



Attachments to Staff Report

Approve
Memorandum of Understanding for
July 1, 2007 to June 30, 2013
And Related Items

September 5, 2007
Board Meeting

ATTACHMENTS

Attachment A - Summary of Ad Hoc Negotiations Committee Meeting

Attachment B - Resolution 4110 Implement MOU, Same Provisions and Benefit Change for Management and Confidential, Implement Compensation Study, and Revise Policies

Exhibit 1 - Draft Memorandum of Understanding, July 1, 2007 through June 30, 2013

Exhibit 2 - Classification Titles/Salary Ranges, Salary Schedule for July 1, 2008 - June 30, 2012

Exhibit 3 - Board Policy 22, Drug Free Workplace Policy

Exhibit 4 - Board Policy 24, Recruitment, Selection and Employment Policy

Attachment C - Resolution 4111 Approving the Form of and Authorizing the Execution of a Memorandum of Understanding and Authorizing Participation in the Special District Risk Management Authority's Medical Benefits Program

Attachment D - Hazardous Materials Response and Rescue Team Compensation Procedure

Attachment E - Educational Reimbursement Program

Attachment F - Discipline Policy

Attachment G - Uniform Standards

Attachment H - Highlights of the SDRMA Medical Program

Exhibit 1 - SDRMA "Benefits-at-a-Glance"

Attachment I - Strikethrough Version of Board Policy 22 - Drug Free Workplace

Attachment J - Strikethrough Version of Board Policy 24 - Recruitment, Selection, and Employment

Attachment K - PowerPoint Presentation for Board Meeting

Attachment A



ATTACHMENT A

SUBJECT/PROJECT:	Memorandum of Understanding (MOU) Between The Otay Water District and The Otay Water District Employees' Association (OWDEA); Participation in Special District Risk Management Authority's Medical Benefits Program; and Related Actions
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COMMITTEE ACTION:

The Ad Hoc Negotiations Committee discussed the status and parameters of negotiations at various meetings held between October 2006 and August 2007. The Ad Hoc Committee provided staff final direction for negotiations on August 17, 2007 and negotiations concluded with a tentative agreement being reached on August 20, 2007. Staff provided a summary of the agreement to the Committee on August 24, 2007. The concluding negotiated agreement with the Otay Water District's Employees Association falls within the parameters set by the Committee. The Committee also reviewed recommendations related to the management and confidential employees and supports the recommendations to provide increased management leave days, life insurance, and a deferred compensation match. The Committee recommends that the Board approve the General Manager's recommendations as outlined in this staff report.

Attachment B

RESOLUTION NO. 4110

RESOLUTION OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT TO IMPLEMENT THE MEMORANDUM OF UNDERSTANDING WITH THE REPRESENTED EMPLOYEES, APPROVE EXTENDING THE SAME COMPENSATION AND BENEFITS PLUS OTHER SPECIFIC BENEFITS TO MANAGEMENT AND CONFIDENTIAL EMPLOYEES, IMPLEMENT THE COMPENSATION STUDY, APPROVE REVISIONS TO BOARD POLICY 22 CONCERNING A DRUG FREE WORKPLACE AND TO BOARD POLICY 24 CONCERNING RECRUITMENT, SELECTION, AND EMPLOYMENT AND APPROVE AND RATIFY CERTAIN RELATED DOCUMENTS AND ACTIONS

WHEREAS, the Board of Directors sets compensation and benefits for all employees; and

WHEREAS, the Board of Directors wishes to implement the Memorandum of Understanding with the Otay Water District Employees Association and wishes to extend the same compensation, cost-of-living adjustments and related benefits, plus other specific benefits, to management and confidential employees; and

WHEREAS, the Board of Directors wishes to implement the compensation study at the 75th percentile of the market; and

WHEREAS, the Board of Directors of Otay Water District wishes to more clearly communicate the District's position of maintaining a drug and alcohol free workplace by adopting certain revisions to Policy 22, a copy of which has been marked to show the proposed revisions and is attached hereto as Exhibit 3; and

WHEREAS, the Board of Directors of Otay Water District wishes to more clearly communicate the District's position regarding the recruitment, selection and employment of regular, temporary, and

contract employees by adopting certain revisions to Policy 24, a copy of which has been marked to show the proposed revisions and is attached hereto as Exhibit 4; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Otay Water District as follows:

1. That the Board of Directors adopts and implements the negotiated Memorandum of Understanding (MOU) from July 1, 2007 through June 30, 2013 for represented employees (Exhibit 1), approves the same across-the-board salary increases each year, health care plan design changes, cost-sharing, and retiree health care coverage to be applied to unrepresented employees for the same period and implement other specific benefit changes for unrepresented employees;

2. That the Board of Directors approves the recommendations of the compensation study for all District employees (Exhibit 2);

3. That the Board approves the revised Board Policy 22 concerning Drug Free Workplace and the revised Board Policy 24 concerning Recruitment, Selection, and Employment (Exhibit 3 and 4).

