



LOCAL 39 STATIONARY
ENGINEERS
International Union of Operating Engineers

MEMORANDUM OF UNDERSTANDING

BETWEEN

PLACER COUNTY WATER AGENCY

AND

IUOE, STATIONARY ENGINEERS, LOCAL 39

REPRESENTING WATER SYSTEMS EMPLOYEES

JANUARY 1, 2026 THROUGH DECEMBER 31, 2029

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SECTION 1 - ADMINISTRATIVE

ARTICLE 1 - PREAMBLE

This Memorandum of Understanding, hereinafter referred to as the Agreement, was entered into by and between the Placer County Water Agency, hereinafter referred to as the Agency, and the IUOE, Stationary Engineers, Local 39, AFL-CIO, hereinafter referred to as the Union. Both parties conducted an equitable and peaceful procedure for the resolution of differences to establish the following rates of pay, hours of work, and other conditions of employment for employees of the Water Systems Bargaining Unit.

ARTICLE 2 - RECOGNITION

The Agency hereby recognizes the Union as the exclusive representative for all employees in the Water Systems Bargaining Unit, as defined in Appendix A of this agreement, and agrees to meet and confer and otherwise deal exclusively with the Union on all matters relating to the scope of representation pertaining to hours, wages, and conditions of employment of said employees as authorized by law.

ARTICLE 3 - IMPLEMENTATION

This Memorandum of Understanding constitutes a mutual recommendation by the parties to the Agency Board that one or more resolutions be adopted accepting this Memorandum and effecting the changes enumerated herein relative to wages, fringe benefits, and other terms and conditions of employment for the employees represented by Local 39 Stationary Engineers. It is expressly intended that the duties, responsibilities, and functions of the Agency in the operation of its mission shall in no manner be impaired, subordinated, or negated by any provisions of this agreement.

ARTICLE 4 - EFFECTIVE AND TERMINATION DATES

This Memorandum of Understanding shall become effective January 1, 2026, and will continue in effect through December 31, 2029, with respect to all employees covered by this agreement. During the period covered by the Memorandum of Understanding, any items concerning wages, hours, and terms and conditions of employment provided by this Memorandum of Understanding shall remain in effect unless the parties agree to revise the same by a written modification to this Memorandum of Understanding, subject to the limitations expressed in Section 3504 of the Government Code.

ARTICLE 5 - UNION RIGHTS

The Union shall have the following rights:

A. Union Access

The Union shall have access to bargaining unit members outside of their assigned duties; before and after work hours, at meal and break periods, without prior notice.

B. Bulletin Boards

The Union may use bulletin boards designated for its use in appropriate places. All items to be posted shall be officially authorized by the Union and shall bear the date of posting. A copy shall be provided to the Human Resources Manager.

C. Use of Facilities

The Human Resources Manager, upon request, may permit the Union to use designated facilities, depending upon availability of space, for meeting purposes. No request for use of Agency facilities shall be unreasonably denied.

D. Union Release Time

Shop stewards will be allowed a reasonable number of hours of release time without loss of compensation or other benefits when participating in any one of the following activities:

- (1) Formally meeting and conferring with Employer on matters within the scope of representation.
- (2) Attending investigatory interviews or disciplinary meetings at an employee's request.
- (3) Participating in labor-management meetings or scheduled grievance hearings.
- (4) Communicating with bargaining unit employees regarding workplace matters.
- (5) Attending new employee orientations.
- (6) Testifying or appearing as the designated representative of the employee organization in conferences, hearings, or other proceedings before the Public Employment Relations Board, or an agent thereof, in matters relating to a charge filed by the Union against the Employer or by the Employer against the Union.
- (7) Testifying or appearing as the designated representative of the Union in matters before a personnel or merit commission.
- (8) Any other activity agreed to by the parties.

Such release time must not unduly interfere with the normal operations of the Agency.

The Union must provide adequate advance notice to Employer of the request for release time unless there is a matter of an urgent nature. A shop steward may request additional release time from the Director of Administrative Services or designee in writing which specifies the time period of the release time. The shop steward may take the release time if approved by the Director of Administrative Services. Shop stewards shall code any union release time on their timecard to a designated work order when regular work is replaced by union release work.

E. List of Stewards

The Union shall furnish the Human Resources Manager upon change, or as needed, a list of all stewards for the Union. The Agency agrees to grant authorized officials and representatives access to designated Agency property to transact official Union business as provided for in this Article.

F. Fair Representation

The Union owes the same responsibilities to all employees in the represented Unit and has a duty to provide fair representation to all employees in all classes in the Unit whether or not they are members of the Union, in accordance with Government Code Section 3500.

G. Union Dues and Initiation

The Employer will make a single deduction of an initiation fee from newly hired employees who choose to become Union members and deduct one month's current periodic Union dues based upon a uniform dues schedule from the pay of each employee.

Pursuant to Government Code Section 3502.5(b), all current regular employees and all new employees in the Water Systems Bargaining Unit who choose to become Union members represented by the Union shall authorize payroll deductions to the Water Systems Bargaining Unit for the payment of dues.

The Union shall defend, indemnify, and hold the Agency harmless against any and all claims, demands, expenses, suits, orders, judgments, or other forms of liability that shall arise out of or by reason of action taken by the Agency under this article.

H. New Hire Orientation

The Union's Business Representative or designee shall be given the opportunity to make a membership presentation at the employer's regularly scheduled new employee orientation sessions.

I. Maintenance in Membership

The written authorization for IUOE dues deduction shall remain in full force and effect during the life of this Agreement; provided, however, that any employee may withdraw from IUOE by sending a signed withdrawal letter to IUOE within 30 calendar days prior to the expiration of this Agreement.

ARTICLE 6 - MANAGEMENT RIGHTS

The rights of the Agency and its designated management representatives include, but are not limited to:

1. Except as otherwise provided by this MOU, the Agency reserves and retains all of its normal and inherent rights with respect to management of its affairs in all respects in accordance with its responsibilities, whether exercised or not, including, but not limited to, the right to determine the number, location, and type of work forces, facilities, operations, and the methods, processes, and equipment to be employed; the scope of services to be performed, along with the method of service, assignment of duties, and the schedule of work time and work hours, including overtime; to contract and sub-contract existing and future work; except where such contracts for service would be for the sole purpose of workforce reductions; to determine whether and to what extent the work required in their operations shall be performed by employees covered by this MOU; to transfer work from or to, either in whole or in part, any of the Agency's work forces or facilities and locations; to determine the number, type, and classification of positions or employees assigned to a program or project unit; to establish and change work schedules, assignments, and facilities locations; to hire, transfer, promote, and demote employees; to lay off, terminate, or otherwise relieve employees from duty for lack of work or other legitimate reasons; to suspend, discharge, or discipline employees; to alter, discontinue, or vary past practices and otherwise to take such measures as the employer may determine to be necessary for the orderly, efficient, and economical operation of the Agency; to take all necessary actions to carry out its mission in emergencies as may be determined by the General Manager or designee; to exercise complete control and discretion over its organization and the technology of performing its work; and to make, amend, publish, and enforce rules and regulations.
2. The Board of Directors of the Agency has the sole authority to determine the mission of the Agency and the amount of the budget to be adopted thereto. No provision herein is intended to restrict consultation or meeting and conferring with employee organizations regarding matters within the right of the Agency to determine, nor to restrict grievances arising from the practical consequences of determinations made by the Agency. No provision herein is intended, nor shall it be construed to modify, the duties or authorities vested by law in the Agency, its Board, or its General Manager.

SECTION 2 – WORK WEEK SCHEDULING

ARTICLE 7 - WORK WEEK, MODIFIED AND ALTERNATIVE WORK SCHEDULES, BREAKS

A. Work Week

All employees will work a designated work schedule that adheres to the requirements of the Fair Labor Standards Act (FLSA). Unless otherwise stated, the official work week shall begin at 12:00 a.m. on Saturday and end at 11:59 p.m. on the following Friday. Except as otherwise provided, an employee in a regular full-time position shall work 40 hours each work week.

B. Modified and Alternative Work Schedules

Modified and alternative work schedules may be established with the prior approval of both management and the affected employee(s). These schedules may include, but are not limited to, work weeks consisting of four (4) 10-hour days, 9/80 schedules, or other alternative arrangements. The work week for employees on a mutually agreed upon alternative work schedule shall be modified as necessary to remain in compliance with Federal and State labor regulations regarding work hours and overtime.

For employees on a 9/80 alternative work schedule, the work week for overtime purposes will start mid-shift on the regularly scheduled 8-hour day, which is opposite the RDO (Regular Day Off). The mid-shift split is required to accurately determine the 40-hour work week and any overtime compensation due under the provisions of the Fair Labor Standards Act (FLSA), if applicable. Periodic changes in schedule will not be permitted. Any change by the employee to the mutually agreed upon work week and schedule will require an updated Alternative Schedule Work Week form and a 14-day notice to the Administrative Services department.

The parties will meet and confer if any new alternative work schedules are proposed.

C. Breaks

Although California state law does not currently mandate meal and rest breaks for public agency employees, the parties recognize the importance of providing breaks to ensure employee well-being and productivity. Therefore, the following break periods shall be provided:

Rest Breaks: Each employee shall be entitled to one (1) 15-minute paid rest break for each four (4) hours of work performed in a work day. If an employee fails to take a break to which they are entitled, the break is considered waived by the employee.

Meal Breaks: Employees working more than five (5) hours per day shall take an unpaid meal break of thirty (30) or sixty (60) minutes, depending on their work schedule. Meal breaks should be taken approximately midway through the work shift.

Meal breaks can only be skipped with permission of their supervisor. The supervisor may adjust the employee's schedule to avoid overtime or authorize overtime hours for the missed meal break. This should be a rare and infrequent occurrence and should not be used on a regular basis to alter the agreed upon work schedule.

ARTICLE 8 - 24-HOUR SHIFTS

The 24-hour schedule may be used on a short-term or long-term basis as determined by PCWA's business and operational needs. It may commence at any time and may end at any time based upon the needs of the Agency. Not all Treatment Plant Operators will be assigned to a 24-hour workshift schedule.

I. WORK SCHEDULE

A. Workshift

A Treatment Plant Operator assigned to a 24-hour workshift schedule shall be allocated to one of the three, or four Operator Schedules based on the operational needs of the Agency and agreed upon by both parties (i.e., OP1, OP2, OP3, OP4). Treatment Plant Operators will work 40 hours per week and 80 hours per pay period. For time reporting purposes, the official FLSA workweek shall begin at 06:00 hours on Saturday and conclude at 05:59 hours the following Saturday. Any modifications to the established FLSA workweek schedule are expected to be permanent in nature and must receive mutual approval from both parties.

The parties agree to evaluate the implementation of the fourth Operator during the third quarter of 2026, using data collected from January 1 through June 30, 2026, as the basis for review. This evaluation will also include an assessment of the use of the standby Operator. The parties will meet to determine whether the addition of the fourth Operator is effective or if adjustments are needed to the number of Operators or the frequency of standby coverage.

B. Work Hours

The hours from 06:00 to 22:00 are considered work hours and are paid at the Treatment Plant Operator's base hourly rate of pay. The hours from 22:00 to 06:00 are considered stand-by and are not considered work hours.

C. Sleep Period

The hours from 22:00 to 06:00 hours, are considered the Treatment Plant Operator's stand-by sleep period and shall be paid at the rate of the California minimum wage for the full eight-hour period, regardless of whether a call-out occurs. If the Operator does not get at least five (5) hours of sleep during the stand-by sleep period due to a required response, the entire eight- (8) hour stand-by sleep period shall be counted as time worked and paid at one and one-half (1-1/2) times the base hourly rate of pay. The five (5) hours of sleep need not be five (5) continuous uninterrupted hours of sleep. No sleep period will be paid in this scenario.

D. Meal Period

During each 24-hour shift, the Treatment Plant Operator shall be entitled to meal periods as follows:

- 30 minutes for breakfast
- 30 minutes for lunch
- 45 minutes for dinner

Each meal period shall be compensated and be counted as hours worked for purposes of calculating pay and overtime pay. The Operator is required to respond to work situations during meal periods without additional compensation.

E. Stand-by Operator

Between the hours of 16:30 and 06:00, the Treatment Plant Operator assigned to a 24-hour workshift is expected to travel to other Agency treatment plants and related facilities when a physical presence is required to address an issue. Outside of the traditional 10-hour workshift (i.e., 06:00 to 16:30), the Operator assigned to the 24-hour workshift will have one Stand-by Operator to call in the event they are unable to leave the treatment plant due to a SCADA alarm requiring a response at their assigned plant. All provisions of Article 14, Stand-by Pay, of the Water Systems MOU shall apply to the Operator who is the Stand-by Operator. A Stand-by Operator will not be used when two Operators are working a 24-hour workshift (e.g., every Saturday when two 24-hour shift Operators are scheduled to work).

II. PAID LEAVE

A. Debiting Leave Balances

A Treatment Plant Operator using vacation, sick leave, floating holiday, or other paid

leave for an entire 24-hour shift shall have their leave balance debited by 16 hours. A Treatment Plant Operator taking paid leave for only a portion of a 24-hour shift shall have their leave balance debited for the amount of the time taken, up to 16 hours for a 24-hour shift.

B. Holiday Worked

24-HR Operators will follow the same provisions listed in Article 24 B regarding Compensation for Work on Holidays.

