

NORTH MARIN WATER DISTRICT EMPLOYEE ASSOCIATION



NORTH MARIN WATER DISTRICT

MEMORANDUM OF UNDERSTANDING

October 1, 2023 – June 30, 2028

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MEMORANDUM OF UNDERSTANDING

Between

NORTH MARIN WATER DISTRICT AND

NORTH MARIN WATER DISTRICT EMPLOYEE ASSOCIATION

This Agreement is entered into between North Marin Water District, herein "the District," and the North Marin Water District Employee Association, herein "the Association" pursuant to the provisions of Government Code Section 3500 et. seq. (the Meyers-Milias-Brown Act).

1. Recognition

The District recognizes the Association as the exclusive bargaining representative for all regular full-time and regular part-time employees employed by the District in those classifications which are set forth in Exhibits A, B and C. The District agrees to notify the Association of any new employee classifications.

2. Management Rights

Except as expressly modified or restricted by a specific provision of this Agreement, the District retains all statutory and inherent management rights including but not limited to the right to discipline employees; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign and direct their work; to promote, demote, transfer, layoff, recall to work employees; to maintain the efficiencies of operations; to determine the personnel, methods, means, and facilities by which operations are conducted.

3. Deduction of Association Dues

The District agrees to withhold union dues from all union members at an amount to be determined by the Association and communicated to the District in writing, and the Association agrees to provide the District, on a semi-annual basis (in January and July of each year), a certified list of members and a statement that the Association has and will maintain written authorizations signed by the individuals from whose salary or wages the union dues deduction are to be made, and a statement that the Association shall indemnify the District for any claims made by the employee for deductions made in reliance on that certification, in accordance with Government Code §1157.12(a).

The parties agree that the District shall automatically cease deductions for

any employee who is no longer employed in a classification represented by the Association.

Amounts deducted and withheld by the District shall be transmitted monthly by the District to the Association official designated by the Association as the person authorized to receive such funds at the address provided by the Association.

The parties hereto recognize that membership in the Association is not compulsory, that employees have the right to join, not join, maintain, or drop their membership in the Association and that neither party shall exert any pressure on or discriminate against an employee regarding such matters.

The Association shall indemnify and hold the District harmless against any and all claims, demands, suits, orders, judgments or other forms of liability that shall arise out of or by reason of, action taken or not taken by the District under this Article.

4. Use of District Facilities and Bulletin Boards

The Association shall, with the prior approval of the General Manager or his designee, be granted the use of District facilities for meetings of District employees. Authorized representatives of the Association shall be allowed to post notices of official Association business on specified areas of the three bulletin boards maintained on District premises.

5. Association Stewards

The Association shall notify the General Manager in writing of the names of its members who have been designated by the Association to serve as Association stewards (not more than three). Association stewards shall not use District time to conduct Association business except under the following conditions:

When a grievance has been filed, the steward will be permitted a reasonable amount of release time to represent the employee in the steps of the Grievance Procedure.

When representing an employee at either an investigatory interview that might lead to discipline, or at a due process hearing, the steward will be permitted a reasonable amount of release time.

6. New Employee Orientation

The Association will be allocated up to thirty (30) minutes following a new employee's orientation to provide an overview of the Association without management personnel present. The District will notify the Association at least ten (10) days prior to any new employee orientation, unless an urgent need arises that was not reasonably foreseeable. The presentation may be made by the Association Chair or designee, and it shall be without loss of pay.

7. No Discrimination

The District shall not discriminate against any employee because of his/her membership in or support of the Association. The Association shall not discriminate against any employee because of his/her non-membership in or non-support of the Association.

8. Association Access

Non-employee Association Representatives shall be granted reasonable access to the District's facilities for the purposes of assuring that the terms of this Agreement are enforced. Upon arrival at a District facility, the Association Representative shall notify the General Manager or his designee. It is understood that the Association Representative will not interfere with the work of employees during this visit.

Any non-employee Association Representative(s) shall provide management the opportunity to have a designee accompany them while visiting the facility, except during the time that the representative may be meeting with District employee(s). Meetings with employees shall be held only on the employees' non-work time.

9. Probationary Period

All employees shall serve a probationary period of six (6) months from the date of hire. During this probationary period, employees shall be subject to termination at any time with or without cause. Probationary employees shall not have recourse to the Grievance Procedure. Unless otherwise specified, employees shall begin to earn Health benefits on the first of the month following date of employment and all other benefits upon the completion of their probationary period. At the sole discretion of the District, the probationary period may be extended for up to six additional months.

Employees shall also serve a 90-calendar day probationary period upon promotion to new position within the bargaining unit. Such probationary employees may be returned by the District to their prior position at any time during the 90-day probationary period with or without cause and such decision shall not be subject to the grievance procedure.

10. Grievance Procedure

A grievance is an allegation by an employee or the Association that the District has violated an express provision of this Agreement or a Personnel Policy of the District. For purposes of this section a workday is any day that the District office is open for regular business.

Step I. Written Notice to Immediate Supervisor

No later than two workdays after the event giving rise to the grievance, the employee must submit a written grievance to his immediate supervisor stating the nature of the grievance, the provision of the Agreement violated and the nature of the remedy sought. The immediate supervisor shall, give his written response to the employee not later than two (2) workdays thereafter.

Step II. Written Notice to Department Head

If the employee is not satisfied with the response, he/she shall, within five (5) workdays of the response at Step I, notify his/her Department Head in writing. The Department Head shall confer with the employee and his/her representative and respond to the grievance within five (5) workdays following the meeting.

Step III. EA & Management Outside Representative Advisors (New)

If the grievance is not resolved at Step II the employee may, within five (5) workdays of the response at Step II, file a written appeal to the General Manager (or designee), under Section 10 of the MOU, requesting for the EA and District to each appoint an outside representative to meet and make an advisory, non-binding recommendation to the General Manager. The outside representative shall not be a current or former District employee, or anyone related ⁽¹⁾ to a current or former District employee, to meet and discuss the grievance, with each side bearing their own costs.

⁽¹⁾ related is defined under subdivision (d) of Labor Code Section 2066 and California Code of Regulations, Title 8, Section 13692: "immediate family member" means spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

Step IV. Appeal to the General Manager

If the grievance is not resolved at Step III the employee may, within five (5) workdays of the response at Step II, file a written appeal with the General Manager. The General Manager shall confer with the employee and his/her representative and respond to the grievance within ten (10) days of that meeting.

Step V. Appeal of Disciplinary Suspension or Termination to the Board of Directors

If an employee subject to disciplinary suspension or termination is not satisfied with the response of the General Manager, he/she may file an appeal with the Board of Directors. Such appeals must be filed within five (5) workdays of the date of the General Manager's response at Step IV. The Board of Directors, or a subcommittee thereof, shall hold a hearing as soon as reasonable under the circumstances regarding the disciplinary suspension or termination.

Step VI. Advisory Arbitration

With the mutual agreement of the grievant and the Board of Directors, the grievance may be referred to Advisory Arbitration. A neutral arbitrator shall be mutually selected from a list provided by the California State Mediation and Conciliation Service. The arbitrator selected shall conduct an informal hearing and issue an advisory opinion to the Board of Directors. The Board of Directors shall render a final and binding decision in writing to the employee within thirty (30) days of the receipt of the advisory opinion.

If the Board of Directors does not agree to conduct an advisory arbitration, the Board may, as an option, designate a fact-finding committee (or person not in the normal line of supervision) to advise the Board of Directors concerning the grievance. The Board of Directors shall render a final and binding decision within thirty days after its receipt of the recommendation of the fact finder.

Any final decision by the Board of Directors shall include the rationale upon which its decision is based.