4. Consistent with the General Manager's authority, salary adjustments for unrepresented executives may be implemented based on performance.

BE IT FURTHER RESOLVED that the Board directs the staff of the District to comply with the provisions of Board Policies 22 and 24, as revised.

BE IT FURTHER RESOLVED that the General Manager, District Secretary and their designees are directed and required to take any

and all appropriate action to execute and deliver any documentation required to carry out the purpose and intent of this Resolution, including incorporating any amendatory language required to be included in other policies or written procedures of the District.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting held this 5th day of September, 2007.

Ayes:
Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary

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EXHIBIT 1

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**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
OTAY WATER DISTRICT
AND THE
OTAY WATER DISTRICT EMPLOYEES ASSOCIATION**

July 1, 2007~~3~~ – June 30, 2013~~08~~

ARTICLE 1 - PREAMBLE

This Memorandum of Understanding (MOU) is entered into by the Otay Water District, Spring Valley, California (hereinafter "District") and the Otay Water District Employees Association (hereinafter "Association") as a mutual recommendation to the Board of Directors of the District of those wages, hours, and conditions of employment which are to be in effect as specified in Article 2 - Term.

ARTICLE 2 - TERM

Upon adoption by the Board of Directors of the District, the provisions of this Memorandum of Understanding shall be effective during the period commencing at 8:00 a.m. on July 1, ~~2007~~2003 through 5:00 p.m. on June 30, ~~2013~~2008 for those employees working in the Field and Administrative Units, subject to the provisions of Article 14, Section 7: Implementation.

ARTICLE 3 - ASSOCIATION RIGHTS

ARTICLE 3, SECTION 1: RECOGNITION

Pursuant to the provisions of the Rules and Regulations for Employer-Employee Relations of the District and applicable state law, the Association was certified on May 9, 2001, as the majority representative for the:

Field Employees Unit
Administrative Employees Unit

The District therefore recognizes the Association as the sole and exclusive representative for all classifications in these two (2) units.

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ARTICLE 3, SECTION 2: ASSOCIATION REPRESENTATIVES

- A. Representatives: The Association may designate three (3) Representatives for the Field Unit and three (3) Representatives for the Administrative Unit. The Association shall furnish the District a written list identifying all Representatives by name and the list shall be kept current by the Association. The Association will designate as a Representative only employees who are not presently serving a probation period. The District will recognize as Representatives, only those persons designated on the most recent list furnished by the Association.
- B. Grievance Processing Release Time: The District shall grant a Representative reasonable release time when, at the request of an employee, the Representative is investigating an alleged grievance and assisting in its written preparation and presentation. Release time for this purpose shall be given in accordance with the following:
1. The Representative's supervisor will authorize the Representative to leave his or her work unless circumstances warrant denial of such permission. Where permission is denied, the supervisor shall inform the Representative of the reasons for the denial and provide an alternate time when the Representative may reasonably be expected to be released from his/her work assignment.
 2. When a Representative, acting under this section, desires to contact an employee at his/her work location, the Representative shall first contact the supervisor of that employee, advise him/her of the nature of the business, and obtain permission to meet with the employee. The supervisor shall make the employee available promptly unless circumstances prevent the employee's availability. If the employee is not available, the supervisor will notify the Representative when he/she may reasonably expect to contact the employee. When the employee is not available for one (1) or more whole work days, the time limits of the grievance procedure shall be extended for an equal number of days.
 3. When a Representative conducts interviews or discussions with an employee on District time, such interviews or discussions shall be performed expeditiously.
 4. A Representative shall report release time under this section on his/her time record as "Negotiations Release TimeNRT" (Activity Code 1508GL#5658).
- C. Formal Bargaining Release Time: The District shall grant reasonable release time to Representatives designated in accordance with this section to serve on the Association bargaining team while meeting and conferring with District representatives in the formal meet and confer (bargaining) process regarding wages, hours, and other terms and conditions of employment, including negotiations for a successor agreement to

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this Memorandum of Understanding. Release time in accordance with this section shall be given in accordance with the following:

1. Appropriate times for release time shall be as mutually arranged by the parties in negotiations and the number of representatives shall be determined by ground rules.
2. Release time under this section shall be reported by the Association Representative on his/her time record as "NRT" (GL#5658).

D. Limitation on Time Off: The District shall not grant Association Representatives permission for time away from their work assignments for Association activities not described in this section.

ARTICLE 3, SECTION 3: BULLETIN BOARDS

Bulletin boards shall be provided by the District at the following locations: Operations, Treatment Plant, Warehouse, and the Administration Building. They shall be for the use of the Association for the posting of rules and regulations of the Association and notices of interest. All such bulletins, with the exception of meeting notices and announcements of Association elections, shall be approved by the Human Resources Manager or his/her designee in a timely manner before posting.

