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PREAMBLE: PURPOSE

Both the Marina Coast Water District (MCWD) and the Marina Coast Water District Employees Association (MCWDEA) agree that the purpose of this Memorandum of Understanding (MOU) is to ensure that all Marina Coast Water District employees be treated with mutual respect, dignity and fairness. To achieve that goal all rules, practices and policies will be applied equally and impartially.

It is the goal of the Marina Coast Water District and the MCWDEA that we all work toward a workplace which is healthy, cooperative, supportive, and mutually trusting.

ARTICLE 1: PARTIES

THIS AGREEMENT is made and entered into between the Marina Coast Water District (herein called "MCWD") and the Marina Coast Water District Employees Association (herein called the "Association").

ARTICLE 2: RECOGNITION

MCWD recognizes the Association as the bargaining agent for all employees in the Marina Coast Water District Employees' Association. See Appendix A.

ARTICLE 3: TERM

This four (4)-year Agreement shall remain in full force and effect from July 1, 2023 as adopted by MCWD and the Association up to and including June 30, 2027 and thereafter shall continue in effect unless one of the parties hereto notifies the other within 90-120 days immediately preceding the expiration date, of its request to modify, amend or terminate specific sections of this Agreement. Upon receipt from the parties hereto of a timely request to modify, amend or terminate specific sections of the Agreement, the other party shall have ten (10) days to respond. In the event neither party notifies the other, this MOU will remain in effect until a successor MOU is approved.

ARTICLE 4: NONDISCRIMINATION

The provisions of this Memorandum of Understanding shall be applied equally to all employees covered hereby without discrimination and free from harassment, in accordance with Sections 3.1 and 3.2 of the MCWD Employee Handbook.

The parties agree that there shall be no restraint, coercion, or interference with any employee with respect to or because of the employee's membership in the Association. Any party alleging a violation of this Article shall have the burden of proving the existence of a discriminatory act or acts or proving that, but for such act or acts the alleged injury or damage to the grievant would not have occurred.

ARTICLE 5: MEET AND CONFER

Section 5.1 Meet and Confer Representatives

Association employees shall be authorized time off with pay to meet and confer regarding terms and conditions of employment under the following conditions:

- A. Up to three (3) authorized representatives of the Association meeting with the General Manager or their designated representative regarding negotiating, preparing, or interpreting an MOU.
- B. During the last six (6) months prior to the expiration of an existing MOU, the Association may meet twice on time off not to exceed one (1) hour with their authorized representative for the purpose of discussing negotiations.

In addition, employees shall be authorized time off with pay to attend one, one hour meeting each calendar year of the Association in which general business of the Association is conducted.

Notice of the date and time shall be provided to all department managers with employees in the Association. Due to operational requirements, a department manager may require appropriate employees to remain on the job during all or part of the meeting. If the Association disagrees with such determination, the Association may ask the General Manager to review that determination and the General Manager's decision will be final.

Section 5.2 Bulletin Board

The MCWD will furnish for the use of the Association a bulletin board in the employees' break room. Said bulletin board shall be used for the purpose of posting Association official notices and all materials shall state clearly that it is authorized by the Association. Association agrees that notices posted on MCWD bulletin boards shall not contain anything which may be reasonably construed as maligning MCWD, its representative(s), or any individual in any manner whatsoever.

ARTICLE 6: MANAGEMENT RIGHTS

MCWD will continue to have, whether exercised or not, all the rights, powers and authority heretofore existing, and not specifically limited by this Memorandum of Understanding, including, but not limited to the following:

- Determine the standards of services offered.
- Determine the standards of selection for employment.
- Direct its employees.
- Take disciplinary action.

- Relieve its employees from duty because of lack of work or for other legitimate reasons; Issue and enforce rules and regulations.
- Maintain the efficiency of governmental operations.
- Determine the methods, means and personnel by which MCWD operations are to be conducted.
- Determine job classifications of MCWD employees.
- Exercise complete control and discretion over its work and fulfill all of its legal responsibilities.

All the rights, responsibilities and prerogatives that are inherent in the MCWD by virtue of federal, state, and local laws and regulation provisions cannot be subject to any grievance proceeding.

The exercise of the foregoing powers, rights, authority, duties and responsibilities by the MCWD Board, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Agreement and then only to the extent such specific and express terms hereof are in conformance with the Constitution and laws of the United States and the Constitution and laws of the State of California.

ARTICLE 7: SAFETY

Section 7.1 Obligation

The MCWD will provide a safe and healthy workplace free of recognized hazards. The MCWD agrees to comply with all applicable local state and federal health and safety laws and regulations.

The Association agrees that it is the duty of all employees to comply with all reasonable rules and regulations and when possible, to be alert of all unsafe places, equipment, and conditions and to report any such unsafe practices or conditions to the appropriate management representatives. If such notice is given in writing, employees will not be required to work in unsafe conditions. However, employees may not leave the worksite. Alternate work may or may not be assigned by the District until the unsafe condition is remedied or until it is determined that no unsafe conditions exist.

Section 7.2 Safety Equipment and Uniforms

MCWD will provide up to a three hundred-dollar (\$300.00) allowance for the purchase of logoed apparel, safety-toed boots and/or safety-toed shoes. Uniforms and boots are to be worn for District purposes only.

Obscene or excessive adornment may not be worn. Non-uniform apparel, such as other than MCWD hats, may not be worn.

The District shall provide one pair of prescription safety glasses, upon request, to each employee in Operations and Maintenance and Laboratory personnel. The reimbursement cost for each pair of glasses shall not exceed \$100.

Section 7.3 Ergonomics

The District shall provide office equipment accommodations that ensure ergonomic compliance.

Section 7.4 Hepatitis A & B Vaccinations

MCWD shall continue to maintain coverage, under normal group medical benefits, allowing for Hepatitis A and B vaccinations for individuals who are or will be at increased risk of infection with HAV (Hepatitis A virus).

