberg, General Manager

**SUBJECT:** SALARY RANGE ADJUSTMENTS FOR NON-EXEMPT CONFIDENTIAL EMPLOYEES

### GENERAL MANAGER'S RECOMMENDATION

Adopt Resolution No. OCSD 15-05, entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District approving Salary and Benefit Adjustments for Unrepresented Non-exempt Confidential Employees for Fiscal Years 2014/2015 & 2015/2016."

### SUMMARY

Confidential employees perform duties and responsibilities that support OCSD management with labor relations. Confidential employees are not represented by a bargaining unit and meet directly with the General Manager regarding terms and conditions of employment.

The work and duties performed by non-exempt confidential employees aligns with that of employees in the Orange County Employees Association (OCEA) bargaining units; however, due to their job duties in support of the labor relations program, confidential employees are not represented by a bargaining unit. Therefore, though they are in separate groups, unrepresented non-exempt confidential employees' wages and benefits have historically aligned with represented employees' negotiated wages and benefits in the OCEA groups.

The General Manager is proposing the following salary adjustments for non-exempt confidential employees that align with represented employee wages and benefits.

- **Salary Increases (2-Year Cost: \$18,190)** - 2% salary increase in Year 1; and 2% salary increase in Year 2.

Additionally, non-exempt confidential employees are committed to reconvening at a later date with the General Manager to discuss health insurance carrier and/or plan design changes in order to achieve cost containment.

### PRIOR COMMITTEE/BOARD ACTIONS

N/A

## **ADDITIONAL INFORMATION**

There are currently three (3) non-exempt confidential employees at OCSD in three (3) classifications. Confidential employees are those employees who, with authorized access, assist and act in a confidential capacity to and for persons who formulate, determine, and effectuate management policies with respect to labor relations. Non-exempt confidential employees hold the following classifications:

Administrative Assistant  
Human Resources Assistant  
Program Assistant

Confidential employees are not represented by a bargaining unit; instead confidential employees represent themselves as a group in informal discussions with OCSD's General Manager regarding wages, hours, and other terms and conditions of employment. The General Manager recommends the following changes:

- Salary
  - Year 1 – 2.0% Salary Increase, retroactive to the first pay period of July 2014.
  - Year 2 – 2.0% Salary Increase, effective the first pay period of July 2015.

The cost of the salary increase for non-exempt confidential employee classifications is approximately \$18,190.

The proposal for non-exempt confidential employees also includes a commitment to reconvene with the General Manager at a later date to discuss potential medical carrier and/or plan design changes in order to achieve cost containment.

## **ATTACHMENT:**

- Resolution OCSD 15-05

RESOLUTION NO. OCSD 15-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT APPROVING SALARY AND BENEFIT ADJUSTMENTS FOR UNREPRESENTED NON-EXEMPT CONFIDENTIAL EMPLOYEES FOR FISCAL YEARS 2014/2015 & 2015/2016

WHEREAS, there are thirteen (13) employees in the confidential employees job classifications at the Orange County Sanitation District ("OCSD") who, with authorized access, assist and act in a confidential capacity to and for persons who formulate, determine, and effectuate management policies with respect to labor relations; and

WHEREAS, there are three (3) confidential employees holding non-exempt classifications; and

WHEREAS, non-exempt confidential employees are unrepresented and meet directly with the General Manager about terms and conditions of employment; and

WHEREAS, the General Manager recently entered into discussions with the non-exempt confidential employees and completed negotiations in February 2015, which resulted in agreed upon proposed changes to wages and benefits that align with those agreed upon for represented employees; and

WHEREAS, non-exempt confidential employees have agreed to reconvene at a later date with the General Manager to discuss a medical reopener to discuss changes in order to avoid excise taxation; and

NOW, THEREFORE, the Board of Directors of the Orange County Sanitation District, DOES HEREBY RESOLVE, DETERMINE, AND ORDER:

1. That the Board of Directors hereby authorizes and approves the following changes to wage and benefits for non-exempt confidential employees, which shall become effective as noted:

a) Salaries

- To align with similarly situated represented employee classifications, non-exempt confidential employees' salaries shall be adjusted per the following:
  - Year 1 – 2.0% Salary Increase, retroactive to the first pay period of July 2014.
  - Year 2 – 2.0% Salary Increase, effective the first pay period of July 2015.

2. That the General Manager, or his designee, is authorized to implement the

changes to wages and benefits approved herein, and reconvene at a later date with the non-exempt confidential employees to discuss health insurance carriers and/or plan design changes in order to achieve additional cost savings.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held February 25, 2015.

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Tom Beamish,  
Chairman of the Board

ATTEST:

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Kelly A. Lore  
Acting Clerk of the Board

## **STEERING COMMITTEE**

### **AGENDA REPORT**

|                          |                            |
|--------------------------|----------------------------|
| Meeting Date<br>02/25/15 | To Bd. of Dir.<br>02/25/15 |
| Item Number<br>5         | Item Number<br>12          |

Orange County Sanitation District

**FROM:** James D. Herberg, General Manager  
Originator: Robert P. Ghirelli, Assistant General Manager

**SUBJECT:** REVISED POLICY REGARDING BOARD OF DIRECTORS' EXPENSE REIMBURSEMENT, MEETING ATTENDANCE AND COMPENSATION TO INCLUDE COMPENSABLE MILEAGE

#### **GENERAL MANAGER'S RECOMMENDATION**

Adopt Resolution No. OCSD 15-06, A Resolution of the Board of Directors of the Orange County Sanitation District Adopting a Revised Policy Regarding Board of Directors' Expense Reimbursement and Meeting Attendance and Compensation and Repealing Resolution No. OCSD 14-04.

#### **SUMMARY**

The District does not have a written policy regarding compensation mileage for Directors traveling to District meetings. Staff recommends formalizing a policy to ensure consistent reimbursement and compliance with state law. It is recommended that the District reimburse mileage according to the actual distance traveled.

#### **PRIOR COMMITTEE/BOARD ACTIONS**

March 2014 - Adopt Resolution No. OCSD 14-04 - Minor revisions were made to the previous resolution including: Reimbursement rates needed to be adjusted slightly to reflect the present cost of travel; conforming to the Ordinance setting the compensation of Directors; clarifying events and expenses that are subject to reimbursement and compensation and reorganizing the policy for easier reference.

May 2006 – Adopt Resolution No. OCSD 06-11, A Resolution of the Board of Directors of Orange County Sanitation District Establishing a Policy Regarding Board of Directors' Business and Travel Expense Reimbursement, and Meeting Attendance and Compensation, and Repealing Resolution No. OCSD 06-09.

#### **CEQA**

N/A

## **BUDGET/PURCHASING ORDINANCE COMPLIANCE**

The revisions to the Policy are not expected to have major effects on the budget.

### **ATTACHMENT**

*The following attachment(s) are attached in hard copy and may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package and attachments:*

- Proposed Resolution No. OCSD 15-06
- Resolution No. OCSD 14-04

RESOLUTION NO. OCSD 15-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT ADOPTING A REVISED POLICY REGARDING BOARD OF DIRECTORS' EXPENSE REIMBURSEMENT AND MEETING ATTENDANCE AND COMPENSATION AND REPEALING RESOLUTION NO. OCSD 14-04

WHEREAS, pursuant to Government Code section 53232.2, the Board of Directors has adopted a written policy specifying the types of occurrences that qualify a member of the Board of Directors to receive reimbursement of expenses related to travel, meals, lodging, and other actual and necessary expenses; and

WHEREAS, the District currently has no uniform procedure for calculating and reimbursing travel expenses for meetings; and

WHEREAS, the Board of Directors desires to revise its policies to standardize the calculation and reimbursement of travel expenses for meetings;

NOW, THEREFORE, the Board of Directors of Orange County Sanitation District, DOES HEREBY RESOLVE, DETERMINE AND ORDER:

Section 1: Adoption of Policy and Establishment of Procedures. The Board of Directors hereby adopts the revised Policy Regarding Board of Directors' Expense Reimbursement and Meeting Attendance and Compensation, set forth on Exhibit "A", attached hereto and incorporated herein by reference.