ARTICLE 3, SECTION 4: USE OF EMAIL

The Association President, Vice President, or Chair may use the District email system for one-way communication to association members to notify them of upcoming meetings and to provide general information subject to the following:

1. The person sending the email shall send a copy ("cc") of each such email to the Chief, Administrative Services; the Human Resources Manager; and the Human Resources Analysts.
2. Use of the District email system by the Association under this section must be in accord with District Policy No. 39, entitled "Disclosure of Information and Use of Computer, Electronic and Voice mail and Internet Policy." Use of the District email system by the Association under this section shall be considered a "personal use" of the District email system under District Policy No. 39.
3. If the District determines that use by the Association of the District email system under this section interferes with the District, the District will notify the Association and will meet to discuss any necessary amendments to this section.
4. If the District determines that use of the District email system under this section does not comply with District Policy No. 39, the District shall

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notify the Association and may suspend the use of the system under this section until the District believes that the Association will comply with Policy No. 39.

ARTICLE 3, SECTION 5: ASSOCIATION ACCESS

- A. The District shall grant access to a work location to a designated Association Representative or Business Agent for the purpose of conducting a grievance investigation. As used in this section, "Association Business Agent" refers to a person who is not a District employee.
- B. Association Representatives and Business Agents shall not interfere with the work operations of the District. An Association Representative or Business Agent desiring access to a work location shall first request entrance from the Human Resources Manager or a designee and inform him/her of the purpose for the visit. The request may be made by telephone, in person, or via email.
- C. The Human Resources Manager or designee may deny access to a work location if, in his or her judgment, access at that time would interfere with the operations of the facility or work location. If access is denied, the Association Representative or Business Agent shall be informed when access will be made available.
- D. Association Representatives or Business Agents may meet with employees during rest or lunch breaks at District facilities or work locations as may be available. In so doing, however, they shall not create a disturbance for employees not represented by the Association.

ARTICLE 3, SECTION 6: DUES DEDUCTION

The payment of dues or service fees by employees is governed by the Agency Shop side letter attached to this Memorandum of Understanding as Appendix "C."

ARTICLE 4 - WAGES

ARTICLE 4, SECTION 1: WAGES

- A. WAGES: Wages for employees covered by this MOU during its term shall be as provided on Appendix "A."
- B. ADJUSTMENTS: The District may, at its discretion, increase compensation for employees covered by this Memorandum of Understanding. Prior to implementing any increase(s), the District shall notify the Association and, if the Association requests it, discuss the increase with the Association in a non meet-and-confer forum. The decision to grant an increase and the amount thereof may not be grieved under the Grievance Procedure of this Memorandum of Understanding. Nothing in this

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section shall be construed to require the District to negotiate the decision to grant an increase or the amount thereof.

ARTICLE 4, SECTION 2: PAYROLL PERIOD; PAY DATES. The payroll period extends over fourteen (14) calendar days. Paychecks shall be issued biweekly in payment of wages earned during the preceding payroll period.

ARTICLE 4, SECTION 3: SALARY ADJUSTMENT WITHIN RANGE. This provision applies to eligible employees as provided in this section.

A. Amount of In-Range Adjustment: An annual in-range salary adjustment may be granted in the amount of three percent (3%). If the employee's salary is less than three percent (3%) below the maximum of his/her position on the salary range, the adjustment shall be in an amount sufficient to place the employee at the top of the salary range. However, in no event shall this adjustment result in the employee's salary exceeding the salary range for the employee's classification.

B. Transition to Standardized In-Range Adjustment Date: ~~September 1 will be the employee's In-Range Adjustment During the period July 1, 2003 through June 30, 2004 an employee shall be eligible for an in range adjustment as provided in subsection "A" herein, on the employee's existing merit review date.~~

C. In-Range Adjustment Date (this section shall be operative July 1, 2004):

~~1. Employees with at least one (1) year of continuous service as of July 1, 2004:~~

~~a. Employees whose former "merit review date" occurred during the period January 1 through June 30 shall be eligible for an in range adjustment on March 1 of each year. Thereafter, March 1 will be the employee's In range Adjustment Date.~~

~~b. Employees whose former "merit review date" occurred during the period July 1 through December 31 shall be eligible for an in range adjustment on September 1 of each year. Thereafter, September 1 will be the employee's In range Adjustment Date.~~

~~12. Newly hired employees or employees who have not completed probation with less than one (1) year of continuous service as of July 1, 2004:~~

~~a. Newly hired employees or employees who have not completed probation shall be eligible for the first in-range adjustment upon completion of probationary period. Thereafter, September 1 will be the employee's In-Range Adjustment Date according to the following chart: with less than one year of service as of July 1, 2004 shall be eligible for the first in range adjustment twelve (12) months following the employee's date of hire. Thereafter, subsection C (1) herein above shall apply.~~