When a holiday falls on the Treatment Plant Operator's scheduled work day, the Operator shall be compensated at a holiday premium of one and one-half (1-1/2) times the employee's regular rate of pay for 10 hours (06:00 to 16:00), and their regular rate of pay for the remaining six (6) hours of the 16-hour workshift. However, with prior management approval, the Operator may elect to use six (6) hours of paid leave (e.g., vacation, CTO, floating holiday hours) to account for the remaining six (6) hours of the 16-hour workshift so that the Operator is not required to remain at the treatment plant. The Operator shall be placed on stand-by duty at the stand-by rate for weekends and holidays. In this case there shall be no additional Stand-by Operator on a holiday.

C. Holiday Taken

When a holiday falls on the Treatment Plant Operator's scheduled work day and the Operator takes the day as a holiday, it will be necessary for the Operator to supplement the eight (8) hours of holiday pay with eight (8) hours of other paid leave (e.g., vacation, CTO, floating holiday hours) to account for the 16 hours of work time on a 24-hour shift. The Operator shall enter eight (8) hours as Holiday and another eight (8) hours of other paid leave in the time-entry system.

D. Holiday Falls on Normal Day Off

When a holiday falls on the Treatment Plant Operator's normal day off, eight (8) hours shall be added to the Operator's annual Holiday Banked accrual.

III. OVERTIME

A. Call-Out During Stand-By

When a Treatment Plant Operator is called to duty during the stand-by sleep period the call-out is considered time worked and is paid at one and one-half (1-1/2) times the regular rate of pay. If the call-out occurs between the hours of 24:00 and 03:00, overtime will be paid at double and one-half (2-1/2) times the regular rate of pay. When the Operator can respond to the call-out from the treatment plant at which they are assigned for the 24-hour shift, the Operator shall be paid at this overtime rate for a minimum of 30 minutes or the length of time actually worked, whichever is greater. In the event the call-out requires the Operator to travel to another treatment plant or related facility, the Operator shall be paid at the overtime rate for a minimum of two (2)

hours or the length of the time actually worked, whichever is greater. If the Operator does not get at least five (5) hours of sleep during the stand-by sleep period due to a required response, the entire eight- (8) hour stand-by sleep period shall be counted as time worked and shall be paid at one and one-half (1-1/2) times the base hourly rate of pay. The five (5) hours of sleep need not be five (5) continuous uninterrupted hours of sleep.

In the event, due to a required response, the Operator receives less than five (5) hours sleep or the five (5) hours sleep is not continuous, they shall be entitled to an uninterrupted five (5) hour rest period prior to returning to duty, beginning at the conclusion of the last call-out or once they are relieved by the next operator, whichever comes first (see Time Entry Example C).

B. Held Over After Conclusion of Workshift

When a Treatment Plant Operator is held over at the conclusion of the 16-hour workshift (i.e., held over beyond 22:00 hours), the Operator shall be paid at the rate of one and one-half (1-1/2) times the base hourly rate until released for the stand-by sleep period of at least five (5) hours. Such overtime shall be compensable in increments of fifteen (15) minutes.

When a Treatment Plant Operator is held over at the conclusion of their Operator Schedule, the Operator shall be paid at the rate of one and one-half (1-1/2) times the base hourly rate until released from duty. Such overtime shall be compensable in increments of fifteen (15) minutes.

C. Scheduled in Advance to Report Prior to Start of Regular Shift

A Treatment Plant Operator who is scheduled in advance to report to work prior to the start of their regular Operator Schedule shall be paid at the rate of one and one-half (1-1/2) times the base hourly rate until the scheduled workshift commences.

D. Hours in Excess of 40 in Workweek

Hours worked in a workweek in excess of 40 (not including stand-by hours) shall be paid at one and one-half (1-1/2) times the base hourly rate of pay.

IV. SHIFT CHANGE

A. Workshifts for Treatment Plant Operators

Treatment Plant Operators may be assigned to either a 10-hour (40-hour per week) shift or a 24-hour shift. Operators assigned to a 10-hour shift may occasionally be required to work a 24-hour shift on a short-term basis to provide coverage for a holiday, vacation, sick leave, etc. Operators on a 10-hour shift may also volunteer or may be assigned to a 24-hour shift on a long-term basis. When the need arises to assign a 10-

hour shift Operator to a 24-hour shift on either a short- or long-term basis, Operators who are fully qualified to operate the Foothill Water Treatment Plant will be offered the opportunity to change schedules on a volunteer basis prior to the Agency making mandatory assignments. When more than one qualified Operator volunteers for a change to a 24-hour shift, the Operator with the greatest amount of Agency seniority as a Treatment Plant Operator will be selected. When adjusting schedules, a minimum of 14 days' notice must be provided to the Administrative Service Department, unless both parties mutually agree to waive this requirement. Any schedule changes made on a short-term basis shall remain in effect for one full pay period. Schedule changes that occur mid-week or mid-pay period are not permitted. Overtime will be compensated appropriately during schedule transitions.

B. Notice of Shift Change

Treatment Plant Operators will be provided with a fourteen- (14) day notification of the change from a 10-hour shift to 24-hour shift, or vice versa, when possible. When a fourteen- (14) day notification is provided, all provisions of this Side Letter shall apply. Notification of the shift change shall be in writing and shall be acknowledged by the Treatment Plant Operator. Notification via email or text message is acceptable.

In the event that notification of less than fourteen (14) days is provided for a change from a 10-hour shift to a 24-hour shift, the Treatment Plant Operator shall be treated as a ten- (10) hour per day, forty- (40) hour per week employee and shall receive straight-time for the first ten (10) hours of the 16-hour workshift, and one and one-half (1-1/2) times the base hourly rate of pay for the remaining six (6) hours of the sixteen- (16) hour workshift. This is generally the case where short-term coverage is needed.

When a Treatment Plant Operator assigned to a 24-hour workshift schedule is unable to work a scheduled shift (e.g., due to illness, injury or vacation), and it is not feasible to provide a fourteen- (14) day notification to a replacement 24-hour workshift Operator, the Agency reserves the right to reduce coverage at the treatment plant from 24 hours to 10 hours and to staff the plant with an Operator who is working a traditional 10-hour workshift.

C. Short-Term Coverage

When a Treatment Plant Operator who is assigned to a 10-hour shift is needed to provide short-term coverage (e.g., due to illness, injury or vacation) for an Operator on a 24-hour workshift schedule, and less than fourteen (14) days notification of the shift change has been provided, it will be necessary for the 10-hour workshift Operator to work a sufficient number of hours within the workweek to ensure that the Operator completes a 40-hour workweek. For example, if an Operator assigned to a 10-hour shift provides short-term coverage for two 24-hour shifts, the result is 32 hours worked (two 16-hour workshifts). It will be necessary for the Operator to work a minimum of eight (8) additional hours within that workweek to ensure a 40-hour workweek. Alternatively,

the employee may use eight (8) hours of paid leave (e.g., vacation, CTO, floating holiday hours) to complete the 40-hour workweek.

D. Shift Trade

A Treatment Plant Operator assigned to a 24-hour workshift schedule may trade shifts with another Operator assigned to a 24-hour workshift schedule. Both Operators must agree to the shift trade voluntarily. The Operator whose shift is worked gets credit for the shift and shall complete their time entry as time worked. However, if the Operator working the shift is held over at the end of the workshift, or called to duty during the stand-by sleep period, the Operator working the shift gets credit for the overtime and shall complete his/her time entry showing the overtime worked. The Treatment Plant Operations Supervisor must approve the shift trade prior to the start of the shift.

Payback of the traded shift shall be the responsibility of the two Treatment Plant Operators who traded shifts and will not be monitored by the Agency. Any dispute over paybacks shall be resolved by the involved Operators, and the Agency shall not be obligated to provide any additional compensation to either of the involved Operators. If an Operator leaves Agency employment or vacates a Treatment Plant Operator position prior to paying back a shift, it shall be the responsibility of the two Operators to resolve any unfulfilled payback.

V. TIME ENTRY EXAMPLES

A. No Overtime Worked During 24-Hour Shift

A Treatment Plant Operator who works no overtime during a 24-hour shift will enter 16 hours as regular pay (i.e., regular hours) and eight (8) hours as sleep period stand-by. Please note that a 24-hour sleep period code is used by Treatment Plant Operators for their stand-by sleep period when working a 24-hour workshift schedule.

B. Overtime Worked

A Treatment Plant Operator who is called to duty during the stand-by sleep period will enter 16 hours as regular pay (i.e., regular hours), the number of overtime hours worked (minimum of 30 minutes), and sleep period stand-by (i.e., 24 hour sleep period).

C. Overtime Worked, Less than 5 Hours of Sleep Received, Rest Period

A Treatment Plant Operator is called to duty during the stand-by sleep period and gets less than five (5) hours sleep. The Operator resumes their stand-by sleep period at 04:00 for a five- (5) hour uninterrupted rest period which will extend three (3) hours

into the Operator's next workshift (i.e., 04:00 to 09:00). For Day 1, the Operator will enter 16 hours as regular pay (i.e., regular hours), eight (8) hours as overtime (because the Operator got less than 5 hours sleep). For Day 2, the Operator will enter three (3) hours of rest period, 13 hours as regular pay (the remaining hours of the 16-hour workshift after taking 3 hours of rest period), and eight (8) hours of stand-by (assuming there is no overtime during the stand-by sleep period for Day 2).

D. Shift Not Completed and Sick Leave Taken

A Treatment Plant Operator who goes home ill after working only seven (7) hours of the 24-hour shift will enter seven (7) hours as regular pay (i.e., regular hours) and nine (9) hours of sick leave. There is no stand-by in this case because the Operator left work prior to the start of the stand-by sleep period.

E. Vacation Taken for Partial Day and Overtime Worked

A Treatment Plant Operator who uses vacation hours for a partial day and is called to duty during the stand-by sleep period will enter vacation hours, the remaining hours of the sixteen- (16) hour workshift as regular pay (i.e., regular hours), the number of overtime hours worked (minimum of 30 minutes), and stand-by (i.e., 24 hour sleep period).

F. Vacation Taken for a Full 24-Hour Shift

A Treatment Plant Operator who uses vacation for an entire 24-hour shift will enter 16 hours of vacation. There is no stand-by because the Operator did not work this 24-hour shift.

SECTION 3 – COMPENSATION

ARTICLE 9 - COMPENSATION

A. Cost of Living Adjustments (COLAs)

1. Effective the first full pay period of January 2026, employees shall receive a COLA of 4.0%
2. Effective the first full pay period of January 2027, employees shall receive a COLA of 3.5%.
3. Effective the first full pay period of January 2028, employees shall receive a COLA of 3.25%.
4. Effective the first full pay period of January 2029, employees shall receive a COLA of 3.25%.

In addition, the Agency shall conduct a salary survey with its agencies of comparison for classifications included in the Water Systems unit in calendar years 2026 and 2029 based upon a select number of pre-determined benchmark classifications to be defined by the Agency and Local 39. The median salary for the agencies of comparison (based upon top step in the salary range for comparable classes) shall be used for salary comparison purposes. Agreed upon salary differentials shall be maintained for those classifications that are not included in the survey. The parties shall meet and confer regarding benchmark classifications to survey. For purposes of the survey, the agencies of comparison shall be:

- City of Folsom
- City of Rocklin
- City of Roseville
- El Dorado Irrigation District
- Nevada Irrigation District
- Placer County
- San Juan Water District

Additional details pertaining to the survey methodology shall be as follows:

- The Agency shall conduct the salary survey during the first seven (7) months of calendar years 2026 and 2029. Implementation of salary adjustments, if warranted, shall be completed by September 1, 2026 and be retroactive to July 1, 2026 and September 1, 2029.
- A minimum of three (3) matches among the agencies of comparison is required to establish market data for a surveyed classification.
- The differential of 2.5% between salary ranges in the Water Systems Bargaining Unit salary schedule shall be maintained.

- When an Agency classification lags the defined market by more than 1.0%, the classification shall be moved to a higher salary range which is closest to the market median. The higher salary range may be below the market but in no event shall it be more than 0.5% below the market.
- There shall be no Y-rating of classifications above market.

B. Salary Surveys for Field Services and Distribution Operator Job Classifications

The Agency’s Service Worker classification shall serve as the benchmark classification for the classifications included in the table below whenever a salary survey is conducted for the Field Services Department and Distribution Operators. Based upon market data, any required market adjustment to the Service Worker classification shall result in salary adjustments to maintain agreed-upon salary differentials with the classification as noted in the table below. Such differentials are based upon current salary ranges as included Water Systems Bargaining Unit salary schedule.

