



MEMORANDUM OF UNDERSTANDING

Between

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

and

IUOE, STATIONARY ENGINEERS, LOCAL 39

REPRESENTING THE

OPERATIONS DEPARTMENT - FIELD

JULY 1, 2022 THROUGH JUNE 30, 2027

ARTICLE I RECOGNITION AND COVERAGE

- 1.01 This Memorandum of Understanding (Agreement) entered into by the Olympic Valley Public Service District, hereinafter referred to as District, and the International Union of Operating Engineers, Stationary Engineers Local 39, AFL-CIO, hereinafter referred to as the Union, has as its purpose the promotion of harmonious labor relations between the District and the Union, establishment of an equitable and peaceful procedure for the resolution of differences; and the establishment of rates of pay and all other conditions of employment.
- 1.02 Issues not discussed in this document shall be governed by the latest version of the District's Personnel Policies & Procedures Manual and Policy Manual.
- 1.03 Pursuant to state law, the District recognizes the Union as the exclusive negotiating agent for the regular Operations Department Field Personnel employed by the District in the following classifications or subsequent name changes thereto: Operations Specialist Trainee, Operations Specialist I, Operations Specialist II, Operations Specialist III, Operations Technology Specialist, Operations Technology Specialist / Inspector, and no others. Nothing in this article shall preclude an employee from exercising his/her individual rights under state law.

ARTICLE II RULES AND REGULATIONS

- 2.01 The District retains the right to make reasonable rules and regulations, not in conflict with this Agreement, that the District may from time to time deem best for the purposes of maintaining order, safety, and/or effective operations of the District services. The District shall meet and confer with the Union in good faith and both parties will be required to mutually agree prior to any changes to the District's personnel policies, rules and regulations that affect wages, hours, working conditions and benefits. Failure to agree before implementation of any changes will result in a violation of this Agreement, and a grievance may be filed.

ARTICLE III TERM OF AGREEMENT

- 3.01 The term of this Agreement shall be for a period of five years commencing on July 1, 2022, and expiring at 11:59 p.m. on June 30, 2027.
- 3.02 Not less than sixty (60) nor more than ninety (90) days prior to the expiration of this Agreement, the Union shall present in writing to the District its proposals for its intent to amend this Agreement or in the alternative serve its notice of intention to terminate this Agreement. Failure to provide such notice shall cause this Agreement to automatically renew for a period of one year commencing on its expiration date and shall renew annually thereafter until such notice is properly given.

- 3.03 In the event negotiations to amend the Agreement commence pursuant to notice given in accordance with 15.02, this Agreement will remain in effect until a new amended Agreement is reached. If, after a reasonable period of time, representatives of the District and the Union fail to reach agreement, the District and the Union together may agree upon the appointment of a mediator from the California State Mediation and Conciliation within the Public Employees Relations Board. Costs of mediation shall be divided one-half to the District and one-half to the Union.
- 3.04 This Agreement shall be binding upon the successors and assignees of the parties hereto, and no provisions, terms or obligations herein contained shall be affected, modified, altered, or changed to the detriment of the other party in any respect whatsoever by the consolidation, merger, sale, transfer, lease, or assignment of either party hereto.
- 3.05 This Agreement supersedes all previous Agreements with respect to articles shown.

ARTICLE IV MANAGEMENT RIGHTS

- 4.01 The Board of Directors retains the exclusive right to manage the District and carry out its constitutional and statutory functions and responsibilities. Nothing contained in this Memorandum of Understanding shall be construed to require the District to meet and confer on matters which are solely a function of management.
- 4.02 Among the rights specifically retained by the District (although not intended as a complete list but only as some examples) are the right to direct the work force; to select and determine the number and types of employees required; to hire, transfer, promote, suspend, discipline and discharge employees; to assign work to employees in accordance with the requirements determined by the District; to expand or diminish services; to subcontract any work or operations other than to replace existing personnel; to determine and change methods of operations; to determine and change work locations and the processes and materials to be employed; to take all necessary actions to perform its functions in emergencies.
- 4.03 On demand of the Union, the District shall meet and confer with the Union with respect to the effects, if any, upon the hours, wages and other terms and conditions of employment of employees that any decision the Directors render pursuant to the management rights set forth above might have.

ARTICLE V UNION REPRESENTATION

- 5.01 The District recognizes and agrees to deal with representatives of the Union on all matters relating to the interpretation, application, or enforcement of the express terms of this MOU and the hours, wages and conditions of employment in the Personnel Policies and Procedures and Policy Manual. The Shop Stewards shall act as safety representatives, and the District agrees to comply with all Federal and State safety policies and directives.