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<u>1st In-Range Increase</u>	<u>2nd In-Range Increase</u>	<u>Number of Quarters in the Review Period</u>	<u>Eligible % for 2nd In-Range Increase</u>
Upon completion of probationary period.	Sept 1 of the following calendar year.	<u>4</u>	<u>3%</u>
Upon completion of probationary period.	Sept 1 of the following calendar year.	<u>3</u>	<u>2.25%</u>
Upon completion of probationary period.	Sept 1 of the current calendar year.	<u>2</u>	<u>1.5%</u>
Upon completion of probationary period.	Sept 1 of the current calendar year.	<u>1</u>	<u>.75%</u>

23. Employees who are promoted:

- a. A regular employee who promotes to a new classification, shall maintain his/her performance evaluation review date and In-range Adjustment Date. ~~An employee who promotes to a new classification, and therefore receives a new performance evaluation review date, shall have his/her In-range Adjustment Date set according to subsection C(1) or C(2) herein above based on the new review date.~~

D. Eligible Employees: Eligible employees are:

1. Employees whose salary is less than the maximum of the salary schedule for the employee's class; and
2. Employees who have not, during the twelve-month period immediately preceding his/her In-range Adjustment Date, received: (a) letter of reprimand, discipline of suspension, demotion, and/or reduction in salary; (b) an overall performance evaluation of "Unsatisfactory;" and/or (c) an overall performance evaluation of "Needs Improvement."

ARTICLE 4, SECTION 4: STAR PERFORMERS. Employee recognition programs may be instituted by the District. The purpose of such programs will be to recognize Star Performers (exemplary employees) and improve public service through enhanced motivation. The design, establishment, disestablishment, administration, and regulation of all employee recognition programs shall be at the discretion of the General Manager. Such programs as are established and awards given through them may not be grieved under the Grievance Procedure of this Memorandum of Understanding.

ARTICLE 5 - HOURS OF WORK AND PREMIUMS

ARTICLE 5, SECTION 1: HOURS OF WORK.

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This Section is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day, per week, or of days or of work period. The hours of work of the office or facility and an employee's work schedule shall be established by the District and may be changed at the discretion of the District as District needs dictate. Reasonable notice shall be given, normally at least ten (10) calendar days prior to the change. However, the District may give less notice when reasonable and/or necessary. ~~upon ten (10) calendar days notice to the affected employees.~~

Official District office hours are 8:00 am to 5:00 pm. Work schedules and days off shall be arranged to maintain uninterrupted service to the District's customers.

A. Standard Work Day/Week.

Standard Work Day. The standard work day is eight (8) consecutive hours of work exclusive of a lunch period in a consecutive twenty-four (24) hour day.

Standard Work Week. The standard work week is forty (40) hours of work performed within five (5) standard work days during a work week.

B. Standard Work Periods.

The standard work periods shall be as follows:

1. For Fair Labor Standards Act (FLSA)-covered classes, the standard work period is seven (7) consecutive days within which are included two (2) consecutive days of rest in a seven (7) consecutive day period. The work period shall be forty (40) hours, except as provided herein.
2. For FLSA Exempt classes, the standard work period is fourteen (14) consecutive days within which are included four (4) days of rest (two (2) instances of two (2) consecutive days of rest each) in a fourteen (14) consecutive day period. This work period shall be eighty (80) hours.

C. Hours of Work: Regular Part-Time Employees. Regular part-time employees are those employees who work in a budgeted regular part-time position for at least twenty (20) hours per week, but less than forty (40) hours per work week and eighty (80) hours per work period.

D. Alternative Work Schedules.

1. Required Advance Approval: Alternative Work Schedules are subject to approval by the General Manager's designee. However, Alternative Work Schedules are subject to change as District needs dictate. Reasonable notice shall be given, normally at least ten (10) calendar days prior to the change. However, the District may give less notice when reasonable and/or necessary. ~~Ten (10) days notice shall be given prior to implementing such a change.~~

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2. Alternative Work Schedules: The District may assign an employee to any of three (3) Alternative Work Schedules:
 - a. The Four-Ten (4/10) schedule of four (4) ten (10)-hour days of work within a forty (40)-hour work week.
 - b. The Nine/Four (9/4) schedule of four (4) nine (9)-hour days and one (1) four (4)-hour day of work within a forty (40) hour work week.
 - c. The Nine/Eighty (9/80) schedule of eight (8) nine (9)-hour days and one (1) eight (8) hour day within two (2) consecutive work weeks.
3. Twenty-Four (24) Hour Operations: Employees who report to work on a shift which begins in one calendar date and ends in the next shall be compensated for the entire shift for the date the shift begins. Employees shall have a nine (9) hour break between work shifts.
4. Under conditions requiring round-the-clock staffing to ensure continued water delivery to customers, a schedule may be implemented which consists of three (3) consecutive twelve (12) hour shifts totaling thirty-six (36) hours in a work week. However, employees so assigned shall receive pay at their regular rate of pay for forty (40) hours.

ARTICLE 5, SECTION 2: REST AND LUNCH PERIODS.

One (1) paid ten-minute rest break shall be provided to employees for each four (4) hours of service within a single work shift. An unpaid lunch period of at least thirty (30) minutes shall be provided midway in the employee's work day to any employee who works for at least six (6) hours in a work day.