Classification	Current WSU Salary Range	Agreed-upon Salary Differential above/below Service Worker (SW) classification (based upon established WSU salary ranges)
<i>Service Worker</i>	38.5	<i>n/a</i>
<i>Field Maintenance Supervisor</i>	42.5	<i>20% above SW</i>
Lead Worker, Treated Water Maintenance	39.5	<i>5% above SW</i>
Maintenance Worker II	36.0	<i>12.5% below SW</i>
Maintenance Worker I	32.5	<i>30% below SW</i>
Canal Operations Supervisor	42.5	<i>20% above SW</i>
Lead Canal Operator	38.0	<i>2.5% below SW</i>
Canal Operator II	37.0	<i>7.5% below SW</i>
Canal Operator I	34.5	<i>20% below SW</i>
Distribution Operator I	32.5	<i>30% below SW</i>
Distribution Operator II	38.5	<i>Equal to SW</i>
Distribution Supervisor	44.5	<i>30% above SW</i>

C. Certification Pay

Compensation, in the form of a premium calculated as a percentage of the employee’s regular hourly rate of pay, for obtaining specified desirable professional certifications above and beyond those required as minimum qualifications for the classifications listed below shall be provided in accordance with the following schedule:

CLASSIFICATION	CERTIFICATION	PREMIUM
Canal Operator I/II	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 2 or higher (e.g., Grade 3).	2.5%*
Lead Canal Operator	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 2 or higher (e.g., Grade 3).	2.5%*
Field Maintenance Supervisor	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 5	2.5%
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories C (Right-of-Way) and F (Aquatics)	2.5%**
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories A (Residential, Industrial and Institutional) and B (Landscape Maintenance)	2.5%**
Lead Worker, Treated Water Maintenance	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 5	2.5%
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories C (Right-of-Way) and F (Aquatics)	2.5%**
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories A (Residential, Industrial and Institutional) and B (Landscape Maintenance)	2.5%**
Maintenance Worker I/II	California Class A Driver's License	2.5%
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories C (Right-of-Way) and F (Aquatics)	2.5%**
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories A (Residential, Industrial and Institutional) and B (Landscape Maintenance)	2.5%**
Service Worker	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 5	2.5%
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories C (Right-of-Way) and F (Aquatics)	2.5%**
	California Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) with categories A (Residential, Industrial and Institutional) and B (Landscape Maintenance)	2.5%**
Distribution Operator II	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 5	2.5%
Lead Treatment Plant Operator	California State Water Resources Control Board Water Treatment Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Treatment Operator's Certificate, Grade 5	2.5%
Treatment Plant Operator	California State Water Resources Control Board Water Treatment Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Treatment Operator's Certificate, Grade 5	2.5%

CLASSIFICATION	CERTIFICATION	PREMIUM
Water Quality Mechanic	California Water Environmental Association Mechanical Technologist Certification, Grade 2	2.5%
Water Quality Specialist	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 3	2.5%
	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 4	2.5%
Water Quality Supervisor	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 4	2.5%
	California State Water Resources Control Board Water Distribution Operator's Certificate, Grade 5	2.5%

*The certification premium for desirable Distribution Operator certifications shall be limited to 2.5%. For example, an employee who acquires a Distribution Operator Grade 2 certification and a Distribution Operator Grade 3 certification shall receive a certification premium in the amount of 2.5% not 5.0%.

**Only employees in the Field Services Department within this classification will be eligible for certification pay for this certification/license. Those individuals receiving certification premium are expected to complete at least two weeks per year of spraying activities. This certification pay is not available for Maintenance Worker I classification.

In no event shall an employee earn more than 5% in premium pay for obtaining specified desirable professional certifications as identified within this MOU.

The Agency shall pay for the fees associated with obtaining and maintaining the certifications identified herein. Such reimbursement or payment shall be made only for certifications obtained and maintained while the employee is employed by the Agency and shall include only the costs associated with the employee's first attempt to secure the certification. Any employee seeking desirable certification who is unsuccessful in the testing or certification process during their first attempt shall be responsible for the costs of any subsequent certification efforts in which they may participate. The Agency shall account for its costs associated with desirable certifications identified herein as part of its training budget.

D. Special Assignment Pay

On occasion, due to operational necessity, employees in the Inspector I/II job classification who are assigned to the Power System Department may be required to perform inspection activities on Federal Energy Regulatory Commission (FERC) projects. In such cases, payment for special assignment work for these projects shall be 5% above the regular base pay of the employee for all regular hours worked during the special assignment period.

Eligibility for special assignment pay will be subject to the following conditions:

1. The assignment to work on the FERC inspection project must be made in advance by the Department Manager and approved by the Director of Administrative Services. It may only be approved for employees working in the Inspector I/II classifications in the Power System Department.
2. Requests for special assignment pay for employees who are assigned to inspect the FERC project must be for a specified duration and the employee must be

approved by FERC as an inspector for the project.

Pursuant to California Code of Regulation 571, Temporary Upgrade Pay (TUP) can be reported as an item of special compensation for classic members who are required by their employer or governing board/body to work in an upgraded position/classification of limited duration. Special assignment pay will be considered TUP and will be reported to CalPERS as allowed by CalPERS regulations for eligible special assignments.

ARTICLE 10 - SHIFT DIFFERENTIAL

An employee whose regular work shift is temporarily changed so that their shift starts between the hours of 6:00 p.m. and 6:00 a.m. shall be paid an additional 5% differential unless such temporary change in schedule is the result of a mutually agreed upon flextime arrangement or the employee is working overtime. All shift differentials require Administrative Services to be notified at least 14 days prior to the start of the differential.

ARTICLE 11 - OVERTIME

A. Overtime Defined

Overtime is defined as work performed by an employee that exceeds 40 hours in a work week, in accordance with the Fair Labor Standards Act (FLSA). For employees on alternative work schedules, overtime will be defined as follows:

- More than eight (8) hours in a work day for those on a 5-8 schedule.
- More than nine (9) hours in a work day for those on a 9/80 schedule.
- More than ten (10) hours in a work day for those on a 4/10 schedule.

For the purposes of calculating overtime, paid time off for vacation, holidays, floating holidays, sick leave, compensatory time off (CTO), as well as any part of an eight (8) hour rest period that falls within the employee's regularly scheduled work day, shall be considered as hours worked when determining eligibility for overtime compensation. All overtime must be pre-approved by the employee's Department Manager or their designee.

B. Computation of Overtime

Overtime earned may be paid in wages or taken in the form of compensatory time off (CTO) at the option of the employee. Overtime, paid as wages, shall be compensated at the rate of one and one-half (1.5) times the employee's regular rate of pay. Overtime taken in the form of CTO, shall accrue at the rate of one and one-half (1.5) times the hours worked. No

employee shall have more than 100 hours of accumulated CTO on the books at any time. CTO in excess of the 100-hour limit will be paid as wages. CTO may be taken at any time with the prior approval of the employee's Department Manager or designee. Overtime shall be paid to the nearest one-quarter (1/4) hour at the applicable rate.

C. Computation of Overtime – Double Time and a Half (2.5x) Rate

Overtime shall be compensated at a rate of double time and one-half (2.5x) the employee's regular rate of pay under the following conditions:

1. Holdover After Regular Shift

When an employee is held over after the conclusion of their regular work shift, the employee shall be paid at the rate of time and one-half (1.5) for hours worked in excess of their regular work shift. After 16 hours have elapsed from the start of the employee's work day, any additional hours worked shall be compensated at the rate of double time and one-half (2.5) until the employee is released from work for an uninterrupted rest period of eight (8) hours.

2. Emergency (Unscheduled) Overtime Between 2300 and 0400:

Employees required to work emergency (unscheduled) overtime between the hours of 2300 and 0400 shall be compensated at the rate of double time and one-half (2.5) times their regular rate of pay, either as wages or compensatory time off (CTO) until they are released from work for an uninterrupted rest period of eight (8) hours. This provision includes overtime pay for Call Back Pay (Article 12) and Standby Pay (Article 14). This provision does not apply to 24-hour shifts.

Example: An employee concluded their regular shift. They are called out for emergency work at 2100 hours and work for four (4) hours, until 0100 hours. The employee will be compensated at the overtime rate of 1.5 times their regular rate for the time worked between 2100 and 2300, and at 2.5 times their regular rate for the hours worked between 2300 and 0100.

D. Employee Scheduled in Advance to Report Prior to Start of Regular Shift

1. An employee who has had an uninterrupted rest period of eight (8) hours between shifts and is scheduled in advance to report to work prior to the start of their regular work shift shall be paid at the rate of one and one-half (1.5) times the employee's regular rate of pay for hours worked before the regular work shift commences.

EXAMPLE: An employee's regular work shift begins at 6:00 a.m. and concludes at 3:30 p.m. The employee is scheduled in advance to report to work at 5:00 a.m. The employee will be paid at the overtime rate of one and one-half (1.5) times the employee's regular rate of pay for the one- (1) hour period of 5:00 a.m. to 6:00 a.m. The employee will be paid the straight time rate once the regular schedule shift begins.

ARTICLE 12 - CALL BACK PAY

A. Call Back Defined

If an employee is called back on an authorized order to return to work for emergency or non-scheduled work after completing their assigned shift, they shall receive a minimum of two (2) hours of overtime at one and one-half (1.5) times their regular rate of pay or double time and one-half (2.5) between the hours of 2300 and 0400. Commuting time, up to a maximum of one (1) hour, shall be counted as time worked when the employee is called back. This provision also applies if the employee is off work on pre-approved scheduled leave. A pre-scheduled plant check is not considered a call back.

If an additional call out occurs during the initial two-hour minimum period, the employee will continue to be compensated for the ongoing work without resetting the two-hour minimum.

B. Telephone Calls

When an employee responds to a call-back remotely via telephone, they will be compensated for a minimum of one hour at one and a half (1.5) times their regular rate of pay or double time and one-half (2.5) between the hours of 2300 and 0400. If multiple calls are received within a 60-minute period starting from the first call, they will be considered as a single call-back period for compensation purposes.

ARTICLE 13 - REST PERIOD

1. An employee is entitled to an uninterrupted rest period of eight (8) hours immediately prior to the start of their work shift, unless the initial "call back" occurs within three (3) hours of the start of the employee's regular work shift. If, as a result of working overtime, the employee's eight- (8) hour rest period extends into their next regular work shift, the employee shall receive straight-time pay for those rest period hours which extend into their work shift, provided the employee reports to work at the end of the eight- (8) hour rest period. Actual time worked during the overtime period (not call-back minimums) shall be used to determine the length of the rest period. For phone calls not requiring work on a computer, if an employee receives a single call within the eight (8) hours immediately prior to the start of the employee's regular work shift, the employee shall receive either a delayed start of two (2) hours or a rest period of eight (8) hours, whichever is less. (For example, if an employee's shift starts at 6:00 a.m. and they receive a call at 10:00 p.m. and work until 10:15 p.m., their start time would be adjusted to 6:15 a.m. If they receive a call at 12:00 a.m. and work until 12:30 a.m., or later, their start time would be adjusted to 8:00 a.m.)

2. If, at the conclusion of the employee’s rest period, the number of hours remaining on their regular work shift amount to four (4) or less, the employee, with the approval from their supervisor, may use accrued vacation or compensatory time off (CTO) to account for the time between the end of the rest period and the end of their regular work shift.

ARTICLE 14 - STAND-BY PAY

When the Agency places an employee on stand-by duty, the employee is required:

1. To be ready to respond immediately to calls for service;
2. To be reachable by telephone;
3. To be available to utilize any appropriate type of electronic or computerized means of response, including SCADA, smartphones, and mobile computers;
4. To remain within a reasonable distance of the work location; and
5. To refrain from activities that might impair their ability to perform assigned duties.

Employees shall be compensated for stand-by duty as follows:

Monday-Friday Standby	\$75 per day
Saturday, Sunday Standby	\$120 per day
Holiday Standby	\$120 per day

Effective the first full pay period in January 2028, employees shall be compensated for stand-by duty as follows:

Monday-Friday Standby	\$80 per day
Saturday, Sunday Standby	\$130 per day
Holiday Standby	\$130 per day

Employees on an alternative work schedule who have a regularly scheduled day off on Monday – Friday shall have their RDO compensated at the same rate as Saturday or Sunday standby.

In addition, if an employee on stand-by duty is called to duty, he or she shall be paid at the overtime rate for a two- (2) hour minimum or the time actually worked, whichever is greater. If employee is able to respond remotely via telephone the employee shall be paid for actual time worked rounded to quarter-hour, with a 30-minute minimum.

If an employee uses a full day of sick leave (for their own injury or illness), they will not be eligible to be assigned to stand-by duty for that day. Stand-by duty requires an employee to be available to respond to work-related needs on short notice, and using sick leave indicates the employee is incapacitated and not available for work-related duties.

ARTICLE 15 - OUT-OF-CLASS PAY

On occasion, due to operational necessity, an employee may be required to perform a majority of essential duties of another classification with a higher salary range. In such cases, payment for out-of-class work shall be 5% above the regular base pay of the employee for all hours worked in the higher classification. Such pay shall be a minimum of the “A” step of the higher classification and no more than the maximum of the highest step of the higher classification. If the 5% increase falls between steps, the next higher step is used. Any paid leave use during the out-of-class assignment period will be paid at the out-of-class rate.

Eligibility for out-of-class pay will be subject to the following conditions:

1. The assignment to work in the higher classification must be made in advance by the Department Manager and approved by the Director of Administrative Services. A competitive recruitment is not conducted for out-of-class assignments.
2. Employees who are assigned to the higher class must be required to perform a substantial number of the essential tasks of the higher-level position. Consideration shall be given to the employee’s ability and qualifications to perform at a higher level and whether the lower level position is in direct line and job scope of the higher class.

An employee will be eligible for out-of-class pay when assigned to perform the duties of a higher classification for at least five (5) consecutive work days. Pursuant to California Code of Regulation 571, Temporary Upgrade Pay (TUP) can be reported as an item of special compensation for classic members who are required by their employer or governing board/body to work in an upgraded position/classification of limited duration. TUP will be reported to CalPERS as allowed by CalPERS regulations for eligible out-of-class assignments.

Out-of-class assignments shall not be used to circumvent the hiring process.

ARTICLE 16 - PROMOTION OR RECLASS PAY

Applicable Pay Rates following Promotion or Reclassification

1. If an employee is promoted or reclassified to a position in a class with a higher pay range, such employee shall be entitled to receive the rate of compensation in "Step A", the entrance step of the class to which they has been promoted.
2. If the pay ranges overlap, promotion or reclassification shall be effected to the next higher salary in the range of the new class which will provide for an increase of not less than 5%. In no event shall the new salary be higher than the maximum of the salary range of the class to which the employee is promoted or reclassified.