Section 2: Rescission of Inconsistent Resolutions and Policies. Resolution No. OCSD 14-04 is hereby rescinded. In addition, any prior resolutions and/or policies established by the Board of Directors that are in conflict with the policy set forth in Exhibit "A" shall be deemed rescinded to the extent of such conflict.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held February 25, 2015,

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Tom Beamish  
Chairman of the Board

ATTEST:

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Kelly Lore  
Acting Clerk of the Board





## EXHIBIT "A"

### ORANGE COUNTY SANITATION DISTRICT

#### POLICY REGARDING BOARD OF DIRECTORS' EXPENSE REIMBURSEMENT AND MEETING ATTENDANCE AND COMPENSATION

This Policy applies to all regular District Board Members and Alternate Board Members.

#### ARTICLE I: TERMS AND DEFINITIONS

As used in this Policy, the following terms shall have the identified meanings.

**"Accountable Plan"** shall mean the Internal Revenue Service Publication No. 463 for Travel, Entertainment, Gift and Car Expenses, or any successor publication.

**"Alternate Board Member"** shall mean a Member of the District's Board of Directors designated by the Director's agency to serve in the absence of the Board Member.

**"Board Chair"** shall mean the Member of the District's Board of Directors who has been elected by the other Members to serve as Chair.

**"Board Vice-Chair"** shall mean the Member of the District's Board of Directors who has been elected by the other Members to serve as Vice-Chair. Whenever this Policy authorizes or requires the Board Chair to act, the Board Vice-Chair may act in the event that the Board Chair is reasonably unavailable to act.

**"Board Member"** shall mean a Member of the District's Board of Directors, appointed by a member agency pursuant to California Health and Safety Code Section 4730.65.

**"Director"** shall mean a Member of the District's Board of Directors, and is the same as "Board Member" as described above.

**"Incidentals"** shall mean any minor, miscellaneous expense incurred during travel, including but not limited to, telephone, facsimile or computer connection service, local ground transportation, baggage handling and storage, and snacks.

**"Travel Liaison"** shall mean the Secretary to the General Manager, or such other employee as designated in writing by the General Manager.

## **ARTICLE II. BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT**

### **Section 1: General Provisions.**

The District shall reimburse Board Members for actual and necessary expenses incurred in the performance of their official duties, in accordance with this Article II. Reimbursable expenses include, but are not necessarily limited to, expenses related to travel, meals, and lodging.

This Policy serves as the District's "Accountable Plan" under the applicable requirements of the Internal Revenue Code and Treasury Regulations.

### **Section 2: Activities Eligible for Reimbursement.**

Board Members may receive reimbursement for actual and necessary expenses incurred in the performance of official duties in connection with the following activities:

i. Communicating with representatives of regional, state, and national government on issues or matters affecting the District;

ii. Attending conferences and/or educational seminars designed to improve the Board Members' expertise and information levels, including, but not limited to, ethics training required pursuant to Government Code Section 53234;

iii. Participating in regional, state, and national organizations whose activities support the District's interests;

iv. Attending District events at the invitation of the Board Chair, General Manager, or his/her designee; and

v. Implementing a strategy approved by the District for District-related matters.

vi. Meetings such as those listed above for which compensation is expressly authorized under this Policy.

A Board Member and his or her Alternate Board Member cannot both be compensated for attendance at the same event without prior approval by the Board Chair.

### **Section 3: Responsibilities.**

A. Directors shall be familiar with and comply with this Policy; ensure that all travel and other reimbursable expenses are reasonable; coordinate multiple Director participation at conferences to avoid unnecessary duplication; and promote economic means of travel. The Board Chair may approve or deny requests for travel or business activities and reimbursements for Board Members.

B. The General Manager shall be familiar with and comply with this Policy; ensure all travel and other reimbursable expenses are reasonable; coordinate multiple Director participation at conferences; and promote economic means of travel.

C. The Travel Liaison shall be familiar with and comply with this Policy; promote economic and reasonable means of travel; and inform the General Manager of all travel expenses that have not been reconciled. The Travel Liaison will also arrange all travel, lodging, accommodations, and seminar/conference registrations for Directors. The Travel Liaison shall use the District's designated travel agency for booking all air and ground travel. The General Manager is authorized to grant exceptions on a case-by-case basis. Any travel or registration not booked through the Travel Liaison, or not granted an exception, may be subject to payment by the Director without reimbursement from the District.

D. The District Controller shall be familiar with and comply with this Policy; ensure all travel and other reimbursable expenses conform to this Policy.

Section 4: Designated Travel Agency.

The District will designate a single travel agency for the Travel Liaison to use to arrange all travel and lodging accommodations for Directors.

Section 5: Seminars, Conferences, and Meetings.

A. Directors may from time to time receive requests or may elect to attend meetings or conferences pertaining to the water and wastewater utility industry. Attendance at seminars, conferences, and meetings, such as the aforementioned, must be approved in advance by the Steering Committee, except when specifically pre-authorized by this Policy. In the event there is not sufficient time to receive approval from the Steering Committee, the Board Chair has the authority to approve such a request in advance. Any such approval shall be ratified by the Steering Committee at its next regularly scheduled meeting.

B. Directors may be asked to, or may desire to, give presentations or otherwise represent the District at seminars, conferences, or meetings. Any Director wishing to attend such events and represent the District by providing a presentation or oral commentary shall request and receive advance authorization from the Steering Committee. If such a request is granted, all expense reimbursements and travel and meeting attendance requirements shall comply with this Policy. In the event there is not sufficient time to receive authorization to act as District representative from the Steering Committee, the Board Chair has the authority to approve such a request in advance. Any such approval shall be ratified by the Steering Committee at its next regularly scheduled meeting.

C. The number of Directors attending a seminar, conference, or meeting should be minimized, and there must be a District business reason for attendance. Such reasons would include, but are not limited to: presentation of technical findings; attendance at committee meetings, or technical sessions dealing with issues related to District business; or participation as an officer of the association or trade group organizing the event.

D. Seminars must be selected based on value to the District. Benefits would include improved efficiency and effectiveness, as well as becoming familiar with new regulatory standards. Preference will be given to seminars that are provided within the Southern California region.

E. Attendance at seminars, conferences, or meetings in "destination resort" areas outside California or areas outside the continental United States may only be approved by the Steering Committee.

Section 6: Ground Transportation.

A. The most economical mode and class of transportation reasonably consistent with travel and scheduling requirements will be used. Each Director shall be reimbursed at the rate per mile established by the United States Internal Revenue Service as allowable for mileage expense deduction for use of a personal vehicle on business of the District. As said allowable rate established by the Internal Revenue Service is periodically changed, said changes in the reimbursement rate shall become effective on the first day of the month following the month in which the change is announced by the Internal Revenue Service.

B. In no event shall the amount paid for mileage reimbursement for use of a personally-owned vehicle used for travel in lieu of air travel, exceed the lowest available cost of coach class airfare.