- 5.02 The Union shall furnish the District with a list of all Shop Stewards immediately after their designation. Stewards will not be recognized by the District until such a list is received by the District's General Manager.
- 5.03 It shall be the responsibility of all Stewards to discuss first with their immediate supervisor any question regarding interpretation or application of this Agreement.
- 5.04 At the request of the Union, a Steward may be allowed reasonable time off without loss of pay to represent the Union in meetings with representatives of the District. Such time off shall be subject to prior notification and approval as provided above.

ARTICLE VI UNION RIGHTS

- 6.01 The Union has the right to represent its members before the Olympic Valley Public Service District Board or General Manager or his designee with regard to wages, hours and conditions of employment or other matters within the scope of representation. Employees represented by the Union shall be free to participate in Union activities without interference, intimidation, or discrimination, in accordance with State law and District policies, rules and regulations.
- 6.02 The Union shall have the following rights:
 - A. Union Access
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
Union may use bulletin boards designated for its use in appropriate places. All items to be posted shall be officially authorized by Union, and shall bear the date of posting.
 - C. Use of Facilities
The General Manager, upon request, may permit the Union to use designated facilities, depending upon availability of space, for meeting purposes. No request for use of District facilities shall be unreasonably denied.
 - D. Duty of Fair Representation
The Union has a duty to provide fair and equal representation to all employees in all classes in the Unit whether or not they are members of Union, in accordance with Government Code Section 3500.

E. Union Dues and Initiation Fees

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 General Bargaining Unit represented by Union shall, authorize payroll deductions beginning the first pay period of the month of employment or assignment to General Bargaining Unit for the payment of dues owing from becoming a member of the Union.

The Union shall defend, indemnify and hold the District 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 District under this article.

F. 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.

G. 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 thirty (30) calendar days prior to the expiration of this Agreement.

H. Written Notice

The right to be given reasonable written notice of any proposed ordinance, rule, resolution or regulation, or amendment thereto relating to matters within the scope of representation.

I. Reasonable Access

Reasonable access to employee work locations for officers of the Union and the officially designated representatives for the purpose of processing grievances or contacting members of the Union concerning business within the scope of representation. Access shall be restricted so as not to interfere with the normal operations of the District or established safety or security requirements.

ARTICLE VII PAYMENT OF SALARY

7.01 Positions and salary steps are set forth in Appendix A.

7.02 A salary survey shall be conducted and implemented adjusting Appendix "A" to equal the seventy-fifth percentile (75%) of the base wage reflected on the salary survey rounded to the nearest dollar, effective the first full pay period in July 2022. Some positions' wages were benchmarked using surveyed wages. Jurisdictions to be surveyed are North Tahoe Public Utility District, Tahoe City Public Utility District, Northstar Community Services District, Donner Summit Public Utility District, South Tahoe Public Utility District, Truckee Sanitary District, and Tahoe-Truckee Sanitation Agency. The salary survey shall be used to determine the range of the top step for each position and those steps below Step 5 will be calculated downward from that amount for:

- Operations Specialist Trainee
- Operations Specialist I
- Operations Specialist II
- Operations Specialist III
- Operations Technology Specialist
- Operations Technology Specialist / Inspector
- any other classification in the bargaining unit

Starting July 1, 2023 and annually thereafter, for the remaining years in the agreement, there shall be a Cost of Living Adjustment equal to the average of two Urban Wage Earners and Clerical Workers Consumer Price Indices (U.S. All Items, 1982-84=100 – CWUR0000SA0 *and* San Francisco-Oakland-Hayward All Items, 1982-84=100 – CWURS49BSA0) from February to February. The annual COLAs shall be a minimum of two percent (2%) and a maximum of four percent (4%) and shall be effective the first full pay period in July, 2023, 2024, 2025 and 2026.

7.03 A salary increase will be paid for certification and education up to a maximum of 10% as shown on the Educational Incentive Plan. An additional 5% over the 10% can be earned for an EMT Certificate only. Certification and education increases shall be in accordance with the District Educational Incentive Plan as described in Appendix B, attached hereto. Further provisions to the Educational Incentive Plan are included in Appendix B.

7.04 Compensation provided in this Agreement shall be payment in full for all services rendered in a District position, except as noted in the latest version of the District's Personnel Policies and Procedures Manual and Policy Manual. No employee shall accept any other compensation for services performed in such position.

7.05 The minimum increase in the Base Wage for promotions shall be 5%. If the minimum 5% increase requirement results in a Base Wage that is between two steps of the promotional position, then the employee is paid at the higher step wage (e.g., round-up to the next step) which is their new Base Wage. All applicable incentives are then summed and applied to the new Base Wage.

ARTICLE VIII WEEKEND PATROL/ON-CALL DUTY SERVICE

- 8.01 In order to maintain a high standard of emergency service to the community, Operations Department Field personnel are required to be available for duty during off hour periods. An employee assigned to weekend patrol/on-call duty will be provided a District vehicle for response. The District vehicle is to be used solely for commuting to and from the District and for patrol or response to emergency service calls.
- 8.02 If employee wishes to use personal vehicle for Weekend Patrol/On-Call Duty Service they may do so. The District agrees to pay the current IRS mileage rate roundtrip for each trip the employee makes in their personal vehicle. It is the employee's responsibility to submit the claim form for mileage reimbursement and to provide proof of automobile insurance to District.
- 8.03 An employee assigned to Weekend Patrol/On-Call Duty will receive \$90 per day on weekdays and \$110 per day on weekends as compensation.