In emergency situations where the interest of the District is served, the supervisor may elect to combine rest and lunch periods in order to expedite the completion of the job which shall shorten the work day.

ARTICLE 5, SECTION 3: OVERTIME. This section is intended only to provide the basis for the calculation of and payment for overtime and shall not be construed as a guarantee of hours of work per day or per pay period. This overtime pay provision shall not apply to (a) court leave/jury duty, (b) standby time, and (c) any unauthorized hours of work.

- A. In accordance with the FLSA, regular full-time and regular part-time employees' overtime is authorized or ordered work worked by an employee, which is in excess of the full regularly scheduled work week of forty (40) hours. However, an employee who has a 9/80 Alternative Work Schedule is not considered to have worked overtime unless his/her time worked exceeds eighty (80) hours within the two (2) consecutive work weeks over which the schedule extends.
- B. Computation of Overtime. Computation for overtime shall be based on the employee's regular rate of pay. The regular rate pay is the employee's base salary plus any applicable differentials or premium rates to which the employee is entitled.

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- C. Exclusion of Certain Leave from Hours Actually Worked. Notwithstanding any other policy, practice, rule, regulation, or Memorandum of Understanding provision to the contrary, any absence for any unpaid time off, including disciplinary suspensions, shall not be counted as hours actually worked for purposes of calculating overtime compensation.

In addition, if an employee works one (1) additional hour during the pay period to make up for an 8-hour holiday which falls on an employee's alternative nine (9) hour day schedule, or two (2) hours to make up for an 8-hour holiday which falls on an employee's alternative ten (10) hour day schedule, such one (1) or two (2) hours will not be eligible for overtime compensation.

- D. Compensation for Overtime.

Compensation is defined as either cash payment or compensatory time off, or a combination of cash payment and compensatory time off, in accordance with the overtime code for the employee's class. Employees shall have their overtime hours computed as follows:

Code "NE" (FLSA covered) Employees who are covered by FLSA (non-exempt) are eligible for overtime at time and one half, double time, compensatory time off and for premium compensation for working on holidays.

Code "E" (FLSA exempt) Employees exempt from FLSA. Exempt employees are not eligible for overtime or compensatory time off and shall be charged vacation or sick leave only if they are absent on leave for a full work day.

A list of covered and exempt classifications is attached as Appendix "B" to this MOU.

- E. Double Time for Twelve Hour and for "Sixth" and "Seventh" Day Time Worked.

1. Regular work day: All hours worked in excess of twelve (12) on a standard workday will be paid at twice the employee's regular rate.
2. Hours worked on "sixth" day:
 - a. Hours worked on the employee's sixth day within a work week, up to and including twelve (12) hours, will be paid at one and one-half times the employee's regular rate.
 - b. Hours worked in excess of twelve (12) hours on the employee's sixth day within a work week, will be paid at twice the employee's regular rate.
3. Hours worked on "seventh" day:

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- a. Hours worked on the employee's seventh day within a work week, up to eight (8) hours, will be paid at one and one-half times the employee's regular rate.
- b. Hours worked on the employee's seventh day within a work week in excess of eight (8) hours will be paid at twice the employee's regular rate.

ARTICLE 5, SECTION 4: COMPENSATORY TIME OFF

Compensatory time off is paid time off in lieu of cash payment for overtime worked. One hour of overtime work earns one and one-half hours of compensatory time off. When an employee is allowed to accumulate compensatory time off, such accrual shall be limited to accumulating a maximum of sixty (60) compensatory time hours. An employee who has accumulated sixty (60) unused hours of compensatory time shall be paid overtime compensation in cash for any additional overtime worked.

Employees will be permitted to use accrued compensatory time off upon approval of the Chief or designee, provided that such usage does not disrupt the District's operations.

Compensatory time earned and used must be recorded on the District time sheet in the spaces provided for "Compensatory Time Earned" and "Compensatory Time Used." Both supervisor and employee are required to certify by their signature, the accuracy of the compensatory time accrual and use.

Compensatory time off balances will be paid in cash to an employee at the time of an employee's termination at the employee's final regular rate of pay.

The decision to pay for overtime worked in cash or compensatory time off shall be at the discretion of the District.

ARTICLE 5, SECTION 5: ASSIGNMENT PREMIUMS

Application of Premium Rates. Premium rates for all assignment premiums are paid only for hours actually worked in the specific assignment and are not applicable to vacation or sick leave buyout or to terminal pay.

A. Shift PayNight Duty. ~~Shift pay is for an assigned shift other than the regularly scheduled day shift. Shift pay shall be paid to employees for working ongoing non-routine shifts outside the hours of 6:00 a.m. to 6:00 p.m. Second shift night duty is defined as time worked by employees scheduled between 3:00 pm and 11:00 pm. Third shift night duty is defined as time worked by employees scheduled between 11:00 pm and 7:00 am.~~

1. Compensation for Shift PayNight Duty.
One dollar and fifty cents (\$1.50) per hour in addition to the employee's regular salary.
 - ~~Second shift: seventy five cents (\$0.75) per hour.~~
 - Third shift: one dollar and fifty cents (\$1.50) per hour.