Section 7.5 Wellness Program

MCWD recognizes its employees are its greatest asset and encourages all staff to participate in a Wellness Program. Participation is voluntary and employees do so at their own risk. To further encourage the wellness of its employees, MCWD authorized employees (upon approval of their immediate supervisor) who participate in aerobic physical exercise (walking, jogging, etc.) to use up to thirty (30) minutes of regular work time for this purpose two (2) days per week.

Exercise is normally done over the lunch break, with an extension of thirty (30) minutes. This amount of time is intended to allow the exercising employee the opportunity to receive a thorough aerobic workout and time to return to work refreshed and relieved of stress.

MCWD will provide educational services to employees on nutrition, disease prevention and management, smoking cessation, obesity, etc. through posters, flyers and brown bag lunches with guest speakers. In addition, the District will offer free, onsite preventive health screenings to all employees provided the employee participates in a workforce health profile.

Section 7.6 Reopener

During the term of this agreement, the parties agree to a reopener beginning on September 1, 2023 for the limited purpose of reviewing safety concerns related to employees subject to callback overnight before reporting to their regularly scheduled work shift.

ARTICLE 8: WAGES

Section 8.1 Wage Increase

Effective July 1, 2023, all Association employees' salaries shall be increased by 10%.

Effective July 1, 2024, all Association employees' salaries shall be increased by 10%.

Effective July 1, 2025, all Association employees' salaries shall be increased by a percentage equal to the increase in the Feb 2024-Feb 2025 CPI-U for the San Francisco Bay area.

Effective July 1, 2026, all Association employees' salaries shall be increase by a percentage equal to the increase in the Feb 2025-Feb 2026 CPI-U for the San Francisco Bay area.

Section 8.2 Annual Step Increases

The current practices relative to the granting of performance-based merit increases shall continue for the term of this MOU as provided in Section 6 of the MCWD Employee Handbook.

Section 8.3 Longevity Steps

The longevity pay plan recognizes the long-term service of regular, full-time MCWD employees. Longevity pay is based on total service and computed as a percentage of the employee's base rate of pay at the date of eligibility. Service toward longevity is credited for each month in which an employee is in pay status for one-half or more of the regularly scheduled workdays and paid holidays in the month. The increase will become effective on the anniversary date. If an employee goes on leave in an unpaid status, longevity will be pro-rated. Employees on paid disability leave are an exception.

Upon reaching the following anniversaries, employees shall receive longevity pay increases as follows:

| 10 years of service | 5% pay increase |
|---------------------|-------------------|
| 15 years of service | 5% pay increase |
| 20 years of service | 5% pay increase |
| 25 years of service | 2.5% pay increase |
| 30 years of service | 2.5% pay increase |

The current practices relative to the granting of longevity pay shall continue for the term of this MOU. The longevity pay is calculated by compounding the steps.

ARTICLE 9: OVERTIME AND WORK WEEK

Section 9.1 Overtime

Overtime shall be defined as time actually worked in excess of forty (40) hours in a workweek or over eight (8) or nine (9) hours in a workday, depending upon the employee's regularly scheduled shift. All overtime work shall be authorized by the appropriate representatives of management and be paid at time and a half (1.5) or may be credited with the equivalent compensatory time off at the option of the affected employee up to the maximum accruals provided in this section. Time worked in excess of 12 hours in one workday shall be paid at double time.

For the purpose of this section, paid holiday, vacation, compensatory time and sick time off hours shall be considered as hours worked for the purpose of determining overtime.

Compensatory time may be accrued up to a maximum of 160 hours, with all other overtime incurred beyond that maximum amount paid out as cash overtime. Those that currently have a balance above 160 will be allowed to reduce the amount over time. Employees will not be able to accrue any more comp time until they fall below 160 hours (not required to reduce immediately).

Section 9.2 Work Week and Hours

The normal workweek shall be Monday to Friday, eight (8) or nine (9) hours per day depending upon the employee's regularly scheduled shift. In an emergency or in unusual circumstances the workweek may be changed.

For Office and Laboratory personnel, the normal working hours are between 7:30 a.m. to 5:30 p.m. For Operations and Maintenance personnel the normal working hours are between 6:30 a.m. to 4:00 p.m. depending upon job assignment, except for regularly assigned stand-by and weekend duty. For Water Conservation and Engineering, the normal working hours are between 7:30 a.m. to 5:30 p.m.

Alternative Work Week: A 9/80 Flex Time schedule is available for employees who elect this option. Managers will have the discretion to consider and implement this based on the operational and managerial needs of the District. All employees of the District can request such schedule and the District agrees that the requests will not be unreasonably denied. Participation in the Flex Schedule affects the schedules of others; therefore, once established, changes in flex scheduling can only be changed if approved by the Department Head and General Manager.

Each employee requesting to work an Alternative Work Week must complete an Alternate Schedule Authorization form before participating in the plan and submit the form to Payroll one full pay period prior to beginning any alternative work schedule.

ARTICLE 10:

SPECIAL PAY PRACTICES

Section 10.1 Call-Back

MCWD agrees to guarantee a minimum of two (2) hours of paid time to any worker who, following the completion of their workday and departs from their place of employment, is called back and must report to a worksite because of work requirements, at times other than normal work hours. Such callbacks shall be considered overtime. Responding to such call-backs is mandatory. MCWD agrees to guarantee Scada call outs at 15 minutes minimum intervals for any calls between 5am and 9pm, and 1 hour minimum call out for calls between 9pm and 5am. Includes alarm check and remote fixes on Scada.

Once an employee has initially been called back to duty under call-back conditions, no additional call-back work credit shall be credited for any subsequent call-back, which occurs within the initial call-back minimum period of two (2) hours.

Section 10.2 Standby Pay

MCWD may place supervisory employees on a standby duty in the absence of a general unit member normally assigned that duty. Standby duty refers to a situation where an off-duty employee is available to respond within a thirty (30) minute time period as directed by management. Assigned standby shall be on an as needed basis. The employee assigned such duty shall receive two (2) hours of the employee's base rate of pay as standby pay for per each day assigned as well as the call-out payment as described in Section 10.1 above. If an employee is assigned standby duty on a District holiday, the employee will receive three (3) hours of the employee's base rate of pay as standby pay for the holiday as well as the call-out payment as described in Section 10.1 above.