Each party shall bear its own cost and fees and the cost and fees of the Arbitrator, if any, shall be split evenly between the parties.

11. Leaves of Absence/Time Off

A. Vacation

Full-time regular employees shall commence to accrue vacation upon the completion of their probationary period at the following rates:

Completion of Probation through 5 Years continuous employment	10 days per year (3.34 hours / semi-monthly pay period)
More than 5 years through 10 years of Employment	15 days per year (5.00 hours / semi-monthly pay period)
More than 10 years through 15 years of employment	20 days per year (6.67 hours / semi-monthly pay period)
More than 15 years through 20 years of employment	22.5 days per year (7.50 hours / semi-monthly pay period)
More than 20 years of employment	25 days per year (8.34 hours / semi-monthly pay period)

Part-time regular employees begin to accrue vacation upon completion of their probationary period, on a pro-rata basis of the rates set forth above, based on the percentage of their full-time equivalent rate.

Vacation shall accrue each pay period and be added to the employee's vacation balance. There shall be a cap on the vacation balance of two times the annual accrual rate. No employee shall have more than two times his/her annual accrual in his/her vacation balance. Thus, an employee who earns vacation at the rate of 10 days per year shall not have more than 20 days accrued vacation. Employees who reach the cap shall cease accruing vacation until such time as their vacation balance drops below the cap, at which time the employee shall again accrue vacation.

Vacation time will be used to cover absences due to illness or injury when an employee has an illness/injury and has no remaining sick leave or floating time off.

All employees who handle cash payments, inventory, or work in financial and/or information systems technology areas will be required to take a minimum of five consecutive working days off each fiscal year.

This policy applies to employees working in the following classifications:

<i>Accounting Clerk II</i>	<i>Accounting Supervisor</i>
<i>Account Credit Clerk I and II</i>	<i>Asst. GM/Chief Engineer</i>
<i>Auditor/Controller</i>	<i>Consumer Services Supervisor</i>
<i>Engineering Services Representative</i>	<i>Executive Asst./District Secretary</i>
<i>Field Service Rep Lead</i>	<i>General Manager</i>
<i>HR / Safety Manager</i>	<i>Receptionist/Customer Service Asst</i>
<i>Senior Accountant</i>	<i>Staff Accountant</i>
<i>Storekeeper/Safety Coordinator</i>	

B. Holidays:

Effective January 1, 2024:

District Holidays (11)

January	New Year's Day	January 1 st
	Martin Luther King's Birthday	3rd Monday
February	President's Day	3rd Monday
May	Memorial Day	Last Monday
July	Independence Day	July 4 th
September	Labor Day	1st Monday
November	Veterans Day	Nov. 11 th
	Thanksgiving Day	4th Thurs.
	Day after Thanksgiving	4th Friday
December	Christmas Eve afternoon (1/2 day)	Dec. 24 th
	Christmas Day	Dec. 25 th
	New Year's Eve afternoon (1/2 day)	Dec. 31 st

Holidays falling on Saturday will be observed on the preceding Friday. Holidays falling on Sunday will be observed the following Monday. If Christmas or New Year's Eve falls on a weekend (Saturday or Sunday), a half-day off will be granted to all employees in the afternoon of the preceding business day.

Floating Holidays (4)

The District does not observe the below-listed holidays. Instead, employees accrue up to four floating holidays per year that may be taken on dates selected by the employee and approved by the District, subject to the accrual maximum and limitations set forth below.

Lincoln's Birthday	February 12
Admission Day	September 9
Columbus/Indigenous Peoples' Day	2nd Monday in October
Cultural Appreciation Day*	Floating Day

* Cultural Appreciation Day which is intended for employees of all culture and inclusive of (but not limited to) holidays such as Juneteenth, Lunar New Year and César Chávez Holidays.

Effective January 1, for full-time regular employees, one floating holiday shall accrue on the first day of each quarter as follows: January 1, April 1, July 1, and October 1. Part-time regular employees accrue floating holiday time on a pro-rata basis, based on the percentage of their full-time equivalent rate. In no case can an employee take a floating holiday that has not yet been earned. Should an employee begin employment after the first day of a quarter, the employee shall not earn a floating holiday until the start of the following quarter, as there is no pro-rata of floating holiday for new employees (i.e. if employee begins work on April 5, employee will not earn a floating holiday until July 1). Employees must have prior approval from the District before taking a floating holiday. Employees shall cease to accrue floating holiday leave if their accrued unused balance has reached five days (40 hours) for regular full-time employees and a prorated amount for regular part-time employees. Once an employee uses accrued floating holiday leave to bring the accrued amount below the cap, the employee will resume accruing floating holiday leave up to the cap. Temporary employees do not accrue Floating Holiday time off.

Floating holiday time will be used to cover sick time off when an employee has an illness/injury and has no remaining sick or vacation leave. Refer to the Family and Medical Leave section if absence has been designated as leave under the Family and Medical Leave Act (FMLA) and/or California Family Rights Act (CFRA). Refer to the Pregnancy Disability section if the absence is related to a pregnancy or pregnancy related disability.

C. Sick Leave

Employees on probation and/or are classified as temporary status shall earn 1 hour for every 30 hours worked of sick time from date of hire up to 40 hours of sick time. Those on their probationary period shall be eligible to begin taking accrued sick time after 90 days of employment. After passing probation, employees will convert to the Full-Time regular sick accrual. (or Part-Time Regular depending upon their status)

Full-time regular and part-time regular employees shall be eligible to earn sick leave on the first of the month following the completion of their initial

probationary period. Accrued sick leave shall be added to the employee's sick leave balance each pay period. Full-time regular employees shall earn one day of sick leave per month. Part-time regular employees shall accrue sick leave based on the percentage of their full-time equivalent ("FTE") status (e.g., 80% x 1 day = 0.8 days per month).

For Full-time regular employees, on December 1 of each year, sick leave accrued in excess of 720 hours may be paid out to the employee at 50% of the value of hours at the employee's regular hourly base pay rate or be converted to vacation at 50% of the value of the accrued sick leave provided that such addition to the vacation balance does not exceed the vacation cap. No more than 96 (48 paid) hours may be paid out for Sick Leave buy back in one year.

For Part-time regular employees, on December 1 of each year, sick leave days earned in excess of the part-time employee's FTE status multiplied by 720 hours (e.g., 80% X 720 hours = 576 hours) may be paid out to the part-time regular employee at 50% of their regular hourly base pay rate or be converted to vacation at 50% of the value of the earned sick leave, provided that such addition to the vacation balance does not exceed the vacation cap. . No more than 76.8 (38.4 paid) hours may be paid out for Sick Leave buy back in one year.

Sick leave shall be used only for:

- the illness or injury of the employee which prevents the employee from working;
- medical or dental appointment of the employee or child (where the employee is required to transport the child to or from the appointment); provided that the amount of sick leave used for such appointment is the amount of time reasonably necessary to travel to and from and attend the medical appointment; or
- to attend to the illness of a member of the employee's immediate family where that illness requires the attendance of the employee, provided that, if the sick leave exceeds three days, the employee shall provide the District a medical certification issued by the health care provider documenting the illness of the immediate family member.
- Sick leave may also be used for Bereavement leave and Reproductive loss leave. Please see Item 11 (D) & 11 (E) for more detailed information.

Abuse of sick leave, including, but not necessarily limited to using sick leave for purposes not herein specified, excessive use of sick leave, or a pattern of the use of sick leave which demonstrates its abuse, is grounds for disciplinary action.

Regular attendance by every employee is important and necessary to the successful operation of the District. Excessive absenteeism causes a hardship on both the District and its employees.