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2. An employee who works on an assigned shift other than the regularly scheduled day shift shall be paid salary during his/her lunch break, at a rate equal to his/her rate of shift pay, in an amount not to exceed 30 minutes pay. ~~Employees working on second and third shifts shall be compensated for eight (8) hours provided that they work seven and one-half (7 1/2) hours.~~
3. No shift pay will be paid for overtime work performed as an extension of a day shift between 6:00 a.m. – 6:00 p.m. If overtime is being paid as a result of a continuation of a regularly scheduled shift, shift pay will not be paid.

B. Standby Duty.

1. The District may assign an employee to weekly standby duty on a rotating basis. Employees assigned to standby duty must be able to respond to an emergency call without delay. Employees assigned to standby duty shall carry pagers, provided by the District, at all times during the standby assignment. The employee shall ensure that the pager batteries are charged at all times. The District's Drug Free Workplace Policy applies to employees assigned to standby duty. An employee assigned on standby duty who fails, refuses, or is unable to respond to an emergency call is subject to disciplinary action.
2. Employees assigned to standby duty may arrange to be replaced by a substitute, provided he/she receives approval from department supervision at least twenty-four (24) hours before the standby duty is scheduled to begin.
3. Compensation for Standby Assignment: Employees on standby duty shall be paid twenty dollars (\$20.00) per shift for each week the employee is on standby duty.
4. Compensation for Work Performed on Standby: An employee who is called in for emergency work at times other than his/her regular work schedule shall be paid at the overtime rate of time and one-half for all hours worked, subject to the provisions of Article 5, Section 3, Overtime.
5. Special Emergency Compensation for Employees Not Assigned to Standby: An employee who is not assigned to standby duty, but who is called in for emergency work at a time other than his/her regular work shift shall be paid one and one-half (1 ½) times his/her regular rate of pay plus an additional one-half (1/2) hour of pay ("report time"). In no case shall such employee receive less than three (3) hours pay at time and one-half, nor shall he/she be required to remain longer than the time required to perform the emergency work.
6. This Standby section shall cease to be effective if the District establishes a second and/or third shift emergency crew.

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C. Call Back.

1. Call-back work is work required of an employee who, following completion of the employee's work day and departure from the employee's work site, is ordered to report back to duty to perform necessary work.
2. Qualifications. To qualify for this call-back provision, an employee must leave the place from which the employee is called and actually report to a work site. Neither changes in a shift or work schedule shall constitute call-back work.
3. Compensation. An employee who is called back shall receive a minimum of three (3) hours pay, subject to the provisions of Article 5, Section 3, Overtime.
4. Work Performed at Place of Contact. An employee contacted by the department during his/her off duty hours and required to perform services without leaving the place of contact, shall receive compensation for such time worked in the same manner such employees receive scheduled overtime compensation. To be eligible for such compensation, employees must be authorized and ordered by the District to perform such services.
5. Additional Assignment While on Call-Back. An employee who is contacted while serving a call-back and is called to another site for additional duties shall not be compensated for a second or subsequent call-back for this assignment. However, if the employee has left the work site, or sites, and is actually returning, or has returned, to his/her original point of contact, and is then called back again outside of the original three (3) hours, the employee shall be compensated for an additional call-back.
6. Employees shall have a nine (9) hour break between regular work shifts. When an employee is requested to work more than three (3) hours and the nine (9) hour break overlaps the employee's next regular shift, he/she may return to his/her regular shift and will receive pay at their regular rate for the shift. If there are less than three (3) hours remaining in that shift, the employee shall return at his/her next regular shift, and will be paid for his/her regular shift.
 - a. If needed for the regular shift because of lack of skilled personnel prior to a nine (9) hour break, the employee will be paid at one and one-half (1-1/2) times his/her regular rate for hours worked in his/her regular shift on that day.

D. Report Time Pay.

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Two Hours: An employee who reports for work on his/her regular shift and is then sent home because of lack of work or inclement weather shall receive two (2) hours pay at his/her regular rate of pay.

Four Hours: If a full-time employee reports to work on his/her regular eight (8)-hour shift and is then sent home due to inclement weather after working at least four (4) or more hours, he/she shall receive eight (8) hours pay at his/her regular rate of pay. (See Article 5 "Alternative Work Schedules" for exceptions).