Section 10.3 Certification Bonuses

Certain personnel holding positions in the Operations and Maintenance (O&M) and Laboratory Departments are required to obtain certification commensurate with his/her position from the California Water Environment Association (CWEA), the American Water Works Association California/Nevada Section (AWWA CA/NV), the California State Water Resources Control Board (SWRCB), or other certifying boards. Those who become employed by MCWD in positions requiring certification and whose employment commences after the effective date of this certification requirement, must obtain the specified grade of certification within one (1) year following the date upon which they have fulfilled the experience requirement. However, employees must obtain the required level of certification before they can be promoted to any other position for which they apply. For more information on what type of certification is required, employees should refer to the classification job description and discuss it with his/her immediate supervisor.

MCWD shall pay one-time bonuses of two-hundred fifty dollars (\$250) per certificate for employees who obtain the following certificates provided by the following agencies:

California State Water Resources Control Board

- Wastewater Treatment Operator II, III, IV, V
- Water Distribution Operator II, III, IV, V, and
- Water Treatment Operator II, III, IV, V

California Water Environment Association

- Collection System Maintenance II, III, IV; and
- Laboratory Analyst II, III, IV, V

American Water Works Association CA-NV

- Water Quality Analyst II, III, IV; and
- Water Conservation Practitioner I, II, III

MCWD and the Association may also mutually agree to provide one-time bonuses to any other pertinent certifications not listed in this section.

Employees will be reimbursed after proof of completion of a course of study or exam with regard to the cost of licenses, certificates and renewals which are required to perform their job duties.

Section 10.4 Educational Pay

As an incentive to encourage employees to acquire knowledge in areas related to current or future position(s), MCWD provides a one-time, ongoing, salary increase based on certification at a higher level than what is required for the current classification, provided the classification is maintained.

Only one (1) certification incentive will be approved above the requirement of the current classification. To avoid confusion as to which certifications are authorized, the employee should request approval from their immediate supervisor and the General Manager or designee before beginning this program.

| System Operator II | Obtains Grade III certification | Receives 5% ongoing |
|--------------------------|---------------------------------|------------------------------|
| Collection Operator II | from CWEA, SWRCB, AWWA | increase of base salary for |
| Laboratory Analyst II | CA-NV | as long as certification is |
| Water Quality Analyst II | | maintained. |
| System Operator III | Obtains Grade IV certification | Receives 5% ongoing |
| Collection Operator III | from CWEA, SWRCB, AWWA | increase of base salary as |
| Laboratory Analyst III | CA-NV | long as certification is |
| Water Quality Analyst | | maintained and not a |
| III | | requirement of the position. |
| System Operator IV | Obtains Grade V certification | Receives 5% ongoing |
| Laboratory Analyst IV | from SWRCB, AWWA CA-NV | increase of base salary as |
| Water Quality Analyst | | long as certification is |
| IV | | maintained and not a |
| | | requirement of the position. |

The maximum amount allowable is five percent (5%) of base salary and certifications cannot be "stacked".

At the sole discretion of the General Manager, certifications for positions not listed above will also be considered. The level of bonus will be set after evaluation of the program and with respect to the above specified bonuses.

Management employees are not eligible for certification pay.

Section 10.5 Education Reimbursement

Based on an employee's submission of a completed Tuition Reimbursement Request form, including the supervisor and General Manager's approval, a regular, full-time employee may be reimbursed up to \$5,000 per year for books and tuition only for a job-related course of study or program that will address the growing needs of the department and the District. The course of study program should be relevant to the

staff member's field of work or promotional opportunities within the Department or District. The employee shall submit the information on the class/program prior to enrollment. If the request form is not submitted in advance of the beginning of the class/course of study, reimbursement may be denied.

Confirmation transcripts or evidence which verifies the student's successful completion of the course (a grade C or better, "pass/fail" completion, a certificate or diploma) must be submitted to the HR/Risk Administrator prior to receiving reimbursement.

Courses must be taken on the employee's own time unless otherwise authorized by the General Manager or designee.

Section 10.6 Shift Differential

Any Association member whose assigned work shift includes the hours between 6p.m. and 11 p.m., (and who works a minimum of four (4) hours between 6p.m. and 11 p.m.) shall be paid a shift differential premium of five percent (5%) per hour above the regular rate of pay for all hours worked during the assigned shift. Any unit member whose assigned shift includes the hours between 11 p.m. and 5 a.m., (and who works a minimum of four (4) hours between 11 p.m. and 5 a.m.) shall be paid a shift differential premium of ten percent (10%) per hour above the regular rate of pay for all hours worked during the assigned shift.

Section 10.7 Bilingual Pay

Any Association member whose assigned work duties include direct interaction with District customers (e.g., Customer Service, Conservation, Front Desk, and management designated field staff), who are determined to be proficiently bilingual in Spanish, Korean, Tagalog, and Vietnamese (through testing criteria determined by the District), and who are available to provide translation services to such District customers will receive \$50 per month in bilingual pay.

ARTICLE 11: INSURANCE

Section 11.1 Employee Health Insurance

The District agrees to pay a portion of the monthly medical/dental/vision insurance premium for all regular, full-time employees. All employees, including those with eligible dependents, shall contribute towards medical premiums via a payroll deduction. The following amounts(s) will be effective beginning July 1, 2023:

Effective January 1, 2024, Members of the Employees Association will pay the

following:

Employee only = \$0/month

- Employee + 1 dependent = \$89.93/month + 20% of any annual increases to medical/dental/vision/EAP premiums
- Family coverage = \$115.99/month + 20% of any annual increases to medical/dental/vision/EAP premiums

Section 11.2 Retiree Health Insurance

At the option of an employee who retires from the District after July 1, 2023, Marina Coast Water District will provide the following continued medical benefit options for the retired District employee provided the minimum requirements established by the District are met for the applicable option as follows:

Option #1 - An employee at least 62 years of age with a total of 25 years of continuous service with the District at the time of retirement.