ARTICLE IX PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

- 9.01 Each regular, full-time employee will be eligible for a pension plan as administered by the Public Employees Retirement System, per the contract between the Public Employees Retirement System (PERS) and the District.
- 9.02 Classic Members Tier One and Tier Two: For employees who began their original tenure with the District prior to January 1, 2013, the District's pension plan is PERS 2.7% @ 55, One-Year Final Compensation.

PEPRA Members Tier: For those employees who begin their original tenure with the District on or after January 1, 2013, AND have no prior membership in any California Public Retirement System, or have had a break in service of greater than six months with another CalPERS employer or a California Public Retirement System that is subject to CalPERS reciprocity, the District's pension plan is 2.0% @ 62, Three-Year Final Compensation.

- 9.03 Classic Members Tier One and Tier Two: Employees shall pay 100% of the Employee Contribution Rate as indicated as the "Employee Rate" used in CalPERS online reporting for payroll (Rate Plan 10083 and Rate Plan 10084) for the applicable Fiscal Year (e.g., the Employee Contribution Rate for FY 2022-23 is 8.0%).

PEPRA Members Tier: Employees shall pay 100% of the Employee Contribution Rate as indicated as the "Employee Rate" used in CalPERS online reporting for payroll (Rate Plan 27051) for the applicable Fiscal Year (e.g., the Employee Contribution Rate for FY 2022-23 is 7.75%).

ARTICLE X HEALTH, DENTAL, VISION, AND LIFE INSURANCE PLAN

- 10.01 District shall make available to all eligible employees health, dental, vision, life, and accidental death and dismemberment (AD&D) insurance plans, in accordance with requirements, and at the level, established by the District Board of Directors.

One hundred percent (100%) of the insurance premiums for health, dental, vision, life, and AD&D insurance charged by the individual insurance companies (adjusted in the event of change in family status) will be contributed to the Flexible Benefit Plan established by the District.

One hundred percent (100%) of the District's portion will be available for use to apply to pay insurance premiums. However, the amount available as a Cash Benefit election in the Flexible Benefit Plan will be sixty percent (60%).

The District will contribute \$1,500 to eligible employees' Health Reimbursement Arrangement (HRA) accounts in January of each year covered by this MOU.

ARTICLE XI DISCIPLINARY PROCEDURE

11.01 Letter of Reprimand

- A. 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.
- B. Such letter will be withdrawn from an employee's official personnel file two (2) year from the date of issue provided there has not been additional formal discipline imposed during the two (2) year period.

11.02 Disciplinary Actions

- A. Regular employees may be disciplined for just cause only. Discipline shall include a suspension, demotion, in-grade salary reduction and discharge.
- B. 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, and the effective date of the intended disciplinary action.

- C. The affected employee shall have the right to a pre-disciplinary review process (Skelly). The employee shall be given reasonable time from the notice of intent to take action in which to respond to the proposed disciplinary action. The reviewing officer shall make a recommendation to the General Manager or designee within five (5) working days of the meeting.
- D. 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 3 of this Article.
- E. If an individual employee covered by this Agreement 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 Agreement, including but not limited to the cost of the arbitrator.

11.03 Appeal Hearing Procedure – Arbitration

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

- A. Request for arbitration shall be made in writing to the General Manager or designee within ten (10) standard working days after the date of the General Manager's response. An impartial arbitrator shall be selected jointly by the parties within ten (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 Seven (7) qualified arbitrators. The parties shall each strike three (3) 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.
- B. The arbitrator shall render his/her decision no later than thirty (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 Agreement and shall be final and binding on the District, the Union and the employee. Copies of the decision will be furnished to all parties.
- C. The arbitrator shall have no authority to add to, delete or alter any provision of this Agreement, but shall limit his/her decision to the scope, application and interpretation of the provisions of this Agreement and shall make no decisions in violation of existing law.

- D. 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.
- E. 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.

11.04 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 PTO or other accumulated leave credits in lieu of the suspension. The Agency shall not deny use of accumulated leave credits in an attempt to persuade the employee to waive his/her 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.

ARTICLE XII GRIEVANCE PROCEDURE

12.01 Purpose

In order to establish a harmonious and cooperative relationship between the District and its employees, and to keep open channels of communication, it shall be the District's policy to provide for the settlement of differences through an orderly grievance procedure. It is the District'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 District.

If the District 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.

12.02 Definition

- A. A grievance is a dispute between the District 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 District's Personnel Policy.

