

**MEMORANDUM OF UNDERSTANDING BETWEEN THE MONTEREY  
PENINSULA WATER MANAGEMENT DISTRICT  
AND  
THE GENERAL STAFF BARGAINING UNIT, REPRESENTED BY  
LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 270**

This Memorandum of Understanding (M.O.U) sets forth the agreement between the representatives of LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 270 (hereinafter referred to as "Union") and the representatives of the MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (hereinafter referred to as "District") on all matters concerning wages, hours, working conditions and other terms of employment for employees within the GENERAL STAFF BARGAINING UNIT.

The District and Union have met and conferred in good faith and have arrived at an understanding concerning wages, hours, working conditions and other terms of employment. This agreement supersedes all prior District Personnel Policies that pertained to members of this bargaining unit, where such matters have been specifically addressed. In the event of a conflict between this contract and any policy, memorandum or directive, either written or verbal, this contract shall prevail.

**ARTICLE 1 RECOGNITION**

Pursuant to the Meyers-Milias-Brown Act and the District's Employer-Employee Relations Resolution, the Union, affiliated with LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 270, is hereby recognized as the exclusively recognized employee organization for the General Staff Unit employees. Classifications in the bargaining unit are listed in Appendix A. Pursuant to language in the MOU, this list can be amended from time to time.

**ARTICLE 2 NON-DISCRIMINATION**

The District and the Union will cooperate in pursuing a policy of equal employment and equal promotional opportunity for all employees. There shall be no employment discrimination because of a person's political or Union affiliation or belief, non-affiliation or non-belief. There will be no coercion, intimidation, or discrimination against any employee for exercising her/his right to form, join and participate in the activities of the Union.

### ARTICLE 3 UNION SECURITY

- A. Agency Shop –New employees hired during the term of this contract and all current employees covered by its terms shall, within thirty (30) days of employment or the signing of this Agreement, join the Union and pay Union dues or pay an equivalent service fee thereafter as a condition of continued employment. The District shall notify new employees of these Agency Shop provisions and that the Union is the exclusive recognized bargaining representative for the workers in the unit. The District shall also provide a copy of the current contract to the employee. Employees in the bargaining unit who are not members of the Union on the effective date of this contract shall authorize either Union dues or an equivalent service fee as a condition of continued employment.

In accordance with Government Code Section 3502.5, any employee subject to this Section who is a member of a bona fide religion which has historically held conscientious objections to joining or financially supporting an employee organization shall, upon verification of active membership in such a religious body, satisfactory to the Union, be permitted to make a charitable contribution equal to Union dues to a non-religious, charitable organization agreed upon by the parties.

- B. Payroll Deduction – The District will make available payroll deductions for Unit members for both regular Union dues and other fees, as applicable, and remit these funds monthly to the Union by separate check with the exception of the charitable contributions that shall be remitted to the appropriate organization. These deductions are subject to the following conditions:
- 1) Deductions shall be withheld only if the employee so authorizes in writing on the form provided by the Union and approved by the District.
  - 2) The Union will indemnify and hold harmless the District, its employees, officials and representatives from any claims, litigation or liability arising from the implementation of this section.
- C. Dispute Resolution – Any dispute between the Union and an employee on the interpretation of Article 3 shall, at the request of the Union or the affected employee, be decided by final and binding arbitration under the rules of the American Arbitration Association. The employee and the Union shall each bear one half the cost of the arbitration, including the fee of the American Arbitration Association and the arbitrator. The cost of the certified transcript of the proceedings shall be paid by the party requesting same. The District will not protest or interfere with any final and binding decision under this Section.
- D. In the event an employee fails to authorize either Union dues, an equivalent service fee or charitable contribution, as required in this Section, the Union

will give written notice of such failure to the District and the affected employee, and request dismissal of the employee.

- E. Upon receipt of such notice from the Union, the District will issue to the employee and the Union a five (5) day notice of Intention to Dismiss. Failure to authorize payroll deductions by the response deadlines set in the Notice to Dismiss shall result in termination.
- F. Employees terminated as a result of this provision do not have the right of recourse through Article - 21 Grievance Procedure.
- G. The Union shall indemnify, defend and hold the District, its officers and employees harmless against any and all claims, demands, suits and from liabilities of any nature which may arise out of or by reason of any action taken or not taken by the District under the provisions of this Section.
- H. Memorandum of Understanding Distribution – The District will distribute to all Unit members a copy of the signed Memorandum of Understanding. When a person is hired in any classification covered by this Memorandum of Understanding, the District shall notify the person that the Union is the recognized employee organization. The District will provide that person with a copy of the current MOU.
- I. Union Notification – The Union shall be given at least ten (10) working days advance written notice prior to adopting any rule, resolution, regulation, or action affecting working conditions within the scope of representation and shall be given the opportunity to meet and confer with the District representative prior to its adoption by the District Board of Directors.
- J. Bulletin Boards – The Union shall be provided a bulletin board in the employee break room. The Union agrees that notices posted on the bulletin board shall not contain anything that may be construed as maligning and/or derogatory to the District or its representatives. The Union shall be responsible for maintaining the bulletin board in a professional manner. The Union shall be responsible for placement of and removal of outdated material. However, the District shall retain the right to remove maligning, derogatory, or inappropriate, or outdated material.
- K. Time Off for Union Officials – During the term of this agreement, two employees from the unit shall be allowed a reasonable amount of paid release time off for “meet and confer” or “meet and consult” sessions scheduled with the District’s designated representatives, providing there is no disruption of work. The Union shall notify the General Manager in advance of the meeting of the specific members who will be in attendance. Union members shall obtain permission through supervisory channels before leaving their work or work locations.

The Union may request, and the District may grant, time off without loss of pay to Union representatives to assist the District in the formulation of policies and procedures mutually beneficial to the District and the Union. However, such time off shall be at the discretion of the General Manager.

- L. Union Stewards – The Union shall be authorized to designate two employees within the unit as stewards and must furnish a list of these stewards to the General Manager within five working days after appointment or election. One steward at a time shall be allowed a reasonable amount of paid release time for the purpose of representing a unit employee within the steward's area of representation in the filing or processing of grievances or disciplinary appeals, as long as there is no interruption of work in the employee's division. Stewards must first obtain permission through appropriate supervisory channels before leaving their work or work location for such purposes. There shall be no discrimination, intimidation or coercion of any steward exercising his/her rights under the grievance procedure.
- M. Visits by authorized Union Representatives – Access to District work locations and the use of District paid time, facilities, equipment and other resources by the employee organizations and those representing them shall be limited to activities pertaining to the employer-employee relationship. Reasonable access to employee work locations shall be granted to representatives of recognized employee organizations for the purpose of processing grievances or contacting members of the organization concerning business within the scope of representation.
- N. Meeting Time – Employees of the District shall be permitted to meet on their own time on District premises at least two hours per month.

#### **ARTICLE 4 DISTRICT RIGHTS**

- A. Except as modified by this Memorandum of Understanding, the District reserves, retains and is vested with, solely and exclusively, all rights of the District which are not expressly abridged by law to manage the District. The District also recognizes that employee contributions to the decision making process is valuable. The District agrees to encourage employee input on matters within the scope of representation. The sole and exclusive rights of the District shall include, but not be limited to, the following:
  - To manage the District generally and to determine all issues of policy;
  - To determine the nature, manner, means and technology, and extent of services to be provided to the public;
  - To determine and/or change the facility, methods, technological means, size and composition of the workforce by which District operations are to be conducted;

- To assign work to and schedule employees in accordance with requirements as determined by the District, and to establish and change work schedules, vacation schedules, and assignments upon reasonable notice and in accordance with these Rules and memoranda of understanding;
  - To relieve employees from duties for lack of work, funds, or similar non-disciplinary reasons;
  - To determine and modify productivity and performance programs and standards;
  - To discharge, suspend, demote or otherwise discipline non-probationary employees for just cause;
  - To determine job classifications and to reclassify employees in accordance with these Rules and applicable resolutions and ordinances of the District;
  - To hire, transfer, promote and demote employees for non-disciplinary reasons in accordance with these Rules and applicable ordinances and resolutions of the District;
  - To determine and administer policies, procedures and standards for selection, training and promotion of employees in accordance with these rules and applicable resolutions and ordinances of the District.
  - To establish employee performance standards including, but not limited to qualification and quantity standards, and to required compliance therewith;
  - To determine satisfactory and unsatisfactory job performance levels, and evaluate employees based upon these criteria;
  - To take any and all necessary action to carry out the functions of the District in emergencies.
- B. Before submission of a recommendation to contract out any function traditionally performed by unit employees which would result in a reduction of the work force, the Union will be offered the opportunity to examine the proposal for at least thirty (30) days prior to Board action, whenever possible and to submit recommendations. If requested, the District will meet and confer over the impact of proposed layoffs prior to the implementation of said layoffs.