ARTICLE 5, SECTION 6: TEMPORARY ASSIGNMENTS

- ~~1. a. Crew Leader Designation. An employee who is appointed by his/her manager to regularly direct the work of a group of two (2) or more employees, but who does not have the authority to hire or dismiss such employees, shall be classified as a Crew Leader.~~
- ~~b. Crew Leader Compensation. An employee may be assigned by his/her manager to direct other employees on a temporary basis for a period not to exceed one (1) week without a change in his/her classification or rate. If the assignment from the manager is initially known to be for more than one (1) week, then the employee shall receive Acting Crew Leader pay effective on the first day of the assignment. Acting Crew Leaders shall be paid a premium rate of five percent (5%) or an amount which shall be the difference between the employee's rate of compensation in his/her current class and that of the minimum salary of the range of the temporarily vacant class, whichever is greater.~~

21. Temporary Assignment Designation.

- a. ~~Except as provided in Section E, 1(a) and 1(b) herein above, upon written request, prior to an assignment (or in an emergency within five (5) working days thereafter),~~ The General Manager or designee may approve a temporary advancement of a qualified employee assigned to perform duties of a class which is compensated at a rate higher than such employee's class when such position is temporarily vacant or the incumbent is absent therefrom. The assignment must be for at least three (3) weeks, but not over twenty-six (26) weeks except that if the temporary assignment is for crew leader, the assignment must be for at least one week. The District at its discretion may temporarily modify the duties of the vacant position as District needs dictate.
- b. When an employee is assigned to perform duties of a higher class, he/she will remain in his/her current class, but shall be paid a premium rate of five percent (5%) or an amount which shall be the difference between the rate of compensation in his/her current class and that of the minimum salary of the range of the temporarily vacant class, whichever is greater. However, at no time will the temporarily assigned employee be paid a rate higher than the maximum of the range for the temporarily vacant class. If

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the duties of the vacant position are temporarily modified, and the employee is only performing some of the higher-level duties but not the entire duties of the vacant class, the employee shall be paid a premium rate of five percent (5%) above his/her current class. Employees on temporary assignments will be compensated from the first day of appointment, provided the assignment is for at least three (3) weeks. The premium rate shall not apply to vacation or sick leave buyouts during the period of the temporary assignment.

- c. At the conclusion of such temporary assignment, the employee's rate shall be returned to his/her rate of pay immediately prior to the temporary assignment, adjusted for any merit increases or across-the-board wage adjustments which may have been made during the temporary assignment.
- d. An employee who is temporarily assigned to the duties of a higher class, and who terminates District service during such assignment, shall be paid termination benefits at the rate the employee was paid prior to the temporary assignment, adjusted for any wage adjustment(s) which may have been made during the temporary assignment.

ARTICLE 6 - ALLOWANCES FOR WORK-RELATED EXPENSES

ARTICLE 6, SECTION 1: MEAL ALLOWANCE

- A. Overtime. An employee who is authorized or ordered to work, and does actually work three (3) hours or more of overtime as an extension of his/her regularly assigned work shift is eligible for a meal allowance of eight dollars (\$8.00). This allowance also applies to each six consecutive hours thereafter for the duration of the overtime assignment. The District may provide a meal for an employee in lieu of a meal allowance.
- B. Call Back. An employee who is called back to work in accordance with Article 5, Section 5(C) under the same conditions and in the same manner provided in Article 6, Section 1(A) is eligible for a meal allowance.

ARTICLE 6, SECTION 2: SAFETY SHOE ALLOWANCE

~~An annual safety boot/shoe allowance or voucher, if available, of one hundred and fifty dollars (\$150.00) shall be provided for employees required to wear safety boots/shoes as determined by the supervisor. The allowance may be used any time during a fiscal year to reimburse an employee for the purchase or repair of safety boots/shoes. In order to be reimbursed, the employee must provide his/her supervisor with the receipt for the purchase or repair of safety boots/shoes within thirty (30) days of purchase or repair.~~

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~~Safety boots/shoes shall be worn by employees in positions posing a significant risk of foot injury in accordance with CAL OSHA General Industry, Safety Order 3305: Foot Protection.~~

~~In case of extreme wear, and if deemed necessary, an employee may be eligible for a second pair of boots/shoes within the same fiscal year if approved by the Safety and Risk Administrator.~~

~~A uniform boot/shoe allowance of up to one hundred and fifty dollars (\$150.00) per pair shall be provided for uniformed employees, as determined by the District.~~

~~The allowance is provided to reimburse the uniformed employee for an initial purchase and subsequent reimbursement of replacement boots/shoes as needed and approved by the District in accordance with the Procedures and Guidelines as outlined within the District's Uniform Standards.~~

ARTICLE 6, SECTION 3: SAFETY GLASSES

Prescription Safety Glasses will be provided for employees working in areas where eye protection is required at all times. The prescription safety glasses must meet ANSI Z87 standards. The District will purchase no more than one pair of prescription safety glasses per employee per fiscal year. The District's obligation under this section does not include special tints or other features. The employee is responsible for providing a current prescription before the glasses are ordered.

ARTICLE 7 - EMPLOYEE BENEFITS

ARTICLE 7, SECTION 1: PENSION (RETIREMENT PLAN)

Retirement benefits and the Pre-retirement Option 2 Death Benefit are provided to eligible regular employees under the California Public Employees Retirement System (PERS).