- B. As used in this procedure, the term "Supervisor" means the individual to whom an employer has a direct reporting relationship.
- C. As used in this procedure, the term "party" means an employee, the Union, the District or their authorized representatives.
- D. As used in this procedure, the term "standard workdays" means "Monday through Friday," excluding holidays.

12.03 Procedure

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

12.04 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 his/her designated representative within five (5) standard working days following the occurrence of events on which the grievance is based. The Supervisor shall give his/her 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 Agreement interpretation.

12.05 Formal Grievance Step One

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 ten (10) standard working days after the Supervisor's answer. The grievance shall be submitted in writing on the grievance form provided by the District. The written grievance shall set forth the alleged facts or circumstances giving rise to the grievance, the applicable section of the Agreement asserted to have been violated and the remedy or correction requested of the District. The written grievance must be dated and signed by the grievant or Union representative. The Manager of Human Resources 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 Manager of Human Resources or designee shall respond in writing within ten (10) standard working days after the grievance meeting.

12.06 Formal Grievance Step Two

If the grievance is not satisfactorily resolved at Formal Step 1, the written grievance may be presented to the General Manager or designee within ten (10) standard working days after receipt of the Manager of Human Resources' 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 ten (10) standard working days after the meeting.

12.07 Formal Grievance – Arbitration

- A. 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 ten (10) standard working days after the date of the General Manager's response. An impartial arbitrator shall be selected jointly by the parties within ten (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 seven (7) qualified arbitrators. The parties shall each strike three (3) 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.
- B. The arbitrator shall render his/her decision no later than thirty (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 Agreement and shall be final and binding on the District, the Union and the employee(s). Copies of the decision will be furnished to all parties.
- C. The arbitrator shall have no authority to add to, delete or alter any provision of this Agreement, but shall limit his/her decision to the scope, application and interpretation of the provisions of this Agreement and shall make no decisions in violation of existing law.
- D. The District 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 report 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.
- E. 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.

12.08 General Provisions

- A. No matter shall be considered as a formal grievance unless it is presented in writing within twenty (20) standard working days after the occurrence of the events on which the grievance was based except by mutual agreement between the parties.
- B. 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.
- C. An employee or group of employees may present a grievance to District 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.

12.09 Time Extension

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

ARTICLE XIII NO STRIKE - NO LOCKOUT

- 13.01 The District agrees that so long as this Agreement is in effect, there shall be no lockouts. The curtailing of any operation or a part thereof for business reasons shall not be construed to be a lockout. The Union, its officers, agents, members and employees covered by this Agreement, agree that so long as this Agreement is in effect, there shall be no strikes, sit-downs, slow-downs, stoppage of work, boycott or any other unlawful acts that interfere with the District's operations for any reasons whatsoever.
- 13.02 The Officers and Stewards of this Union will make every bona fide effort possible to prevent and/or terminate any strike or any other violation of this provision. These efforts shall include, but not be limited to, urging the employees to return to work or otherwise terminate their conduct that violates the provision, advising the employees that their conduct is a violation of the labor Agreement; advising the employees that they are subject to discipline up to and including discharge; advising the employees that such discipline is not subject to the grievance provision of this Agreement and, if the Officers and/or Stewards are employees of the District, they shall return to work if ordered to do so by the District.
- 13.03 Any violation of this provision may be the subject of disciplinary action, including discharge, and such action or the District's determination of the facts upon which such action is based may not be raised as a grievance under this Agreement.
- 13.04 The District and the Union further agree that in the event there is a lockout or strike during the term of this Agreement by either party, the other party shall have a right to obtain an injunction ordering the lockout and/or strike to end and ordering the return to work by all employees.

The party locking out or striking waives its right to challenge venue of the court in which the injunction is sought and further waives any right that it may have to notice by the other party that such injunction proceedings are being commenced or that a preliminary injunction or temporary restraining order is being sought. The parties recognize that a violation of this provision causes the other irreparable harm, which cannot be adequately compensated for by the award of damages. However, such injunctive relief does not waive the right to damages that the non-violating party may have.

ARTICLE XIV LAY-OFF PROCEDURES

14.01 Purpose. This section provides the procedure to be followed when an employee is to be displaced/laid off from his/her position. Layoffs and demotions which result from a reduction in force shall be made without regard to an employee's race, color, creed, national origin, religion, sex, sexual orientation, age or physical or mental disability.

14.02 Definitions.

A. Layoff. A layoff shall be defined as the dismissal or displacement of at least one (1) employee due to lack of work, lack of funds, or abolishment of position.