## ARTICLE 5 PERSONNEL ACTIONS

- A. A District list of all current job descriptions shall be available for review by employees and Union representatives. An employee may obtain a copy of any job descriptions from the Human Resources Analyst.

Upon appointment, each new employee shall be provided with a copy of the employee's job description. Further, an employee shall be given a copy of the amended job description as changes occur.

Job Descriptions shall be explicit as to the level of skills, knowledge, and ability required to perform the work. Specific detail of the work required will be used wherever reasonable and the work required shall be within the realm of that normally performed within the scope of the job classification.

- B. The District shall offer to meet and confer with the Union regarding the impacts of an appropriate reclassification whenever the District intends to classify, reclassify, create, modify, and/or abolish classes existing in the bargaining unit. If an employee believes that he or she has been assigned duties that do not reasonably relate to the classification to which the employee is assigned, the Union may request, and the District shall grant, an opportunity to meet and consult with the parties involved regarding such assignment.
- C. There shall be only one official personnel file that shall be maintained at the District's Human Resources Office. An employee shall have the right to review her/his personnel file or authorize in writing the review by a representative. No material will be inserted into the employee's personnel file without prior notice and a copy given to the employee. An employee may place in her/his personnel file a written response to adverse material inserted into the file in lieu of filing a formal grievance regarding the subject of the adverse material. In addition, an employee may place any letters of commendation received from the public or certificates of educational achievement in his/her personnel file.
- D. A written performance evaluation is intended to be a documented summary of the work performance of the employee and to encourage ongoing communication between the supervisor/rater and the employee. An evaluation is not to be used for discipline in and of itself.
- E. An employee shall have the right to review and respond in writing to any evaluation she/he considers derogatory, or otherwise inaccurate, within ten (10) days of receipt of a copy of the evaluation.
- F. Step increases recommended as a result of a delayed performance evaluation shall be effective retroactively on the first day of the month following the employee's anniversary date.

- G. An employee who voluntarily terminates her/his service with the District may receive an end-of-job performance evaluation if requested in advance by the employee.
- H. The parties agree that the District and its representatives and employees shall treat each other with mutual respect, dignity, courtesy, and trust in all work related matters. It is the intent of this Agreement to establish such a harmonious and constructive relationship among the parties.

## **ARTICLE 6 CATEGORIES OF EMPLOYEES**

- A. The following definitions shall apply to this Memorandum:
  - 1. Full-time Regular Employee: An employee of the District occupying a regular position who is employed 40 hours per week and who is not serving under a written contract or in an introductory status.
  - 2. Part-time Regular Employee: An employee of the District who is not a full-time regular employee, who is employed less than 40 hours per week and who is not serving under a written contract or in an introductory status.
  - 3. Introductory Employee: An employee of the District who is serving in the minimum six (6) month working test period required before the appointment as a full-time regular employee is completed, during which the terms of the extended introductory period must be satisfied. In the case of a part-time employee, the introductory period shall also be a minimum six (6) month period before the appointment as a part-time regular employee is completed. An employee on introductory status may be terminated without cause.
  - 4. Limited-Term Employee: An employee of the District who is not a regular employee, and who is hired for a project that is estimated to require 1,000 hours or less in a fiscal year. (July 1- June 30). If a project requires more than the originally estimated time, the limited-Term employee may be extended for additional 1,000-hour periods with Board approval. Any Limited-Term employee can be terminated without cause and shall not be entitled to employee rights or benefits specified in Article 7 with the exception of eligibility for PERS retirement benefits if the total worked in a fiscal year exceeds 1,000 hours.
  - 5. Volunteer: A person who is not a paid employee who participates in any District activity by providing their labor and services to the District free of charge. Use of volunteers on District projects must be approved by both the Division Manager and Risk Manager for liability and

workers' compensation purposes. (Resolution No. 96-03 outlines the Board's authorization and governs of the use of volunteers.)

6. Exempt Employee: An employee of the District that is not subject to the overtime provisions of the Fair Labor Standards Act (FLSA).
7. Non-Exempt Employee: An employee of the District that is subject to the overtime provisions of the Fair Labor Standards Act (FLSA).

B. Employment Status is described as follows:

1. Introductory Status: The introductory period shall be used by the General Manager for the evaluation of any new employee, and for the termination of any introductory employee whose performance, work, or behavior does not meet the required standards of the Monterey Peninsula Water Management District. Each appointment, re-employment, or transfer to a regular position shall be subject to an introductory period of six (6) months for full-time and part-time positions. This introductory period is the final phase of the examination and qualification process before the appointment as a regular employee is completed.

The introductory period shall date from the time of initial employment in a position and shall not include time served as a limited-term employee nor any period of continued leave of absence without pay exceeding thirty (30) days.

The General Manager may extend the introductory period of an employee for a period not to exceed six (6) months upon furnishing the employee with a statement of the reasons for such extension and the required standards that must be met in order for the employee to successfully complete the introductory period.

2. Regular Status: Regular status is afforded all qualified employees of the District, other than employees who are on probation or are contract employees.
3. Limit-term Status: A limited-term employee is one hired for the purpose of filling short-term employment vacancies, vacation, sick leave, military leave, leaves of absence, and/or to meet other short-term business demands of the District. Limited-term employment may be terminated at the will of the General Manager or the employee.
4. Part-time Status: A part-time employee is an employee who works less than full-time and does not occupy a regular full-time position.



## **ARTICLE 7 ELIGIBILITY FOR EMPLOYEE BENEFITS**

- A. Regular Employees: Regular employees are entitled to vacation, sick leave, leaves of absence without pay, and other benefits set forth in this section and as authorized by the District.
- B. Introductory Employees: Introductory employees shall accrue vacation and sick leave credit but shall not be entitled to use vacation credit until successful completion of the introductory period. However, any vacation time accrued by working on a District holiday may be used prior to the end of the probation period.
- C. Limited-term Employees: Limited-term employees shall not be entitled to any of the benefits set forth in this section, with the exception of those Limited-term employees who have been extended by Board approval for more than 1,000 hours of employment in a fiscal year, who will then become eligible for PERS retirement benefits.
- D. Part-time Employees: Part-time employees shall accrue pro-rata vacation and sick leave credit based upon the hours actually worked by each employee, but shall not be entitled to use accrued vacation hours until successful completion of the introductory period.

## **ARTICLE 8 OPTIONAL BENEFITS**

- A. A deferred compensation plan (IRS Section 457) is available to all regular employees. Deferred compensation is an IRS-approved method of saving for retirement which includes deferring federal and state income taxes. Current District policy permits an employee to start, stop, increase, decrease, or change investment funds as often as he or she wishes without fees or penalties. The District does not contribute to the deferred compensation plan except as may be required by an individual employment contract.
- B. A Section 125 Flexible Benefits Plan is provided. This plan provides the opportunity to participate in an Unreimbursed Medical Expenses Plan and a Dependent-care Expense Reimbursement Plan on a pre-tax basis. The District does not contribute to the Section 125 Flexible Benefits Plan.
- C. Supplemental insurance coverage is also available through AFLAC Insurance. Employees pay premiums for this coverage.

## **ARTICLE 9 RETIREMENT BENEFITS**

The District shall participate in the California Public Employees Retirement System (PERS). The District shall pay both the employer's and the employee's share.

## **ARTICLE 10 HEALTH BENEFITS**

Medical, dental, vision, life insurance, survivor benefit, short-term disability insurance, long-term disability insurance, and an employee assistance plan shall be provided for all regular employees, introductory employees, and their eligible dependents. Medical insurance will also be provided to all retirees and their eligible dependents.

The District shall pay 100% of premiums for life insurance, survivor benefit, long-term disability insurance, and the employee assistance plan premiums for all regular and introductory employees. The District will also pay 50% of the premium for short-term disability insurance. Employees will be required to pay the other 50% of that premium.

The District will obtain a quote for short-term disability insurance that reduces the use of sick leave prior to entitlement to the benefit. The parties agree to reopen this agreement to discuss implementation of this benefit to be effective no sooner than 09-01-04. The increased costs of this benefit must be paid 100% by the employee.

Effective July 1, 2004, the District shall contribute \$581.86 per month per participant towards the cost of health (medical, dental and vision) premiums.

The District shall pay the following amounts to employees as an increased health premium. However, should the below-designated amounts exceed the health premium increases, the excess amount shall be paid to the employee in the form of a salary increase. Any salary increase that is paid in this manner shall not be diminished by future increases in health premium costs.