• The District will pay 100% of the current medical insurance premium cost for the retired employee.

Option #2 - An employee at least 62 years of age with a total of 10 years of continuous service with the District at the time of retirement.

 The District will pay 80% of the current medical insurance premium cost for the retired employee.

The following conditions apply to retired employees who receive continued medical benefits under Option #1 and Option #2 above:

- 1) The District will provide continued +1 health, vision, and dental benefits for the retiree provided the minimum requirements established by the District are met, at the sole cost of the retired employee.
- 2) The retired employee is required to pay any current applicable insurance premium costs and shall make their payment of any such costs on a monthly basis by the first day of each month after retirement. Any retired employee who fails to make the required monthly premium cost payment to the District shall have all retiree health benefits cancelled if not paid within 30 days of the due date.
- 3) Retired employees who receive continued medical benefits pursuant to this policy shall be notified of the monthly premium cost amounts owed to the District at the time of retirement. The insurance premium cost amount shall be calculated based on the rates charged by the District's insurance carrier at the time of retirement, and as modified each subsequent year. The retired employee shall be notified of any annual changes in the insurance premium amounts owed.

(The above applies only to those that retire after July 1, 2023. Above does not apply to existing retirees who retired from the District prior to July 1, 2023.)

Section 11.3 Life Insurance

MCWD agrees to provide Group Term Life and Accidental Death and Dismemberment (AD&D) Insurance for all regular, full-time employees effective at the date of hire. The face amount of life insurance for each eligible employee under the age of seventy (70) shall be at an amount equal to two times their annual gross salary up to a maximum of three hundred thousand dollars (\$300,000). An employee's accidental death is covered by double indemnity pursuant to the AD&D insurance. Group Term Life and AD&D benefits reduce to sixty-seven percent (67%) when an employee reaches the age of seventy (70), and then reduce to fifty percent (50%) when an employee reaches the age of seventy-five (75).

Such insurance shall be at no cost to the employee, except that insurance amounts above \$50,000 provided by the District shall be subject to tax law provisions.

Employees may purchase additional insurance through payroll deduction at a rate set by the insurance company.

Section 11.4 Short-Term and Long-Term Disability Plan

In addition to State Disability Insurance (SDI), the District provides, at no cost to the employee, a short-term disability plan with a maximum benefit of \$2,000 per week and a 30-day elimination period that supplements SDI and offers up to 2/3 of the employee's base annual salary, subject to the provisions of the contract with the carrier. In addition, the District offers a long-term disability plan with a maximum benefit of \$10,000 per month and a 180-day elimination period.

Section 11.5 Retirement

MCWD agrees to continue to provide the following retirement benefits:

Tier I Employees (Classic Employees):

For employees hired prior to January 1, 2013, the District will continue to provide the 2% @ 60 formula. The same 2% @ 60 will be provided to new employees who were previously employed by the District or newly hired employees who were previously in the Public Employees Retirement System (PERS) or reciprocal agency and have less than a 180-day break in service are covered by this formula. Basic PERS 2% @ 60 formula with:

- a. Social Security
- b. Sick Leave conversion
- c. Highest twelve (12) months compensation for purposes of determining final compensation
- d. Military Service credit as Prior Service
- e. Value of Employer-Paid Member Contributions (EPMC) to PERS reported as additional compensation, as provided for under Government Code Section 20636(c).

This shall apply to all members of the Association. MCWD pays 100% of employer/employee contributions.

Tier 2 Employees (PEPRA Employees):

For employees hired after January 1, 2013, who have not previously been enrolled in another PERS or reciprocal agency or they have more than a 180-day break in service they will be in Tier 2. Tier 2 for those employees is the 2% @ 62 formula. Effective July 1, 2015, PEPRA Employees will pay 100% of the employee contribution pre-tax through an approved IRC 414(h)(2) plan. Basic PERS 2% @ 62 formula with:

- a. Social Security
- b. Sick Leave Conversion
- c. Highest thirty-six (36) consecutive months of service for purposes of determining final compensation.
- d. Military Service credit as Prior Service

Section 11.6 Employee Assistance Program (EAP)

MCWD agrees to provide a confidential EAP benefit to all eligible employees and their dependent(s). This program is provided to promote employee health and well-being when personal problems affect an employee's life and work. The program provides information, consultation and counseling for employees and their family members, as well as offering training and consultation to management.

The EAP covered services include six (6) assessment/counseling sessions or financial/legal services for each incident of treatment.

Section 11.7 Insurance Administration

The MCWD continues to have the right and the obligation to administer the various insurance programs. These rights and obligations include, but are not limited to, the right to select the carriers and insurance claims administrators after consideration of the recommendations of the health insurance labor-management committee and prior meeting and consultation with the Association. Changes in insurance carriers or administrators shall not result in any appreciable reduction in benefits. In the event a change in insurance carriers is made, an open enrollment period will be authorized.

ARTICLE 12: HOLIDAYS

Regular, full-time employees are eligible for holiday pay from the date of hire. Eligible employees also receive holiday pay, without deduction of a vacation day, whenever the employee is on an approved vacation during which MCWD observes a holiday.

Employees who are on an unpaid leave of absence as of the date MCWD observes a holiday are not eligible for holiday pay.

The following listed days shall be observed during the term of this MOU as District holidays:

New Year's Day
Martin Luther King, Jr. Birthday
President's Birthday/Washington's Birthday
Memorial Day
Juneteenth National Independence Day
Independence Day
Labor Day
Veterans Day
Thanksgiving Day
Day After Thanksgiving
Working day immediately preceding Christmas Day
Christmas Day
Employee's Birthday
Floating Holiday

Observed holidays falling on Saturday will be celebrated on Friday; those falling on Sunday will be celebrated on Monday. Employee Birthday and Floating Holiday may be taken at any time during the calendar year upon approval of the department supervisor.

Association members who are statutorily non-exempt from state and federal overtime requirements and who may be required to work on a holiday will be permitted to choose compensation in the form of compensatory time off at double time and one half (2.5) the regular salary rate for the holiday worked, or monetary payment for the day. If the monetary payment is selected, it will result in the employee getting payment for the holiday at the regular salary rate plus being paid for the work as overtime at a salary rate of double the regular salary rate if the total credited hours for the week exceed forty (40).