C. Personally-owned vehicles used in the conduct of District business must be insured for property and liability damage in an amount not less than the minimum limits required by the California Financial Responsibility Act.

D. Reasonable vehicle parking and storage costs will be allowed when rental or personally-owned vehicles are used for District business.

E. Highway and bridge tolls are allowable expenses when incurred while conducting District business.

F. Directors should only use rental cars for ground transportation when necessary or when it is less expensive than other forms of transportation such as trains, buses, taxis, or shuttles. Discretion must be used in selecting rental car size. The rental car should be the smallest size that provides adequate safety and comfort for the

period of time it is in use. To accommodate a group of travelers, a larger vehicle may be rented in lieu of renting separate vehicles.

G. Directors will not be reimbursed for any surplus insurance purchased for rental cars. The District and Director are sufficiently insured through existing District policies. Only Directors are allowed to operate rental cars.

H. Use of chauffeur-driven limousines is not allowed while conducting District business.

I. When using ground transportation other than personally-owned vehicles, Directors shall use government and group rates offered by the provider of transportation services when available.

#### Section 7: Air Travel.

A. Air Travel must be at coach class level. First class travel will only be allowed on an exception basis and must be approved in advance by the Board Chair, based upon physical needs or ability to conduct meaningful work while on board.

B. Air Travel should be arranged as early as possible to take advantage of reduced fares for early reservations. Consideration should be given to alternative departure times, departure and arrival airports, dates, flight times, and stopovers to minimize airfares; however, the total cost of the alternatives (e.g., ground transportation, lodging) should also be considered in selecting an alternative. Internet booking services can be consulted to help in finding the optimum alternative; however, flights must still be reserved by the Travel Liaison.

C. Government and group rates for airline travel shall be used when available.

#### Section 8: Lodging.

A. Government and group rates offered by a provider of lodging services shall be used when available.

B. When travel is to a conference or organized educational activity, lodging costs shall not exceed the maximum group published by the conference or activity sponsor. Some conferences require early booking to take advantage of reduced rates. If lodging cannot be arranged at the conference group rate, other lodging accommodations may also be arranged if the cost is less than or equal to the conference group rate.

C. Overnight stays may be allowed for meetings or training functions lasting more than one day in OCSD's general geographical area (Orange, Los Angeles,

Ventura, San Bernardino, Riverside, San Diego, Imperial and Kern Counties) when the travel time involved is significant.

Section 9: Meals and Incidentals.

Meal expenses are allowed while Directors are traveling. Expenditures for meals will be moderate and reasonable. Expenses for meals not associated with travel but related to an appropriate business purpose meeting, are also allowed. Non-travel business meals will only be reimbursed if taken in conjunction with a District business meeting. All meals that are subject to reimbursement will not exceed the rates indicated below.

A. Reimbursement Rates. Directors will be reimbursed for actual meal expenses, including all taxes and gratuities, up to the amounts in Internal Revenue Service Publication 463, or any successor publication, or as specifically indicated below, whichever is less. If meal expenses exceed the allowance amount, the Director will only be reimbursed the allowance amount, with the remainder being paid by the Director. If meal expenses are less than the allowable amount, only the actual expense amount will be reimbursed. All meal expenses must be documented in detail in accordance with this Policy. When receipts are provided, the maximum per meal/expense reimbursements are as follows:

|           |         |
|-----------|---------|
| Breakfast | \$15.00 |
| Lunch     | \$20.00 |
| Dinner    | \$30.00 |
| Snacks    | \$10.00 |

Multiple meal expenses cannot be combined to pay for a more expensive single meal. The Policy is applied strictly as a per meal expense. In no event will a Director be reimbursed more than \$75 per travel day.

Receipts must provide a detailed account from the restaurant describing actual costs. Restaurant bill stubs do not provide sufficient detail and are not acceptable for reimbursement. Credit card receipts may be accepted, subject to Board Chair approval if itemized, if detailed meal receipts are not provided by the restaurant.

B. Non-Reimbursable Meals and Incidentals. Directors will not be reimbursed for the following:

i. Meals that are included in the cost of a conference or seminar, nor for meals taken elsewhere in lieu of the meal provided.

ii. Meals provided by others. Conflict of interest policies and applicable statutes should be considered when providing meals for or receiving meals from persons or entities other than the District representatives.

- iii. Meals provided to a spouse or guest.
- iv. Alcoholic beverages.

Section 10: Extended Travel and/or Travel with Family Members.

A. When a Director elects to extend his/her stay at travel destinations, or when traveling with family members, all expenses related to such extended or family travel, including, but not limited to airfare, extra meals, extended car rental, lodging, or incidentals shall be paid by the Director without reimbursement.

B. When travel time restrictions or transportation discounts make it desirable for a Director to arrive at a conference, seminar, or meeting a day early, or to stay an additional day, those travel days must be approved by the Board Chair in advance.

Section 11: Requests for Reimbursement.

A. Requests for reimbursement shall be submitted and coordinated through the Travel Liaison, no later than three weeks after the travel has concluded. The Travel Liaison shall ensure that all applicable forms and receipts are prepared and attached, and follow District procedure on expense reimbursement. A delinquent expense report will not be reimbursed unless justified in writing and approved by the Board Chair. All requests for reimbursement must be accompanied by receipts or documentation evidencing each expense. Improper expenditures, or those not adequately documented, will not be reimbursed. Non-essential expenses, including but not limited to, in-room movies, service bar, and similar extras will not be reimbursed.

B. All expense reports shall include detailed receipts and state the date, type of expense, District business purpose, those in attendance and their affiliations, and amounts expended. If a receipt is misplaced or lost, a lost/unavailable receipts memorandum must be prepared detailing the information required for the expense report, including the date, payee, description of the expense, business purpose, those in attendance, and the amount. The memorandum must be signed by the General Manager and attached to the reimbursement request.

Section 12: Brief Reports to Board.

At the next regular meeting of the Board of Directors following the event for which reimbursable expenses are incurred, Directors shall briefly report, orally or in writing, on any meetings attended at District expense. If multiple Directors attended the meeting at District expense, a joint report may be made to the Board of Directors.

Section 13: Misuse of Resources; Falsification of Reports.

Any Board member that misuses public resources, or falsifies expense reports, may lose reimbursement privileges, be required to pay restitution, and/or be subject to civil penalties and/or criminal prosecution.

**ARTICLE III. COMPENSATION**

Section 1: Stipends and Compensation.

A. Rate. Directors shall be paid compensation for each meeting attended and for each day's service rendered as a member of the Board, at the rate established by District Ordinance, in accordance with this Policy. Directors may receive compensation up to a maximum number of days each month, as prescribed by District Ordinance.

B. Authorized Meetings. Directors shall receive compensation, without further action or authorization of the Steering Committee or Board of Directors, for attendance at the following:

i. Board of Directors Meetings, Standing Committee Meetings, Special Committee Meetings, and Ad Hoc Committee Meetings, at which the Director is a duly appointed member;

ii. Meetings, conferences, and committee meetings of the California Association of Sanitation Agencies, and the National Association of Clean Water Agencies;

iii. Meetings of other governmental agencies to which the Director was appointed by the Board Chair;

iv. Meetings or events approved by the Board Chair. Meetings or events not approved by the Board Chair or listed above are not considered business of the District.

C. Travel Reimbursement. For the purposes of calculating mileage to attend the meetings described in Section 1B of this Article, Directors shall be reimbursed for the lesser of: the mileage from their primary administrative local government office, or the actual distance travelled.