January 1, 2005: \$120.00 per month

January 1, 2006: \$130.00 per month

Employees who have health coverage available through another family member may opt out of the District health plan, and the District shall reimburse the employee for that portion of the premium cost which is incurred, if any, to cover the employee under his/her family members' medical plan. In no event will reimbursement under the opt-out provision exceed 75% of the District contribution toward employee health premiums. This opt-out provision will be cancelled in the event the District transitions to a medical provider that requires an employee participation rate that would, by necessity, include employees who had previously opted out of health insurance through the District.

The parties will meet and confer during the term of the agreement to review the possibility of changing coverage within the LIUNA Trust.

**ARTICLE 11 VACATION**

- A. Eligibility. Each full-time regular employee shall be eligible for vacation with full pay after six (6) months continuous employment. All vacations shall be scheduled upon prior approval of the Division Manager or General Manager. Introductory and contract employees shall not be entitled to vacation.
- B. Accrual Rate. Eligible full-time regular employees shall accrue annual vacation on the following basis:

<u>YEARS OF COMPLETED FULL-TIME ANNUAL VACATION</u> <u>TIME CONTINUOUS SERVICE</u>	<u>ACCRUAL</u>
0 - 1 year	10 days per year
1 year - 5 years	15 days per year
5 +years	20 days per year

Part-time employees shall accrue annual vacation on a pro-rata basis, based upon the hours actually worked by each employee. No employee shall be permitted to accrue unutilized annual vacation in excess of 60 days.

- C. Compensation in Lieu of Vacation. Each regular employee who separates from the District shall be entitled to compensation for all accrued but unutilized vacation, not to exceed the maximum allowed accrual of 60 days. Vacation is accrued monthly. A pro-rata calculation will be made for any portion of the month a separating employee has worked.
- D. Policy on Vacation Usage. Employees are encouraged to utilize their yearly vacation accrual on an annual basis.

**ARTICLE 12 SICK LEAVE**

Sick leave shall be allowed employees only in case of necessity, when required by actual sickness or disability.

- A. Credits, Accumulation, Compensation. Sick leave with full pay shall be accrued by every regular and introductory employee at the rate of one day per month. Part-time employees shall accrue sick leave at this same rate, pro-rated in proportion to the hours they actually serve, calculated on a monthly basis. All unused days of sick leave shall be accumulated. There is

no accrual limit for unutilized sick leave. At the time of termination of service, an employee shall be paid for a maximum of 75 days of accumulated sick leave. Any regular employee separated from service with less than one year's longevity as a regular employee shall not be entitled to payment for unused sick leave. An employee whose retirement date is within four months of his or her separation date from the District may choose to convert all or a portion of their unused sick leave to a credit of .004 years of service for each unused day of sick leave.

- B. Charges. Sick leave shall be charged against an employee's credit only for regular working days and shall not be charged for time absent on holidays or other authorized days off. Employees may charge absences related to Pregnancy Disability Leave, or Family Medical Leave against accrued sick leave. When sickness or injury is job-incurred, the regulations of the California Workers' Compensation Law shall apply. Sick leave shall not be granted to an employee for work-related sickness or injury incurred while employed elsewhere.
- C. Notification and Certification. In order to be granted sick leave for any period of time, employees shall, no later than four hours after the time established for reporting to work, notify their supervisor of their inability to report for work and the reason therefore. When an employee requests credit for more than three (3) consecutive days of sick leave or more than four (4) days of sick leave in any one thirty (30) day period, said employee shall file with his supervisor a certificate from a physician stating the justification for such absence.

### **ARTICLE 13 OTHER LEAVES**

- A. BEREAVEMENT OR CRITICAL FAMILY ILLNESS LEAVE. Up to three (3) days of leave with pay per year may be requested by an employee to attend to the critical illness or the funeral of any member of the immediate family. Members of the immediate family are the mother, father, grandmother, grandfather, grandchild of the employee, the spouse of the employee, step-children, son, son-in-law, daughter, daughter-in-law, brother, brother-in-law, sister, sister-in-law of the employee, or any relative or person living in the immediate household of the employee. There shall be no accrual of bereavement leave.
- B. JURY OR WITNESS DUTY. In accordance with the provisions of Government Code Section 1230.1, deductions in the amount paid as witness or jury fees shall be made from the salary of an employee who is subpoenaed or appears as a witness or is called to jury duty.

Employees summoned to jury or witness duty shall receive only their regular salary for a period not exceeding 8 weeks per annum and shall, unless they

elect to take vacation or other leave, be excused from their regular duty only to the extent necessary to fulfill their obligations as jurors or witnesses. Except as provided below, no time spent as a juror or witness shall count or be credited toward overtime eligibility, nor shall any other form of premium or extra compensation be paid for any time spent while serving as a witness or juror.

If an employee is subpoenaed as a witness in connection with his/her official duties as a District employee, the time actually spent serving as a witness shall be considered work time.

This section shall not apply to an employee who is a party or an expert witness.

C. LEAVES OF ABSENCE.

1. Non-disability Leave of Absence. A leave of absence without pay may be granted by the General Manager for a regular employee for a period not to exceed two months. Granting of such leave is dependent upon the needs of the District and is totally discretionary. Requests for such leaves and action thereon will be in written form
  - a. The Employee shall, except in extraordinary circumstances, notify the District thirty (30) days before the leave is anticipated to begin.
  - b. When the leave is commenced, the employee will be placed on leave in a non-pay status. Use of sick leave, compensatory time, management leave and/or vacation time and holidays may be requested, so long as these leave banks have been accrued, and their use is approved by the General Manager. Sick leave, management leave, vacation and holiday credits cease to accrue once the leave of absence is commenced.
  - c. During any non-disability leave of absence, the District will maintain the employee's medical, dental, vision, life and long-term disability insurance at the employee's expense, subject to the restrictions of the policies. The employee will be placed on leave of absence status with PERS.
2. Disability Leave of Absence. Based upon medical evidence of disability and a written request from the employee, any employee shall be entitled to a disability leave of absence for a period of time up to 120 days
  - a. The employee shall, insofar as possible, notify the District 14 days before the leave is anticipated to begin.
  - b. When the leave is commenced, the employee will be placed on disability leave in a non-pay status. Use of sick leave,

compensatory time, management leave and/or vacation time and holidays may be requested, so long as these leave banks have been accrued, and their use is approved by the General Manager. Sick leave, management leave, vacation and holiday credits will cease to accrue once the leave of absence is commenced.

- c. During a disability leave of absence, the District will maintain the employee's medical, dental, vision, life and long-term disability insurance at the District's expense, subject to the restrictions of the policies. The employee will be placed on a leave of absence status with PERS.
- d. Actual duration and scheduling of the disability leave shall be based upon the doctor's certification of disability. The District reserves the right to have a physician of the District's selection verify the disability.

It is possible that non-disability and disability leaves of absence could be utilized sequentially.

For a leave of absence requested by the employee, the employee's position will be held open for that employee during the leave of absence, or if that is not possible, a different but similar position will be made available when the employee returns to work.

Once the approved leave period has lapsed, the employee must return to work or be terminated. Any employee who fails to report for duty as scheduled after a leave of absence shall be considered to have abandoned and constructively resigned his/her position unless the General Manager has granted an extension.

Notwithstanding any other provision of this section, the Board of Directors may, by resolution, make provisions for other leaves of absence without pay.

## **ARTICLE 14 HOLIDAYS**

### **A. HOLIDAYS.**

The District shall be observed the following listed days as legal holidays:

New Year's Day	Thanksgiving Day
Martin Luther King's Birthday	Day after Thanksgiving
Presidents' Day	Christmas Eve
Memorial Day	Christmas Day
Independence Day	Columbus Day
Labor Day	Veterans Day
Admission Day	

- B. If one of the above listed holidays falls on Sunday, the following Monday shall be the holiday in lieu of the day observed. If one of the above-listed holidays falls on a Saturday, the preceding Friday shall be the holiday in lieu of the day observed. When the day on which a District holiday is observed falls on a worker's regularly scheduled day off, during the worker's regularly scheduled vacation or if the General Manager requests said employee to work on that day, the worker shall be entitled to holiday pay of up to 8 hours. In addition, all actual hours required to be worked on a holiday shall be converted to vacation time at the rate of 1-1/2 times and added to the employee's vacation leave balance.