Upon request by the District, an employee will be required to submit a written doctor's verification of their illness or medical appointment and that the doctor has released the employee to return to duty with or without restrictions.

D. Bereavement Leave of Absence

Employees shall be entitled to use up to five days sick leave following the death of the employee's family member.

Those taking bereavement leave may use sick or any other paid time off pay for the purpose of attending the funeral services and/or making necessary arrangements for such services for members of the employee's immediate family. For purposes of this policy, immediate family means the employee's spouse, spouse's children, biological children, grandchildren, parents, parent-in-laws, grandparents, siblings, aunts and uncles. Based upon particular circumstances and with the approval of the General Manager, employees may be permitted to expand the definition of immediate family.

E. Reproductive Loss Leave

Employees who have been employed for a minimum of 30 days may take up to five days of reproductive loss leave following a reproductive loss event, as defined under Government Code section 12945.6. Currently, the law defines a "reproductive loss event" to mean a failed adoption, failed surrogacy, miscarriage, stillbirth, or unsuccessful assisted reproduction. If an employee experiences more than one reproductive loss event within 12 months, the employee may take up to 20 days' reproductive loss leave within the 12-month period. Leave must be taken within three months of the loss or other leave the employee takes immediately following the loss, and it need not be taken in consecutive days. Reproductive loss leave is unpaid, except the employee may use vacation, personal leave, sick leave, or compensatory time off otherwise available.

F. Jury Duty Leave

Non-probationary full-time and part-time employees are eligible for up to a maximum of 15 days of paid leave for jury duty in any calendar year. An employee who receives a notice to appear for jury service shall immediately notify his/her supervisor of the notice. Depending upon the needs of the District, the General Manager may request that the employee postpone or defer jury duty. Any monies paid to the employee for jury duty service shall be deducted from the employee's pay for that day. Part-time employees shall have this paid leave prorated. Employees who exhaust their paid jury duty leave shall be provided unpaid jury duty leave for the duration of the jury duty. Nothing in this policy shall prevent an employee from using his/her vacation or floating holiday time for jury duty.

G. Military Duty Leave

Employees shall be granted military leave in accordance with the provisions of the California Military and Veterans Code, section 395 *et seq.* (California Military and Veterans Code Section 395.01 (public.law)).

H. Leave without Pay

The District General Manager may grant regular employees leave without pay (LWOP) provided that such leave shall not impose an undue hardship on the District. The granting of such LWOP is at the sole discretion of the District General Manager (or their designee). Employee insurance benefits (health, dental, vision, and life) shall continue during the period of LWOP at the employee's expense, and the employee shall pay said insurance cost to the District prior to commencement of the LWOP. Use of LWOP for all employees shall be subject to Department Head approval prior to the leave commencing. Non-probationary employees shall exhaust all vacation and floating holiday leave prior to requesting LWOP.

I. Management Leave

The Water Quality Supervisor and Distribution & Treatment Plant Supervisor classifications shall be eligible for up to eighty (80) hours of Management Leave per calendar year, subject to the provisions as more specifically set forth under the Employee Handbook. Management Leave shall be subject to management approval, is "use it or lose it" by December 31 of each

calendar year, is prorated for new hires, and has no cash value upon separation of employment or retirement. The District's approval or denial of said leave shall not be subject to the grievance procedures as set forth under the MOU.

Further, it is expressly agreed that the Water Quality Supervisor and Distribution & Treatment Plant Supervisors that are the only classifications in the Employee Association's unit that is eligible for Management Leave, and Management Leave shall not be extended to any other classifications which are represented by the Employee Association unless specifically agreed upon by the District and EA.

J. Other Leave of Absences

For Pregnancy Disability Leave (PDL), Family Medical Leave Act (FLMA), California Family Leave Act (CFRA), Paid Family Leave (PFL), Workers Compensation Leave and Return to Work policies and guidelines, please refer to the Employee Handbook.

12. Insurance & Other Benefits

The descriptions of benefits stated herein are intended as a guide to employees. All plan benefits are governed by the actual terms of the plan. Summary Plan descriptions are available from the District upon request by the employee. The parties agree that in the event that the cost of insurance increases during the life of this Agreement, the District may change carriers/plans provided that the benefits provided by the new carrier/plan are approximately similar to the current plan(s). In the alternative, and at the sole discretion of the District, it may require employees to pay for the cost increase.

A. Health Insurance

Coverage is available the first of the month following date of employment for full-time regular and part-time regular employees.

The District contracts for health insurance through the California Public Employees' Retirement System (CalPERS). Through the CalPERS health program, employees can choose from a number of different plans. Some are Health Maintenance Organizations (HMO) and some are Preferred Provider Organizations (PPO) Plans. The CalPERS Basic Health Plans booklet contains information about the HMO and PPO Plans. Detailed information for each plan is

available for your review by contacting the HR/Safety Manager.

Dependent children of employees up to the age of 26 will be eligible for Health insurance.

This information supersedes and takes precedence over the summary of these plans set forth in this agreement.

The District reserves the right to change these plans at any time, in its sole discretion, consistent with any legal obligations it may have. The District shall contribute up to \$3,830 per year to the CalPERS Health Plan proportionate to the employee's full-time equivalent (FTE) status. Under IRC Section 125, the District will make the following annual contributions for employees into a qualified Cafeteria Plan effective January 1, 2013:

Single employees shall receive \$137 plus 85% of the current year Kaiser Basic Medical Plan annual employee-only premium amount less \$3,830 proportionate to the employee's FTE status, e.g. $(\$137 + 85\% \times \text{Current Premium Amount}) - \$3,830) \times \text{FTE Status}$.

Employees with one dependent shall receive \$137 plus 85% of the current year Kaiser Basic Medical Plan annual 2-party premium amount less \$3,830 proportionate to the employee's FTE status.

Employees with two or more dependents shall receive \$137 plus 85% of the current year annual family Kaiser Basic Medical Plan annual family premium amount less \$3,830 proportionate to the employee's FTE status.

B. Duplicate Coverage/ Cash in-Lieu of Health Coverage & Hybrid Coverage:

Any current employees hired prior to January 1, 2024, will be grandfathered under the current duplicate and duplicate hybrid coverage plans. Employees in these tiers are allowed to convert between duplicate/hybrid and District health insurance plan options. (allowable) during their course of employment – see "Other Health Care Insurance Available (Duplicate Medical Coverage)" in the Employee Handbook.

"Hybrid coverage" is if an employee that takes District benefits for "self" and their family members are covered under spouses or other non-District type coverage. Those under Duplicate and Hybrid coverage will be required to show proof of family's "other coverage" to be eligible for these plans.

The parties agree that District will consult with Benefits Counsel to rewrite the existing Health Coverage language for compliance purpose and may amend its current IRC Section 125 Cafeteria Plan arrangement for the purpose of achieving this purpose. Any changes to existing Duplicate coverage policy will be reviewed with and approved by the Employee Association prior to implementation.

For all new employees hired on or after January 1, 2024 who provide acceptable proof of alternative insurance for themselves and all dependents may receive a monthly "stipend in lieu of", based on the health coverage level of which the employee qualifies for (i.e. Single, dual or family), in lieu of being on the District's medical insurance plan as follows:

- Single Coverage - \$500 per month
- Dual Coverage - \$750 per month
- Family Coverage - \$750 per month

The amounts above are effective January 1, 2024. Starting on July 1, 2025 and each year annually thereafter, the amounts will be adjusted based on the year-to-year change for April as published under the Consumer Price Index, San Francisco Area.

New employees will also be eligible for Hybrid coverage. Any Rehires will be treated as new hires under the Duplicate coverage policy.