Section 2: Waiver of Compensation.

Directors may waive their compensation or so choose to be compensated at a lower rate than the rate established under District Ordinance. Such requests must be submitted in writing to the Clerk of the Board.

Section 3: Additional Service Subject to Compensation.

Each day's service rendered as a Member of the District's Board of Directors shall be deemed to include, but not be limited to:

A. Attendance at any meeting of a Committee of which the Director is not a member, when expressly invited or requested to attend by the Board Chair.

B. Attendance at conferences or meetings with State and/or Federal Legislators regarding District business, when approved by the Steering Committee.

C. Attendance at a meeting, hearing, or conference relating to the business of the District, when approved by the Steering Committee or Board Chair, or when designated by the General Manager with the concurrence of the Board Vice-Chair in advance, and when deemed to be in the best interests of the District, including but not limited to the following:

i. Meetings of nonprofit organizations or service club meetings where a Board Member is making a presentation on behalf of the District.

ii. Ceremonial events when attending as an official representative of the Board of Directors of the District.

iii. Meetings with other elected officials or their employees, which may or may not include District staff.

iv. Meetings of the governing body of another agency, of which the District has an official delegate, where a matter directly affecting the interests of the District is agendized for discussion and the Board Member is not compensated by the other agency.

v. Meetings with District Staff.

vi. Industry related conferences other than California Association of Sanitation Agencies' or National Association of Clean Water Agencies' work conferences.

vii. Telephone conferences when physical attendance is impractical and not mandatory.

viii. Ethics training required by Government Code sections 53234 – 53235.5.

Section 4: Non Compensable Attendance.

Board Members shall not be compensated for the following meetings where there is no District-related business to be conducted:

- A. Nonprofit organization meetings.
- B. Nonprofit organization events.
- C. District-sponsored employee events, including, but not limited to, the annual holiday luncheon, employee picnic, or retirement events.
- D. Social or ceremonial events not pre-authorized by the Steering Committee.
- E. Service club meetings other than those included in Sections 1 and 3 above.
- F. Parades, festivals, holiday events, or retirement dinners.
- G. Meetings with existing or potential contractors, vendors, or consultants.
- H. Meetings of partisan political organizations.
- I. Meetings, tours, and similar events conducted at the request of the Board Member.

Section 5: One meeting per day.

No Director shall receive compensation for attendance at more than one meeting on any one calendar day.

Section 6: Alternates.

No Alternate Director shall receive compensation for attendance at any meeting or event unless serving in the absence of the regular Director, unless the Board Chair invites the Alternate Director to attend the meeting and approves payment of compensation.

#### **ARTICLE IV. EFFECTIVE DATE**

This Policy was duly adopted by action of the Board of Directors, on February 25, 2015 and shall be effective upon its adoption.

RESOLUTION NO. OCSD 14-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT ADOPTING A REVISED POLICY REGARDING BOARD OF DIRECTORS' EXPENSE REIMBURSEMENT AND MEETING ATTENDANCE AND COMPENSATION AND REPEALING RESOLUTION NO. OCSD 06-11

WHEREAS, pursuant to Government Code section 53232.2, the Board of Directors has adopted a written policy specifying the types of occurrences that qualify a member of the Board of Directors to receive reimbursement of expenses related to travel, meals, lodging, and other actual and necessary expenses; and

WHEREAS, pursuant to Health & Safety Code section 4733, the District has adopted an Ordinance and a written policy authorizing the payment of compensation to members of the Board of Directors for attendance at meetings and for each day's service rendered as a member by request of the Board Chair; and


WHEREAS, the Board of Directors desires to revise its policies for expense reimbursement and compensation;

NOW, THEREFORE, the Board of Directors of Orange County Sanitation District, DOES HEREBY RESOLVE, DETERMINE AND ORDER:

Section 1: Adoption of Policy and Establishment of Procedures. The Board of Directors hereby adopts the revised Policy Regarding Board of Directors' Expense Reimbursement and Meeting Attendance and Compensation, set forth on Exhibit "A", attached hereto and incorporated herein by reference.

Section 2: Rescission of Inconsistent Resolutions and Policies. Resolution No. OCSD 06-11 is hereby rescinded. In addition, any prior resolutions and/or policies established by the Board of Directors that are in conflict with the policy set forth in Exhibit "A" shall be deemed rescinded to the extent of such conflict.

PASSED AND ADOPTED at a regular meeting held March 26, 2014.

  
\_\_\_\_\_  
Troy Edgar  
Chairman of the Board

ATTEST:

  
\_\_\_\_\_  
Maria E. Ayala  
Clerk of the Board

STATE OF CALIFORNIA )  
 )                    ss  
COUNTY OF ORANGE )

I, Maria E. Ayala, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OCSD 14-04 was passed and adopted at a regular meeting of said Board on the 26th day of March 2014, by the following vote, to wit:


AYES:                   Beamish, Benavides, Choi, Curry, Diep, Edgar, Ferryman, Hernandez, Jones, Kim, Kring, Levitt, Murdock, Nagel, Nelson, Nguyen, Nielsen, Reinhart (Alternate), Seabourn, Shawver, Smith, F., Smith, T., and Sullivan (Alternate).

NOES:                   None.

ABSTENTIONS:       None.

ABSENT:               Narain and Reese.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 26th day of March, 2014.

  
\_\_\_\_\_  
Maria E. Ayala  
Clerk of the Board of Directors  
Orange County Sanitation District

## EXHIBIT "A"

### ORANGE COUNTY SANITATION DISTRICT

#### POLICY REGARDING BOARD OF DIRECTORS' EXPENSE REIMBURSEMENT AND MEETING ATTENDANCE AND COMPENSATION

This Policy applies to all regular District Board Members and Alternate Board Members.

#### ARTICLE I: TERMS AND DEFINITIONS

As used in this Policy, the following terms shall have the identified meanings.

**"Accountable Plan"** shall mean the Internal Revenue Service Publication No. 463 for Travel, Entertainment, Gift and Car Expenses, or any successor publication.

**"Alternate Board Member"** shall mean a Member of the District's Board of Directors designated by the Director's agency to serve in the absence of the Board Member.

**"Board Chair"** shall mean the Member of the District's Board of Directors who has been elected by the other Members to serve as Chair.

**"Board Vice-Chair"** shall mean the Member of the District's Board of Directors who has been elected by the other Members to serve as Vice-Chair. Whenever this Policy authorizes or requires the Board Chair to act, the Board Vice-Chair may act in the event that the Board Chair is reasonably unavailable to act.

**"Board Member"** shall mean a Member of the District's Board of Directors, appointed by a member agency pursuant to California Health and Safety Code Section 4730.65.

**"Director"** shall mean a Member of the District's Board of Directors, and is the same as "Board Member" as described above.

**"Incidentals"** shall mean any minor, miscellaneous expense incurred during travel, including but not limited to, telephone, facsimile or computer connection service, local ground transportation, baggage handling and storage, and snacks.

**"Travel Liaison"** shall mean the Secretary to the General Manager, or such other employee as designated in writing by the General Manager.

## **ARTICLE II. BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT**

### **Section 1: General Provisions.**

The District shall reimburse Board Members for actual and necessary expenses incurred in the performance of their official duties, in accordance with this Article II. Reimbursable expenses include, but are not necessarily limited to, expenses related to travel, meals, and lodging.

This Policy serves as the District's "Accountable Plan" under the applicable requirements of the Internal Revenue Code and Treasury Regulations.