ARTICLE 13: VACATION

Section 13.1 Eligibility and Accrual

All regular, full-time employees are eligible to accrue paid vacation leave. To be eligible, regular full-time employees must be scheduled to work at least thirty-two (32) hours per week. New employees who are serving in an initial twelve (12) month introductory period accrue paid vacation but are not eligible to take paid time off unless prior authorization has been received from the General Manager or designee. Vacation leave is accrued

each pay period. Thereafter, eligible employees accrue vacation benefits to their anniversary date in each succeeding year based upon length of continuous service with MCWD. Vacation benefit hours may be discontinued or suspended during certain types and durations of leaves of absence including Military Leave in excess of thirty (30) calendar days.

The following vacation schedule shall apply based on the length of continuous service with the District:

| Year of Service | | |
|--------------------|--|--|
| 1 | 10 working days per year (3.08 hours bi-weekly accrual) | |
| 2-3 | 11 working days per year (3.38 hours bi-weekly accrual) | |
| 4-10 | 16 working days per year (4.92 hours bi-weekly accrual) | |
| 11+ | 20 working days per years (6.16 hours bi-weekly accrual) | |

Vacation time will accrue throughout the year and will be pro-rated and credited at the end of each pay period. The maximum accrual allowance shall be two hundred and sixty (260) hours. Vacation time earned in excess of 260 hours shall be paid during the next following pay period. Vacation leave cannot be used by new employees during their initial introductory period unless approved, in advance, by the General Manager.

Prior to approving a request for vacation, it is the responsibility of the manager/supervisor or designee to confirm that the employee has, or will have, the requested time available. Employees cannot use vacation for any unposted leave accruals (cannot use unaccrued time while out on vacation).

Vacation pay will be based on the employee's base pay rate in effect at the time such vacation is taken. It does not include overtime or any special forms of compensation such as shift differential, standby or other forms of pay otherwise available during normal work schedules. Payment for vacation time will be made on an employee's regularly scheduled payday.

Section 13.2 Advance Approval and Cancellation Notice

- A. Application for approval of vacation leave shall be made no less than ten (10) working days in advance. Approval of vacation leave for less than five (5) working days can be approved at the discretion of the immediate supervisor. All vacation leave must be approved by the immediate supervisor prior to use.
- B. MCWD shall provide at least seven (7) working days' notice to employees if, due to workload requirements, an employee will not be able to take their preauthorized vacation, unless emergency situations require a shorter notice. MCWD will authorize vacations as soon as operationally possible.

Section 13.3 Payout on Termination

The MCWD shall, upon termination or resignation of an employee, compensate that employee for their accrued vacation time and compensatory time at their current rate of pay.

Section 13.4 Cash-Out

Employees may elect to cash out accumulated vacation time provided that the employee maintains at least forty (40) hours of accrued vacation credit. Cashout must be done in conjunction with a regular paycheck and requested no less than five (5) days before the end of a pay period.

ARTICLE 14: SICK LEAVE

Section 14.1 Accrual Rate

Regular full-time employees who work at least thirty-two (32) hours per week are eligible for paid sick leave benefits as follows. Sick Leave time will accrue throughout the year and will be pro-rated and credited at the end of each pay period. Employees shall accrue one day per calendar month with an unlimited accumulation amount.

Sick leave is to be used for absences due to the following reasons:

- For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
- For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, including:
 - Child (including a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis.)
 - Spouse or Registered Domestic Partner
 - Parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.)
 - Grandparent
 - Grandchild.
 - Sibling.

- Designated Person (A "designated person" is any individual related by blood or whose association with the employee is the equivalent of family relationship. An employee can only have one "designated person" per 12-month period of paid sick leave.)
- To obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking including the following with appropriate certification of the need for such services:
 - A temporary restraining order or restraining order.
 - Other injunctive relief to help ensure the health, safety or welfare of themselves or their children.
 - To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking.
 - To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking.
 - To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking.
 - To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Notification of illness shall be made as soon as possible and no later than 1 hour after the start of the workday, if at all possible.

After three (3) days of consecutive sick leave, an explanation of the employee's illness shall be submitted by the employee's physician along with a release by the physician to return to work and a statement by the physician that the employee is physically able to perform their job.

All sick leave payments will be based on an employee's regular pay rate in effect at the time such payments are made. Full or partial days off due to illness or injury in excess of accrued sick leave by non-exempt employees will be taken without pay. Exempt employees who have used all of his/her accrued sick leave benefits continue to receive his/her salary for an occasional illness that is less than a full day under this sick leave policy. The salary of exempt employees who have exhausted his/her sick leave will be deducted for absences of a full day or more due to illness or disability.

Employees who use two (2) days or less of their annual sick leave entitlement will be given the opportunity at the end of the calendar year to convert two (2) of the remaining sick leave days into vacation or let the sick leave days accumulate. Sick

leave used for doctor/dentist appointments during work hours will not count towards the two (2) day threshold above.

Section 14.2 Retirement Payout

After ten years of continuous service, and at age 62 years or above, upon retirement from the District, an employee shall be paid sixty (60%) of their accumulated sick leave up to a maximum of 240 hours. Any remaining amount of accumulated sick leave that is not cashed out can then be used as a CalPERS sick leave conversion. All payments will be made at the current rate of pay.

Section 14.3 Separation of Employment in Good Standing Payout

An employee upon separation of employment with the District in good standing shall be paid thirty (30%) of their accumulated sick leave up to a maximum of 240 hours. All payments will be made at the current rate of pay. An employee who is terminated from employment with the District pursuant to Article 19 (Disciplinary Action) does not qualify for this accumulated sick leave payoff.

ARTICLE 15: DEFERRED COMPENSATION

The District shall make available a 457 deferred compensation plan for all bargaining unit employees. The District's 457 Deferred Compensation Plan allows employees, on a voluntary basis, to authorize a portion of their salary to be withheld and invested at their direction for payment upon termination of employment or retirement. All contributions are deducted from employees' salary on a pre-tax basis. Upon withdrawal from the Plan, participants will be responsible for appropriate taxes.