## **ARTICLE 15 SALARY TABLES**

- A. The salary ranges listed in Appendix C are hereby established as a basic salary plan. An employee shall be eligible for promotion to the next salary step by the General Manager upon recommendation of the Division Manager following six months satisfactory service in the first step and twelve months satisfactory service in each subsequent step.
- B. For the purposes of promotion eligibility, the determination of satisfactory services shall be a District right as defined within Article 4 of this Memorandum of Understanding. The General Manager may, in his discretion, approve an employee's promotion to any higher salary step at any time in order to make equitable salary adjustments or to compensate capable employees properly.
- C. A Y-rated employee is an employee whose rate of pay has been set above the highest step in the salary range by the Board of Directors.
- D. Salary Survey Recommendation. Annually, preceding the setting of the budget, the General Manager may make a recommendation to the Board of Directors regarding the initiation of a survey of compensation and or classification for the coming year. If such a survey is conducted, it shall be implemented in accordance with the approach described in Appendix B, and the results will be submitted to the Board with implementation recommendations. The information contained in the survey shall be shared with the employee's Union representatives at the same time, and shall be made part of the meet and confer process.
- E. Cost of Living Adjustment. The Board will grant a cost-of living adjustment to employees on an annual basis to help maintain purchasing power. Effective July 1, 2004, there shall be a cost-of-living salary increase of \$120.00 per month for each employee. Effective July 1, 2005, there shall be a salary increase of \$130.00 per month for each employee.

- F. PERS EPMC: Effective July 1, 2004, the District will implement Government Code section 20636, section (C)(4), pursuant to Government Code section 20691, by including the value of employer-paid member contributions in salary reported to PERS as compensation for all employees.

## ARTICLE 16 OVERTIME

- A. Only FLSA non-exempt employees shall receive pay for overtime.
- B. Overtime work is performed either before or after the normal or assigned work schedule in excess of forty hours per week. Overtime also refers to hours employees are called back to work which fall outside of their regular work schedule. Time spent on District property which is not time spent working, either before or after work, or during the lunch period, shall not be included as overtime worked.
- C. Pay for overtime shall be at the rate of one and one-half times the rate of regular pay for any hours worked beyond 40 straight-time hours actually worked in week. Additionally, the eight hours paid for holidays shall be included in the computation of the 40 hours required before overtime is paid.
- D. Overtime is reported in quarter hour increments.
- E. Overtime shall be worked only upon the approval of a Division Manager or his/her designee if absent. Approval may be verbal and documented at a later date and shall indicate the time to be worked and the reason for the overtime.
- F. Unless otherwise defined, the work period is eight hours each day, to begin at 8 AM and end at 5 PM, Monday through Friday. Each employee is entitled to one hour for lunch between noon and 1 PM. These hours apply to all employees unless the Division Manager approves other arrangements.
- G. The General Manager shall maintain a current classification of employee positions that are exempt and non-exempt under the Fair Labor Standards Act.
- H. The General Manager shall establish for each non-exempt position the designated work period, the designated work hours and the designated rate of pay. All such determinations shall be provided to each employee and shall be filed in the personnel file.
- I. Compensatory Time — Exempt employees will receive compensatory time for any “overtime” worked. Compensated time will be granted on an hour-for-hour basis and must be used by the end of the six-month period in which it was accrued, or it will be lost. The cut-off dates in which to use the compensatory time accrued within a six-month period are June 30<sup>th</sup> for January 1 – June 30 and December 31<sup>st</sup> for July 1 – December 31 of each



calendar year. At the start of each six-month period, each exempt employee will have a zero balance of compensatory time, unless otherwise approved by the General Manager. The District will not pay cash or otherwise offer compensation for accumulated compensatory time under any circumstance.

#### **ARTICLE 17 MILEAGE ALLOWANCE**

Any officer or employee of the Monterey Peninsula Water Management District other than the General Manager who is required to operate his/her own or a privately owned automobile for the execution of official duties shall be allowed, reimbursed and paid the rate equivalent to that specified in current IRS guidelines.

#### **ARTICLE 18 TRAVEL EXPENSE**

In addition to the mileage allowance provided for, an employee of the Monterey Peninsula Water Management District is entitled to receive reimbursement for his/her actual and necessary expenses for other transportation and for meals, lodging, and incidentals incurred as a result of travel assigned as part of his/her official duties upon prior authorization of the Division Manager and approval of the General Manager.

#### **ARTICLE 19 TRAINING.**

The District strongly encourages training and education and shall reimburse tuition fees, cost of study materials, or other incidental training expenses when directly related to the functions of the employee, providing that the employee show proof of attaining a grade of C or better in a graded course or a satisfactory completion in a non-graded course. Approval for such training shall be at the discretion of the General Manager. The General Manager shall not authorize utilization of normal working hours for long-term schooling without prior Board approval.

#### **ARTICLE 20 DISCIPLINARY ACTIONS**

- A. Disciplinary Actions. The General Manager, for just cause, may take disciplinary action against any employee in the service of Monterey Peninsula Water Management District, provided that the rules and regulations prescribed herein are followed. Only a regular employee, not on introductory status, who has over six (6) months of continuous service, has the right to appeal pursuant to this section. As used in this section, "Disciplinary Action" shall mean dismissal, suspension, or formal written reprimand. No full or part-time employee serving on an introductory status is entitled to appeal pursuant to this Section 22, or any of its sub-parts.

Cause for discipline may include but is not limited to:

1. Incompetence, inefficiency or dereliction in the performance of the duties of his/her position.
2. Inability to perform assigned duties due to failure to meet or retain job qualifications (including but not limited to failure to possess required licenses, and failure to pass required tests).
3. Insubordination (including, but not limited to, refusal to do assigned work).
4. Carelessness or negligence in the performance of duty or in the care or use of District property.
5. Discourteous, offensive, or abusive conduct or language toward other employees, directors, or the public.
6. Dishonesty.
7. Possession of or drinking of alcoholic beverages on the job or reporting for work while intoxicated.
8. Addiction to the use of narcotics or a restricted substance, possession or use of narcotics or restricted substances while on the job or reporting to work while under the influence of a narcotic or restricted substances.
9. Personal conduct unbecoming an employee of the District in the course of performing her/his duties. Such conduct is defined as that which would undermine District goals and objectives and/or the employee's ability to perform the duties of his/her position.
10. Engaging in political activity during assigned hours of employment (including, but not limited to, campaigning on behalf of any candidate for public office, including himself or herself, whether by speaking, soliciting funds or support, distributing handbills, using any District property, equipment or facility for any political purpose during regular duty hours or after duty hours unless the use thereof is by law for such purposes and the employee has obtained prior written authorization from the General Manager or his authorized representative.
11. Conviction of any crime involving moral turpitude.
12. Absence without leave for three consecutive days or repeated tardiness.

13. Abuse of illness leave privileges.
14. Falsifying any information supplied to the District, including but not limited to, information supplied on application forms, employment records, or any other District records.
15. Offering anything of value or offering any service in exchange for special treatment in connection with the employee's job or employment, or accepting anything of value or any service in exchange for granting any special treatment to another employee or to any member of the public.
16. Willful or persistent violation of the rules and regulations of the District.
17. Any willful conduct tending to injure the public service.
18. Abandonment of position or excessive absenteeism.
19. Physical or mental incapacity.

- B. Notice of Disciplinary Action. Disciplinary actions, except reprimands, shall be taken against an employee having regular status by service upon such employee of a written notice of such action.

The notice of disciplinary action shall include the following:

1. The nature of the disciplinary action;
2. The effective date of the action;
3. The causes for the action and the material on which it is based, in ordinary concise language with the dates and places thereof, when known;
4. A statement that the material upon which the action is based is available for inspection; and
5. A statement as to the right of representation and appeal that shall include a referral to the section of this MOU titled "Grievance Procedure".

Service of a notice of disciplinary action shall be made as provided below, except when emergency or other special circumstances require immediate action:

1. Delivery to the employee, either personally or by United States Postal Service to the current address listed in the employee's personnel file, shall be made no less than five (5) calendar days prior to the effective date of any punitive action against the employee. In emergency situations, the five (5) day prior notice requirement shall not apply to the following disciplinary actions but may be given within a reasonable time after the commencement of such discipline:
  - a. Reprimand.
  - b. Suspension without pay of five (5) days
  - c. Suspension with pay of twenty (20) days or less.
2. The notice of disciplinary action is accompanied by the advice that the employee may respond either verbally or in writing to the representative imposing the action prior to its effective date and may be represented in the response.

C. Reprimand. The General Manager 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 included in the employee's personnel file and the employee shall have the right of rebuttal. The General Manager may correct the reprimand or notice of reprimand at his/her discretion.