The Cafeteria Plan contributions shall be adjusted annually in an amount equal to 85% of the change in the Kaiser Basic Medical Plan premium amount based on family status, i.e., employee only, employee and one dependent, employee and two or more dependents. Dependent children of employees up to the age of 26 will be eligible for Health insurance.

C. Dental Insurance

Effective the first of the month following the date of employment, eligible employees shall to participate in the District's self-insured dental plan, administered by Redwood Health Services, at no charge for full-time regular employees and pro-rated for part time employees. Dependent children of employees up to the age of 26 will be eligible for Dental insurance.

D. Vision Insurance

Effective the first of the month following the date of employment, full-time

and part-time employees regularly scheduled to work at least twenty (20) hours per week shall be eligible to participate in the District's vision plan at no charge for full-time employees and pro-rated for part-time employees. Dependent children of employees up to the age of 26 will be eligible for Vision insurance.

Eye Med Vision plan will become effective on February 1, 2024 for all eligible employees. Employees currently on the Districts Self-Funded plan will have a 29-day run out period (February) to utilize any remaining funds available to them or their family members. Effective March 1, 2024 the Districts self-funded plan will sunset and funds will no longer be available to employees.

E. COBRA

Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), employees and their eligible dependents may opt to continue (at their own expense) group coverage under the District's health, dental and vision care plans.

F. Life Insurance

Effective the first of the month following the completion of the probationary period, all eligible employees shall receive term life insurance coverage equal to their base annual salary. An Accidental Death and Dismemberment policy is included in the coverage. Employees may be able to continue this coverage after leaving the District by converting the policy to an individual policy. However, the individual will be responsible for payment of the converted insurance.

G. Long Term Disability Insurance

Effective the first of the month following the completion of the probationary period, full time and part time employees regularly scheduled to work at least twenty (20) hours per week shall be eligible to participate in the District's self-insured long-term disability insurance plan.

H. Other Benefits

Upon completion of the six-month probationary period, Full-time regular and part-time regular employees become eligible to purchase Section 125 supplemental benefits on a "pre-tax" basis such as American Family Life Assurance Company (AFLAC) benefits, Flexible Spending Accounts (Medical FSA) & Dependent Care (DCAP) and Deferred Compensation (457b) plans.

Supplemental benefits and FSA/DCAP plans are 100% employee paid. Employees participating in the Medical Flexible Spending account (FSA) will be allowed to carryover the allowable monies as outlined by IRS regulations to the following plan year. For more on how Section 125 benefits work, please see the employee handbook.

All employees are eligible to receive Social Security, State Disability Insurance, Unemployment Insurance and Workers' Compensation benefits from their date of hire.

Except as they may be modified by the terms of this Agreement, the District agrees that it will not modify existing District benefit levels as set forth in the Employee Handbook without providing advance notice to the Association and an opportunity to meet and confer regarding the changes.

I. Affordable Care Act

If at any time during the life of this Agreement the health insurance provisions of this Agreement fail to meet the requirements of the Affordable Care Act or its related regulations and cause the District to be subject, directly or indirectly, to any penalty, tax, fine, assessment or other payment, the parties agree that this Memorandum of Understanding shall reopen for negotiations not less than six months prior to the effective date of the implementation of the penalty, tax, fine, assessment, or other payment for the sole purpose of modifying the health insurance provisions of this Agreement to address the changes and cost implications as a result of the Affordable Care Act.

J. Safety Boot Policy

Upon ratification of this agreement and on a strictly as-needed basis the District will reimburse employees in classifications, as defined below, for safety boots purchased by the employee. Purchase of safety boots by employees in these positions is reimbursed up to a limit of \$400 per year. Reimbursement payment will be made when worn-out or otherwise damaged boots are turned into the Construction Superintendent, and the employee provides a receipt demonstrating proof of purchase of new safety boots including the price. Boots purchased by the employees in the above classifications shall meet the following specifications:

- Uppers will be all leather or combination leather-corduroy nylon
- Class 75 safety toe
- Soles and heels to be of oil resistant materials
- Steel or composite shank for construction work force positions
- Shoe height minimum 6", maximum 10"; Wellington height maximum 12"; Western height maximum 14"
- Waterproof protection.

Classifications:

Construction/Operations positions	Maintenance/Operations positions
Distribution & Treatment Plant positions	Field Service Representatives & FSR Lead position
Field Water Quality positions	Storekeeper/Safety Coordinator
Field Engineer positions	Others as designated by their Department Head

It shall be the employee's responsibility to check with the boot supplier to be sure the boots meet the above specifications. Employees are responsible for the proper care and maintenance of their boots. "As-needed" includes new employees in the above required classifications, job classification changes into one of the required classifications, worn-out boots or otherwise damaged boots as determined by Department Head.

13. Retirement

Participation in the California Public Employees' Retirement System (CalPERS) Pension Plan is mandatory and is effective upon employment for all full-time regular and part-time regular employees.

Employees employed before January 1, 2013 are considered Miscellaneous Classic members which means you can retire at 55 if you have the required service requirements. The basic, unmodified, formula is $2.5\% \times (\# \text{ years of credited service}) \times (\text{your highest CalPERS 1-year salary}) = \text{the Classic miscellaneous members monthly benefit for retirement at age 55}$. Employees who have been covered under Social Security during their CalPERS employment must use the "modified formula" in calculating their monthly benefit; i.e. $2.5\% \times \text{number of years credited service} \times (\text{monthly pay less } \$133.33) = \text{monthly benefit for retirement at age 55}$. Several options are also available to have benefits paid to a surviving beneficiary in the event of death or retirement. NMWD Classic members

contribute 8% toward the cost of their CalPERS retirement benefits.

Employees hired on or after January 1, 2013, are considered PEPRA members and benefits are in accordance with the Public Employees' Pension Reform Act (PEPRA) of 2013 where you can retire at 62 if you have the required service requirements. The miscellaneous PEPRA members basic, unmodified, formula for retirement is $2\% \text{ at age } 62 \times (\# \text{ years of credited service}) \times (\text{your highest average 3-years of compensation}) = \text{the PEPRA miscellaneous members monthly benefit for retirement at age 62}$. As of July 1, 2023, NMWD Miscellaneous PEPRA members contribute 7.75% toward the cost of their CalPERS retirement benefits.

14. Retiree Medical

A. Retirees Who Retire Between the Ages of 55 to 65 with a Minimum of 12 Years' Service (for employees hired on or before September 30, 2018)

The District pays a portion of the cost of health insurance for retiree (age 55 to 65) and spouse (regardless of age) under any group plan offered by CalPERS. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or both the retiree and spouse when the retiree becomes eligible for Medicare. For employees hired on or before September 30, 2018, the District's eligibility restrictions provide that the retiree be at least age 55 at the date of retirement, with a minimum of 12 years of full-time equivalent service. If a retiree covered under the medical plan dies before age 65, his/her spouse may continue District-paid group health coverage until age 65 if ineligible for other health insurance coverage, i.e., through employment or remarriage.

For retirees who retired prior to January 1, 2013, the District's contribution toward the chosen plan will be 90% of the Kaiser Basic Medical Plan premium amount.

For retirees who retired on or after January 1, 2013, the District's contribution toward the chosen plan will be 85% of the Kaiser Basic Medical Plan premium amount.