B. Seniority.

1. Classification Seniority: Classification seniority shall be defined as the effective date of appointment to the orientation period to the employee's present job classification, including any time spent in a higher job classification, but less any time spent in a lower job classification due to a downgrade. The term "higher classification" shall mean a job classification in which the top rate of pay (Step 5) is greater than the top rate of pay (Step 5) of the employee's present job classification. For any employee who has not served an orientation period in his/her present job classification, classification seniority shall be mutually established by the District and Union. For an employee who has downgraded, computation of classification seniority for a job classification lower than that in which the employee holds regular status, the following seniority shall be counted: Classification seniority in any higher classification, and

a. Previous classification seniority in the job classification in which the employee is currently working, and

b. Present time spent in the job classification in which the employee is currently working.

2. District Service Seniority: District service seniority shall be defined as the effective date of appointment to the employee's first regular career position, or as the effective date of appointment to the employee's first full-

time position (or positions) which immediately preceded an appointment to a regular career position, whichever is greater.

3. Hire Date Seniority: Hire date seniority shall be defined as the employee's first date of hire to any position with the District.
4. Seniority Adjustments: Classification seniority and District service seniority shall be adjusted (reduced) in calendar days to reflect time spent on layoff from District service. There shall be no adjustment for time spent on an approved unpaid leave of absence.
5. Termination of Seniority: Termination of classification seniority and District service seniority shall occur upon:
 - a. Resignation, provided that any employee who is appointed from a re-employment list and completes the orientation period in the position to which he/she was re-employed may count the seniority which he/she accumulated prior to resignation.
 - b. Discharge.
 - c. Retirement.
 - d. Layoff in excess of two (2) consecutive years out of District service.
 - e. Failure to comply, report, or respond to a recall notice within fourteen (14) calendar days from the date of postmark on the recall notice.
6. Downgrade: A downgrade shall be defined as a change in job classification to which the top rate of pay (Step 5) is the same or less than the top rate of pay (Step 5) of the employee's present classification, due to a layoff. A downgrade shall only be allowed to the appropriate classification within the employee's regression ladder.
7. Regression Ladder: A regression ladder shall be defined as a classification series in each department through which an employee may downgrade.
8. Regular Status: For the purposes of this layoff procedure, regular status is attained in a job classification when an employee has successfully completed his/her orientation period in that job classification. An employee in an exempt classification represented by the Union shall be considered a regular employee under this section.

9. Leave of Absence. Employees on an approved unpaid leave of absence shall accrue seniority for purposes of this Article.

14.03 Procedure

A. Employees:

1. Within each job classification in each department in which a layoff occurs, employees shall be laid off in the following order:
 - a. First, all employees subject to the orientation period
 - b. Second, all regular employees in the order of their classification seniority, beginning with the employee with the least such seniority.
2. Any trainee employee who is affected by a layoff or displaced by a downgrading employee shall return to the last Department and job classification in which the employee holds regular status, if any. If the employee does not hold regular status in another job classification, he/she shall be laid off; the name of such employee may be restored to an eligible list. If the employee does hold regular status in another job classification, he/she shall then be treated as a regular employee in that job classification with respect to any layoff in that job classification.
3. Any regular employee who is to be laid off or displaced shall have the right to downgrade within the Department, in descending order, to job classifications within his/her regression ladder, provided that the employee meets the qualifications of the lower classification. If there are any trainee employees in such lower classification, the trainee employee with the least District service seniority shall be displaced. If there are no trainee employees in the lower classification, the regular employee with the least District service seniority shall be displaced. If the regular employee is unable to downgrade to any job classification within the appropriate regression ladder, he/she shall be laid off.
4. An employee may accept layoff in lieu of the opportunity to downgrade by notifying the General Manager within forty-eight (48) hours of receiving notice of layoff. Where the employee accepts a layoff in lieu of a downgrade, said employee shall forfeit all recall rights except to a vacancy within the same classification from which the employee was laid off.
5. If two (2) or more employees have an equal amount of classification seniority, the senior employee shall be determined on the basis of greater District service seniority. If two (2) or more employees have an equal amount of District service seniority, the senior employee shall be

determined on the basis of greater hire date seniority, or by the lowest random number in the event of a tie.

6. The application of this procedure is not intended to extend job assignment, work organization, or departmental preference to any employee affected by a layoff.

B. Notice of Layoff:

In the event of a layoff, the District shall send by certified mail a layoff notice to all affected employees. Such notice shall be postmarked at least fourteen (14) calendar days in advance of the effective date of layoff. Such layoff notice shall be mailed to the employee's address currently printed on the employee's paycheck, and shall be deemed appropriate notice. The employee(s) who is on a paid or unpaid leave shall be affected by the layoff in accordance with the provisions of this section in the same manner as all other employees. However, the employee who is on sick leave or injury-on-duty status on the date of layoff notice shall not be laid off or downgraded until the employee returns to work; except that the effective date for recall purposes shall be the date of actual layoff as stated on the layoff notice.