Appointment Basis

Promotions can be made on a regular or temporary basis for regular and probationary employees. Temporary promotional opportunities for regular and probationary employees will be advertised through an internal recruitment as a Temporary Rotational Opportunity or a Temporary Upgrade Opportunity and will be processed through a temporary personnel action form. Employees are entitled to return to their regular classification at the end of their temporary promotional opportunity.

ARTICLE 17 - LONGEVITY PAY

Employees with continuous full-time, regular service totaling 10 years shall receive a salary increase of 2.5% over and above their regular hourly rate. Employees with such continuous service totaling the equivalent of 15 years shall receive an additional salary increase of 2.5% over and above their regular hourly rate and the 2.5% longevity pay granted for their service over 10 years.

SECTION 4 – BENEFITS

ARTICLE 18 - HEALTH BENEFITS

A. Health Insurance

The Agency shall continue membership in the CalPERS Health Insurance Program. Effective January 1, 2026, the monthly Agency contribution is as follows: *(Subject to change pending the conclusion of negotiations and the required 30-day CalPERS waiting period. The updated contribution rates will be taken to the first qualifying Board meeting (subject to agenda deadline) following contract ratification and will become effective the first of the month after the 30-day waiting period.)*

\$1,301.95 per month for Employee Only

\$2,039.00 per month for Employee Plus One

\$2,651.00 per month for Employee Plus Family

Effective January 1, 2027, the Agency will pay the previous year's contribution plus 70% of the average premium increase for available HMO plans for employee plus one and employee plus family and will pay the BlueShield Access+ (Region 1) rate for employee only. Employees shall be responsible for any amounts over and above these amounts.

Effective January 1, 2028, the Agency will pay the previous year's contribution plus 70% of the average premium increase for available HMO plans for employee plus one and employee plus family and will pay the BlueShield Access+ (Region 1) rate for employee only. Employees shall be responsible for any amounts over and above these amounts.

Effective January 1, 2029, the Agency will pay the previous year's contribution plus 70% of the average premium increase for available HMO plans for employee plus one and employee plus family and will pay the BlueShield Access+ (Region 1) rate for employee only. Employees shall be responsible for any amounts over and above these amounts.

B. Dental and Vision Insurance

The Agency shall continue dental and vision plans that permit dependent coverage. The Agency shall continue to pay the premium for dental and vision coverage for the employee only. Dependent coverage shall be paid by the employee.

C. Life and Accidental Death and Dismemberment (AD&D) Insurance

The Agency will pay 100% of the premium cost for Term Life Insurance and AD&D coverage. The death benefit will be equal to twice the employee's annual salary (excluding overtime) up to age 65.

D. Long-Term Disability Insurance

The Agency will continue to provide a long-term disability insurance plan for all employees in the bargaining unit. The cost for this benefit shall be borne by the Agency.

E. Employee Assistance Program

The Agency will continue to provide an Employee Assistance Program (EAP) for employees. The Agency reserves the right to select the provider and the benefit coverage levels.

F. 125/Flexible Spending Plan

Premium costs for eligible group insurance plans will be processed through the 125 Plan (flexible spending plan) with the Agency paying the administrative fee for the insurance premium account. All deductions will be made on a biweekly basis (24 deductions in a year).

G. Medical Opt Out

The Agency provides a "medical opt out" option wherein if an employee is eligible for medical benefits and demonstrates in writing medical coverage from another source, the Agency will provide a monthly stipend to the employee of \$400. This amount shall be paid in two (2) installments each month (24 payments in a year) in the employee's regular payroll checks. The monthly stipend is considered taxable income.

H. Affordable Health Care Act – Medical Re-Opener

1. The parties recognize that during the term of this agreement, it may be necessary to make changes to this Article, Health Benefits, specifically: coverage tiers, plan offerings, and changes required by law. When it becomes necessary to make a one-time change to this Article due to the Affordable Health Care Act, the parties agree to meet in good faith pursuant to Government Code 3500 et seq. Current health care benefits and coverages shall remain intact until such time the meet and confer is necessary, where the current health care benefits and coverages shall be maintained to the extent possible.
2. Any agreement resulting from such negotiations shall become an addendum to this agreement.
3. Any changes resulting from this section will only be implemented if such change is applied to all employees within the Agency.

ARTICLE 19 - RETIREMENT

The Agency participates in the California Public Employees' Retirement System (CalPERS). The benefit formula for employees hired prior to January 1, 2013, or those hired on or after that date with prior CalPERS membership, is 2.7% at age 55 (single highest year). Classic employees pay the full 8% employee share of the cost. The benefit formula for employees hired on or after January 1, 2013 is 2.0% at age 62 (three-year average). Public Employees' Pension Reform Act (PEPRA) employees pay 50% of the total annual normal cost of their pension benefit. The Agency also participates in Social Security.

ARTICLE 20 - RETIREE HEALTH INSURANCE

1. For purposes of this policy, health insurance does not include dental or vision care.
2. The Agency will continue the Public Employees' Medical and Hospital Care Act (PEMHCA) insurance plan through the term of this agreement.
3. Following is a breakdown of benefits and eligibility based on Agency date of hire:

Employees Hired Prior to January 1, 2010

Minimum required *CalPERS service:	5 years *Includes reciprocal agency service
Minimum required Agency service:	5 years
Basis of premium formula:	Agency active employee health insurance premium caps
Amount paid by Agency:	The Agency's contribution amount increases annually by 5% of the active employee health insurance premium cap or \$100, whichever is less, until 100% of the active employee health insurance premium cap is reached.

Employees Hired On or After January 1, 2010

Minimum required *CalPERS service:	10 years * Includes reciprocal agency service
Minimum required Agency service:	5 years
Basis of premium formula:	CalPERS State Annuitant Contribution Rates, 100/90 Formula.
Amount paid by Agency:	Fixed percentage based on CalPERS Years of Service, starting at 50% at 10 years of CalPERS service and increasing by 5% for each additional year of CalPERS service until 100% of the CalPERS health insurance premium cap is paid, which equates to 20 years of CalPERS service. See Table below.

Years of CalPERS Service*	Percentage Paid by PCWA
0 through 9	0%
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20	100%

For the specific premium amounts, contact Administrative Services.

- If a retiring employee opts to use unused accrued sick leave under provisions of Article 26 to pay the cost of retiree health insurance premiums, the Agency will pay the amount of the retiree health insurance premium cap directly to CalPERS and will pay directly to the employee any remaining monthly balance up to the current active employee health insurance premium cap.

ARTICLE 21 - STATE DISABILITY INSURANCE (SDI)

The Agency agrees to integrate SDI benefits with available employee paid leave banks. The employee shall pay required premium costs which will be deducted from their paycheck and transmitted to the state by the Agency.

ARTICLE 22 - LIGHT DUTY

The Agency agrees to provide for light duty assignments, if available, when the employee is able to provide a qualifying physician's modified duty note. The note must state the specific restrictions and the length of time that the restrictions are to remain in place. Return to work may be delayed until the Agency determines whether the physician-imposed restrictions can be accommodated for the employee's position for the duration requested. An updated physician's note will be required to allow the employee to return to full-duty. Employees are entitled to union representation at meetings to discuss light duty assignments. The employee is responsible for making the request for union representation.

Nothing in this section shall be construed to prohibit the Agency from providing reasonable accommodation through the Americans with Disabilities Act so employees may perform the essential functions of their positions with restrictions.

ARTICLE 23 - WORKERS' COMPENSATION

The Agency will integrate available employee leave banks with workers' compensation temporary disability benefits. The employee must make sure the check stub reaches the Administrative Services Department in a timely fashion in order to receive this benefit.

The Agency will continue to pay the employer's share of the group health insurance premium in the amounts listed in Article 18, including medical, dental, and vision, while an employee is drawing benefits for industrial injury or illness, including after that employee has exhausted all current income from salary and sick leave. This benefit will end at such time as the employee is no longer an employee of the Agency.

SECTION 5 – LEAVES

ARTICLE 24 - HOLIDAYS/HOLIDAY PAY

Subject to the needs of the Agency, eligible employees will be allowed time off with full pay for the following holidays:

1. New Year's Day
2. Martin Luther King, Jr. Day (the third Monday in January)
3. President's Day Observance (the third Monday in February)
4. Memorial Day Observance (the last Monday in May)
5. Independence Day
6. Labor Day Observance (the first Monday in September)
7. Veterans Day Observance (November 11)
8. Thanksgiving Day
9. The Day after Thanksgiving Day
10. Christmas Day
11. Every day appointed by the President or Governor for a public fast, Thanksgiving, or holiday and approved by the Agency's Board of Directors.
12. Employees will receive a maximum credit of 24 hours per year of Floating Holiday leave. If Floating Holiday is not used by the employee within the calendar year in which it is granted, the Floating Holiday leave, or any balance thereof, may not be carried over into the next calendar year. In addition, employees are not entitled to be cashed out for any unused balances of Floating Holiday leave with the provision that there is no carry-over to the following years. Floating Holiday leave will be granted in a prorated amount to new employees based upon the amount of time remaining in the year in which they begin their employment with PCWA. Employees will receive two (2) hours per month for the number of months remaining in the year. Example: A new employee with a hire date of September 12th will receive eight (8) hours of Floating Holiday leave. Floating holiday leave shall be taken in minimum units of one-quarter hour.

When any of the above holidays fall on a Sunday, the Monday following shall be observed as the holiday. When any of the above holidays fall on a Saturday, employees shall be entitled to a holiday on the preceding Friday.

When any of the above holidays fall on a normal day off for a regularly scheduled employee, regardless of their work schedule (e.g., 5-8s, 9/80, 4/10), an additional eight (8) holiday hours shall be added to an annual Holiday Banked accrual.

A. Employees Eligible for Holiday Pay

1. Probationary and regular full-time employees shall be eligible for full holiday pay.
2. Regular part-time employees shall be paid for holidays at their normal rate of pay in the same ratios as their hourly work schedule bears to the normal work schedule of a full-time employee, provided that the holiday falls on the employee's regularly scheduled work day.
3. Temporary, seasonal, and extra help employees shall not receive any holiday pay except straight-time pay for hours actually worked.

B. Compensation for Work on Holidays

1. If an employee is required to work on a day being observed as an Agency holiday, the employee shall be paid overtime compensation (or a holiday premium pay identified in item B.2) at one and one-half (1-1/2) times the employee's regular rate of pay. Additionally, the employee shall earn eight (8) hours of holiday pay at straight time for the Agency observed holiday, totaling 2.5 times their regular rate of pay. Compensatory time off (CTO) may be elected by the employee in lieu of overtime pay for the hours worked on a holiday.
2. Pursuant to California Code of Regulation 571, additional compensation (holiday premium pay-equivalent to overtime compensation in item B.1) for working on a holiday will be reported to CalPERS as special compensation. This only applies to employees who are normally required to work on an approved holiday because they work in positions that require scheduled staffing without regard to holidays. Holiday premium reporting only applies if the employee works on a holiday on what would have been their normal working day. This provision will be monitored for compliance with CalPERS requirements. Classifications entitled to this provision are as follows: Treatment Plant Operators and Canal Operators.

3a. Holiday Banked Accrual

A Holiday Banked accrual will be established for the purpose of banking holiday hours that fall on the employee's regular scheduled day off (RDO). When any of the above holidays fall on a normal day off for a regularly scheduled employee, regardless of their work schedule (e.g., 5-8s, 9/80, 4/10), an additional eight (8) hours shall be added to the employee's Holiday Banked accrual. Holiday Banked hours above sixteen (16) hours, not used by the end of the calendar year, after adjusting the balance for any hours earned or used during that same pay period, shall be paid in cash in the last paycheck of the calendar year. No holiday credit hours above sixteen (16) will carry forward into the following calendar year. Upon separation of employment, any hours in the holiday bank shall be paid in cash.

3b. Transition to Legacy Hours

Effective January 1, 2026, any Holiday Banked balances will be transferred to a separate bank labeled "Legacy Hours." No additional hours may be accrued in the Legacy Hours Bank. These hours may be used as leave or cashed out upon separation from employment.

4. If a holiday occurs during the time an employee is on a "leave of absence," the employee shall not be entitled to receive pay for the holiday.
5. When any of the above holidays falls during a regular, scheduled vacation period, the employee will be entitled to the holiday.

ARTICLE 25 - VACATION LEAVE

A. Full-Time Employees

1. Each regular full-time employee having the following years of continuous service shall earn the following hours vacation for each paid, regularly scheduled working hour. An employee may earn vacation leave only on 80 regularly scheduled hours in any one pay period.

<u>YEARS OF SERVICE</u>	<u>EARNED PER HOUR</u>	<u>EARNED PER PAY PERIOD</u>
0 through 4	.0461	3.69
5 through 9	.0577	4.62
10 through 19	.0769	6.16
20 or more	.0962	7.70

NOTE: Per year equivalents are:

- .0461 = 96 working hours
- .0577 = 120 working hours
- .0769 = 160 working hours
- .0962 = 200 working hours

2. No employee shall earn or accrue vacation leave until they have been continuously employed for 90 days. Upon successful completion of this period, such employee shall receive the appropriate vacation accrual for the hours worked during the initial 90 days and will begin accruing leave at the rate specified in section (1).
3. An employee ceases to accrue vacation hours once they have accrued 320 hours until such time as they have used vacation hours.
4. Accrued vacation shall be taken in minimum units of one-quarter hour.
5. An employee whose vacation accrual balance is at least 200 hours as of December 31st of any calendar year may make an irrevocable decision to sell back vacation they will accrue in the following calendar year as follows:
 - a. An election period will occur each December (called the election year) during which an employee may make an irrevocable election to sell back vacation that will accrue in the upcoming year (called the accrual year).
 - b. An employee utilizing this provision must submit an irrevocable election form by December 31st of the election year, and only vacation hours that will accrue in the accrual year can be designated for sell back.
 - c. The actual cash payment for the designated sell back hours cannot occur until the hours have accrued in the employee's vacation leave bank.