### **Section 2: Activities Eligible for Reimbursement.**

Board Members may receive reimbursement for actual and necessary expenses incurred in the performance of official duties in connection with the following activities:

- i. Communicating with representatives of regional, state, and national government on issues or matters affecting the District;
- ii. Attending conferences and/or educational seminars designed to improve the Board Members' expertise and information levels, including, but not limited to, ethics training required pursuant to Government Code Section 53234;
- iii. Participating in regional, state, and national organizations whose activities support the District's interests;
- iv. Attending District events at the invitation of the Board Chair, General Manager, or his/her designee; and
- v. Implementing a strategy approved by the District for District-related matters.
- vi. Meetings such as those listed above for which compensation is expressly authorized under this Policy.

A Board Member and his or her Alternate Board Member cannot both be compensated for attendance at the same event without prior approval by the Board Chair.

### **Section 3: Responsibilities.**

A. Directors shall be familiar with and comply with this Policy; ensure that all travel and other reimbursable expenses are reasonable; coordinate multiple Director participation at conferences to avoid unnecessary duplication; and promote economic means of travel. The Board Chair may approve or deny requests for travel or business activities and reimbursements for Board Members.

B. The General Manager shall be familiar with and comply with this Policy; ensure all travel and other reimbursable expenses are reasonable; coordinate multiple Director participation at conferences; and promote economic means of travel.

C. The Travel Liaison shall be familiar with and comply with this Policy; promote economic and reasonable means of travel; and inform the General Manager of all travel expenses that have not been reconciled. The Travel Liaison will also arrange all travel, lodging, accommodations, and seminar/conference registrations for Directors. The Travel Liaison shall use the District's designated travel agency for booking all air and ground travel. The General Manager is authorized to grant exceptions on a case-by-case basis. Any travel or registration not booked through the Travel Liaison, or not granted an exception, may be subject to payment by the Director without reimbursement from the District.

D. The District Controller shall be familiar with and comply with this Policy; ensure all travel and other reimbursable expenses conform to this Policy.

**Section 4: Designated Travel Agency.**

The District will designate a single travel agency for the Travel Liaison to use to arrange all travel and lodging accommodations for Directors.

**Section 5: Seminars, Conferences, and Meetings.**

A. Directors may from time to time receive requests or may elect to attend meetings or conferences pertaining to the water and wastewater utility industry. Attendance at seminars, conferences, and meetings, such as the aforementioned, must be approved in advance by the Steering Committee, except when specifically pre-authorized by this Policy. In the event there is not sufficient time to receive approval from the Steering Committee, the Board Chair has the authority to approve such a request in advance. Any such approval shall be ratified by the Steering Committee at its next regularly scheduled meeting.

B. Directors may be asked to, or may desire to, give presentations or otherwise represent the District at seminars, conferences, or meetings. Any Director wishing to attend such events and represent the District by providing a presentation or oral commentary shall request and receive advance authorization from the Steering Committee. If such a request is granted, all expense reimbursements and travel and meeting attendance requirements shall comply with this Policy. In the event there is not sufficient time to receive authorization to act as District representative from the Steering Committee, the Board Chair has the authority to approve such a request in advance. Any such approval shall be ratified by the Steering Committee at its next regularly scheduled meeting.



C. The number of Directors attending a seminar, conference, or meeting should be minimized, and there must be a District business reason for attendance. Such reasons would include, but are not limited to: presentation of technical findings; attendance at committee meetings, or technical sessions dealing with issues related to District business; or participation as an officer of the association or trade group organizing the event.

D. Seminars must be selected based on value to the District. Benefits would include improved efficiency and effectiveness, as well as becoming familiar with new regulatory standards. Preference will be given to seminars that are provided within the Southern California region.

E. Attendance at seminars, conferences, or meetings in "destination resort" areas outside California or areas outside the continental United States may only be approved by the Steering Committee.

Section 6: Ground Transportation.

A. The most economical mode and class of transportation reasonably consistent with travel and scheduling requirements will be used. Each Director shall be reimbursed at the rate per mile established by the United States Internal Revenue Service as allowable for mileage expense deduction for use of a personal vehicle on business of the District. As said allowable rate established by the Internal Revenue Service is periodically changed, said changes in the reimbursement rate shall become effective on the first day of the month following the month in which the change is announced by the Internal Revenue Service.

B. In no event shall the amount paid for mileage reimbursement for use of a personally-owned vehicle used for travel in lieu of air travel, exceed the lowest available cost of coach class airfare.

C. Personally-owned vehicles used in the conduct of District business must be insured for property and liability damage in an amount not less than the minimum limits required by the California Financial Responsibility Act.

D. Reasonable vehicle parking and storage costs will be allowed when rental or personally-owned vehicles are used for District business.

E. Highway and bridge tolls are allowable expenses when incurred while conducting District business.

F. Directors should only use rental cars for ground transportation when necessary or when it is less expensive than other forms of transportation such as trains, buses, taxis, or shuttles. Discretion must be used in selecting rental car size. The rental car should be the smallest size that provides adequate safety and comfort for the

period of time it is in use. To accommodate a group of travelers, a larger vehicle may be rented in lieu of renting separate vehicles.

G. Directors will not be reimbursed for any surplus insurance purchased for rental cars. The District and Director are sufficiently insured through existing District policies. Only Directors are allowed to operate rental cars.

H. Use of chauffeur-driven limousines is not allowed while conducting District business.

I. When using ground transportation other than personally-owned vehicles, Directors shall use government and group rates offered by the provider of transportation services when available.

Section 7: Air Travel.

A. Air Travel must be at coach class level. First class travel will only be allowed on an exception basis and must be approved in advance by the Board Chair, based upon physical needs or ability to conduct meaningful work while on board.

B. Air Travel should be arranged as early as possible to take advantage of reduced fares for early reservations. Consideration should be given to alternative departure times, departure and arrival airports, dates, flight times, and stopovers to minimize airfares; however, the total cost of the alternatives (e.g., ground transportation, lodging) should also be considered in selecting an alternative. Internet booking services can be consulted to help in finding the optimum alternative; however, flights must still be reserved by the Travel Liaison.

C. Government and group rates for airline travel shall be used when available.

Section 8: Lodging.

A. Government and group rates offered by a provider of lodging services shall be used when available.

B. When travel is to a conference or organized educational activity, lodging costs shall not exceed the maximum group published by the conference or activity sponsor. Some conferences require early booking to take advantage of reduced rates. If lodging cannot be arranged at the conference group rate, other lodging accommodations may also be arranged if the cost is less than or equal to the conference group rate.

C. Overnight stays may be allowed for meetings or training functions lasting more than one day in OCSD's general geographical area (Orange, Los Angeles,

Ventura, San Bernardino, Riverside, San Diego, Imperial and Kern Counties) when the travel time involved is significant.

**Section 9: Meals and Incidentals.**

Meal expenses are allowed while Directors are traveling. Expenditures for meals will be moderate and reasonable. Expenses for meals not associated with travel but related to an appropriate business purpose meeting, are also allowed. Non-travel business meals will only be reimbursed if taken in conjunction with a District business meeting. All meals that are subject to reimbursement will not exceed the rates indicated below.