14.04 Salary in Event of Downgrade:

- A. An employee who is downgraded through a regression ladder pursuant to this Article shall be paid in the new classification the salary range step closest to the monthly pay rate received immediately prior to downgrade providing there is no increase in pay.
- B. If appointed in the lower classification at other than Step 5, future salary step adjustments shall be made with time served in the classification from which the downgrade occurred counting toward salary step advancement.
- C. Upon subsequent recall through a regression ladder, the employee shall not receive in the next higher classification less than that received in the lower classification; provided, however, that upon subsequent placement in the classification from which the employee was downgraded; salary step placement shall be at the salary step previously held. If, however, said salary step is less than that received in the classification to which the employee was downgraded, salary step placement shall be at the salary step immediately higher. The anniversary date for future in-grade salary adjustments shall be the date of recall to the regular classification.

14.05 Fringe Benefits

- A. Employees laid off shall be paid sick leave, vacation, holiday accrual, longevity, and similar benefits per applicable ordinances and rules. Employees being recalled who received a sick leave payoff at the time of layoff, shall have the uncompensated

portion of their sick leave balance restored. Those restored hours cannot be used in future layoffs, only those sick leave hours accrued after recall shall be applied to sick leave payoff related to a subsequent termination.

- B. Employees enrolled in District insurance programs may continue elected coverage limited to the District's medical, dental, and life insurance plans for a period up to twenty-four (24) months. Laid-off employees are required to pay medical insurance premiums directly to the District's carrier; but dental premiums must be paid to the District. Laid-off employees are responsible for each monthly premium, as may be adjusted from time to time.
- C. Assistance with this insurance option, unemployment benefits, and the availability of retirement benefits or refunds as governed by the District, will be provided by the District at the request of laid-off employee(s).

14.06 Recall

- A. When a vacancy occurs in a job classification, the laid-off or downgraded employee(s) eligible to return to that job classification shall be recalled in the order of District service seniority, beginning with the employee with the greatest District service seniority. When a recall list exists and an employee is on a re-instatement list due to a medical leave of absence, such employee will be merged with employees on the established layoff eligibility list based on seniority. Regular employees who were laid off or downgraded are eligible to return to the job classification in which regular status is held within their regression ladder, or to lower classifications within the same regression ladder, but shall have no recall rights to any job classification in which temporary status was held at the time of layoff or downgrade. Regular employees who held an orientation status in another job classification on the date of layoff shall be eligible to return to the job classification in which an orientation status was held for a period of two (2) years from the date of layoff; but upon such return must serve the complete orientation period for such job classification.
- B. Regular employees shall be entitled to recall rights for a period of two (2) consecutive years from the effective date of layoff or downgrade. The effective date of layoff shall be the employee's last day of work. The effective date of downgrade shall be the employee's last day of work in the classification from which he/she is downgraded. If, however, a regular employee has been recalled or downgraded but has not been recalled to the classification in which regular status is held within the two (2) year period, said employee shall continue to possess recall rights back to the classification in which regular status is held, and to any other classifications in the employee's regression ladder which are lower than the classification in which regular status is held and higher than the classification in which the regular status is held and higher than the classification in which the employee was working at the expiration of the two (2) year period. If said

employee is recalled to a classification higher in his/her regression ladder than the employee was working at the expiration of the two (2) year period, the employee shall serve the complete orientation period in such higher classification. If said employee fails to satisfactorily complete the orientation period he/she shall return to the next highest classification in the applicable regression ladder in which a vacancy exists and shall gain regular status in such classification. In no event shall the employee be required to return to a classification lower than that from which he/she left to take an orientation appointment. Said employee shall then continue to possess recall rights to any higher classification in his/her regression ladder which is lower than the classification in which the employee failed to complete the orientation period but higher than the classification to which the employee returned after failing orientation, subject to all provisions stated above.

- C. When a vacancy exists and employees are to be recalled, notice of the opening(s) shall be sent to the mailing address as shown on the employee's last paycheck unless a more recent address has been furnished by the laid off/downgraded employee. To expedite recall, more than one employee may be notified of an opening. This recall notice shall be by certified mail and the employee shall have fourteen (14) calendar days to report to work from the date of postmark on the recall notice. If said employee fails to report to work within fourteen (14) calendar days, he/she will lose all recall rights. An employee who has been laid off or downgraded shall be required to meet the physical and other minimum qualifications of the job description at time of recall to which he/she is recalled. Any additional qualifications established during said employee's layoff shall be waived with regard to an employee holding recall rights to that job classification except as required by law. An employee who accepts recall shall receive all seniority to which he/she is entitled under section 14.02.B of this Article.

14.07 General

- A. The District shall, immediately after affecting a layoff, provide the Union a list of those employees who have been laid off. Said list shall be known as a Recall List and shall be updated as necessary.
- B. The District or the Union shall have the right, at any time, to initiate discussions between the parties as to possible alternatives to layoff. The District, however, retains the right to proceed with layoffs according to the procedures set forth in this Agreement at any time, including, but not limited to, that time, if any, during which an impasse on layoff alternatives is being resolved.
- C. The parties shall have the further right at any time to initiate discussions on possible alternatives to layoff to correct any adverse impact a proposed layoff would have on minorities and women employees represented by the Union. If such discussions are initiated but the parties fail to reach agreement, the present layoff procedure shall continue in full force and effect.