- d. When the designated vacation hours have accrued and the employee is ready to request a cash out, they will submit a completed Request to Cash Out Vacation form. An employee may cash out up to 40 hours of accrued leave at a time.
 - e. Designated vacation cash outs must occur by the last paycheck of the accrual year.
 - f. The vacation sell back election is irrevocable.
6. The Agency will give preference to the order in which vacation requests are received. In the event requests are received at the same time for the same period, and all cannot be granted, seniority will be the determining factor.
 7. Changes in vacation schedules shall be allowed provided staffing/scheduling conflicts do not result and the change is acceptable to the Agency. The Agency shall respond to a request for time off no later than five (5) working days after submission.

B. Additional Vacation for 20 Years Career Service

In addition to all other vacation benefits provided for in this article and in recognition of loyal career service, an employee who completes 20 years of service in a regular full-time position shall be entitled to 40 hours paid leave to be taken at the convenience of the employee and their appointing authority within one (1) year of completion of the 20 years of service. This one (1) time 40 hours paid leave shall be in addition to all other vacation benefits earned by the employee.

C. Vacation Pay upon Termination of Employment

1. Upon leaving employment, employees shall be paid the monetary value of their earned vacation leave but not exceeding the maximum amount of vacation leave that may be accumulated under the provisions of this Article.
2. If terminating employees take accrued vacation leave immediately prior to the effective date of their termination, it shall not be necessary to keep the position vacant for the equivalent time of the vacation period.

D. Part-Time Employees

1. Regular part-time Agency employees shall be entitled to vacation leave with pay that shall be earned on a prorated basis based upon the number of hours worked by the regular part-time employee.
2. Notwithstanding subparagraph (1) above, the provisions of this article shall not be applicable to regular part-time employees not having definite, fixed hours of employment and whose positions have not been allocated to the Agency.

ARTICLE 26 - SICK LEAVE

Sick leave is defined as an absence from duty by an employee because of:

1. Diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member; or
2. A death in the employee's family. Sick Leave absences because of death in the employee's family are limited to 10 days in each instance, not to exceed eighty (80) hours. Bereavement leave can be extended under special circumstances with approval by the General Manager or designee.
3. As used in this section, "family" means parents, spouse, or children, by blood, marriage, or adoption, or a domestic partner, grandparents, grandchildren, siblings, or close relative who is demonstrably dependent upon the employee.

A. How Computed

1. Each full-time Agency employee shall be entitled to sick leave which shall accrue on the basis of 0.0462 hours for each paid, regularly scheduled working hour of full-time employment. Part-time regular employees shall be entitled to sick leave which shall accrue in the same proportion to one (1) day for each full month continuous service that their work time bears to the normal work day for a full-time employee.
2. Unused sick leave may be carried over from year to year.
3. No probationary employee shall earn or accrue sick leave until s/he has been continuously employed for a period of 90 days. Upon successful completion of 90 days of employment, such employee shall receive accrued sick leave and continue accruing at the rate stated in (1) above.

B. How Taken

1. Sick leave shall be taken in minimum units of one-quarter hour.
2. Sick leave shall not be allowed or taken until earned by the employee or donated by others in conformance with the provisions of this MOU.

C. Limitations, General

1. Employees absent for illness or injury 15 consecutive working days or longer shall not be permitted to return to duty without a physician's certificate attesting to the

employee's ability to perform his normal duties. Notes may also be requested for illnesses and injuries of lesser durations if there are wellbeing and/or safety concerns regarding an employee's return following a known serious injury/illness but only with the approval of the Administrative Services Director or Human Resources Manager.

D. Evidence of Illness

The General Manager or designee may require satisfactory evidence of illness for any period of illness or disability.

E. Bereavement Leave

Employees may allocate up to 30 hours of Compensatory Time Off (CTO) to a Bereavement Leave Bank to be used because of a death in the employee's immediate family. The Bereavement Leave Bank may be replenished at any time, but in no event shall the number of hours banked exceed 30. In the event an employee suffers a serious health issue or injury resulting in the depletion of the employee's other leave banks, the Bereavement Leave Bank may be used as paid leave. Upon leaving employment, employees shall be paid the monetary value of their hours in the Bereavement Leave bank.

Sick leave may be used for bereavement when the employee's Bereavement Leave Bank has been exhausted, but the total amount of time taken for bereavement purposes shall not exceed 10 days, up to eighty (80) hours, in each instance. Bereavement leave can be extended under special circumstances with approval by the General Manager or designee.

F. Payment for Unused Sick Leave upon Separation or Retirement

Employees leaving the Agency's employ in good standing with more than one (1) year of continuous service will be paid the monetary value of the earned sick leave, subject to the following provisions:

1. "Good Standing," as used in this Section, shall mean employees who gave the required minimum two (2) weeks' notice and who have not been discharged for cause. It shall also mean employees who have been laid off.
2. Employees in Good Standing can cash out up to 50% of their unused sick leave balance not to exceed \$9,000.
3. The benefits granted hereunder shall not become a vested right of any employee, but rather are subject to amendment in the same manner as all other provisions relating to compensation.

4. Employees receiving compensation under this section shall not be eligible for reinstatement within 90 days after the effective date of termination.
5. If an employee with more than one (1) year of continuous service dies, the benefits payable under subparagraph (2) above shall be payable to their surviving spouse or, if there is no surviving spouse at the time of such death, to their heirs.
6. Notwithstanding the provisions of subparagraph (2) above, any employee retiring from the Agency's service and eligible to receive Public Employees' Retirement System benefits at the time of such retirement shall have the following options:
 - a. To receive the pay-off specified in (2) above.
 - b. To apply accumulated unused sick leave toward an early retirement on a day-for-day basis but not to exceed 130 days or 1,040 hours. An employee exercising this option shall not accrue any additional sick leave, vacation leave, or holiday leave during the time the employee is on early retirement.
 - c. If requested by the retiree, the retiree may have one (1) month's premium for health for themselves only paid for each 8 hours of unused accrued sick leave, or in the alternative, the retiree may have one (1) month's premium for health insurance for both the retiree and the retiree's spouse paid for each 16 hours of unused accrued sick leave, up to the current active employee health insurance premium cap, until eligible for Medicare.
 - d. Retiree may use their unused sick leave in any one or in any combination of the ways set forth in a), b), and c) of this subparagraph 6.

EXAMPLE: A retiring employee has a balance of unused sick leave of 2,000 hours. The employee is retiring in six(6) months. The employee has opted to use their sick leave balance as follows:

- Will apply 1,040 hours, six (6) months, toward an early retirement; and
- Will use 480 hours to cover 60 months of premiums for health and accident insurance for employee only coverage; and
- Will cash out the remaining 480 hours of sick leave, per subparagraph 2 above, at a rate of 50% of their unused sick leave balance not to exceed \$9,000.

G. Sick Leave Buy Back

Employees returning from medically caused leaves of absence may, with the approval of the General Manager or designee, "buy back" sick leave time used as a result of the medical

condition causing the leave of absence. Such sick leave can be bought back by the employee reimbursing the Agency in full for the compensation which the Agency paid to the employee for the time the employee was absent during such sick leave.

ARTICLE 27 - CATASTROPHIC LEAVE DONATION

Regular full-time employees may voluntarily donate vacation or CTO hours to another regular employee based on the following criteria:

1. To be eligible as a recipient, an employee must have a verifiable long-term illness or injury that is expected to incapacitate the employee, e.g., cancer, heart attack, stroke, serious injury, etc., or death in the immediate family. Employees may also be eligible if they need to care for an immediate family member who has a verifiable, debilitating injury or illness. The employee must have exhausted all personal vacation, sick leave, and CTO, or will soon have exhausted such leave resulting in the employee being in a non-paid status.
2. Donations must be made to a specified individual only. In order for the donor to be eligible to donate, they must have at least 80 hours of combined leave in their vacation and/or CTO banks.
3. The person receiving the donated hours must have achieved regular status with the Agency.
4. Donated vacation or CTO hours must be in increments of one (1) hour. Hours donated will be converted at the donor's hourly rate and credited to the sick leave balance of the recipient by converting the dollar amount donated to the recipient's hourly rate.

EXAMPLE: Employee A is paid \$30 per hour and donates one (1) hour to employee B who is paid \$15 per hour. Employee B would be credited with two (2) hours of sick leave. Conversions for crediting will be rounded to the nearest one-half (1/2) hour increment.

5. Once donated, vacation or CTO hours cannot be reclaimed by the donor.
6. When an employee is using donated hours, the employee will not accrue vacation or sick leave time.
7. The maximum time that may be initially donated into an employee's account is 1,040 hours. Additional time may be donated if the initial donation is exhausted to a maximum of 1,040 hours. To be eligible to receive more than the aggregate total of 2,080 hours, there must be a favorable prognosis for recovery and a predictable date of return to work.

8. In no event shall donated time have the effect of altering the rights of the Agency or the recipient relevant to employment, nor shall it extend or alter the limitations otherwise applicable to leaves of absence or sick leave.
9. After catastrophic eligibility is approved by Administrative Services, the Union shall be responsible for initiating the catastrophic leave donation process. All donations must be done in writing and include the dated signature of the donor on a form mutually agreed upon by the Agency and the Union.

SECTION 6 – REIMBURSEMENTS

ARTICLE 28 - UNIFORMS

The Agency shall supply uniforms for employees as prescribed by the Department Manager. Agency-furnished uniforms for any employee or class of employees shall remain the property of the Agency. Employees shall wear the complete uniform furnished by the Agency at all required times.

A. Protective Footwear Stipend

Cal/OSHA requires employers to provide appropriate foot protection for employees who are exposed to foot injuries from electrical hazards, hot, corrosive, poisonous substances, falling objects, crushing or penetrating actions, which may cause injuries, and for employees who are required to work in abnormally wet locations. Protective footwear for employees shall meet the requirements and specifications in American Society for Testing and Materials (ASTM) F 2412-05, Standard Test Methods for Foot Protection and ASTM F 2413-05, Standard Specification for Performance Requirements for Foot Protection.

All regular full-time employees in the classifications listed below shall be eligible for a protective footwear stipend, payable in the first full pay period in January, for protective footwear related to their assigned job duties, per the stipend tiers noted below. Employees shall purchase and wear protective footwear appropriate to their job hazards, as designated by the Safety Manager. Employees shall be responsible for the reasonable care and maintenance of their protective footwear. The Agency reserves the right to determine the footwear appropriate to the job. In the event a second pair of protective footwear is needed during the calendar year due to work-related damage through no fault of the employee, the Agency agrees to provide the employee an additional stipend, per the employee's respective stipend tier.

Tier 1, \$350 Annual Stipend - Authorized Job Classifications:

- Canal Operations Supervisor
- Canal Operator I/II
- Construction Management Supervisor
- Distribution Operator I/II
- Distribution Supervisor
- Electrician
- Facilities Maintenance Coordinator
- Field Maintenance Supervisor
- Fleet Maintenance Supervisor
- Inspector I/II
- Lead Canal Operator
- Lead Water Efficiency Specialist
- Lead Water Treatment Plant Operator
- Lead Worker, Treated Water Maintenance
- Maintenance Worker I/II
- Mechanic
- Physical Security Technician
- Service Worker
- Storekeeper
- Treatment Plant Operations Supervisor
- Treatment Plant Operator
- Treatment Plant Operator Trainee I/II
- Water Efficiency Specialist I/II
- Water Quality Communications Technician
- Water Quality Electrical Maintenance Supervisor
- Water Quality Instrumentation Technician
- Water Quality Maintenance Worker I/II
- Water Quality Mechanic
- Water Quality Mechanical Maintenance Supervisor
- Water Quality Specialist
- Water Quality Supervisor

Tier 2, \$125 Annual Stipend – Authorized Job Classifications

- Assistant Engineer
- Associate Engineer
- CAD/GIS Supervisor
- CAD/GIS Technician I/II
- Communications Specialist
- Control Systems Technician I/II
- Engineering Technician I/II
- Geographic Information System (GIS) Supervisor
- Information Systems Analyst I/II
- Information Systems Supervisor (Operational Technology)
- Senior Engineer
- Senior Control Systems Technician
- Geographic Information System (GIS) Analyst I/II
- Water Maintenance Specialist
- Water Maintenance Technician
- Water Management Technician

B. Uniform Allowance

The Agency provides uniforms and uniform maintenance for positions required to wear an Agency uniform while performing Agency work. The value of the purchase, rental, and/or maintenance of the uniform is considered a ready substitute for personal attire that the employee would otherwise need to acquire and maintain. The value of Agency-provided uniforms is special compensation (i.e., wages earned) for CalPERS Classic Members and shall be reported as such to CalPERS pursuant to Section 571, subsection (a)(5) in Title 2 of the California Code of Regulations. CalPERS Classic members are defined as employees who were hired prior to January 1, 2013, or those hired on or after that date with prior CalPERS membership. Employees are required to pay the appropriate member contribution rate (i.e., 8%) to CalPERS for the Uniform Allowance via payroll deduction. Clothing and other items used solely for the employee’s personal health and safety are excluded from the CalPERS special compensation reporting requirement.