B. Retirees Who Retire Between the Ages of 55 to 65 with a Minimum of 20 Years' Service (for employees hired on or after October 1, 2018)

The District pays a portion of the cost of health insurance for retiree (age 55 to

65) and spouse (regardless of age) under any group plan offered by CalPERS. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or both the retiree and spouse when the retiree becomes eligible for Medicare. For employees hired on or after October 1, 2018, the District's eligibility restrictions provide that the retiree be at least age 55 at the date of retirement, with a minimum of 20 years of full-time equivalent service. If a retiree covered under the medical plan dies before age 65, his/her spouse may continue District-paid group health coverage until age 65 if ineligible for other health insurance coverage, i.e., through employment or remarriage.

The District's contribution toward the chosen plan will be 85% of the Kaiser Basic Medical Plan premium amount.

C. Retirees - Other (not meeting the age and/or service requirements stated above)

Subject to the eligibility restrictions of the group health insurance contract with CalPERS, the District will make a monthly contribution toward the cost of health insurance coverage.

15. Work in Higher Class

Upon approval by the General Manager, a regular employee who is assigned by the District to work in a higher classification will receive an upgrade pay after being in acting capacity for at least 40 consecutive hours in the higher classification. The person acting in the higher classification shall receive a differential of a 5% increase over their base hourly rate or the lowest step of the higher classification, whichever is greater, but in no event more than 15% greater than their regular base hourly rate. Working out of class is limited to 960 hours in any fiscal year per Government Code section 20480.

16. Oceania Marin Wastewater System Operator-in-Charge (OIC) & Designated Operator-in-Charge (DOIC) Extra Duty Incentive Pay

At the sole discretion of the General Manager, extra duty incentive pay may be offered to one designated Stafford Treatment Plant operator, in addition to their regular duties, as compensation for performing extra duties as the Operator-in-Charge ("OIC") of the Oceania Marin Wastewater system ("Oceania Marin"). No more than one OIC designation and/or extra duty incentive pay will be in effect at

any given time for Oceana Marin, and the need for OIC designation will be determined by the General Manager. In addition, no more than one DOIC designation and/or extra duty incentive pay will be in effect at any given time for Oceana Marin, and the need for DOIC designation will be determined by the General Manager.

To be eligible, the designated OIC and/or DOIC must have, at minimum, a valid California Wastewater Treatment Plant Operator Grade I certification (consistent with the requirements under chapter 26 of division 3 of title 23 of the California Code of Regulations or any current applicable regulations) which is not required for their current classification. The designated OIC will be eligible for an extra duty incentive pay of \$550 per month while performing such OIC extra duties in this capacity, and the extra duty incentive pay shall not be PERSable (i.e. counted towards base salary or final compensation for CalPERS retirement calculation).

The designated DOIC will be eligible for an extra duty incentive pay of \$300 per month while performing such DOIC extra duties while under supervision of the OIC in this capacity, and the extra duty incentive pay shall not be PERSable (i.e. counted towards base salary or final compensation for CalPERS retirement calculation).

The District's determination of the application of this provision (including its decision whether or not to designate an OIC/DOIC or the designation of individuals to perform the OIC/DOIC duties) shall not be subject to the grievance procedure of this MOU.

17. Maximum Working Hours & Fatigue Time

No employee shall be required to work in excess of sixteen (16) consecutive hours. In emergency circumstances, this limit may be exceeded on a short-term basis. Employees having worked twelve (12) consecutive hours or more will be allowed a minimum of eight (8) consecutive hours off (also known as "rest period" or "fatigue time" as referred to in this section), with no deduction from the employee's leave balances, before an additional work assignment.

Time Off Based on Unscheduled Overtime. Employees will be granted a paid rest period for unscheduled overtime (OT) as follows without affecting their normal pay:

If OT worked is 4 hours or more and ends within 8 hours of the start time for

the next regular shift, the employee shall return to regular shift 8 hours after work assignment ends. If return time is within 3 hours of the end of the regular shift, the employee does not return to next regular shift.

OT that starts within 4 hours of the start of the regular shift shall be held over and shall report to work for regular shift and will be released after a total of 10 hours is worked (OT plus regular hours).

Employee who would otherwise be released from work under this provision may be held over or called back in to work during the normal shift hours to respond to an immediate or emergency situation. If this occurs, hours worked during the "fatigue time" period will be paid at time and one-half.

Qualification for a paid rest period under this provision is based on actual hours worked and not on minimum call back hours recorded as OT.

Employees shall not receive fatigue time if: (i) the overtime is completed more than eight hours prior to the start of their next regularly scheduled shift, or (ii) employees are called out to perform overtime work within four (4) hours of the start of their next regularly scheduled shift, or (iii) they are assigned to continuous operations.

Fatigue time must be taken during the first or last part of the next regularly scheduled workday coinciding with the time taken. Employees receiving fatigue time shall notify their immediate or after-hours supervisor at the completion of the overtime work, if possible, or a minimum of one (1) hour before the start of their next regularly scheduled shift when their fatigue time will be taken.

Supervisory approval must be obtained to work through a rest period. During normal working hours that approval can be obtained through the immediate supervisor or above. After normal working hours, approval must be obtained from the on-call supervisor. If an employee elects to work through their rest period, they will continue to be paid at the applicable overtime rate until they are relieved from work, at which time they will be given a rest period.

Employees will be allowed to use vacation or accrued unused comp time off (CTO) (if eligible) in lieu of returning to work. Time off will not be unreasonably denied.

EXAMPLES:

- Employee's normal work shift is from 7 a.m. to 3:30 p.m. with a 1/2-hour

lunch break.

- Employee is called back to work at 9 p.m. and works until 2 a.m. Employee is released from work until 10 a.m. (8 hours).
- Employee's normal work shift is from 7 a.m. to 3:30 p.m. with a 1/2-hour lunch break.
- Employee is called back to work at 7 p.m. and works until 11 p.m. Employee will return to work at the beginning of his or her regular shift.
- Employee's normal work shift is from 7 a.m. to 3:30 p.m. with a 1/2-hour lunch break.
- Employee is called back to work at 11 p.m. and works until 5 a.m. Employee is released from work until 1 p.m. (8 hours). However, because there are fewer than 3 hours left in employee's regular shift, he or she need not return to work.
- Employee's normal work shift is from 7 a.m. to 3:30 p.m. with a 1/2-hour lunch break.
- Employee is called back to work at 4 a.m. Employee will continue working at the start of his or her shift and will be released from work at 2 pm. (after 10 hours).

18. Disciplinary Action

The levels of disciplinary action may include, but are not necessarily limited to, warning/reprimand (oral and/or written), suspension, demotion, and discharge. The District shall use the principals of progressive discipline in meting out disciplinary action; however, depending upon the circumstances, discipline may be imposed at any level without invoking prior disciplinary steps.

When imposing disciplinary action, the District will comply with any applicable due process requirements of state and federal law.

Employees who wish to challenge the level of discipline may do so by utilizing the Grievance Procedure. Grievances involving written reprimands shall in the first instance be filed at Step II (of the Grievance Procedure) with the Department Head. Grievances involving other discipline shall be filed in the first instance at Step II with Human Resources which then will be presented in Step III to the General Manager and the EA for outside representative advisors. For more detailed guidelines please refer to the Grievance Procedure policy.

19. Layoff/Seniority

In the event that the District determines that it must implement a reduction in force (lay-off employees for economic reasons), it will notify the Association in writing forty-five (45) days in advance of the anticipated effective date for the layoffs

and meet and confer with the Association regarding a procedure of accomplishing the layoffs as well as are employment procedure for any employees who were adversely impacted by the reduction in force.

20. Work Hours/Schedules

A. Regular Work Schedules

Regular full-time employees shall work forty hours each week.

District Office - Monday through Friday 8:00am through 5:00pm with a One-hour unpaid lunch.

Field Construction, Maintenance and Operations Crews - Monday through Friday, 7:00am through 3:30 pm with a one-half hour unpaid lunch. At the discretion of the District, Field Crews may be assigned to report directly to a field location to begin their workday.