ARTICLE XV FULL UNDERSTANDING MODIFICATION WAIVER

- 15.01 The parties jointly represent that this MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein.
- 15.02 Except as specifically otherwise provided herein, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its rights and agrees that the other shall not be required to meet and confer with respect to any subject or matter covered herein, nor as to wages or fringe benefits during the period of the term of this Memorandum. The foregoing shall not preclude the parties hereto from meeting and conferring at any time during the term of this agreement with respect to any subject matter within the scope of the meeting and conferring for a proposed MOU between the parties.

ARTICLE XVI SEVERABILITY

- 16.01 Should any provision of the MOU be declared illegal by final judgement of a court of competent jurisdiction, such invalidations of such provisions shall not invalidate the remaining portions thereof; and such remaining portions shall remain in full force and effect for the duration of the MOU.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

By: Dale Cox
Dale Cox, Board President

DATED: 9-7-2022

By: Jessica Asher
Jessica Asher, Board Secretary

DATED: 9-6-2022

INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS,
LOCAL 39

By: Bart Florence
Bart Florence, Business Manager

DATED: 9/20/22

By: Jeff Gladieux
Jeff Gladieux, President

DATED: _____

By: Charlie Solt
Charlie Solt, Director of Public Employees
Brandy Johnson

DATED: 9/16/2022

By: Stephen Hatch
Stephen Hatch, Business Representative

DATED: 9/12/22

By: Samuel Donahue
Samuel Donahue, Shop Steward/Negotiator

DATED: 9-28-22

APPENDIX "A"

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
OPERATIONS DEPARTMENT**

Summary of Monthly Salary Schedules
(Includes Increase from Results of Salary Survey for wages effective first full pay period in July, 2022)

Position	Range	1	2	Salary Step 3	4	5
OPERATIONS DEPARTMENT						
Operations Specialist III	B	7,582.86	7,962.00	8,360.10	8,778.10	9,217.00
Operations Specialist II	C	6,733.00	7,069.65	7,423.13	7,794.29	8,184.00
Operations Specialist I	D	5,882.32	6,176.44	6,485.26	6,809.52	7,150.00
Operations Specialist Trainee	E	5,471.80	5,745.39	6,032.66	6,334.29	6,651.00
Operations Technology Specialist	C	6,733.00	7,069.65	7,423.13	7,794.29	8,184.00
Operations Technology Specialist / Inspector	F	7,158.34	7,516.26	7,892.07	8,286.67	8,701.00

APPENDIX "B"

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT Operations Employees' Educational Incentive Plan

1. A salary increase will be paid for certification and education for the classes and certifications shown on the attached "Olympic Valley Public Service District Educational Incentive Plan." All certifications and education must be approved by the District, not duplicated unless approved by the District, and carry a cumulative maximum of 10% in compensation

One exception to the 10% maximum compensation shall be a 5% increase for earning an EMT Certificate only. In order to continue to receive the 5% salary increase, the EMT Certificate must be maintained. District will reimburse the employee for the tuition for the training class to earn the EMT Certificate.
2. Only those certificates or incentives earned while employed with District shall be included in this program.
3. New courses and incentives may be added at the discretion of the General Manager or Personnel Committee.
4. Classes, courses or examinations scheduled during regularly scheduled work hours will be compensated at the employee's regular rate of pay. Wages will not be compensated for voluntary classes, courses or examinations scheduled outside of regularly scheduled work hours.
5. Expenses incurred for attending classes, courses or examinations as part of this incentive program shall be subject to provisions of the Personnel Policies and Procedures Manual.
6. Organizations providing certifications testing may impose requirements which exceed the District requirements.
7. Incentives listed and earned for a position will not be carried to the next position unless it is identified as an incentive for the promotional position also. The incentives earned in a lower position that are a requirement of the higher position to which the employee is being promoted will not be carried forward and the incentive will be eliminated. If an incentive is earned at a lower position (range) and is listed for the promotional position, the incentive provided for the promotional position will be summed with all other incentives and applied to the Base Wage.
8. Base Wages are those listed in the District's published Summary of Monthly Salary Schedules. There are typically five steps for each position. The wages for each step for each position are the Base Wages.
9. The standard operating procedure to compute salary increases are as follows:
 - A. When an employee receives Educational Incentive Plan salary increases, the percentages earned for the incentives are summed and then applied to the employee's current Base Wage.