Full-time CalPERS Classic Members in the following job classifications who are required to wear a uniform while on duty shall have the value of a Uniform Allowance reported to CalPERS as special compensation in an amount not to exceed \$1,014.00 annually or \$39 per pay period, based upon 26 pay periods:

Classification or Position
Canal Operations Supervisor
Canal Operator I/II
Field Maintenance Supervisor
Fleet Maintenance Supervisor
Lead Canal Operator
Lead Worker, Treated Water Maintenance
Maintenance Worker I/II
Mechanic
Service Worker
Storekeeper

Full-time CalPERS Classic Members in the following job classifications who are required to wear a uniform while on duty shall have the value of a Uniform Allowance reported to CalPERS as special compensation in an amount not to exceed \$600.00 annually or \$23.00 per pay period, based upon 26 pay periods:

Classification or Position
Distribution Operator I/II
Distribution Supervisor
Electrician
Facilities Maintenance Coordinator
Lead Water Efficiency Specialist
Lead Water Treatment Plant Operator
Treatment Plant Operations Supervisor
Treatment Plant Operator
Treatment Plant Operator Trainee I/II
Water Efficiency Specialist I/II
Water Quality Electrical Maintenance Supervisor
Water Quality Instrumentation Technician
Water Quality Maintenance Worker I/II
Water Quality Mechanic
Water Quality Mechanical Maintenance Supervisor
Water Quality Specialist
Water Quality Supervisor

The Agency agrees to conduct a full analysis to determine current uniform cost for classifications listed in the tables above. This analysis shall be completed within the second quarter of 2026. The parties agree to meet and confer over the specifics and impact of the analysis, such as who will conduct the analysis and how it will be conducted. Any changes, if warranted and agreed upon by both parties, shall be effective the first full pay period in July of 2026.

ARTICLE 29 - MEAL ALLOWANCES

A. Per Diem – Overnight Travel

1. Per Internal Revenue Service regulations (Publication 463, Travel, Entertainment, Gift, and Car Expenses), per diem shall only be given when the trip includes an overnight stay.
2. The Agency provides a per diem reimbursement based on U.S. General Services Administration (www.gsa.gov/perdiem) Sacramento Region for a traveler's meals and incidental expenses during an overnight trip:
 - a. Incidentals include baggage handling and gratuities.
 - b. Receipts for per diem meals and incidentals are not required.
 - c. If the traveler spends an amount in excess of the per diem amount, the excess expense is not eligible for reimbursement.
 - d. On occasions when the employee is traveling to a training or conference location where the cost of meals is typically higher, the employee can, with pre-approval from management, be reimbursed in accordance with the U.S. General Services Administration (www.gsa.gov/perdiem) meals rate schedule for the area in which the costs were incurred.
 - e. If a meal is included in the cost of registration, or is otherwise provided at a meeting, conference, or training session, appropriate deductions must be made from per diem allowance. (Unless otherwise preapproved by management.)
3. The first and last calendar day of travel is calculated at 75% of the daily per diem rate.
4. Per diem reimbursement requires the submission of a claim form once travel is completed. The prescribed per diem rates will be updated annually (October 1) in accordance with changes to GSA.

B. Meal Reimbursement

1. Travel/training within Placer County or a neighboring county (e.g., Sacramento, Nevada, El Dorado) for periods of six (6) hours or more shall be reimbursed at the actual cost of a meal, provided a meal is not included in the training registration cost. Reimbursement shall not exceed \$23.00 including tax and tip. Reimbursement is contingent upon the employee providing a receipt.

ARTICLE 30 - COSTS OF JOB-REQUIRED CERTIFICATES AND LICENSES

It is agreed that the Agency will reimburse employees for their costs of fees for special licenses and certificates, other than driver's licenses, required by government authorities or the Agency, in order for such employees to perform their duties for the Agency.

If an employee's job requires any of the following certificates or licenses, the Agency shall pay the fees for such certificates or licenses, for applications to take the initial certification exams, and for any renewals of such certificates or licenses and pre-approved expenditures made to prepare for the certification examinations:

1. Certification for Grades 1 through 5 for Water Treatment Operators given by the State or State-approved certifying body;
2. Certification for Grades 1 through 5 for Water Distribution Operators given by the State or State-approved certifying body;
3. Agricultural Pest Control Advisor and Qualified Application Certifications given by the State or State-approved certifying body;
4. Backflow/Cross Connection Certifications given by the State or State-approved certifying body; and
5. Class A/1 Driver's Licenses given by the State of California. In addition thereto, the Agency shall also pay for the physical examination required biennially for such licenses.
6. Registration with State of California as a Professional Engineer.
7. Public Purchasing Buyer certification (or equivalent).
8. Water Conservation Practitioner Level I certification.

ARTICLE 31 - TRAVEL

When travel is authorized, this will include reimbursement only for actual travel costs, bridge tolls, parking, lodging, and registration fees.

When employees are required to attend training away from the jobsite, employees will be compensated for the time required to and from the training as normal work time. If employees are permitted to drive their own vehicle, they will receive mileage at the rate currently recognized by the Internal Revenue Service.

ARTICLE 32 - MILEAGE

The Agency will reimburse mileage at a rate equal to the standard rate recognized by the Internal Revenue Service.

ARTICLE 33 - SMARTPHONE STIPEND

When it is necessary for an employee to be accessible via telephone and/or email to conduct Agency business, the Agency may issue the employee an Agency-owned smartphone or similar device. Alternatively, an employee who has a need for a smartphone or similar device in order to conduct Agency business may elect to use their personal device and receive a monthly stipend of \$55.00 to help defray a portion of the cost of that personally owned device. An employee who is assigned an Agency device or elects to use their own device for Agency business shall abide by all terms and conditions of the Agency's Mobile Communication Device and Use Policy.

SECTION 7 – CONDITIONS OF EMPLOYMENT

ARTICLE 34 - PERSONNEL RULES ADMINISTRATION

The Agency agrees to apply the Personnel Rules uniformly between Water Systems and the Power System.

ARTICLE 35 - WORK ASSIGNMENTS

The Agency shall give a five- (5) day written notice to an employee prior to a permanent change of assignment.

ARTICLE 36 - JOB DESCRIPTIONS

The Union and Agency shall meet and confer on all new classifications and changes to existing job descriptions.

ARTICLE 37 - FILLING OF VACANT POSITIONS

1. All vacancies within the bargaining unit other than Maintenance Worker I, Customer Services Representative I, Office Assistant, Water Efficiency Specialist I, and Mail/Supply Clerk, shall be posted in-house for five (5) working days prior to external recruitment efforts.
2. Interested regular and probationary employees must submit a completed application. A resume may be required.
3. All interested regular and probationary employees who meet the minimum qualifications will be examined, and if they pass the examination, they will be interviewed, in addition to the top scores certified to the Department Manager.
4. If all qualifications are met, the Agency shall endeavor to fill a vacant position from in-house.
5. Interested candidates who are not appointed may request information from the Director of Administrative Services or designee on how to better prepare for this or other positions in the future.
6. Job postings will indicate the department and location of the position.

ARTICLE 38 - PERFORMANCE EVALUATION REVIEW

No performance evaluation shall be placed in a departmental file, nor shall it be transmitted to the Agency personnel files until the employee has reviewed the evaluation with the rating supervisor, and if requested by the employee, such employee has reviewed the evaluation personally with the General Manager or designee. The employee has a right to read, sign, and file written response to both favorable and unfavorable entries. A signing is not an admission by the employee of the truth of such entries, but rather only an acknowledgment of notification. The employee's written response, if any, shall be submitted within 30 days of the employee's receipt of the evaluation and transmitted to the Agency personnel files.

ARTICLE 39 - TRAINING

Training shall be available and uniformly applied to all Water Systems Employees.

ARTICLE 40 - SAFETY COMMITTEE

There shall be an Agency-wide Safety Committee that will be governed under its own by-laws.

ARTICLE 41 - STANDARDS OF CONDUCT AND DISCIPLINARY ACTION

It is the general policy of the Agency to use progressive discipline to correct behavioral and performance deficiencies. Regular employees may be disciplined for just cause only, and discipline will be either informal or formal. Informal discipline shall include oral and written reprimands. Formal discipline shall include suspension, demotion, in-grade salary reduction, and discharge.

A. Letter of Reprimand and Counseling Memorandums

1. Letters of reprimand shall not be appealable, except the employee may have an administrative review of the reprimand by submitting a request in writing within five (5) working days to the General Manager or designee. The General Manager or designee will schedule a private meeting within five (5) working days of receipt of the written request to hear the employee's response. A final written decision will be rendered by the General Manager or designee within five (5) working days of the meeting. This Section shall not be subject to the Grievance Procedure.
2. Upon employee request, such letter will be withdrawn from an employee's official personnel file two (2) years from the date of issue provided there have not been

related letters of reprimand issued or additional formal discipline imposed during the two- (2) year period.

3. Counseling Memorandums and Documented Counselings are not disciplinary and shall not be placed in an employee's personnel file.

B. Formal Disciplinary Actions

An employee shall have the right to representation during the formal disciplinary process.

1. If the Agency, after investigation, intends to take disciplinary action against an employee other than oral or written reprimand, it shall give the affected employee written notice of the intended disciplinary action, including the causes for the intended disciplinary action, the acts or omissions that constitute the causes of the intended disciplinary action, the material upon which the action was based, the effective date of the intended disciplinary action, and the employee's assigned Skelly Officer.
2. The affected employee shall have the right to a pre-disciplinary review process (Skelly process). The employee or their representative shall have up to five (5) working days from the notice of intent to take action to contact the Skelly Officer to schedule a response to the proposed disciplinary action. The Skelly Officer shall make a recommendation to the General Manager or designee within five (5) working days of the meeting.
3. The General Manager or designee shall consider the recommendations and issue a final written determination within five (5) working days. If discipline is imposed, the employee may appeal the action under Section C of this Article.
4. If an individual employee covered by this MOU files an appeal of discipline and Local 39 does not pursue such appeal, the employee may pursue such appeal and shall assume all of the rights and responsibilities of Local 39 in the appeal process pursuant to this MOU, including, but not limited to, the cost of the arbitrator.

C. Appeal Hearing Procedure - Arbitration

After the Agency issues its final written determination, the employee or their representative may appeal the disciplinary action to arbitration as follows:

1. Request for arbitration shall be made in writing to the General Manager or designee within 10 standard working days after the date of the General Manager's or designee's response. An impartial arbitrator shall be selected jointly by the parties within 10 standard working days of receipt of the request. The parties shall attempt to mutually

- agree on an arbitrator. If the parties cannot agree on an arbitrator, they shall make a joint request to the State Mediation and Conciliation Service for a list of five (5) qualified arbitrators. The parties shall each strike two (2) names from the list, and the remaining person shall be accepted as the arbitrator. The first party to strike will be determined by the flip of a coin. When an arbitrator is not available, a new selection may be made in accordance with this provision. The arbitrator shall have access to all written statements and documents relevant to the discipline.
2. The arbitrator, with input from both parties, shall set the date, time, and place for the hearing. The arbitrator shall render their decision no later than 30 working days after the conclusion of the hearing. Such decision shall be made in writing in accordance with, and in conformance to, the terms of this MOU and shall be final and binding on the Agency, the Union, and the employee. The decision will be in writing, and copies of the decision will be furnished to all parties.
 3. The arbitrator shall have no authority to add to, delete, or alter any provision of this MOU, but shall limit their decision to the scope, application, and interpretation of the provisions of this MOU and shall make no decisions in violation of existing law.
 4. The Agency and the employee or their representative each shall bear one-half (1/2) the cost of the arbitrator. If either party requests a court reporter be present during the arbitration hearing, all costs associated with the court reporter shall be borne by the requesting party, unless a court reporter is mutually agreed upon in writing by both parties.
 5. Employees shall not suffer loss of compensation for time spent as a witness at an arbitration hearing held pursuant hereto. The Union agrees that the number of witnesses requested to attend and their scheduling shall be kept to a reasonable minimum.

D. In-Lieu Discipline

By mutual agreement between the General Manager or designee and the employee, an employee suspended from duty without pay may forfeit accumulated leave credits, excluding sick leave, in lieu of the suspension. The Agency shall not deny use of accumulated leave credits in an attempt to persuade the employee to waive their appeal rights. If the suspension is reduced or reversed at the conclusion of the appeal process, the Agency shall reinstate the forfeited credits. This provision shall not be subject to the Grievance Procedure within this MOU.

ARTICLE 42 - EMPLOYEE GRIEVANCE PROCEDURE

A. Employee Grievance Procedure

Purpose:

In order to establish a harmonious and cooperative relationship between the Agency and its employees and to keep open channels of communication, it shall be the Agency's policy to provide for the settlement of differences through an orderly grievance procedure. It is the Agency's policy to assure its employees the right of access to this procedure in good faith, free from interference, restraint, coercion, or reprisal. The procedure applies to all employees and Local 39 bargaining unit representatives of this MOU.

It is the intent of the parties to resolve grievances at the lowest practicable level and as promptly as possible. Any grievance not initiated or pursued by the Union, aggrieved employee, or group of employees, as the case may be, within the time limits of the steps, will be considered settled on the basis of the last timely answer by the Agency.

If the Agency does not meet the time limits, the Union may process the grievance to the next step of the Grievance Procedure. The time limits may be extended by written agreement of both parties.

Definitions:

1. A grievance is a dispute between the Agency and the Union or a good faith complaint of an employee or group of employees involving the meaning, interpretation, application, or enforcement of the express terms of this MOU and the Agency's Personnel Policy.
2. As used in this procedure, the term "Supervisor" means the individual to whom an employer has a direct reporting relationship.
3. As used in this procedure, the term "party" means an employee, the Union, the Agency, or their authorized representatives.
4. As used in this procedure, the term "standard workdays" means "Monday through Friday," excluding holidays.

Procedure:

Grievances will be processed in the following manner and within the stated time limits.