A. **Reimbursement Rates.** Directors will be reimbursed for actual meal expenses, including all taxes and gratuities, up to the amounts in Internal Revenue Service Publication 463, or any successor publication, or as specifically indicated below, whichever is less. If meal expenses exceed the allowance amount, the Director will only be reimbursed the allowance amount, with the remainder being paid by the Director. If meal expenses are less than the allowable amount, only the actual expense amount will be reimbursed. All meal expenses must be documented in detail in accordance with this Policy. When receipts are provided, the maximum per meal/expense reimbursements are as follows:

|           |         |
|-----------|---------|
| Breakfast | \$15.00 |
| Lunch     | \$20.00 |
| Dinner    | \$30.00 |
| Snacks    | \$10.00 |

Multiple meal expenses cannot be combined to pay for a more expensive single meal. The Policy is applied strictly as a per meal expense. In no event will a Director be reimbursed more than \$75 per travel day.

Receipts must provide a detailed account from the restaurant describing actual costs. Restaurant bill stubs do not provide sufficient detail and are not acceptable for reimbursement. Credit card receipts may be accepted, subject to Board Chair approval if itemized, if detailed meal receipts are not provided by the restaurant.

B. **Non-Reimbursable Meals and Incidentals.** Directors will not be reimbursed for the following:

i. Meals that are included in the cost of a conference or seminar, nor for meals taken elsewhere in lieu of the meal provided.

ii. Meals provided by others. Conflict of interest policies and applicable statutes should be considered when providing meals for or receiving meals from persons or entities other than the District representatives.

- iii. Meals provided to a spouse or guest.
- iv. Alcoholic beverages.

**Section 10: Extended Travel and/or Travel with Family Members.**

A. When a Director elects to extend his/her stay at travel destinations, or when traveling with family members, all expenses related to such extended or family travel, including, but not limited to airfare, extra meals, extended car rental, lodging, or incidentals shall be paid by the Director without reimbursement.

B. When travel time restrictions or transportation discounts make it desirable for a Director to arrive at a conference, seminar, or meeting a day early, or to stay an additional day, those travel days must be approved by the Board Chair in advance.

**Section 11: Requests for Reimbursement.**

A. Requests for reimbursement shall be submitted and coordinated through the Travel Liaison, no later than three weeks after the travel has concluded. The Travel Liaison shall ensure that all applicable forms and receipts are prepared and attached, and follow District procedure on expense reimbursement. A delinquent expense report will not be reimbursed unless justified in writing and approved by the Board Chair. All requests for reimbursement must be accompanied by receipts or documentation evidencing each expense. Improper expenditures, or those not adequately documented, will not be reimbursed. Non-essential expenses, including but not limited to, in-room movies, service bar, and similar extras will not be reimbursed.

B. All expense reports shall include detailed receipts and state the date, type of expense, District business purpose, those in attendance and their affiliations, and amounts expended. If a receipt is misplaced or lost, a lost/unavailable receipts memorandum must be prepared detailing the information required for the expense report, including the date, payee, description of the expense, business purpose, those in attendance, and the amount. The memorandum must be signed by the General Manager and attached to the reimbursement request.

**Section 12: Brief Reports to Board.**

At the next regular meeting of the Board of Directors following the event for which reimbursable expenses are incurred, Directors shall briefly report, orally or in writing, on any meetings attended at District expense. If multiple Directors attended the meeting at District expense, a joint report may be made to the Board of Directors.

Section 13: Misuse of Resources; Falsification of Reports.

Any Board member that misuses public resources, or falsifies expense reports, may lose reimbursement privileges, be required to pay restitution, and/or be subject to civil penalties and/or criminal prosecution.

**ARTICLE III. COMPENSATION**

Section 1: Stipends and Compensation.

A. Rate. Directors shall be paid compensation for each meeting attended and for each day's service rendered as a member of the Board, at the rate established by District Ordinance, in accordance with this Policy. Directors may receive compensation up to a maximum number of days each month, as prescribed by District Ordinance.

B. Authorized Meetings. Directors shall receive compensation, without further action or authorization of the Steering Committee or Board of Directors, for attendance at the following:

i. Board of Directors Meetings, Standing Committee Meetings, Special Committee Meetings, and Ad Hoc Committee Meetings, at which the Director is a duly appointed member;

ii. Meetings, conferences, and committee meetings of the California Association of Sanitation Agencies, and the National Association of Clean Water Agencies;

iii. Meetings of other governmental agencies to which the Director was appointed by the Board Chair;

iv. Meetings or events approved by the Board Chair. Meetings or events not approved by the Board Chair or listed above are not considered business of the District.

Section 2: Waiver of Compensation.

Directors may waive their compensation or so choose to be compensated at a lower rate than the rate established under District Ordinance. Such requests must be submitted in writing to the Clerk of the Board.

Section 3: Additional Service Subject to Compensation.

Each day's service rendered as a Member of the District's Board of Directors shall be deemed to include, but not be limited to:

A. Attendance at any meeting of a Committee of which the Director is not a member, when expressly invited or requested to attend by the Board Chair.

B. Attendance at conferences or meetings with State and/or Federal Legislators regarding District business, when approved by the Steering Committee.

C. Attendance at a meeting, hearing, or conference relating to the business of the District, when approved by the Steering Committee or Board Chair, or when designated by the General Manager with the concurrence of the Board Vice-Chair in advance, and when deemed to be in the best interests of the District, including but not limited to the following:

i. Meetings of nonprofit organizations or service club meetings where a Board Member is making a presentation on behalf of the District.

ii. Ceremonial events when attending as an official representative of the Board of Directors of the District.

iii. Meetings with other elected officials or their employees, which may or may not include District staff.

iv. Meetings of the governing body of another agency, of which the District has an official delegate, where a matter directly affecting the interests of the District is agendaized for discussion and the Board Member is not compensated by the other agency.

v. Meetings with District Staff.

vi. Industry related conferences other than California Association of Sanitation Agencies' or National Association of Clean Water Agencies' work conferences.

vii. Telephone conferences when physical attendance is impractical and not mandatory.

viii. Ethics training required by Government Code sections 53234 – 53235.5.

**Section 4: Non Compensable Attendance.**

Board Members shall not be compensated for the following meetings where there is no District-related business to be conducted:

A. Nonprofit organization meetings.

- B. Nonprofit organization events.
- C. District-sponsored employee events, including, but not limited to, the annual holiday luncheon, employee picnic, or retirement events.
- D. Social or ceremonial events not pre-authorized by the Steering Committee.
- E. Service club meetings other than those included in Sections 1 and 3 above.
- F. Parades, festivals, holiday events, or retirement dinners.
- G. Meetings with existing or potential contractors, vendors, or consultants.
- H. Meetings of partisan political organizations.
- I. Meetings, tours, and similar events conducted at the request of the Board Member.

**Section 5: One meeting per day.**

No Director shall receive compensation for attendance at more than one meeting on any one calendar day.

**Section 6: Alternates.**

No Alternate Director shall receive compensation for attendance at any meeting or event unless serving in the absence of the regular Director, unless the Board Chair invites the Alternate Director to attend the meeting and approves payment of compensation.

**ARTICLE IV. EFFECTIVE DATE**

This Policy was duly adopted by action of the Board of Directors, on March 26, 2014 and shall be effective upon its adoption.

**MINUTES**

**LEGISLATIVE AND PUBLIC AFFAIRS  
SPECIAL COMMITTEE MEETING**

Orange County Sanitation District

The Legislative and Public Affairs Special Committee meeting convened on Monday, February 9, 2015, at 8:03 a.m. in the Administration Building of the Orange County Sanitation District. Vice-Chair Nielsen called the meeting to order and Director Greg Sebourn led the pledge of allegiance.