Example: if an employee is making a Base Wage of \$1,000 per month and receives a 2.5% increase for earning a DDW Water Treatment II certificate, the new salary will be \$1,025 per month. If this employee then earns a separate 1.25% increase for earning a Water Use Efficiency Practitioner Grade 2 certificate, the new salary would be \$1,037.50 per month. The 2.5% and 1.25% are summed, and then applied to the Base Wage of \$1,000 per month.

- B. If a new Salary Schedule is approved, for instance to incorporate a Cost Of Living Adjustment, then Base Wages are adjusted only. The sum of each employee's incentives is then applied to the respective adjusted Base Wage to compute the employee's new wage.

Revised:
06/29/04;
08/12/10;
07/01/17

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
Operations Employees' Educational Incentive Plan

<u>CLASSIFICATION</u>	<u>INCENTIVE</u>	
Operations Specialist Trainee	CWEA Collection System I or II	2.5%
	AWWA Distribution I or II	2.5%
AND	DDW Treatment I or II	2.5%
Part-Time Operations Technology Specialist Trainee	DDW Distribution I or II	2.5%
	CWEA Mechanical Technologist I or II	2.5%
	CWEA Plant Maintenance Technologist I or II	2.5%
	Approved Related Certificate	2.5%
	EMT Certificate	5%
	Class A or B Driver's License	2.5%
Operations Specialist I	CWEA Collection System II or III	2.5%
	AWWA Distribution II or III	2.5%
	DDW Treatment II or III	2.5%
	DDW Distribution II or III	2.5%
	AWWA Tester	1.25%
	AWWA Specialist	1.25%
	Welding Certificate	1.25%
	Approved Related College Certificate	2.5%
	Associate Degree Related Field	5%
	CWEA Mechanical Technologist II or III	2.5%
	CWEA Plant Maintenance Technologist II or III	2.5%
	EMT Certificate	5%
	Electrical/Instrumentation Grades 2, 3, 4	2.5%
	Water Use Efficiency Practitioner Grades 1, 2, 3	1.25%
Operations Specialist II	CWEA Collection System III or IV	2.5%
	AWWA Distribution II or III	2.5%
	DDW Treatment II or III	2.5%
	DDW Distribution II or III	2.5%
	AWWA Tester	1.25%
	AWWA Specialist	1.25%
	Welding Certificate	1.25%
	Approved Related College Certificate	2.5%
	Associate Degree Related Field	5%
	Bachelor Degree Related Field	5%
	CWEA Mechanical Technologist II or III	2.5%
	CWEA Plant Maintenance Technologist II or III	2.5%
	EMT Certificate	5%
	Electrical/Instrumentation Grades 2, 3, 4	2.5%
	Water Use Efficiency Practitioner Grades 1, 2, 3	1.25%
Operations Technology Specialist	CWEA Collection System II or III	2.5%
	AWWA Distribution II or III	2.5%
	DDW Treatment II or III	2.5%
	DDW Distribution II or III	2.5%
	AWWA Tester	1.25%

	AWWA Specialist	1.25%
	Welding Certificate	1.25%
	Approved Related College Certificate	2.5%
	Associate Degree Related Field	5%
	Bachelor Degree Related Field	5%
	CWEA Mechanical Technologist II or III	2.5%
	CWEA Plant Maintenance Technologist II or III	2.5%
	EMT Certificate	5%
	Electrical/Instrumentation Grades 2, 3, 4	2.5%
	Water Use Efficiency Practitioner Grades 1, 2, 3	1.25%
Operations Specialist III	CWEA Collection System IV	2.5%
	AWWA Distribution II or III	2.5%
	DDW Treatment III or IV	2.5%
	DDW Distribution III or IV	2.5%
	AWWA Tester	1.25%
	AWWA Specialist	1.25%
	Welding Certificate	1.25%
	Approved Related College Certificate	2.5%
	Associate Degree Related Field	5%
	Bachelor Degree Related Field	5%
	CWEA Mechanical Technologist II or III	2.5%
	CWEA Plant Maintenance Technologist II or III	2.5%
	UCD Project or Construction Management	2.5%
	EMT Certificate	5%
	Electrical/Instrumentation Grades 2, 3, 4	2.5%
	Water Use Efficiency Practitioner Grades 1, 2, 3	1.25%
Operations Technology Specialist/Inspector	CWEA Collection System II or III	2.5%
	AWWA Distribution II or III	2.5%
	DDW Treatment III or IV	2.5%
	DDW Distribution II or III	2.5%
	AWWA Tester	1.25%
	Welding Certificate	1.25%
	Approved Related College Certificate	2.5%
	Associate Degree Related Field	5%
	Bachelor Degree Related Field	5%
	CWEA Mechanical Technologist III or IV	2.5%
	UCD Project or Construction Management	2.5%
	EMT Certificate	5%
	CWEA Plant Maintenance Technologist III or IV	2.5%
	Electrical/Instrumentation Grades 2, 3, 4	2.5%
	Water Use Efficiency Practitioner Grades 1, 2, 3	1.25%