Treatment Plant Operators - Specific start and stop times of shifts vary seasonally and are determined by the Operations/Maintenance Superintendent and approved by the General Manager based upon the needs of the District. See Shift Schedules below.

The purpose of the swing/graveyard shift differential program is to compensate employees for working shifts other than regular day shift during the treatment plant operating season and thus provide longer operating hours.

Responsibilities - Treatment Plant Schedule Responsibilities lie with the Distribution/Treatment Plant Supervisor. Based upon the needs of the District each operation season the Treatment Plant/Distribution Supervisor (Supervisor) will prepare a treatment plant operation schedule and assign Treatment Plant Operators to the schedule.

In addition, the Distribution/Treatment Plant supervisor is responsible for approving the proper reporting of the shift differentials on the employees' timesheets.

B. Swing / Graveyard Shift Differential

Swing and graveyard shift differential are paid to the assigned Distribution /Treatment Plant Operators working during swing and/or graveyard shifts only during plant operating times.

The shift hours and compensation are defined as follows:

Shift	Hours	Shift Differential (% of employee's regular hourly rate)
<i>Day</i>	7:00AM – 5:00PM Monday – Friday	No differential
<i>Swing</i>	5:00PM – Midnight Monday – Friday	5%
<i>Graveyard</i>	Midnight – 7:00AM Monday – Friday	10%
<i>Weekend Swing</i>	7:00AM – Midnight Saturday 7:00AM – Midnight Sunday	5%
<i>Weekend Graveyard</i>	Midnight Friday – 7:00AM Saturday Midnight Saturday – 7:00AM Sunday Midnight Sunday – 7:00AM Monday	10%

Treatment Plant Operator shift differential compensation will vary as their assigned shift hours overlap any of these defined shifts. (For example, if the assigned shift is 10:00AM – 8:00 PM on a weekday, 3 hours of swing shift differential will be paid for the hours worked 5:00PM – 8:00PM.)

In emergency situations or outside of normal working hours other departments (such as FSR's, Maintenance and Construction) may be subject to this policy at the discretion of the Department Heads and/or the General Manager.

21. Alternate/Flexible Work Schedule

An individual employee's or group of employees' requests (i.e. crew) for an alternate/flexible work schedule (e.g. 9/80, 4/10, flexible start/end times) shall be considered on an individual or departmental basis and may be approved provided there is no adverse effect on District operations as determined by the Department Head and General Manager, and at the District's sole discretion. It is understood that such alternate/flexible work schedules may not be permanent. Alternate/flexible work schedules may be revoked upon ten (10) working days' notice to the employee or group of employees affected by the revocation.

22. On-Call Compensation

The purpose of the on-call and stand-by duty program is to provide

immediate attention to water and sewer system problems that occur at times other than during normal working hours.

On-Call personnel are expected to respond to all after-hours calls and resolve all problems as simply and quickly as possible. On-Call personnel must possess Distribution Operator 1 certification.

On-call and stand-by employees are paid on a daily or weekly basis for serving on-call or stand-by duty. Future adjustments to this compensation will be consistent with any adjustments to the District Salary Schedule through the use of the current on-call compensation calculation spread sheet on file with the Auditor-Controller.

With the prior approval of the O/M or C/M Superintendent, Ops/EM/Con Ops employees may take 3 hours of compensating time off in lieu of each day of weekend or holiday on-call duty served.

The on-call or stand-by duty compensation is payment for all on-call or stand-by duty service except for time when the employee must respond in the field. If the assigned on-call or stand-by duty service employee must respond in the field or is called in to work, overtime shall be paid in accordance with the District's overtime policy.

The duties of the stand-by District employees are to respond to the on-call personnel request for assistance on holiday weekends as defined below. Stand-by duty begins at 3:30PM the day before the holiday weekend and ends at 7:00AM on the first working day after the holiday weekend. Stand-by personnel are to resolve problems or make facilities safe and secure for completion during the next regular business day.

For more information on the On-Call/Standby policy, please refer to the employee handbook.

23. Longevity Bonuses

The District agrees to continue its practice regarding longevity bonuses with two additional tiers:

- 20 Years - \$1,000
- 25 Years - \$1,500
- 30 Years - \$2,000
- 35 Years - \$2,500

24. Wages

A. Salary Ranges and Step Increases

The District has a 5-step salary range for each regular position. Typically, newly hired employees will be placed at the first step of the pay range of the position for which they are hired. If the individual possesses extraordinary qualifications for the position through former training and/or experience, employment may be authorized at a higher salary step. Generally, advancement to the next salary step will be on the following schedule:

- Beginning step (probationary) - At employment
- Step 2 - After 6 months and successful completion of probationary period
- Step 3 - After 18 months from date of hire
- Step 4 - After 30 months from date of hire
- Step 5 - After 42 months from date of hire

No increase in salary shall be automatic merely upon completion of a specified period of service. All increases shall be based on merit as established by record of the employee's performance and shall require recommendation of the Department Head and approval of the District's General Manager. The General Manager may defer a step increase for unsatisfactory performance, as well as for other business needs, such as District organizational, financial or budgetary concerns, subject to any obligation to meet and confer with the Employee Association.

B. Distribution & Treatment Plant Certification Pay & Salary Ranges

The Distribution and Treatment Plant Operators have an updated multi-tiered salary schedule that includes, as part of base pay, the new certification pay based upon the following guidelines and becomes effective 7/1/2024.

- D1/ T1 - \$100 per month
- D2 / T2 - \$200 per month
- D3 / T3 - \$300 per month
- D4 / T4 - \$400 per month
- D5 / T5 - \$500 per month

This certification pay applies when both Treatment and Distribution certifications are held. When these two certifications are not at the same level the

employee will be paid at the lower of the two certifications possessed.

C. COLA

Effective October 1, 2023, employees shall receive a 5.0% Cost of Living (COLA) salary increase.

Effective July 1, 2024 and on each subsequent July through 2027, employees shall receive a cost of living adjustment (COLA) equal to the percentage change in the CPI as measured by the CPI-U San Francisco Bay Area (May 1 of the previous year through April 30 of the current year), with a minimum (Floor) of 2.25% and a maximum (Ceiling) of 4.5%.

In the event that the CPI-U San Francisco – Oakland – San Jose (based on year-to-year change from May 1 of the previous year through April 30 of the current year) exceeds 5.75%, the parties agree to reopen Article 21- Wages of this Agreement and bargain solely for a cost-of-living adjustment applicable to all employees covered by this Agreement.

D. Compensatory Time Off Accrued / Used

Compensatory time accrued shall be subject to a maximum accrual of 40 hours and employees are encouraged to take it within one year of the time earned.

Compensatory time off will be accrued at the rate of time and one-half for each hour of overtime worked (i.e., hours exceeding 40 hours per week.)

Compensatory time off accrued may be granted in lieu of pay for ***scheduled overtime only*** if requested in advance by the employee and approved by the Department Head.

Compensatory time off used is scheduled time off taken (paid at the employee's regular rate) in lieu of receiving pay calculated at an overtime rate for overtime hours worked.

Non-scheduled overtime hours worked (e.g., work of an emergency nature) will be paid in the pay period earned and may not accrued as compensatory time off.

E. Overtime Policy

Due to the vital public necessity nature of District work, overtime work may occasionally be required of full-time and part-time employees. All District

employees who are not exempt under the Fair Labor Standards Act (i.e., in positions other than certain executive, supervisor, administrative and professional positions), are entitled to overtime compensation for hours worked in excess of forty hours per week (44/36 hours per week for employees on a 9/80 work schedule) in a workweek. A workweek commences at 12:01 a.m. on Sunday and ends at midnight the following Saturday.