MCWD will match an employee contribution up to a maximum of \$2,500 per year. Comp match to be on a calendar year basis starting July 1, 2023.

MCWD will comply with IRS regulations regarding maximum contributions and provisions of tax laws.

ARTICLE 16: PRE-TAX VOUCHERS

MCWD provides a pre-tax voucher system for regular, full-time employees' dependent care expenses.

ARTICLE 17: WORKING TEMPORARY UPGRADE PAY

When an employee covered by the provisions of this Agreement is assigned through a personnel action form to perform the primary and essential duties of a higher paid vacant position, that employee shall be compensated at the step in the higher classification that provides an increase to the assigned employee of at least five percent (5%). The assignment must be for over twenty (20) days in a calendar year. Such additional compensation will normally begin on the twenty-first (21st) working day after assignment to the higher position or earlier, subject to the discretion of the General Manager.

Note: Temporary upgrade pay is not reportable for PEPRA Members.

ARTICLE 18: GRIEVANCE PROCEDURE

The District has an established formal grievance procedure to resolve issues and concerns regarding the application of this Memorandum of Understanding or District Employee Handbook. This formal procedure shall not be used to resolve disciplinary actions, discrimination/harassment complaints, OSHA, performance evaluation, workers' compensation issues, bargaining disputes or any exercise of the District's normal discretionary rights and obligations. The purpose of this procedure is to identify and resolve differences between employees and management regarding this agreement and general working conditions.

The District encourages employees to use this process to resolve problems and will not discriminate against any employee for using this procedure.

The employee shall raise the grievance as soon as possible but no later than thirty (30) calendar days after learning of the act or issue causing the grievance.

Step 1. Immediate Supervisor

The employee should raise any problem with their immediate supervisor. The supervisor will respond within ten (10) workdays. Every effort will be made to resolve the grievance at this stage.

Step 2. Department Head

If the employee is not satisfied with the result of the supervisor's decision, they may file a written grievance to their Department Head within five (5) workdays of the supervisor's response. The Department Head will meet with the employee and the supervisor to resolve the problem. If necessary, the HR/Risk Administrator will be consulted. The Department Head will make a decision within five (5) workdays of receipt of the grievance and notify the employee of such decision within five (5) workdays.

Step 3. General Manager

If the employee is not satisfied with the result of meeting with the Department Head and the HR/Risk Administrator, they may file a written grievance to the General Manager within five (5) workdays of the Department Head's response. The General Manager will make a decision within five (5) workdays of receipt of the grievance and notify the employee of such decision either verbally or in writing.

Step 4. Appeal

Any employee who is not satisfied with the decision reached in Step 3 may file a written appeal to the MCWD Board within ten (10) calendar days of the Step 3 decision. The

appeal shall contain all documents and arguments necessary to resolve the matter. The appeal will be reviewed by the Board. The Board, at its discretion, may allow a short oral presentation in a closed session of the next regular Board meeting. The Board may affirm or change the decision of the General Manager. The Board's decision shall be given to the employee and shall be final and binding.

ARTICLE 19: DISCIPLINARY ACTION

Section 19.1 Standards of Conduct

The following examples are given in order to provide the employees guidance concerning unacceptable behavior. If the MCWD chooses to correct an employee who engages in unacceptable behavior, the employee may be subject to corrective discipline up to and including termination. Please note that it is impossible to provide an exhaustive list of behaviors that are not acceptable. The following is therefore intended to simply provide some examples:

- A. Failure to meet job standards as described in the job description or as determined by the immediate supervisor, including becoming uninsurable based upon the driving standards of MCWD's insurance carrier.
- B. Failure to observe or comply with the provisions of the Employee Handbook.
- C. Insubordination.
- D. Abusive or vulgar language, or causing disruption to the workplace or to fellow employees or visitors.
- E. Theft or unauthorized removal of MCWD property from MCWD premises.
- F. Misuse of MCWD's monies.
- G. Harassment, including but not limited to unlawful sexual harassment or gender-based or racial remarks.
- H. Excessive absenteeism or tardiness.
- Using, possessing, or being under the influence of (including as a result of prior indulgence) alcohol or illegal drugs while on MCWD premises or on duty, including while on-call.
- J. Job abandonment.
- K. Carelessness or negligence when performing duties or failure to follow health and safety regulations while on MCWD premises or while on duty.
- Unauthorized possession or removal of property, records, or other MCWD materials.
- M. Release of confidential information about the MCWD or its members.
- N. Altercations with or threats to fellow employees or the public.
- O. Possession of firearms on MCWD property or within MCWD vehicles.
- P. Gambling while on the job or on MCWD time.
- Q. Eavesdropping. Under California state law the consent of all parties participating in a call must be obtained before any person may record a telephone conversation or before a person who is not a party to a call may eavesdrop on or wiretap a call.
- R. Failure to report involvement in an accident occurring on the MCWD's premises, or involving MCWD's equipment, or giving false information in accident or insurance reports.

- S. Failure to immediately report the loss of a California driver's license due to suspension, withdrawal, forfeiture or confiscation by any court of law or by the California Division of Motor Vehicles. This rule applies only to those employees who must maintain such a license as a condition of his/her employment.
- T. Installing unauthorized software on MCWD's computer system and/or misuse of electronic systems (email, internet, fax) per policy.

Section 19.2 Disciplinary Actions

The objective of any disciplinary action is to correct less than satisfactory performance and to bring a worker's performance up to District standards. Disciplinary action is not primarily punitive in intent but is intended to be corrective action.

The appointing authority may take disciplinary action against any employee, provided that the rules and regulations prescribed herein are followed and that employee who is not on probationary status has the right to appeal pursuant to this article, except as herein provided. As used in this article, "disciplinary action" shall mean formal written reprimand, suspension, disciplinary demotion, disciplinary probation, or dismissal. No employee shall be discharged or disciplined without just cause and the principles of progressive discipline shall be followed. Regular, full-time or regular part-time employees shall be subject to disciplinary action by the General Manager only in accordance with the procedures set forth below.