D. Suspension Without Pay. Any suspension invoked as a disciplinary action under this section against an employee, whether for one or more periods, shall not exceed fifteen (15) calendar days in any one (1) calendar year; provided, however, that where a suspension is made because of criminal information or indictment filed against such employee, the period of suspension may exceed ninety (15) calendar days and continue until, but not after, the dropping of charges or the judgment or conviction or acquittal of the offense charged in the complaint, or indictment has become final. Employees suspended shall forfeit all rights, privileges, and salary while on such suspension.

E. Suspension With Pay. Notwithstanding other provisions of this section, an employee may be suspended with pay and benefits for a period not to exceed twenty (20) working days upon a determination by the General Manager that circumstances exist that make the immediate removal of the employee to be in the best interests of the Monterey Peninsula Water Management District, and that the employee cannot be effectively used in his/her job.

Notwithstanding the above provision, the General Manager may suspend an employee at any time for reasons of investigation for disciplinary action. Written notice of such suspension shall be given the suspended employee as soon as possible, but not later than seventy-two (72) hours

after such action is taken. Such suspension is not a disciplinary action and shall not be subject to appeal unless it, or any portion of it, subsequently becomes a disciplinary action. The General Manager may reinstate any such suspended employee to his/her position for good cause and shall, upon reinstatement, restore his/her rights and privileges with back pay for time lost.

- F. Dismissal. The continued tenure of each employee shall be subject to his/her satisfactory conduct and the rendering of efficient service. Should the cause for disciplinary action so warrant, an employee may be dismissed.
- G. Absence Without Leave Termination. An employee who takes an unauthorized leave of three or more days may be deemed to have resigned their position.

## **ARTICLE 21     GRIEVANCE PROCEDURE**

- A. Purpose. The purpose of the grievance procedure is to promote improved employer-employee relations by establishing a procedure for the prompt settlement of certain disputes, herein after defined as grievances.

A grievance shall be defined as a claim by an employee or group of employees of a violation, misinterpretation and misapplication, or improper application of written regulations, resolutions, ordinances, or a memorandum of understanding applicable to the employee.

Any appeal of the disciplinary actions of demotion, suspension or dismissal shall be filed and processed pursuant to this section.

- B. Applicability. Notwithstanding the foregoing, the grievance procedure is not applicable and shall not be used with the following:
  - 1. The exercising of management rights by Monterey Peninsula Water Management District, as defined in Article 4, District Rights.
  - 2. Any matter for which a statutory appeal procedure exists;
  - 3. Complaints relating to Equal Opportunity, Occupational Health and Safety, or Workers Compensation;
  - 4. The imposition of disciplinary action with respect to an employee on introductory status;
- C. Format. All grievances must be in writing. Grievances must explicitly specify the policy or the particular section of the agreement, rule, resolution or ordinance, the violation of which is being alleged as the basis for the grievance. The remedy requested must also be specified. An

employee is entitled to individual representation at the employee's expense at any step of the grievance procedure.

D. Processing Grievances.

1. The grievant shall be granted reasonable time off with pay from regularly scheduled duty hours to process a grievance, provided that the time off will be devoted to the prompt and efficient investigation and handling of grievances.
2. In no case shall Monterey Peninsula Water Management District vehicles be used for transportation by employee representatives in connection with the processing of grievances nor will reimbursement be considered for the use of private vehicles.

E. Grievance Procedure Steps.

1. Informal Discussion.

- a. The grievance shall first be discussed on an informal basis by the aggrieved with his/her immediate supervisor within twenty-one (21) calendar days from the date of the action causing the grievance.
- b. Every effort shall be made to resolve the grievance at this level.

2. Formal Written Grievance.

- a. In the event the employee believes the grievance has not been satisfactorily resolved, the employee shall submit the grievance in writing to the General Manager.
- b. Within five (5) working days of receipt of the grievance, the General Manager shall schedule a meeting with the grievant, and the grievant's representative, if she/he so chooses, to discuss the grievance. Within five (5) working days of the grievance meeting, the General Manager shall deliver a written decision to the grievant. Any grievance settled at this step shall be subject to Board review.

3. Appeal to the Board

Board review will only be initiated upon written application. Said written appeal shall be filed with the Clerk to the Board and state the basis of the appeal. Any appeal based upon a disciplinary action shall contain a specific admission or denial of the material allegations contained in the notice of disciplinary action.

At the next regularly scheduled meeting of the Monterey Peninsula Water Management District Board, after the filing of the order and appeal with the said Clerk, the Board shall determine whether it will hear the appeal or appoint a hearing officer for this purpose. If the Board determines to hear the appeal, it will set a time and place for such hearing and provide notice to the appellant. If the Board determines to appoint a hearing officer, the hearing officer shall be mutually agreed upon between the Board's representative and the Union. In the event that the parties cannot mutually agree on a hearing officer, the parties shall request a list from the California State Conciliation and Mediation Service. The Hearing Officer shall then be selected by the parties alternately striking names until one remains. The Hearing Officer shall commence a hearing on the appeal as soon as possible. The appellant and General Manager may appear personally and the appellant may be represented by a Union representative and/or by counsel at the hearing. The hearing shall be public unless the appellant requests a private hearing.

Before the hearing has commenced and during the course of the hearing, the hearing officer shall issue subpoenas "duces tecum" at the request of either party. Oral evidence shall be taken only on oath or affirmation. The appellant and the General Manager shall each have the right to call and examine witnesses, to cross-examine opposing witnesses on any matter relevant to the issues, to impeach any witness and to rebut the evidence against him/her. Technical rules relating to evidence and witnesses do not have to apply to such hearings. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. At the hearing, the burden of proof shall be upon the appellant except in matters of discipline where the District is the moving party and therefore has the sole burden of proof.

At the conclusion of the hearing, the Board or the hearing officer shall prepare a summary record of the proceedings and prepare findings, conclusions and decision.

Where the Board has determined that a hearing officer will hear the appeal, the hearing officer shall submit a copy of said record and draft findings, conclusions and decision to the Board.

Within thirty (30) days after the filing of the record and recommended findings, conclusions and decision of the hearing officer with the Board, the Board shall adopt such recommended findings, conclusion and decision, or shall reject the recommendations of the hearing officer and adopt its own findings, conclusions and decision after a review of the record. The Board shall affirm, modify or reverse the

order of the General Manager. The decision of the Board shall be final, and any review of said determination must be commenced within the time set forth in the Code of Civil Procedure, Section 1094.6.

## **ARTICLE 22 OTHER EMPLOYMENT.**

No employee shall engage in any occupational or outside activity which is incompatible with his/her employment.

An employee engaging in any occupation or outside activity for compensation shall inform his or her Supervisor of the time required and the nature of such activity. An employee engaging in any occupation or outside activity which may be incompatible with Monterey Peninsula Water Management District employment or for compensation, who fails to inform his/her supervisor of such occupation or activity, may be subject to disciplinary action up to and including dismissal.

## **ARTICLE 23 JOB SHARING.**

The General Manager may hire two part-time employees to fill a regular full-time position if the Division Manager determines that the duties of the position can be shared.

## **ARTICLE 24 REDUCTION IN FORCE**

### **A. General.**

From time to time reductions in staff may be necessary. These reductions, (layoffs) occur without prejudice and without fault on the part of any employee. Reductions usually happen as a result of decrease or curtailment in revenues, reorganization of staff, termination of a program or activity, modification or change in service requirements or in the interest of efficiency or economy. Such changes are inevitable given the nature and mission of MPWMD. Alternatives to avoid or limit layoffs will be carefully considered. The Union shall be given at least ten (10) days advance notice before a reduction in force is presented to the Board for action and sixty (60) days advance notice before a reduction in force is implemented. Upon request, the District shall meet with the Union to discuss alternatives to an impending layoff. However, if the District deems layoffs necessary, the parties shall meet and confer over the effects of such layoffs on the employees within the bargaining units. The District retains full authority to determine what measures are most appropriate under the circumstances.



B. Definition

A reduction in force or layoff is an involuntary separation of an employee from a class of position and from District service. Depending on the circumstances, it may be temporary or permanent.

C. Notice

An employee with one or more year's continuous service with the District shall receive as much notice as possible, but in no event shall notice be given less than two weeks before their effective layoff date.

D. Procedures

In the instance where reduction is necessitated by the termination of a program, employees will be laid off as dictated by mission requirements determined by the General Manager in consultation with the Division Manager. The order of layoff will be set by reverse seniority within a job classification within the program office or division. Employees will be placed on a layoff list, within their job classification, according to their category of employment. For purposes of layoff, categories are rank ordered as follows:

1. Limited-Term employees
2. Employees in introductory periods
3. Part-time regular employees
4. Full-time regular employees

An employee's position on the layoff list shall be based on the employee's total continuous service with MPWMD. For this purpose, continuous service includes employment as a limited-term, temporary, and part-time employee, excluding any break in service.