Informal Grievance:

The aggrieved employee or group of employees or a representative of the Union shall orally present the grievance to the employee's Supervisor or their designated representative within five (5) standard working days following the occurrence of events on which the grievance is based. The Supervisor shall give their answer within five (5) standard working days of the date of presentation of the grievance. Grievance settlements at the informal level shall set no precedents in any future MOU interpretation.

Formal Grievance Step 1:

If the grievance is not resolved at the informal level, the grievant may present the grievance to the Human Resources Manager or designee in writing within 10 standard working days after the Supervisor's answer. The grievance shall be submitted in writing on the grievance form provided by the Agency. The written grievance shall set forth the alleged facts or circumstances giving rise to the grievance, the applicable section of the MOU asserted to have been violated, and the remedy or correction requested of the Agency. The written grievance must be dated and signed by the grievant or Union representative. The Human Resources Manager or designee shall meet with the aggrieved employee and/or the Union representative within five (5) standard working days after receipt of the written grievance in an attempt to resolve the matter. The Human Resources Manager or designee shall respond in writing within 10 standard working days after the grievance meeting.

Formal Grievance Step 2:

If the grievance is not satisfactorily resolved at Formal Step 1, the written grievance may be presented to the General Manager or designee within 10 standard working days after receipt of the Human Resources Manager's or designee's written answer. The General Manager or designee shall meet with the aggrieved employee, or group of employees, and/or the Union Representative within five (5) standard working days after receipt of the written grievance in an attempt to resolve the grievance. The General Manager or designee shall render a written decision on the grievance to the Union within 10 standard working days after the meeting.

Formal Grievance – Arbitration:

1. Grievances not settled in Formal Step 2 of the Grievance Procedure may be appealed to arbitration by the Union. Request for arbitration shall be made in writing to the General Manager or designee within 10 standard working days after the date of the General Manager's or designee's response. An impartial arbitrator shall be selected jointly by the parties within 10 standard working days of receipt of the request. The parties shall attempt to mutually agree on an arbitrator. If the parties cannot agree on an arbitrator, they shall make a joint request to the State Mediation and Conciliation Service for a list of five (5) qualified arbitrators. The

parties shall each strike two (2) names from the list and the remaining person shall be accepted as the arbitrator. The first party to strike will be determined by the flip of a coin. When an arbitrator is not available, a new selection may be made in accordance with this provision. The arbitrator shall have access to all written statements and documents relevant to the grievance.

2. The arbitrator, with input from both parties, shall set the date, time, and place for the hearing. The arbitrator shall render their decision no later than 30 calendar days after the conclusion of the hearing. Such decision shall be made in writing in accordance with, and in conformance to, the terms of this MOU and shall be final and binding on the Agency, the Union, and the employee(s). The decision will be in writing, and copies of the decision will be furnished to all parties.
3. The arbitrator shall have no authority to add to, delete, or alter any provision of this MOU but shall limit their decision to the scope, application, and interpretation of the provisions of this MOU and shall make no decisions in violation of existing law.
4. The Agency and the employee, or group of employees, or their representative, each shall bear one-half (1/2) the cost of the arbitrator. If either party requests a court reporter be present during the arbitration hearing, all costs associated with the court reporter shall be borne by the requesting party, unless a court reporter is mutually agreed upon, in writing, by both parties.
5. Employees shall not suffer loss of compensation for time spent as a witness at an arbitration hearing held pursuant hereto. The Union agrees that the number of witnesses requested to attend and their scheduling shall be kept to a reasonable minimum.

B. General Provisions

1. The Union Business Representative or designee shall have the authority to settle grievances for either the Union or employees at the respective steps of the Grievance Procedure.
2. An employee or group of employees may present a grievance to Agency management during working hours without loss of compensation. Time off for the employee or group of employees to present the grievance shall not be unreasonably denied.

C. Time Extension

The parties by mutual written consent may extend any of the time limits set forth in this article.

ARTICLE 43 - JOB ABOLISHMENT/LAY OFF

In the event of the abolishment of any position or class now approved by the Board, or as may be subsequently approved by the Board, an employee or employees in such position or class shall be given 30 days written notice setting forth the terminal date of employment and the reason(s) for such abolishment.

Thirty days before the effective date of a lay off, the Appointing Authority shall file notice of the intended action with reasons therefore. A copy of such notice along with a copy of this Article shall be personally served or sent certified mail, return receipt requested, to the employee affected.

The Appointing Authority may lay off employees in accordance with the provisions of this article for any of the following reasons:

1. Necessity based on lack of funds or work; or
2. Advisable in the interest of economy to reduce staff; or
3. Return of another employee with greater seniority from leave of absence.

Regular and probationary employees laid off shall be placed on a re-employment list for the class in which they were last employed for two (2) years from the date of lay off.

No probationary or regular employee shall be laid off until all extra help, provisional, probationary, and regular employees whose last recorded performance rating is unsatisfactory, serving in the class or classes affected have been laid off. Probationary and regular employees shall then be laid off in the inverse order of their services with the Agency; probationary and regular employees in the classes affected who have the least amount of service shall be laid off first.

In lieu of being laid off, an employee may elect demotion to:

1. Any class with the same or lower maximum salary in which they had served under regular or probationary status; or

2. A class in the same line of work as the class of lay off, but of lesser responsibility. With the consent of the Appointing Authority, the demotion to another division may occur.

An employee demoted under (1) or (2) above may not displace an employee whose total service exceeds that of the employee being demoted.

To be considered for demotion in-lieu of lay off, an employee must notify the Appointing Authority in writing of such election not later than five (5) working days after receiving notice of layoff. Any employee replaced by such demotion shall have the same rights afforded by this section. The salary of the demoted employee shall be determined in accordance with Section 2251 of the Personnel Rules.

If there is re-employment of laid off employees, employees shall be re-employed in the inverse order of their lay off provided the work is in the same class as the position from which they were laid off.

Notice of re-employment shall be sent certified mail, return receipt requested, to the last known address of the employee. The laid off employee must notify the Agency's Administrative Services Department in writing of their intention to return within seven (7) calendar days after receipt of the re-employment notice. The Agency shall be deemed to have fulfilled its obligations by mailing the notice to the mailing address provided by the employee. It is the obligation of the employee to provide the Agency's Administrative Services Department with their current mailing address or where they may be contacted if leaving the area temporarily.

ARTICLE 44 - EMPLOYMENT STATUS - RE-DEFINITION

It is agreed to amend the PCWA Personnel Rules and Regulations to re-define employee employment status as "regular" rather than "permanent" as follows:

A. Definitions

1. Regular Full-Time Position - A position established and allocated by the Board within which a full-time employee works on a continuous basis, 40 hours per week, 2,080 hours per year.
2. Regular Part-Time Position - A position established and allocated by the Board, on a year-round basis, requiring work on a regular schedule of less than 40 hours per week.

B. Employment Status

1. Regular - Regular status is acquired by an employee upon successful completion of the required probationary period for the regular full-time or part-time position to which they are appointed.
2. Probationary Period - All employees will serve a one-year probationary period.

ARTICLE 45 - EMPLOYEE SERVICE CREDIT

Employees who are thereafter advanced from probationary, provisional, seasonal, temporary, or extra help status to regular status without a break in service shall receive full credit for all time served as either a probationary, provisional, seasonal, temporary, or extra help employee in determining employee benefits.

SECTION 8 – MISCELLANEOUS

ARTICLE 46 - EXEMPLARY PERFORMANCE AWARD COMMITTEE

A program described in Appendix B shall be maintained for the term of this agreement.

ARTICLE 47 - GPS-ENABLED MOBILE COMMUNICATION DEVICES

The Agency uses GPS-enabled mobile communication devices (MCDs) (e.g., smartphones, cellular telephones, tablets, aircards) in the interest of operational efficiency, public service and Agency asset protection.

1. Agency-provided GPS-enabled MCDs will be issued to employees working in one or both of the following instances:
 - a. When the employee's work assignments require their ability to access, use and/or update Agency-sponsored GPS systems, programs, applications and data via an MCD rather than with, or in addition to, a traditional desktop computer.
 - b. When it is necessary for an employee to be accessible via telephone, text or email for the purpose of conducting Agency business.
2. For Agency-issued MCDs, the Agency will enable available GPS capabilities and features on each MCD prior to assigning the device to an employee. For those devices already assigned to employees, the Agency will work with each employee individually to enable the device's GPS capabilities and features.
3. The intent of using GPS-enabled MCD features is to enhance water system reliability and efficiency, service levels for customers and protect Agency property in the event of loss or theft, as operational needs warrant.
4. The Agency shall not monitor or supervise employees while on duty and off duty through the use of GPS-enabled features on Agency-issued MCDs.
5. The Agency shall not use MCD GPS capabilities as the basis for employee disciplinary procedures.

ARTICLE 48 - SAFETY DEVICES

A. Personal Safety Devices

Personal safety devices shall be used in the interest of personal safety for employees working alone and/or working in a hazardous environment.

1. The Agency will purchase and maintain wireless-enabled personal safety devices equipped to detect an employee's need for assistance. The devices are capable of

notifying others in the event of employee falls, supporting bi-directional remote “doing ok” check-ins between the employee and other staff, issuing alerts in case of no motion detected for a period of time and requesting emergency assistance as prompted by the employee.

2. The personal safety devices will be issued to an employee working in one or more of the following instances:
 - a. When the employee is working alone
 - b. When the employee is working in a hazardous environment, defined as working at night, on stand-by, alone in a remote location, or alone during extreme weather conditions (e.g., excessive heat, high and low temperatures)
 - c. At the employee’s request.
3. The personal safety devices will not routinely be used for typical day-to-day work activities, except as those typical work activities fall into the parameters of #2 above, and will not be used to monitor employee activities and behavior beyond what is outlined in #2 above.
4. The intent of using the personal safety devices is to ensure the safety of Agency employees as working conditions warrant.
5. The Agency shall not monitor or supervise employees while on duty through the use of the personal safety devices, except as outlined above.
6. The Agency shall not use the personal safety devices as the basis for employee disciplinary procedures.

B. Fleet Management GPS

A Fleet Management Global Positioning System (GPS) may be added to and activated on all vehicles in the Agency's fleet of vehicles.

1. The purpose of the Agency's Fleet Management GPS is to record daily and annual miles per vehicle. This information will be used to manage vehicle maintenance, project fuel costs, and determine the infrastructure that will be required to sustain the electrification of all Agency vehicles as mandated by State of California regulations.
2. The Fleet Management GPS shall not be used as a surveillance tool to monitor the work activities of employees.

3. Historical data contained within the GPS system shall be maintained for a minimum of one year and may be retained for a longer period of time at the discretion of the Agency.

4. In addition to using historical data for fleet maintenance, budgeting and the determination of infrastructure needs, GPS data may be used as part of an accident investigation or in response to a citizen's complaint.

5. GPS data shall not be used as the sole basis to initiate an employee investigation and/or to discipline an employee but may be used to corroborate other independently, and verifiably, obtained evidence of misconduct.

6. Access to the GPS System is restricted to the Director of Administrative Services, Human Resources Manager, and the Mechanic responsible for maintenance of the GPS system. The Director of Administrative Services may provide access to other individuals within the organization for non-disciplinary purposes (such as data collection and analysis). When access is given to other individuals, notification of the individual, purpose of access, and duration of access shall be given to the union.

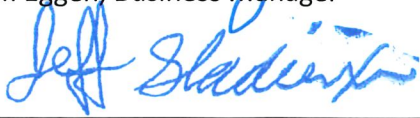
ARTICLE 49 - ENTIRE AGREEMENT

This Agreement sets forth the full and entire understanding of the parties regarding the matters contained herein and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded. Except as otherwise provided in this Agreement, it is agreed and understood that each party to this Agreement voluntarily waives its rights to negotiate with respect to any matter raised in negotiations or covered in this Agreement for the duration of the Agreement.