A quorum was declared present, as follows:

**COMMITTEE MEMBERS**

**PRESENT:**

John Nielsen, Board Vice-Chair  
Greg Sebourn, Operations Committee  
Vice-Chair  
David Benavides, Director  
Tyler Diep, Director  
Lucille Kring, Director  
John Withers, Administration  
Committee Chair

**COMMITTEE MEMBERS ABSENT:**

Tom Beamish, Board Chair

**STAFF PRESENT**

Jim Herberg, General Manager  
Bob Ghirelli, Assistant General  
Manager  
Nick Arhontes, Director of Facilities  
Support Services  
Jeff Reed, Director of Human  
Resources  
Rob Thompson, Director of  
Engineering  
Ed Torres, Director of Operations &  
Maintenance  
Lorenzo Tyner, Director of Finance &  
Administrative Services  
Kelly A. Lore, Acting Clerk of the  
Board  
Jennifer Cabral  
Jim Colston  
Norbert Gaia  
Al Garcia  
Rebecca Long  
Kelly Newell

**OTHERS PRESENT:**

Brad Hogin, General Counsel  
Eric Sapirstein, ENS (via Teleconference)  
Ian Delzer, Townsend Public Affairs  
Heather Stratman, Townsend Public  
Affairs



**PUBLIC COMMENTS:**

None.

**REPORTS:**

General Manager Herberg stated that to accommodate the members of Legislative and Public Affairs (LAPA) Committee and the Groundwater Replenishment System (GWRS) Steering Committee, the start time for LAPA meetings will begin at 3:30 p.m. on days when the GWRS Steering Committee meets, which is four times per year. The committee will be notified/reminded in advance.

Vice-Chair Nielson reported that he had recently attended the California Association of Sanitation Agencies (CASA) winter conference where converting food waste into energy was discussed.

**CONSENT ITEMS:**

1. **MOVED, SECONDED and DULY CARRIED TO:** Approve minutes for the Committee meeting held on January 12, 2015.

**AYES:** Diep; Kring; Nielsen; Sebourn and Withers

**NOES:** None

**ABSTENTIONS:** None

**ABSENT:** Benavides; Beamish

**INFORMATIONAL ITEMS:**

2. Public Affairs Update

Principal Public Affairs Specialist, Jennifer Cabral reported on the Public Affairs outreach as follows: 15 tours with 200 guests hosted last month; two legislative tours and participation in a science fair at a local elementary school in Fountain Valley. In upcoming events, the District will participate at the Garden Grove Tet Festival on February 21 and the STEM Science Night at Sunny Hills High School on February 24.

Ms. Cabral reported on the upcoming Honor Walk nominations due on

March 16 and explained the program, which recognizes former OCSD board members and staff for significant contributions to the District. If you are interested in nominating a past member, please submit that person's name to General Manager Herberg. The Honor Walk Recognition will be taking place in May.

Ms. Cabral further reported on the following: high school video contest; construction outreach efforts regarding the Newport Force Main project, and Tustin project; stakeholder outreach meetings; levels of outreach/coordination efforts between OCSD and Orange County Water District (OCWD).

*Director Benavides arrived at 8:10 a.m.*

Ms. Cabral discussed the recent Board Orientation, handed out the list of monthly informational presentations that are scheduled for Committee meetings and inquired if there is anything the committee would like to add.

Questions regarding the consultant for the construction outreach of the Newport Force Main Project 5-60, issues with the contractor and changes that have been made were answered by Ms. Cabral and Director of Engineering Rob Thompson.

Mr. Thompson also stated that he would be speaking at the April meeting of Speak Up Newport.

Director Withers suggested that, due to the large board member turnover, staff prepare a Board orientation online, which could be easily accessed at any time on the Director's webpage.

### 3. Legislative Updates

Sr. Public Affairs Specialist Rebecca Long reported that a letter would be going out to various congressional staff thanking them for their support in the completion of construction activities to relocate a portion of the Santa Ana River Interceptor (SARI) line.

She further reported on OCSD's opposition to SP-119 (Hill) which relates to the marking of lateral sewer lines that are not owned by OCSD; letters of support which are being prepared for the USBR WaterSMART grant for the GWRS feasibility study; plant tours taking place today for Assembly members' Ling Ling Chang and Matthew Harper; and the upcoming tour for Assemblywoman Young Kim.

Eric Saperstein, ENS Resources, Inc., reported on the President's budget submittal to Congress last week containing new bond programs to support water infrastructure and infrastructure financing tools. He further reported on drought relief; ongoing efforts to redefine which waters of the U.S. are subject to the Clean Water Act - no more additional mandates on fund sources and the CASA Washington DC Conference in late February, which Ms. Long will be attending for the District.

Ms. Long reported that Public Affairs Specialist, Kelly Newell recently attended Senator Huff's Brea Chamber luncheon.

Heather Stratman, Townsend Public Affairs, reported on Governor Brown's 2015-16 budget allocations from Proposition 1 Expenditure Plan and the District's eligibility for funds; GWRS expansion - feasibility study; guidelines and processes for acquiring funds; Integrated Regional Water Management (IRWM) grant program funding opportunities; legislation cycle and the matrix list of bill introductions effecting the District; and education and outreach with new members Senator Pat Bates and Senator Janet Nguyen.

*Director Withers left the meeting at 8:40 a.m.*

**NON-CONSENT ITEMS:**

Assistant General Manager Bob Ghirelli and Ms. Cabral explained the educational program and answered questions from the committee.

The committee suggested that this item be brought back for an update in one year to see the progress and outcome of the program.

4. **MOVED, SECONDED and DULY CARRIED TO:** Approve a Cooperative Agreement with Orange County Department of Education (OCDE) for Educational Services with Inside the Outdoors, through June 30, 2015 with an amount not to exceed \$11,065, with four one-year renewal options, at an amount not to exceed \$24,365 per renewal year.

**AYES:** Benavides; Diep; Kring; Nielsen and Sebourn

**NOES:** None

**ABSTENTIONS:** None

**ABSENT:** Beamish and Withers

**OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA  
ITEMS, IF ANY:**

In regards to Item 4, Ms. Cabral clarified that the dollar amount per student previously given was the total cost of the program, not just OCSD's portion. The final cost is \$14.00 per student.

**ADJOURNMENT:**

Vice-Chair Nielsen declared the meeting adjourned at 9:03 a.m. to the next Legislative and Public Affairs Committee Meeting, March 9, 2015.

Submitted by:

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Kelly A. Lore  
Acting Clerk of the Board

# BOARD OF DIRECTORS

## AGENDA REPORT

|              |                            |
|--------------|----------------------------|
| Meeting Date | To Bd. of Dir.<br>02/25/15 |
| Item Number  | Item Number<br>14          |

Orange County Sanitation District

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Director of Engineering

**SUBJECT:** MACARTHUR PUMP STATION REHABILITATION, PROJECT NO. 7-63

### GENERAL MANAGER'S RECOMMENDATION

- A. Consider, receive, and file the Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the MacArthur Pump Station Rehabilitation, Project No. 7-63, prepared by JACOBS; and
- B. Adopt Resolution No. OCSD 15-07 entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District adopting the Mitigated Negative Declaration for the MacArthur Pump Station Rehabilitation Project No. 7-63; Adopting a Mitigation Monitoring and Reporting Program; and approving the MacArthur Pump Station Rehabilitation Project No. 7-63."

### SUMMARY

MacArthur Pump Station Rehabilitation, Project No. 7-63, (Project) will design and construct mechanical, electrical, instrumentation and controls, structural, and architectural improvements to bring the existing facility into compliance with current Orange County Sanitation District (Sanitation District) standards, and local, state, and national laws.