E. Recall.

If within six months of being laid off it is necessary for the District to increase the work force, laid off employees may be recalled to a vacancy in the last position held with the District or to a comparable position for which she or he is qualified. Such recalls will be according to continuity of employment, i.e., employees with greater continuity of employment e.g., higher in the layoff list, will be recalled from layoff first and placed in available positions, provided they have the necessary skills to perform the required tasks efficiently and are available. Recall notice to employees on layoff will be sent by certified mail to the employee's last known address. An employee must make a written commitment to return to work from layoff within four working days after receipt of notice to return to work and, return to work with the District within 15 days of first notification or lose all recall privileges.

Employees who have been on layoff status longer than six months are not eligible to be recalled, but may apply for advertised employment opportunities and be considered for employment with the District.

Regular employees who are laid off will be notified of advertised vacancies for which their employment records indicate they may be qualified, for 12 months following layoff, if they keep the District advised of their current address and telephone number.

F. Benefits.

Employees who have been laid off are not entitled to benefits. However, they may be eligible for a continuation of some benefits under COBRA and for state unemployment insurance. Information on these topics will be provided by the Human Resource Analyst.

**ARTICLE 25 DRUG-FREE WORKPLACE POLICY**

The District is committed to maintaining a work environment free from the influence of alcohol and drugs in keeping with the spirit and intent of the Drug-Free Workplace Act of 1988. Illegal drugs in the workplace are a danger to all of us. They impair health, promote crime, lower productivity and quality, and undermine public confidence in the work we do. The use of any controlled substances is inconsistent with the behavior expected of our employees. It subjects all employees as well as visitors to our facilities and work sites to unacceptable safety risks and undermines the District's ability to operate effectively and efficiently.

In this connection, any location at which Monterey Peninsula Water Management District business is conducted, whether on District property or at any other site, is declared to be a drug-free workplace. This means that:

1. All employees are absolutely prohibited from engaging in the unlawful manufacture, distribution, dispensation, possession, sale, or use of a controlled substance in the workplace or while engaged in District business off our premises. Any employee violating the policy is subject to discipline, up to and including termination for the first offense.
2. Should an employee be required to take any kind of prescription or nonprescription medication that could affect job performance, the employee is required to report this to his/her supervisor. The supervisor will determine if it is necessary to temporarily place the employee on another work assignment or to take other action as appropriate.
3. Employees have the right to know the dangers of drug abuse in the workplace, the District's policy about it, and what help is available to combat drug problems. The District will provide educational material and

conduct training for all employees on this subject. The District also recognizes that substance abuse is treatable and is willing to provide referral assistance to those who want to understand and correct their problem before it impairs their performance and jeopardizes their employment. One source of treatment for drug/alcohol dependency is provided to District employees through their coverage under the District's Employee Assistance Plan.

4. Any employee convicted of violating a criminal drug statute in this agency's workplace must inform the District of such conviction (including pleas of guilty and nolo contendere) within five (5) days of its occurrence.
5. The District reserves the right to offer employees convicted of violating a criminal drug statute in the workplace participation in an approved rehabilitation or drug abuse assistance program as an alternative to discipline. If such a program is offered, and accepted by the employee, then the employee must satisfactorily participate in the program as a condition of continued employment.

#### **ARTICLE 26 VIOLENCE IN THE WORKPLACE POLICY**

The Monterey Peninsula Water Management District recognizes the importance of maintaining a safe and violence-free workplace. In that spirit, all weapons are banned from the District. No District employee, customer, or visitor is allowed to carry weapons of any sort on District Property or in a District vehicle. All employees are required to immediately report any sightings of weapons or violent behavior on the premises or at their work sites.

It should be noted that a good deal of District business is conducted off of District property. Therefore, employees must be aware of the need to always take safety and security precautions when performing their duties on private property. However, District employees are prohibited from carrying weapons while conducting District business. Any violent behavior directed at District employees, either while they are conducting District business or related to the conduct of District business, should be immediately reported to the General Manager.

#### **ARTICLE 27 WELLNESS PROGRAM**

Employee are encouraged to participate in a fitness program. However, participation is voluntary, and employees do it at their own risk. To further encourage the wellness of its employees, the District authorizes employees (upon approval of an employee's supervisor) who participate in aerobic physical exercise (walking, jogging, swimming, etc.) to use up to 30 minutes of regular work time for this purpose.

Exercise is normally done over the lunch hour, with an extension of 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. A shower is available for employee use. Approval of wellness time will be dependent upon the division workload and coordination with the schedules of co-workers.

**ARTICLE 28 SEVERABILITY**

If any section, sub-section, paragraph, sentence, clause or phrase of this resolution 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 resolution, it being hereby expressly declared that this resolution and each section, sub-section, paragraph, sentence, clause and phrase thereof would have been adopted irrespective of the fact that any one or more sections, sub-sections, paragraphs, sentences, clauses or phrases be declared invalid or unconstitutional.

**ARTICLE 29 TERM OF AGREEMENT**

This Agreement shall be effective on the 1st day of July 2004 and shall remain in full force and effect without change, addition or amendment through June 30, 2006, and shall be renewed thereafter subject to reopening by either party upon ninety (90) days' written notice to the other party prior to June 30, 2006 or any June 30 anniversary date thereafter.

\_\_\_\_\_  
Fran Farina  
General Manager, Monterey Peninsula  
Water Management District

\_\_\_\_\_  
Date

\_\_\_\_\_  
Tim McCormick  
Representative, LIUNA/UPEC Local 270

\_\_\_\_\_  
Date

**JOB CLASSIFICATIONS IN THE GENERAL STAFF BARGAINING UNIT**

Accountant  
Assistant Fisheries Biologist  
Associate Fisheries Biologist  
Assistant Hydrologist  
Associate Hydrologist  
Chief Technology Officer  
Conservation Representative I/II  
Conservation Technician  
GIS/Graphics Technician  
Fisheries Technician  
Office Specialist I/II  
Project Manager/Public Information Representative  
Riparian Projects Coordinator  
River Maintenance Specialist  
River Maintenance Worker  
Senior Fishery Biologist  
Senior Hydrologist  
Senior Office Specialist  
Water Resources Engineer

**PERSONNEL COMPENSATION POLICY**

A. **PURPOSE:**

The purpose of this policy is to detail the Monterey Peninsula Water Management District's (or "District's") policy for setting the compensation for its employees. The District's compensation policy is important since it establishes the framework in which compensation decisions are made. Adoption of this policy by the District shows consensus regarding the District's compensation practices, and the information presented in each of the following areas will assist District staff in managing the plan over time:

1. Compensation Goals and Objectives
2. Criteria for Selection of Labor Market Survey Agencies
3. Use of Private Sector Employers
4. Balancing Labor Market Data and Internal Relationships
5. Labor Market Position
6. Point of Comparison
7. Survey Classification Selection
8. Compensation Survey Scope

B. **COMPENSATION GOALS AND OBJECTIVES**

The District's compensation plan is an important element of its personnel system and should accomplish the following goals and objectives:

1. Ensure that the Monterey Peninsula Water Management District has the ability to attract and retain well-qualified personnel
2. Provide a defensible and technically sound basis for compensating employees
3. Allow flexibility and adaptability for making District-wide compensation decisions based on changing market conditions
4. Recognize the Monterey Peninsula Water Management District's responsibility as a public agency in establishing a pay plan which is consistent with prudent public practices
5. Ensure that the District's compensation practices are competitive and consistent with those of comparable employers

## C. CRITERIA FOR SELECTION OF LABOR MARKET SURVEY AGENCIES

The general objective in selecting survey agencies is to define as accurately as possible the District's "labor market." A labor market is generally that group of agencies with which the District competes in terms of recruiting and retaining personnel. Because of the uniqueness of the Monterey Peninsula Water Management District, the selection of the labor market survey agencies for the District involves the analysis of a variety of (special) factors. In order to select a list of comparable agencies, the following guidelines should be used:

1. Geographic Proximity Since the Monterey Peninsula Water Management District resides within Monterey County, competing area agencies within this county and/or its closest adjacent counties are the primary survey agencies to consider. Ideally, the geographic area should be limited to a region, which contains a sufficient number of comparably sized agencies (these are arguably the District's closest market competitors). Since, in the case of the Monterey Peninsula Water Management District, insufficient comparable water management agencies exist within close geographic proximity, a more extensive regional labor market is necessary.
2. Employer Size While employer size is a consideration, it is more important to find agencies which provide similar services within the geographic region. Since there are not many agencies which fit this initial criterion, size should not be used as a key selection component in Monterey Peninsula Water Management District's case.
3. Nature of Services Provided Another criterion typically utilized in identifying an organization's labor market is the nature of services provided. This criterion is important for the following reasons:
  - a) Employers who provide similar services are most likely to compete with one another for employees
  - b) These employers are most likely to have comparable jobs
  - c) These employers are most likely to have similar organizational and economic characteristics

This factor requires that the labor market include a significant number of comparable water agencies. This is difficult in the case of the Monterey Peninsula Water Management District, given the water and resource management role of the agency.