As part of the District's progressive disciplinary process, an employee may be placed on disciplinary probation for a specified period of time not to exceed four (4) months with the understanding that should the causes for such action not be satisfactorily corrected or remedied during the period, subsequent disciplinary action may be taken, up to and including termination. Employees whose performance is sub-standard or who has repeated infractions of personnel policies may be placed on a Performance Improvement Plan (PIP) until such time that the employee has corrected their performance.

Section 19.3 Notice of Proposed Disciplinary Action

In order to institute disciplinary action, the appointing authority shall serve notice of the proposed disciplinary action in accordance with the following procedures:

Except as otherwise provided herein or when emergency or other special circumstances require immediate action, a notice of proposed disciplinary action (other than for formal reprimand) shall be delivered to the employee, either personally or by the US Postal Service, to the current address listed on the employee's most recent personnel action form, no less than five (5) calendar days prior to the effective date of any punitive action against the employee.

The notice of proposed disciplinary action shall include the following:

- A. The nature of the disciplinary action.
- B. The effective date of the action.
- C. The causes for the action in ordinary, concise language with the dates and places thereof, when known.
- D. A statement that identifies the material upon which the action is based and states that it is available for inspection and
- E. A statement advising the employee of their right to respond either verbally or in writing to the appointing authority or their designee imposing the disciplinary action prior to the effective date and the right to be represented in that response.

Section 19.4 Pre-Disciplinary Due Process Meeting

If the employee does not waive their right to a Skelly meeting, the General Manager shall conduct an informal meeting to allow the employee to respond to the charges made.

The employee may present information and respond to questions personally or through their representative.

The General Manager shall give the employee written notice of the decision which shall be reached within five (5) working days after said meeting.

Section 19.5 Implementation of Discipline

In the case of a suspension without pay of one (1) working days or less, or a suspension with pay of twenty (20) working days or less, the suspension may be imposed by a single notice containing items A, B, C, D & E above. This notice shall be delivered to the employee on or as soon after the effective date of the suspension as possible.

Except as provided above, in order to implement the proposed disciplinary action of a lesser disciplinary action based on the same cause(s), a notice of disciplinary action shall be delivered to the employee, either personally or by the US Postal Service to the current address listed on the employee's most recent Personnel Action form, on or before the effective date of the disciplinary action.

The notice of disciplinary action shall contain the information in items A, B, C, D & E above and, in addition, shall include a statement as to the right to appeal and representation by a party of their own choice and shall include a referral to the section of this Agreement concerning appeals from disciplinary action.

Section 19.6 Reprimand

An appointing authority may reprimand an employee by furnishing him/her with a statement, in writing, of the specific reasons for such reprimand. A copy of notice of the reprimand shall be given to the General Manager for inclusion in the employee's personnel file and shall not be subject to appeal, but the employee and/or their

representative shall have the right to discuss the reprimand, or notice of reprimand during normal business hours, with the supervisor issuing the reprimand within 3 working days of receipt of reprimand.

Disciplinary reprimands shall be removed from the employee's personnel file after the second year of their issuance, upon the employee's request, and if the employee does not receive any further disciplinary action in the two-year period.

Section 19.7 Appeal of Disciplinary Action

Appeal

If an employee who has had a pre-disciplinary due process (Skelly) meeting wishes to appeal the decision of the General Manager further, and who has completed their six (6) months probationary status, they shall file with the MCWD Board of Directors no later than ten calendar days after receipt of said notice of disciplinary action.

Should said tenth (10th) day fall on a day in which offices of the MCWD are not open for business, the time within which said notice of appeal may be filed shall be extended until 5:00 p.m. of the next following day when MCWD offices are open for business.

A. Time of Hearing - Notice

A hearing by the MCWD Directors or by a Hearing Officer appointed by the Board, relating to the validity of the charges upon which the disciplinary action was based shall commence not later than thirty (30) days after the date of the filing of the notice of appeal.

The appellant employee shall be given not less than ten (10) calendar day's written notice of the date, time, and place of said hearing of the Directors or the Hearing Officer. Said notice of the date, time, and place of hearing shall be effective upon its deposit in the US mail, postage prepaid with return receipt requested, and addressed to the last known address of the appellant as set forth in the appellant employee's personnel file.

B. Conduct of Hearing

At the time and place designated, the MCWD Board of Directors or Hearing Officer shall hold a hearing for the purpose of determining the validity of the charges brought against the appellant employee and of the reasonableness of the discipline imposed pursuant to said charges. Such hearing shall be closed to the public unless otherwise requested by the appellant employee. The appellant employee may be present and have the right to be represented by counsel.

The hearing may be continued from time to time and at the end of such presentation the MCWD Board of Directors or Hearing Officer may take the evidence under consideration for a reasonable period of time before announcing its decision in the matter.

C. Hearing

The General Manager and the appellant employee may call witnesses, shall have the right of cross-examination, and may present documentary and demonstrative evidence.

D. Recommendation of Hearing Officer

If a Hearing Officer is appointed by the MCWD Board of Directors, a non-binding advisory opinion or recommendation shall be presented in writing to the MCWD Board no later than ten (10) days after the hearing is complete.

E. Decision of MCWD Board of Directors

The decision of the MCWD Board of Directors shall designate express findings of the charges upon which the disciplinary action was based and may wholly reverse or affirm the disciplinary action imposed by the General Manager or modify the severity of the same.

F. Loss of Salary

If the discipline action of the General Manager is wholly reversed by the MCWD Board of Directors, or the severity of discipline imposed is partially reversed, the appellant employee shall be entitled, upon the decision of the Directors or Hearing Officer, to complete the partial reinstatement, as the case may be, and shall be entitled to reimbursement from MCWD funds of that salary forfeited by virtue of that portion of the disciplinary action which was overruled by the MCWD Board of Directors.

G. Appeals of Decision

The findings and decision of the MCWD Board of Directors on appeal shall be final and conclusive on all parties, and not subject to the grievance procedures provided for in this contract.