- Scheduled Overtime is defined as work required outside of the employee's regular work hours (in excess of forty hours per week, 44/36 hours per week for employees on a 9/80 work schedule), which work is assigned with at least twelve (12) hours advance notice.
- Unscheduled/Non-scheduled overtime is defined as emergency work required outside of the employee's regular work hours (in excess of forty hours per week, 44/36 hours per week for employees on a 9/80 work schedule) which is assigned with less than twelve (12) hours advance notice. Non-scheduled overtime work in excess of 2 hours shall be compensated at 2x the employee's regular hourly rate (double time pay). Non-scheduled overtime work shall include reasonable time to travel one way from the employee's home to the District yard (or to the job site if the employee is so directed) for any additional trips required over and above the employee's normal commute requirement. The minimum time claimed for non-scheduled overtime work including travel time shall be one hour.

F. Exempt Employees

Certain supervisorial, administrative and professional positions, as noted below, are exempt from the provisions of the overtime policy and are not entitled to overtime compensation. The positions job descriptions will identify whether or not a position is exempt or non-exempt.

The following Represented positions are exempt from the District's overtime policy as noted above:

Water Quality Supervisor

Distribution & Treatment Plant Supervisor

Associate Engineer

Assistant Engineer (if registered)

Senior Engineer

25. Pay Day

Payday is on the 5th and 20th of each month. If the 5th and/or 20th of the month fall on a weekend or holiday, payday will be the prior business day.

A. Direct Deposit

Employees on direct deposit will have their funds available in their individual bank accounts on payday or, many times, the day before. Existing employees are encouraged to enroll in direct deposit, and all new employees shall enroll in direct deposit. A new employee who is either opposed or unable to enroll in direct deposit may appeal this requirement to the General Manager.

26. 457(b) Deferred Compensation

The District will provide a match of up to 1% of annual salary for all employees who elect to participate in the Nationwide 457(b) deferred compensation plan effective July 1, 2024. Employees must participate and contribute up to 1% to receive the full match. The District reserves the right to limit enrollment to Nationwide only for purposes of matching employee contributions.

27. Duration


This agreement shall be in effect from October 1, 2023 through June 30, 2028.

Date: 2-2-2024



NMWD General Manager

Date: 2-2-2024



NMWD Employee Association Chair

EXHIBIT A

NORTH MARIN WATER DISTRICT

JOB CLASSIFICATIONS ELIGIBLE FOR ASSIGNMENT

TO FIELD, CLERICAL AND TECHNICAL REPRESENTATION UNIT

Effective October 1, 2023

JOB CLASSIFICATION
ADMINISTRATION DIVISION
Receptionist/ Customer Service Assistant
Account/Credit Clerk II
Accounting Clerk II
Field Service Representative I / II
Field Service Representative Lead
Store Keeper/Safety Coordinator
ENGINEERING DIVISION
Engineering Secretary
Engineering Services Rep
Engineering Technician III
Engineering Technician IV
Engineering Assistant

JOB CLASSIFICATION
CONSTRUCTION/ MAINTENANCE DIVISIONS
Utility Worker I Laborer
Utility Worker II / Pipe Worker Assistant
Utility Worker III / Pipe Worker
Heavy Equipment Operator
OPERATIONS/MAINTENANCE DEPARTMENT
Utility Worker I / II
Cross Connection Control Tech I / II
Auto/Equipment Mechanic
Ops/Maint. Program Assistant I / II / III
Apprentice Electrical Mechanical Tech
Electrical/Mechanical Tech
Sr. Electrical/Mechanical Tech

EXHIBIT B**NORTH MARIN WATER DISTRICT****JOB CLASSIFICATIONS ELIGIBLE FOR
ASSIGNMENT TO PROFESSIONAL REPRESENTATION UNIT****Effective October 1, 2023**

JOB CLASSIFICATION
ADMINISTRATION DIVISION
Staff Accountant
Senior Accountant
ENGINEERING DIVISION
Junior Engineer
Water Conservation Coordinator
Assistant Engineer
Associate Civil Engineer
OPERATIONS/MAINTENANCE DEPARTMENT
Laboratory Technician
Chemist I and II
Senior Chemist
Assist. Distrib. & Treatment Plant Operator
Distribt. & Treatment Plant Operator
Sr. Water Distribution & TP Operator

EXHIBIT C

NORTH MARIN WATER DISTRICT

JOB CLASSIFICATIONS ELIGIBLE FOR

ASSIGNMENT TO SUPERVISORY REPRESENTATION UNIT

Effective October 1, 2023

JOB CLASSIFICATION
ADMINISTRATION DIVISION
Consumer Services Supervisor
Accounting Supervisor
ENGINEERING DIVISION
Senior Engineer
OPERATIONS/MAINTENANCE DEPARTMENT
Maintenance Supervisor
Distribution & Treatment Plant Supervisor
Water Quality Supervisor
CONSTRUCTION/MAINTENANCE DEPARTMENT
Distribution/Maintenance Foreman
Pipeline Foreman

**SIDE LETTER AGREEMENT TO THE
2023 – 2028 NMWD/EMPLOYEE ASSOCIATION
MEMORANDUM OF UNDERSTANDING**

The District and the Employee Association agree to this side letter agreement as follows:

The District will grant one-time equity adjustments for the following classifications to be paid out as follows:

Position	2/1/2024 Equity Adjustment
Distrib. & TP Supervisor	9.8%
Position	7/1/2024 Equity Adjustment
Accounting Supervisor	4.3%
Apprentice Elec/Mech Tech	9.7%
Assistant Civil Engineer	5.8%
Associate Civil Engineer	5.8%
Auto/Equipment Mechanic	7.9%
Chemist I	4.8%
Chemist II	4.3%
Consumer Services Supervisor	6.5%
Cross Connection Tech I	8.3%
Cross Connection Tech II	8.3%
Elec/Mech Tech	9.7%
Engineering Secretary	7.3%
Engineering Services Rep	7.3%
FSR Lead	2.5%
Heavy Equip. Operator	4.0%
Junior Engineer	5.8%
Lab Tech	21.2%
Maintenance Supervisor	14.2%

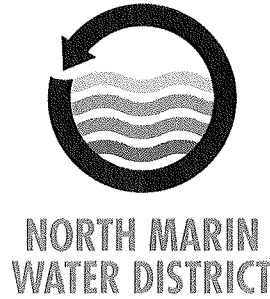
Position	7/1/2024 Equity Adjustment (cont.)
Senior Chemist	4.3%
Senior Elec/Mech Tech	9.7%
Senior Engineer	6.8%
Storekeeper/Safety Coord.	2.8%
Utility Worker I (Laborer)	4.3%
Utility Worker II (Maint Asst.)	4.3%
Utility Worker II (Pipe Asst.)	4.3%
Utility Worker III (Pipe Worker)	4.3%
Water Conservation & Communications Mgr	6.0%
Water Quality Supervisor	3.6%
Asst Water Distrib & TP Op	1.6%
Water Distrib & TP Op	1.6%
Sr. Water Distrib & TP Op	1.6%

- The District will update salary ranges with updated COLA and wage adjustments for all classifications.
- New Certification as part of base pay for required Dual certifications for Distribution & Treatment Plant Operators.
- The Distribution and Treatment Plant Operators have an updated salary schedule that includes, as part of base pay, the new certification pay based upon the following guidelines and becomes effective 7/1/2024.:
 - D1/ T1 - \$100 per month
 - D2 / T2 - \$200 per month
 - D3 / T3 - \$300 per month
 - D4 / T4 - \$400 per month
 - D5 / T5 - \$500 per month

This certification pay applies when both Treatment and Distribution certifications are held. When these two certifications are not at the same level the employee will be paid at the lower of the two certifications possessed.