4. Cost of Living Differences To ensure consistency in the cost of living of each survey location, a cost of living index should be used for comparison with the District (A sample using the Economic Research Institute's (ERI) data is included as Attachment A, Table 1). This index identifies the percentage difference in cost of living between each survey location and the Monterey Peninsula Water Management District. Any location with a cost of living index greater than 100 has a higher cost of living while indices less than 100 indicate a lower cost of living. Generally, differences of less than five percent are not statistically significant. The use of a cost of living index minimizes the possibility of significant data skewing.

Using these selection guidelines, and to maintain continuity of agencies from study to study, Attachment A, Table 1 is provided as a sample set of survey agencies. While it is impossible to find agencies that are exactly comparable to the Monterey Peninsula Water Management District, the agencies listed do provide a representative "picture" of comparable agencies. In order to ensure that a sufficient and valid sample of data is collected, 12 to 15 survey agencies are used. The agencies used for comparison will be subject to review and revision in future compensation studies.

#### D. USE OF PRIVATE SECTOR EMPLOYERS

Since public agencies are only one type of employer with which the District competes for employees, it is important to consider private sector employers since they have a significant impact on the local labor market. While private sector employers can be important to consider, several difficulties exist in conducting a valid analysis of private data including:

1. Private employers are generally not willing to participate in surveys
2. Number of comparable jobs is limited
3. Pay philosophies and compensation structures are different
4. Recruitment and retention practices are distinct
5. Private sector data is often unreliable

Attachment A, Table 2 is a sample of private companies the District believes it competes with in order to recruit and retain high-quality employees. As with the public sector agencies above, the sample of private companies used for comparison will be subject to review and revision. Survey data should be collected and analyzed to identify private sector trends among jobs, which are comparable to selected District jobs in order to determine similarities and differences in compensation trends. Since it is impossible to find private sector data, which is comparable to a significant number of District jobs, a comparison analysis will provide the District with an accurate picture of how its compensation plan compares to the private sector without sacrificing the statistical integrity of the survey data.



## E. BALANCING LABOR MARKET DATA AND INTERNAL RELATIONSHIPS

In addition to establishing market equity when considering compensation, equitable internal salary relationships and guidelines must be established. The rationale for the salary recommendation identifies the District's reliance on balancing labor market data and internal relationships in developing each specific recommendation. Attachment B, Tables 1 & 2 summarize a sample guideline of both the market ties (Benchmark and Class) used in setting salaries and applicable internal relationships. Beyond these considerations, internal relationship guidelines are established and applied within class series (see example at Attachment B, Table 2).

## F. LABOR MARKET POSITION

It is necessary for the District Board of Directors to define the position in the labor market at which the District desires to compete. Considering that the survey agencies represent both a comprehensive and balanced set of employers, it is recommended that all initial analyses be based on the labor market *median*, versus the mean (average) or a percentile rank based statistic, in which a percentage of the data is above or below a specific point. The market median is the most stable statistical measure, in which half of the data is above the median and half the data is below. This statistic is based on the ranking of the data and represents the "middle" of the data set. The median statistic is stable for highly variable data sets and will not be significantly skewed by unusually high or low payers, or the addition of some larger survey agencies. Some key elements for consideration when setting the labor market position include:

1. The District's ability to pay
2. Priority of compensation versus other expenditures
3. Recruitment and retention problems
4. Private sector trends and their priority
5. Quality of staff required

A solid, defensible labor market position relies on a balancing of these factors in order to meet the District's compensation goals and objectives. This compensation policy sets the labor market median as the labor market position for the Monterey Peninsula Water Management District. The District may choose to place certain classes above the market median when characteristics unique to the District's position vs. labor market comparable positions, merit this consideration. For example:

1. Difficulty in recruitment and retention
2. High public contact and/or visibility
3. High level of responsibility and autonomy

## G. POINT OF COMPARISON

When comparing District salaries with market agencies, it is important to establish a consistent point of comparison. Since all the agencies used in the market survey utilize pay range structures, a critical analysis is needed to find the salary range "control point." This is the top step or range maximum for those agencies that use the range maximum as the control point. Control point salaries are used if the agency's range structure utilizes a mid-point or similar reference point. The range control point is that point in the salary range that:

1. Is used to "anchor" the pay range to the labor market
2. Employees will attain through step increases or other increases based on satisfactory performance (range progression beyond the control point is usually based on superior job performance)

Since the District allows employees to reach the range maximum through usual salary range progression, the range maximum is used as the point of comparison with the market agencies.

## H. SURVEY CLASSIFICATION SELECTION

Survey classifications represent a sample of all classifications contained in the District's classification plan and provide a reference point for the extrapolation of salary recommendations for non-survey classes. The criteria utilized in selecting these survey classifications are as follows:

1. Survey classes should have a clear and identifiable relationship to other classes in their occupational group. This assures that they will make good references in relating and establishing salaries for other classes.
2. They should be reasonably well known, and clearly and concisely described.
3. They should be commonly used classes such that counterparts may readily be found in other agencies in order to ensure that sufficient compensation data will be compiled.

These factors ensure that appropriate data can be collected in order to select benchmark classes and to determine appropriate internal salary relationships. Because of the size of the District and the unique characteristics of certain job classes, all job families should be represented in the scope of the survey.

## I. COMPENSATION SURVEY SCOPE

A systematic methodology and approach supporting the collection and analysis of labor market survey data will provide the District with the guidelines it needs to update the survey in future years.

In addition to collecting base salary information, total compensation data should also be obtained. Attachment C presents a sample summary of the type of total compensation data collected through the survey process.

A systematic approach taken to collect the survey data will ensure the accuracy of the labor market data and will also serve to assist the District in maintaining a consistent, fair, and defensible compensation plan over time.

Future classification/compensation surveys will be considered as changes in the labor market become apparent, the District experiences difficulty in recruitment, hiring, or employee retention, or at such other times deemed appropriate by the Board.

<b>TABLE 1 PUBLIC SERVICE AGENCIES</b>	
Agency	*ERI Index
Monterey Peninsula WMD	100.0
Alameda County Water District	103.8
AMBAG	100
Carmel Area Waste Water District	N/A
CA. Dept. of Fish & Game	N/A
CA. Dept. of Parks & Recreation	N/A
CA. Dept. of Water Resources	N/A
City of Carmel	N/A
City of Monterey	100
City of Pacific Grove	104.3
City of Salinas	94.5
City of Santa Cruz	104.4
City of Seaside	96.5
Monterey County	100
Monterey Rgnl Water Plltn Cntrl Agcy	100
Pajaro Valley Water Mgmt Agency	97.5
Santa Clara Valley Water District	103

\*Economic Research Institute (ERI) Cost of Living Index, 1996

<b>TABLE 2 PRIVATE SECTOR AGENCIES</b>		
Company	Industry	Location
DPIC Companies	Insurance	Monterey
California Insurance Group	Insurance	Monterey
Weyerhaeuser	Manufacturing	Salinas
CTB McGraw Hill	Publishing	Monterey
Tanimura & Antle, Inc.	Agribusiness	Salinas
Community Hospital of Monterey Peninsula	Health Care	Monterey
Monterey-Salinas Transit	Transportation	Monterey
Dole Fresh Vegetables	Agriculture	Salinas
Monterey Bay Aquarium	Aquarium	Monterey
Integrated Device Technology	Manufacturing	Salinas

<b>TABLE 1. EXTERNAL AND INTERNAL TIES USED FOR SETTING SALARIES</b>	
Benchmark Class	Internal Ties Built from Benchmark
General Manager	Planning & Engineering Mgr/District Engineer
Administrative Assistant	None
Administrative Services Manager	None
Accountant	None
Human Resources Analyst	None
Information Systems Manager	None
Office Specialist II	Senior Office Specialist Office Specialist I
Planning & Engineering Manager/District Engineer	None
Project Manager/Public Information Representative	None
Water Resources Engineer	Senior Fishery Biologist
River Maintenance Worker	River Maintenance Specialist
Associate Hydrologist	Assistant Hydrologist Associate Fishery Biologist
Conservation Representative II	Water Demand Manager Conservation Representative I