ARTICLE 20: INTRODUCTORY PERIOD FOR NEW OR NEWLY PROMOTED EMPLOYEES

A. New Employees: New employees shall be subject to an introductory period of twelve (12) months. New employees in their introductory period are considered at-will employees.

The introductory period may be extended no more than six (6) months by the General Manager pending qualifications, demonstration of work habits, and performance on the job.

Introductory employees may be considered for a new position in another classification. If an employee is promoted during this period, the Introductory Period begins a new with the date of appointment to the new position.

An introductory employee may be released at any time that their performance is determined unsatisfactory and therefore unsuitable for permanent assignment.

B. <u>Newly Promoted Employees</u>: A newly promoted employee will serve an introductory period of six (6) months. If during that time, the employee is not satisfactorily performing the duties of their new position, the employee will be placed back into their previous position if it is still available or another position if necessary.

ARTICLE 21: PERSONNEL RECORDS

The MCWD and Association agree that personnel records are not subject to public inspection. All Personnel records are and remain the property of MCWD.

Employees shall have the right to inspect, review and receive a copy of any official record relating to their performance as an employee which is kept or maintained by MCWD.

When any comment adverse to an employee's interest is entered in their official personnel records, the employee shall have the opportunity to read and receive a copy of the adverse entry.

An employee may, upon request, inspect that employee's personnel file during regular business hours by appointment.

The HR/Risk Administrator shall keep the official personnel records of all employees in the Administrative Office.

Notwithstanding any other provision of this item, MCWD and the Association agree that an employee is not entitled to inspect or review such documents as reference letters, records pertaining to investigation of a possible criminal offense, or material designated confidential by law.

ARTICLE 22: POSTING POSITIONS

The District agrees to post in-house for five (5) workdays, before recruiting externally, when they intend to fill new, or existing or permanent positions authorized by the Board. This provision does not apply when recruiting temporary or contract positions. The District shall encourage unsuccessful internal candidates to receive confidential career counseling from District Supervisory Personnel as feedback for professional development and preparation for future opportunities.

ARTICLE 23: NO STRIKE/NO LOCKOUT

The parties to this MOU recognize and acknowledge that the services performed by MCWD employees are essential to the public. The Association agrees that under no circumstances will the Association recommend, encourage, cause or permit its members to initiate, participate in, nor will any member of the bargaining unit take part in, any strike, sit-down, stay-in, sick-out, slow-down, or picketing (hereinafter collectively

referred to as work-stoppage), nor to curtail any work or restrict any production, or interfere with any operation of MCWD. In the event of any such work-stoppage by any member of the bargaining unit, MCWD shall not be required to negotiate on the merits of any dispute which may have given rise to such work-stoppage until said work-stoppage has ceased.

In the event of any work-stoppage, during the term of this Memorandum of Understanding, whether by the Association or by any member of the bargaining unit, the Association, by its officers, shall immediately declare in writing and publicize that such work stoppage is illegal and unauthorized and further direct its members in writing to cease the said conduct and resume work. Copies of such written notice shall be served upon MCWD. In the event of any work stoppage, the Association promptly and in good faith performs the obligations of this paragraph and providing the Association had not otherwise authorized such work stoppage, the Association shall not be liable for any damages caused by the violation of this provision.

MCWD shall have the right to discipline, to include discharge, any employee who instigates, participates in, or gives leadership to, any work-stoppage activity herein prohibited, and MCWD shall also have the right to seek full legal redress, including damages, as against any such employee, as long as not in violation of their rights under the United States Law or Constitution or the California State Law or Constitution.

In turn, MCWD agrees not to lock out any employee during the term of this Memorandum of Understanding.

ARTICLE 24: SEVERABILITY

If any section, subsection, paragraph, clause or phrase of this Agreement is, for any reason, held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Agreement, it being hereby expressly declared that this document, each section, subsection, paragraph, sentence, clause and phrase thereof, would have been adopted irrespective of the fact that any one or more sections, subsections, sentences clauses, or phrases be declared invalid or unconstitutional.

ARTICLE 25: FULL UNDERSTANDING, MODIFICATION WAIVER

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

Existing matters within the scope of representation which are not referenced in this Memorandum of Understanding, and which are subject to the meet and confer process shall continue without change unless modified subject to the meet and confer process. MCWD assures the Association that unless changes are warranted by operational necessity, it does not intend, nor does it anticipate, during the term of this

Memorandum of Understanding any change, modification or cancellation of wages, hours and working conditions which are subject to meet and confer and which are presently in effect or contained in this Memorandum of Understanding.

Except as specifically provided herein, it is agreed and understood that each party hereto voluntarily, and unqualifiedly waives its rights, and agrees that the other shall not be required, although they may mutually agree otherwise, to negotiate with respect to any subject or matter covered herein or with respect to any other matter within the scope of negotiations, during the term of this Memorandum of Understanding.

Any agreement, alteration, understanding, variation, waiver or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the MCWD's Board of Directors.

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

THIS MEMORANDUM OF UNDERSTANDING ENTERED INTO THIS 11TH DAY OF JULY 2023.

President, MCWDEA

Vice President, MCWDEA

vice i resident, MOVDEA

Secretary, MCWDEA

President, MCWD Board of

Directors

Vice President, MCWD Board

of Directors

General Manager /

Board Secretary

APPENDIX A

MARINA COAST WATER DISTRICT EMPLOYEES ASSOCIATION LIST OF CLASSIFICATIONS

Accountant I/II

Accounting Supervisor

Accounting Technician

Administrative Assistant

Assistant Engineer

Associate Engineer

Customer Service/Billing Technician I/II

Customer Service/Billing Supervisor

Electrical/Mechanical Field Supervisor

Engineering Technician

Laboratory Supervisor

Maintenance Worker

Meter Reader

Operations and Maintenance Supervisor

System Operator I/II

System Operator II - Cross Connection Control Specialist

System Operator Lead

Water Resource Analyst I/II

Water Conservation Specialist III

Water Conservation and Operations & Maintenance Coordinator