- The Distribution & Treatment Plant Supervisor will convert to FLSA exempt position upon ratification of this agreement and BOD approval with no retroactivity. The Distribution & Treatment plant supervisor will still remain eligible for the Dual Certification Pay.
- A one-time lump sum Retention Payment of \$1,500 to be paid out the first pay period after ratification of the agreement and BOD approval. The retention payment is NON-PERSable.
- The District will match the employee's contributions to the Nationwide 457(b) deferred compensation plan with up to 1% of annual salary.
- The Vacation Accrual cap will increase to 2x the annual accrual limits effective 1/1/2024.
- The Safety Boot limit reimbursement will increase to a limit of \$400 per year "as needed", subject to the Construction Superintendent or Department Head's approval upon ratification of this agreement.
- The District agrees to conduct a position classification study and salary survey prior to expiration of this agreement on June 30, 2028. The District and Association agree to meet in advance of the salary survey to discuss comparable agencies and the purpose of the salary survey. If the District and the Association do not agree upon the comparable agencies and/or criteria of the survey, each party shall have the right to individually recommend its preferred set of agencies and criteria to the Board. The Board's decision regarding the appropriate comparable agencies and criteria of the survey shall be final and not subject to the grievance procedure. The District shall use the Board-approved decision to conduct an updated salary survey.
- The Merit Step language will be removed as currently outlined for step (5) for pay progression. The employees who are reaching their 18-month step at the time of the ratification of this contract will proceed with the 24-month step progression (instead of the 30-month step), after which they will progress to the 42-month step. Conversely, employees who are currently in the 1st step or 2nd step will follow the new progression as proposed by the EA and the employees who are targeted to reach 5th step (for 48-month current structure) will be evaluated at the 42-month progression upon ratification of this agreement.

**NMWD
Employee
Association**



2023 – 2028 MOU

**Side
Letter
Agreement**

**SIDE LETTER AGREEMENT REGARDING
457(b) Deferred Compensation
401(a) Deferred Compensation Employer Match**

DATE: May 7, 2024

The North Marin Water District ("District") and the North Marin Water District Employee Association ("Employee Association") enter into this Side Letter Agreement and hereby agree to the following:

Effective July 1, 2024, the District will provide a match of up to 1% of annual base salary for all employees who elect to participate in the Nationwide 457(b) deferred compensation plan. Employees must participate and contribute 1% to receive the full match. Any employee contributions that equal less than 1% of their annual base salary will have the District match equal the employee's contribution. The District reserves the right to limit enrollment to Nationwide only for purposes of matching employee contributions.

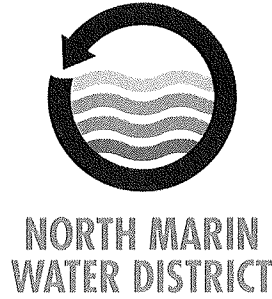
Further, it is expressly agreed that the District will utilize Nationwide's 401(a) Plan for the deposit of the matching contributions. This will allow participants to contribute up to the maximum allowable contributions each year into the Deferred Compensation 457(b) plans and at the same time receive the full allowable benefit of the District's matching contribution, up to 1% of the employee's annual base salary.

It is also recommended that a Deferred Compensation investment committee be formed that contains a total of 4-5 employees (Represented and Unrepresented) to oversee the Nationwide matching investments. To review the plan investments the committee should meet at least once per year although more frequent quarterly meetings are recommended.

Unless otherwise stated, the provisions of this Side Letter Agreement supersede any inconsistent or conflicting provisions of the parties' Memorandum of Understanding, effective October 1, 2023 – June 30, 2028 ("MOU"). All other provisions of the parties' MOU shall otherwise remain in full force and effect. This Side Letter Agreement shall only become binding and effective upon the District's Board of Directors' adoption of this Side Letter Agreement, and such changes will take effect on July 1, 2024 and continuing on a prospective basis.

In addition, the District and the Employee Association agree that all corresponding sections of the current MOU and Employee Handbook shall also be amended accordingly to be consistent with the above. A copy of the proposed changes to the Employee Handbook is hereby incorporated by reference and attached to this Side Letter Agreement as Exhibit 1.

**NMWD
Employee
Association**



2023 – 2028 MOU


**Side
Letter
Agreement**

The parties further agree that this Side Letter Agreement shall be incorporated into the successor MOU without further meet-and-confer efforts, and it is the parties' intention that the terms of this Side Letter Agreement shall remain in force beyond the expiration of the 2023 – 2028 MOU.

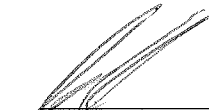
The parties' signatures below signify that they have met and conferred in good faith in accordance with California Government Code Section 3500, *et seq.* Agreed to on this ____th day of May 2024, by the parties' authorized representatives.

For the District

For the Employee Association



Tony Williams Date 5/7/24
General Manager



Jeff Corda Date 4-29-2024
Chairperson

DEFERRED COMPENSATION PLAN - 457(b) & 401(a) Plan

Eligibility

Effective upon completion of the six-month probationary period for regular full-time and part-time employees.

Purpose

To enable eligible employees to defer portions of their compensation and to provide a voluntary supplemental retirement account.

Participation

Eligible employees who wish to participate must complete a participation agreement for Lincoln or enroll online for Nationwide. Employee contributions will be limited by the annual IRS allowance. Pre-tax funds deferred are not subject to Federal or State income tax at the time of deferral. Roth fund contributions are subject to Federal and State income tax at the time of deferral. Existing employees may invest in either of the District's deferred compensation plans. New employees, hired on or after January 1, 2024 will be limited to participate in the Nationwide Plan. Both plans offer a number of investment options and employees will have access to the plan's retirement specialists for questions.

Benefits

The District allows contributions to be made in either Pre-tax or Post-tax (Roth) accounts. Funds may only be withdrawn following the participant's retirement, termination, total disability, death, or as a loan for a hardship in accordance with regulations prescribed by the Internal Revenue Service for an unforeseeable financial emergency beyond control of the participant. There is no early distribution penalty for withdrawing funds before age 59 ½.

Benefits may be paid in a lump sum or in monthly, quarterly or annual payments depending on the participant's selected plan of distribution. Pre-tax benefits are subject to Federal and State taxes at the time of distribution.

District Matching 401(a)

A 401(a) deferred compensation plan is a plan set up by the District that allows for tax-deferred matching contributions by the employer. Effective July 1, 2024, the District will provide a match up to 1% of annual salary into the Nationwide's 401(a) plan, for all employees (Represented and Unrepresented), who have elected to participate in the Nationwide 457(b) deferred compensation plan.

Employees must participate and contribute 1% to receive the full match. Any employee deferred contributions that equal less than 1% of their annual salary will be matched equal to the employee's contribution. (Example: If the employee contributes 0.5% of their annual salary, the District will match 0.5% of the employees' annual salary.) The District reserves the right to limit

enrollment to the Nationwide Plan only for purposes of matching employee contributions.

A deferred compensation investment committee will be formed that contains a total of 4-5 employees (Represented and Unrepresented) to oversee the Nationwide 401(a) matching investments. To review the plan investments the committee will meet at least once per year although more frequent quarterly meetings are recommended.

Note: The above is a brief summary of the NMWD DEFERRED COMPENSATION PLAN. Copies of the complete plan and participation agreements supersede and take precedence over this summary and are available from the Auditor-Controller or HR/Safety Manager.