<b>TABLE 2 – EXTERNAL AND INTERNAL TIES USED FOR SETTING SALARIES</b>
<b>Other Internal Relationships</b>
<i>10% differentials between entry-journal and journey-advanced classes</i>
<i>15% differentials between technical and journey-level professional classes</i>
<i>20% differentials between supervisory and subordinate classes</i>
General Manager 10-15% above Planning & Engineering Mgr/District Engineer
Water Resources Manager 20% above Senior Hydrogeologist
Riparian Projects Coordinator same as Senior Hydrogeologist
Senior Hydrogeologist 10% above Associate Hydrologist
Senior Fishery Biologist 15% above Associate Fishery Biologist
Assistant Fishery Biologist 10% below Associate Fishery Biologist
Fishery Technician 15% below Assistant Fishery Biologist

COMPREHENSIVE DATA COLLECTION & ANALYSIS

BASE SALARY:

- ◆ Minimum
- ◆ Maximum
- ◆ Steps/Time
- ◆ Effective Dates

CASH SUPPLEMENTS:

- ◆ Deferred Compensation
- ◆ Educational Incentive
- ◆ Longevity Pay
- ◆ Employee Retirement Pick-up
- ◆ Others

EMPLOYER INSURANCE CONTRIBUTIONS:

- ◆ Health
- ◆ Dental
- ◆ Vision
- ◆ Life
- ◆ Other

EMPLOYER RETIREMENT CONTRIBUTIONS:

- ◆ Employer Contribution
- ◆ Social Security
- ◆ Other

PAID LEAVE BENEFITS:

- ◆ Vacation
- ◆ Holiday Leave
- ◆ Administrative/Management Leave
- ◆ Bereavement Leave

AUTOMOBILE SUPPLEMENT:

- ◆ Vehicle Allowance
- ◆ Assigned Vehicle

APPENDIX C

**GENERAL STAFF BARGAINING UNIT**

SALARY SCHEDULE FY 2004-2005

EFFECTIVE JULY 1, 2004

(\$120 COST OF LIVING INCREASE FOR GENERAL STAFF INCLUDED)

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RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	ANNUAL
1	2175	2278	2386	2499	2618	31416
2	2227	2332	2443	2559	2681	32172
3	2279	2387	2501	2620	2745	32940
4	2333	2444	2560	2682	2810	33720
5	2389	2502	2621	2746	2878	34536
6	2445	2562	2684	2812	2947	35364
7	2504	2623	2748	2879	3017	36204
8	2563	2685	2814	2948	3090	37080
9	2624	2749	2881	3019	3164	37968
10	2687	2815	2950	3091	3240	38880
11	2751	2883	3021	3166	3318	39816
12	2817	2952	3093	3242	3398	40776
13	2884	3022	3167	3320	3480	41760
14	2953	3095	3244	3400	3564	42768
15	3024	3169	3322	3482	3650	43800
16	3097	3246	3402	3566	3738	44856
17	3171	3324	3484	3652	3829	45948
18	3247	3404	3568	3740	3921	47052
19	3326	3486	3654	3831	4016	48192
20	3406	3570	3742	3924	4114	49368
21	3488	3656	3833	4019	4214	50568
22	3572	3745	3926	4116	4316	51792
23	3658	3835	4021	4216	4421	53052
24	3747	3928	4119	4318	4528	54336
25	3837	4023	4219	4423	4639	55668
26	3930	4121	4321	4531	4752	57024
27	4026	4221	4426	4641	4867	58404
28	4123	4323	4534	4754	4986	59832
29	4223	4429	4644	4870	5108	61296
30	4326	4536	4757	4989	5232	62784
31	4431	4647	4873	5111	5360	64320
32	4539	4760	4992	5635	5491	65892
33	4649	4876	5114	5363	5625	67500
34	4763	4995	5238	5494	5763	69156
35	4879	5117	5366	5629	5904	70848
36	4998	5242	5498	5766	6049	72588
37	5120	5370	5632	5908	6197	74364
38	5245	5501	5770	6052	6349	76188
39	5373	5635	5911	6201	6505	78060
40	5504	5773	6056	6353	6664	79968
41	5639	5915	6204	6508	6828	81936
42	5777	6059	6356	6668	6996	83952
43	5918	6208	6512	6832	7167	86004
44	6063	6360	6672	7000	7344	88128
45	6212	6516	6836	7172	7524	90288
46	6364	6676	7004	7348	7709	92508
47	6520	6840	7176	7529	7899	94788
48	6680	7008	7352	7714	8094	97128
49	6844	7180	7533	7904	8293	99516
50	7012	7357	7718	8098	8497	101964
51	7184	7538	7908	8298	8707	104484
52	7361	7723	8103	8502	8921	107052
53	7542	7913	8303	8712	9141	109692
54	7727	8108	8507	8927	9367	112404
55	7918	8308	8717	9147	9598	115176
56	8113	8512	8932	9372	9835	118020
57	8312	8722	9152	9604	10078	120936
58	8517	8937	9378	9841	10327	123924
59	8847	9158	9609	10084	10582	126984
60	8942	9383	9847	10333	10844	130128

(Does not include possible excess from 01/01/05 Health Premium Increase)

**GENERAL STAFF BARGAINING UNIT**

SALARY SCHEDULE FY 2005-2006

EFFECTIVE JULY 1, 2005

(\$130 COST OF LIVING INCREASE FOR GENERAL STAFF INCLUDED)

RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	ANNUAL
1	2305	2408	2516	2629	2748	32976
2	2357	2462	2573	2689	2811	33732
3	2409	2517	2631	2750	2875	34500
4	2463	2574	2690	2812	2940	35280
5	2519	2632	2751	2876	3008	36096
6	2575	2692	2814	2942	3077	36924
7	2634	2753	2878	3009	3147	37764
8	2693	2815	2944	3078	3220	38640
9	2754	2879	3011	3149	3290	39480
10	2817	2945	3080	3221	3370	40440
11	2881	3013	3151	3296	3448	41376
12	2947	3082	3223	3372	3528	42336
13	3014	3152	3297	3450	3610	43320
14	3083	3225	3374	3530	3694	44328
15	3154	3299	3452	3612	3780	45360
16	3227	3376	3532	3696	3868	46416
17	3301	3454	3614	3782	3959	47508
18	3377	3534	3698	3870	4051	48612
19	3456	3616	3784	3961	4146	49752
20	3536	3700	3872	4054	4244	50928
21	3618	3786	3963	4149	4344	52128
22	3702	3875	4056	4246	4446	53352
23	3788	3965	4151	4346	4551	54612
24	3877	4058	4249	4448	4658	55896
25	3967	4153	4349	4553	4769	57228
26	4060	4251	4451	4661	4882	58584
27	4156	4351	4556	4771	4997	59964
28	4253	4453	4664	4884	5116	61392
29	4353	4559	4774	5000	5238	62856
30	4456	4666	4887	5119	5362	64344
31	4561	4777	5003	5241	5490	65880
32	4669	4890	5122	5365	5621	67452
33	4779	5006	5244	5493	5755	69060
34	4893	5125	5368	5624	5893	70716
35	5009	5247	5496	5759	6034	72408
36	5128	5372	5628	5896	6179	74148
37	5250	5500	5762	6038	6327	75924
38	5375	5631	5900	6182	6489	77868
39	5503	5765	6041	6331	6635	79620
40	5634	5903	6186	6483	6794	81528
41	5769	6045	6334	6638	6958	83496
42	5907	6189	6486	6798	7126	85512
43	6048	6338	6642	6962	7297	87564
44	6193	6490	6802	7130	7474	89688
45	6342	6646	6966	7302	7654	91848
46	6494	6806	7134	7478	7839	94068
47	6650	6970	7306	7659	8029	96348
48	6810	7138	7482	7844	8224	98688
49	6974	7310	7663	8034	8423	101076
50	7142	7487	7848	8228	8627	103524
51	7314	7668	8038	8428	8837	106044
52	7491	7853	8233	8632	9051	108612
53	7672	8043	8433	8842	9271	111252
54	7857	8238	8637	9057	9497	113964
55	8048	8438	8847	9277	9728	116736
56	8243	8642	9062	9502	9965	119580
57	8442	8852	9282	9734	10208	122496
58	8647	9067	9508	9971	10457	125484
59	8977	9288	9739	10214	10712	128544
60	9072	9513	9977	10463	10974	131688

(Does not include possible excess from 01/01/06 Health Premium Increase)