INTERNATIONAL UNION OF OPERATING
ENGINEERS, STATIONARY ENGINEERS
LOCAL 39, AFL-CIO:



Tim Eggen, Business Manager



Jeff Gladieux, President



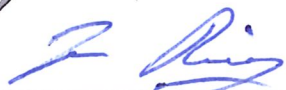
Brandy Johnson, Director of
Public Employees



Stephen Hatch, Business Representative



Christine Bonnenfant, Shop Steward

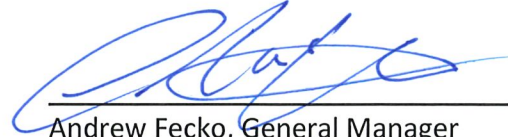


Joseph Reilly, Shop Steward



Cody Coleman, Shop Steward

PLACER COUNTY WATER AGENCY:



Andrew Fecko, General Manager



Nicole Skarda, Director of Administrative
Services



Alissa Nored, Human Resources Manager



Carrie Parks, Director of Financial Services

APPENDIX A

WATER SYSTEMS UNIT CLASSIFICATION LISTING

CLASSIFICATION	RANGE	CLASSIFICATION	RANGE
Accountant	39.5	Inspector I	35.5
Accounting Tech I	32.0	Inspector II	38.5
Accounting Tech II	34.0	Lead Canal Operator	38.0
Accounting Tech III	35.5	Lead Customer Services Representative	34.0
Administrative Aide	34.5	Lead Water Efficiency Specialist	37.5
Assistant Engineer	42.0	Lead Water Treatment Plant Operator	40.0
Assistant Engineer, Electrical	44.0	Lead Worker, Treated Water Maintenance	39.5
Associate Engineer	46.0	Mail/Supply Clerk	29.0
Associate Engineer, Electrical	48.0	Maintenance Worker I	32.5
CAD/GIS Supervisor	40.5	Maintenance Worker II	36.0
CAD/GIS Technician I	35.0	Mechanic	36.5
CAD/GIS Technician II	37.5	Office Assistant	31.0
Canal Operations Supervisor	42.5	Payroll/Data Technician	37.0
Canal Operator I	34.5	Physical Security Technician	36.5
Canal Operator II	37.0	Procurement and Contracts Coordinator	42.5
Capital Improvement Program Specialist	37.5	Procurement Contracts Spec I	38.5
Communications Specialist	37.5	Procurement Contracts Spec II	39.5
Construction Management Supervisor	42.0	Procurement Specialist I	36.5
Control Systems Technician I	39.5	Procurement Specialist II	38.0
Control Systems Technician II	42.5	Senior Accountant	41.5
Customer Services Representative I	31.0	Senior Control Systems Technician	43.5
Customer Services Representative II	33.0	Senior Engineer	47.0
Customer Services Specialist	34.0	Service Worker	38.5
Customer Services Supervisor	38.0	Storekeeper	33.0
Distribution Operator I	32.5	Treatment Plant Operator Trainee I	32.0
Distribution Operator II	38.5	Treatment Plant Operator Trainee II	34.0
Distribution Supervisor	44.5	Treatment Plant Operations Supervisor	43.5
Electrician	40.5	Treatment Plant Operator	39.0
Engineering Technician I	37.5	Water Efficiency Specialist I	33.0
Engineering Technician II	40.5	Water Efficiency Specialist II	36.5
Facilities Maintenance Coordinator	36.5	Water Maintenance Specialist	42.0
Field Maintenance Supervisor	42.5	Water Maintenance Technician	37.5
Financial Analyst	42.5	Water Management Technician	36.5
Fleet Maintenance Supervisor	41.0	Water Quality Communications Technician	40.5
Geographic Info Sys Analyst I	41.0	Water Quality Electrical Maintenance Supv	43.0
Geographic Info Sys Analyst II	42.5	Water Quality Instrumentation Technician	42.0
Geographic Info Sys Supervisor	44.5	Water Quality Maintenance Worker I	32.5
Human Resources Technician	36.5	Water Quality Maintenance Worker II	35.0
Information Systems Analyst I	42.0	Water Quality Mechanical Maintenance Supv	43.5
Information Systems Analyst II	43.5	Water Quality Mechanic	38.5
Information Systems Supervisor	45.5	Water Quality Specialist	37.5
Information Systems Technician I	36.0	Water Quality Supervisor	43.0
Information Systems Technician II	38.5		

APPENDIX B

EXEMPLARY PERFORMANCE AWARD

Believing its employees to be its most valued resource, it is the Agency's intent to recognize, encourage, and reward exemplary performance by its employees.

The Exemplary Performance Award acknowledges PCWA employees who inspire commitment to the Agency vision, mission, and goals. The Agency defines an Exemplary Employee as one who exhibits selflessness, unwavering commitment, and resolve to get the job done and/or contributes insight, knowledge, or skills above and beyond expectations. The Exemplary Performance Award is the highest honor awarded to employees at PCWA.

The Exemplary Performance Award may be used to recognize contributions such as:

1. Advancing Agency or countywide initiatives and services through outstanding leadership
2. Consistently enhancing the quality and productivity of the workforce while demonstrating enthusiasm and dedication to the job
3. Working with others in achieving the overall goals of Agency-wide objectives, department assignments, or events
4. Demonstrating exceptional initiative or skill in the development of new or improved work methods and/or procedures

Awards:

The Exemplary Performance Award is an annual award. The total of all cash awards shall not exceed \$5,000 in a calendar year. Each program award shall consist of a cash award of \$1,250 (less tax), an award plaque, and a letter of commendation.

Ceremony:

The Exemplary Performance Award ceremony celebrates employees who excel above and beyond what is expected and also recognizes them within each calendar year at a PCWA facility. The ceremony is scheduled for no longer than two hours and takes the place of regularly scheduled work. All recipients and PCWA employees are invited to attend the event. Award recipients are encouraged to invite family and friends. Award recipients are also recognized by the General Manager and the Board of Directors at a public Board meeting.

Committee:

The committee shall be comprised of five voting members with one representative from Customer Services, Field Services, Technical Services, Power System, and Administration (Administrative Services, Financial Services, Strategic Affairs, Energy Marketing, Legal, and the General Manager's Office). One of the five voting members may be a management employee. The intent of the committee is to have broad representation and perspective across the Agency, not departmental representation. Committee members shall not serve as advocates for their particular departments but, rather, shall evaluate each nomination objectively in accordance with the award evaluation criteria. In addition to the five voting members identified herein, a non-voting facilitator from Administrative Services (Director of Administrative Services or designee) will also be included on the committee.

Eligibility:

Eligible recipients must be part of the Local 39 Bargaining Unit, be in good standing, and have not received the award in the past three (3) years.

Nominations:

Nominations are accepted no later than July 31st of each year. There will be no obligation on the part of the Agency to select an Exemplary Employee if, in the opinion of the committee, no employee is found eligible for an award or if no nominations are submitted. If there are remaining funds in a calendar year, they will be used for additional Employee Recognition and Rewards Program expenses.



**Side Letter
To
Placer County Water Agency
Memorandum of Understanding
With Local 39 Stationary Engineers
Representing Water Systems Employees
2026-2029**

The purpose of this side letter is to memorialize the protocol to be followed when conducting and implementing the 2026 salary survey for employees in the Water Systems Bargaining Unit.

ARTICLE 9 – COMPENSATION, Section A. Cost of Living Adjustments (COLAs), shall be edited to include the survey details:

ARTICLE 9 - COMPENSATION

A. Cost of Living Adjustments (COLAs)

1. Effective the first full pay period of January 2026, employees shall receive a COLA of 4.0%.
2. Effective the first full pay period of January 2027, employees shall receive a COLA of 3.5%.
3. Effective the first full pay period of January 2028, employees shall receive a COLA of 3.25%.
4. Effective the first full pay period of January 2029, employees shall receive a COLA of 3.25%.

In addition, the Agency shall conduct a salary survey with its agencies of comparison for classifications included in the Water Systems unit in calendar years 2026 and 2029 based upon a select number of pre-determined benchmark classifications to be defined by the Agency and Local 39. The median salary for the agencies of comparison (based upon top step in the salary range for comparable classes) shall be used for salary comparison purposes. Agreed upon salary differentials shall be maintained for those classifications that are not included in the survey. The parties shall meet and confer regarding benchmark classifications to survey. For purposes of the survey, the agencies of comparison shall be:

- City of Folsom
- City of Rocklin
- City of Roseville
- El Dorado Irrigation District
- Nevada Irrigation District
- Placer County
- San Juan Water District

Additional details pertaining to the survey methodology shall be as follows:

- The Agency shall conduct the salary survey during the first seven (7) months of calendar year 2026. Implementation of salary adjustments, if warranted, shall be completed by September 1, 2026 and be retroactive to July 1, 2026.
- A minimum of three (3) matches among the agencies of comparison is required to establish market data for a surveyed classification.
- The differential of 2.5% between salary ranges in the Water Systems Bargaining Unit salary schedule shall be maintained.
- When an Agency classification lags the defined market by more than 1.0%, the classification shall be moved to a higher salary range which is closest to the market median. The higher salary range may be below the market but in no event shall it be more than 0.5% below the market.
- There shall be no Y-rating of classifications above market.

Benchmark Classifications to Survey:

Agency-Wide	Administrative Services
• Administrative Aide	• Human Resources Technician
• Office Assistant	
Customer Services	Information Technologies
• Customer Services Rep II	• IS Analyst II
• Water Efficiency Specialist II	• IS Technician II
Financial Services	Field Services
• Accountant	• Mechanic
• Accounting Technician II	• Service Worker
• Financial Analyst	• Storekeeper
• Procurement Specialist II	• Water Quality Mechanic
	• Water Quality Instrument Technician
Technical Services, Engineering	Technical Services, Drinking Water
• Associate Engineer	• Treatment Plant Operator
• Engineering Technician II	
• GIS Analyst II	
• Inspector II	

Classifications Not Included in Survey (Existing Differentials to be Maintained):

Administrative Services

Classification	Differential/Relationship
Payroll/Data Technician	2.5% above Human Resources Technician
Senior Payroll/Data Technician	10% above Payroll/Data Technician

Customer Services

Classification	Differential/Relationship
Communications Specialist	17.5% above Customer Services Specialist
Customer Services Representative I	10% below Customer Services Rep II
Customer Services Specialist	5% above Customer Services Rep II
Customer Services Supervisor	20% above Lead Customer Services Rep
Lead Customer Services Representative	5% above Customer Services Rep II
Lead Water Efficiency Specialist	5% above Water Efficiency Specialist II
Mail/Supply Clerk	10% below Office Assistant
Water Efficiency Specialist I	17.5% below Water Efficiency Specialist II
Water Efficiency Supervisor	10% above Lead Water Eff. Specialist

Field Services

Classification	Differential/Relationship
Canal Operator I	20% below Service Worker*
Canal Operator II	7.5% below Service Worker*
Canal Operations Supervisor	20% above Service Worker*
Electrician	7.5% below WQ Instrument Technician
Facilities Maintenance Coordinator	10% below Water Quality Mechanic
Field Maintenance Supervisor	20% above Service Worker*
Fleet Maintenance Supervisor	22.5% above Mechanic
Lead Canal Operator	2.5% below Service Worker*
Lead Worker Treated Water Mtn	5% above Service Worker*
Maintenance Worker I	30% below Service Worker*
Maintenance Worker II	12.5% below Service Worker*
Water Quality Communic. Technician	7.5% below WQ Instrument Technician
Water Quality Electrical Mtn Supervisor	5% above WQ Instrument Tech
Water Quality Mechanical Mtn Sup	25% above WQ Mechanic
Water Quality Maintenance Worker I	12.5% below WQ Mtn Worker II
Water Quality Maintenance Worker II	17.5% below WQ Mechanic
Water Maintenance Specialist	Equivalent to WQ Instrument Technician
Water Maintenance Technician	22.5% below Water Maintenance Special.

****Per Article 9, Section B of the Water Systems Bargaining Unit MOU.***

Financial Services

Classification	Differential/Relationship
Accounting Technician I	10% below Accounting Tech II
Accounting Technician III	7.5% above Accounting Tech II
Procurement & Contracts Coordinator	15% above Procurement Contracts Spec II
Procurement Contracts Specialist I	10% above Procurement Specialist I
Procurement Contracts Specialist II	5% above Procurement Contracts Spec I
Procurement Specialist I	7.5% below Procurement Specialist II
Senior Accountant	10% above Accountant

Information Technologies

Classification	Differential/Relationship
Control Systems Technician I	15% below Control Systems Tech II
Control Systems Technician II	5% below IS Analyst II
Information Systems Analyst I	7.5% below IS Analyst II
Information Systems Supervisor	10% above IS Analyst II
Information Systems Technician I	12.5% below IS Technician II
Physical Security Technician	10% below IS Technician II
Senior Control Systems Technician	5% above Control Systems Technician II

Technical Services, Engineering


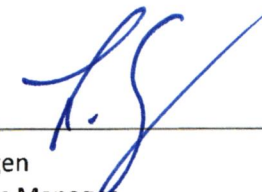
Classification	Differential/Relationship
Assistant Engineer	20% below Associate Engineer
Assistant Engineer (Electrical)	10% above Assistant Engineer
Associate Engineer (Electrical)	10% above Associate Engineer
CAD/GIS Technician I	12.5% below CAD/GIS Technician II
CAD/GIS Technician II	25% below GIS Analyst II
Capital Improvement Program Spec I	Equivalent to Procurement Cntrct Spec I
Construction Management Supervisor	17.5% above Inspector II
Engineering Technician I	15% below Engineering Technician II
GIS Analyst I	7.5% below GIS Analyst II
GIS Supervisor	10% above GIS Analyst II
Inspector I	15% below Inspector II
Senior Engineer	5% above Associate Engineer
Water Management Technician	5% below Engineering Technician I



Technical Services, Drinking Water Operations

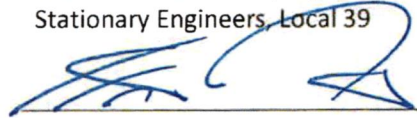
Classification	Differential/Relationship
Distribution Operator I	30% below Service Worker*
Distribution Operator II	Equivalent to Service Worker*
Distribution Operator III	7.5% above Distribution Operator II
Distribution Supervisor	30% above Service Worker*
Lead Water Treatment Plant Operator	5% above Treatment Plant Operator
Treatment Plant Operations Supervisor	17.5% above Lead Treatment Plant Op
Treatment Plant Operator Trainee I	10% below TP Operator Trainee II
Treatment Plant Operator Trainee II	25% below Treatment Plant Operator
Water Quality Specialist	5% below Distribution Operator II
Water Quality Supervisor	7.5% below Distribution Supervisor

***Per Article 9, Section B of the Water Systems Bargaining Unit MOU.**

The undersigned so agree:

 _____ Nicole Skarda Director of Administrative Services Placer County Water Agency	4/1/24 _____ Date	 _____ Tim Eggen Business Manager Stationary Engineers, Local 39	_____ Date
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 _____ Alissa Nored Human Resources Manager Placer County Water Agency	6/1/26 _____ Date	 _____ Brandy Johnson Director of Public Employees Stationary Engineers, Local 39	4/4/2026 _____ Date
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 _____ Stephen Hatch Business Representative Stationary Engineers, Local 39	6/4/26 _____ Date
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