The existing facility is located at 4219 MacArthur Boulevard in the City of Newport Beach. The pump station has two vertical, non-clog sewage pumps (one duty and one standby). The Project will replace the existing pumps with new pumps to accommodate existing and projected flows and add emergency standby capacity. The pump station receives flows from the local tributary sewage system and has a 12-inch-diameter force main that discharges into the Von Karman Trunk Sewer.

A Negative Declaration for this rehabilitation project was previously adopted in 2006. However, the rehabilitation project was not completed at that time and additional construction elements have since been added. Specifically, the new project elements include replacing 2,130 feet of existing force main with high-density polyethylene pipe, modifying an existing manhole located at the intersection of Birch Street and MacArthur Boulevard, and reconstructing 2,000 feet of upstream sewers and manholes.

Pursuant to California Environmental Quality Act (CEQA), a Mitigated Negative Declaration (MND) was prepared because the Project, with mitigation, cannot or will not have a significant effect on the environment.

## **PRIOR COMMITTEE/BOARD ACTIONS**

May 2006 – Adopted the Negative Declaration for the original MacArthur Pump Station Rehabilitation Project. The original project was not constructed and additional elements were added.

## **CEQA**

The Sanitation District, as lead agency, prepared an Initial Study in 2014 analyzing the Project's potential environmental impacts. Based on the Initial Study, it was determined that all of the Project's potentially significant environmental impacts can be mitigated to a level of less than significance. On this basis, an MND and Mitigation Monitoring and Reporting Program have been prepared. A 30-day public review period commenced on November 20, 2014 and ended on December 20, 2014. The Draft Initial Study/MND was also submitted to the State Clearinghouse for a 30-day comment period (State Clearinghouse No. 2006031042). The Sanitation District received comments on the Draft Initial Study/MND, which are attached as Appendix A to the MND. Responses to those comments have also been included in Appendix C to the MND.

The proposed Resolution making CEQA findings and adopting the MND and Mitigation Monitoring and Reporting Program is attached for the Board's consideration and approval.

## **BUDGET/PURCHASING ORDINANCE COMPLIANCE**

N/A

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Exhibit A: OCSD Resolution No. 15-07
- Exhibit B: Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program

KM:DC:sa:gc

RESOLUTION NO. OCSD 15-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT ADOPTING THE MITIGATED NEGATIVE DECLARATION FOR THE MACARTHUR PUMP STATION REHABILITATION, PROJECT NO. 7-63; ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM; AND APPROVING THE MACARTHUR PUMP STATION REHABILITATION, PROJECT NO. 7-63

WHEREAS, the Orange County Sanitation District (the "District") is presently considering the approval of a project known as the MacArthur Pump Station Rehabilitation, Project No. 7-63 (the "Project"); and

WHEREAS, pursuant to the California Environmental Quality Act (Public Resources Code Sections 21000 et seq. ("CEQA")) and the CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 et seq.), the District as lead agency prepared an Initial Study/Mitigated Negative ("IS/MND") for the Project that analyzes the potential impacts of the Project, and identifies mitigation measures; and

WHEREAS, the District has consulted with other public agencies and the general public, and provided such agencies and the public with the opportunity to provide written and oral comments on the Project and the IS/MND as required by CEQA, including a public review period of 30 days which commenced on November 20, 2014 and ended on December 20, 2014; and

WHEREAS, on December 11, 2014, OCSD staff held a public meeting to provide a further opportunity for public agencies and the general public to comment on the IS/MND; and

WHEREAS, the District has reviewed the comments received and has responded to the significant environmental issues raised during the review and consultation process; and

WHEREAS, the comments received on the IS/MND, either in full or in summary, together with the District's responses have been included in the Mitigated Negative Declaration for the proposed Project; and

WHEREAS, the Mitigated Negative Declaration has been presented to the District's Board of Directors (the "Board") for review and consideration prior to the approval of, and commitment to, the Project.

NOW, THEREFORE, the Board of Directors of the Orange County Sanitation District DOES HEREBY RESOLVES, DETERMINES AND ORDER:

1. The Board has independently reviewed and considered the Mitigated Negative Declaration together with all comments received during the public review process;
2. The Mitigated Negative Declaration reflects the independent judgment and analysis of the Board;
3. The Board finds on the basis of the whole record before it that there is no substantial evidence that the Project, as mitigated, will have a significant effect on the environment;
4. The Board adopts the Mitigation Monitoring and Reporting Program (the "MMRP") attached as Attachment B to ensure that all mitigation measures identified in the Mitigated Negative Declaration are implemented;
5. The Mitigated Negative Declaration has been completed in compliance with the requirements of CEQA and is hereby adopted;
6. The Board approves the MacArthur Pump Station Rehabilitation, Project No. 7-63.
7. The documents and other materials that constitute the record of proceedings on which the Board's decision is based, are located at the District Administration Offices, 10844 Ellis Avenue, Fountain Valley, CA 92708 and the custodian for these documents is the Clerk of the Board.
8. District staff is authorized and directed to file the Notice of Determination (NOD) and any other documents in accordance with the requirements of CEQA.



PASSED AND ADOPTED at a regular meeting of the Board of Directors held  
February 25, 2015.

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Tom Beamish  
Board Chair

ATTEST:

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Kelly A. Lore  
Acting Clerk of the Board

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# Mitigated Negative Declaration

## MacArthur Pump Station Rehabilitation Project

Newport Beach, California

Prepared for



Orange County Sanitation District

Prepared by

**JACOBS**

January 2015

# Mitigated Negative Declaration

**Project Proponent:** Orange County Sanitation District (Sanitation District)  
10844 Ellis Avenue, Fountain Valley, California 92708

**Project Description:** The proposed MacArthur Pump Station Rehabilitation Project (Project) would design and construct mechanical, electrical, instrumentation and controls, structural, and architectural improvements to bring the existing facility into compliance with current Sanitation District standards, and local, state, and national laws. A Negative Declaration for this project was adopted in 2006. However, it was not constructed and additional construction elements have since been added. Specifically, the new project elements include replacing 2,130 feet of existing force main with high-density polyethylene pipe, modifying an existing manhole located at the intersection of Birch Street and MacArthur Boulevard, and reconstructing 2,000 feet of upstream sewers and manholes.

**Project Location:** 4219 MacArthur Boulevard  
Newport Beach, California 92660

**Finding:** Pursuant to the provisions of the California Environmental Quality Act (CEQA), the Sanitation District has determined that the proposed Project will not have a significant effect on the environment. Following an Initial Study and assessment of possible adverse impacts, the proposed Project was determined not to have a significant impact on the environment. Therefore, the Sanitation District has prepared a Mitigated Negative Declaration in accordance with the provisions of CEQA.

The Initial Study is available at [www.ocsd.com](http://www.ocsd.com). Copies are also available for viewing at:

- Orange County Sanitation District, Administrative Office Bldg., Engineering Department, 10844 Ellis Avenue, Fountain Valley, CA 92708
- Orange County Public Library – Costa Mesa, 1855 Park Ave., Costa Mesa, CA 92627
- Newport Beach Public Library, 1000 Avocado Avenue, Newport Beach, CA 92660
- Newport Beach Public Library – Mariners Branch, 2005 Dover Drive, Newport Beach, CA 92660

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Staff:** \_\_\_\_\_

**Date Filed with County Clerk:** \_\_\_\_\_