- A. Retirement Formula. ~~For employee that retires on or after Effective December 29, 2003 the basis for computing employee retirement compensation shall be changed from two percent (2.0%) at age 55 to two point seven percent (2.7%) at age 55 PERS Supplemental Formula based on the employee's single highest year annual compensation.~~
- B. Employer Contribution. The District shall pay the full employer contribution.
- C. Employee Contribution. The District shall pay up to seven percent (7.0%) of the employee's service contribution.

ARTICLE 7, SECTION 2: SHORT TERM/LONG TERM DISABILITY INSURANCE

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Short-Term/Long-Term Disability Insurance is available to all full-time regular employees who have completed at least ninety (90) days of continuous service. The details of the plan are as set forth in a separate booklet furnished to all eligible employees, is referenced only to provide additional information, and is not incorporated into the MOU.

A. Premium. The premium is based on the employee's salary and is paid by the District.

ARTICLE 7, SECTION 3: GROUP MEDICAL INSURANCE: ACTIVE EMPLOYEES

A. Active Employees' Medical Insurance Eligibility. Regular full-time employees and their eligible dependents are eligible for coverage under the District-selected medical insurance plan, which includes a Flexible Benefits Plan, effective the first of the month following date of hire and upon proper application, acceptance; and following thirty (30) days of continuous service. Regular part-time employees and their eligible dependents are eligible for coverage effective the first of the month following date of hire and upon proper application, acceptance, and following thirty (30) days of continuous service, except that the District's contribution is limited to one-half (1/2) of the District's contribution as provided below. The medical plan details are set forth in a separate booklet furnished to eligible employees, is referenced only to provide additional information, and is not incorporated into the MOU.

B. Health Insurance Coverage

1. Required "Core" Coverage. All eligible employees are required to enroll in ~~have~~ the following minimum core benefits for the employee only.

- ~~Medical and d~~Dental insurance.
- Basic life and AD&D insurance.

2. Medical Coverage. All eligible employees must select from the following two (2) options:

Option 1: Waive Coverage

You may elect to waive coverage if you are covered by another group health insurance plan, subject to plan provisions or District approval. You will be required to provide proof of medical insurance coverage.

Option 2: Medical Insurance

You may elect to enroll in the District-selected medical plan in accordance with the eligibility and enrollment guidelines.

C. Proof of Dependent Coverage. Employees who submit satisfactory "Proof of Medical Insurance Coverage" for their dependents may elect to waive dependent coverage under the District Medical Insurance Plan. This election may only be made during the plan's open enrollment period or during the year as the result of a qualifying "change in status" as defined by Section 125 of the Internal Revenue Code.

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D. Health Insurance Premium Contributions.

Premiums are based on the following categories:

EO: Employee Only

E+1: Employee and Spouse or Employee and Child

E+2 or more: Employee, Spouse and Child/Children or Employee and Children

ES: Employee and Spouse

~~EC: Employee and Child/Children~~

~~EF: Employee, Spouse and Child/Children (Family)~~

1. District/employee contribution for FY 2007-2013~~2003-2004.~~

From July 1, ~~2007~~2003 through June 30, 2013, ~~December 31, 2003~~ the District will pay one hundred percent (100%) of the employee premium and 88% of the dependent premium. ~~Employee contribution to be effective January 1, 2004.~~

The formula for District and employee health insurance contributions shall be:

EO: 100% of the premium paid by the District

E+1~~ES~~: 88% of the District-selected premium paid by the District; 12% paid by the employee

~~EC~~: ~~88% of the premium paid by the District; 12% paid by the employee~~

E+2 or more~~EF~~: 88% of the District-selected premium paid by the District; 12% paid by the employee

~~This results in the following monthly breakdown of cost sharing for 2003-04:~~

Category	Premium	Less-EO	District 88%	Employee 12%	Employee % of Total Premium	2003-04 Approximate Annual District-Cost
EO	\$333.63				0%	\$4,003.56
ES	\$696.39	\$362.76	\$319.23	\$43.53	6.25%	\$7,834.32
EC	\$763.19	\$429.56	\$378.01	\$51.55	6.75%	\$8,539.68
EF	\$881.47	\$547.84	\$482.10	\$65.74	7.46%	\$9,788.76

~~2. District/employee contribution for FY 2004-05, 2005-06, 2006-07, and 2007-08:~~

~~The formula for District and employee health insurance contributions shall be:~~

~~EO: 100% of the premium paid by the District~~

~~ES: 88% of the premium paid by the District; 12% paid by the employee~~

~~EC: 88% of the premium paid by the District; 12% paid by the employee~~

~~EF: 88% of the premium paid by the District; 12% paid by the employee~~

ARTICLE 7, SECTION 4: GROUP HEALTH INSURANCE: RETIRED EMPLOYEES

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- A. Retiree Health Insurance Not Guaranteed. The provision of health insurance and access to medical and dental insurance for employees retiring ~~on or after December 29, 2003~~ who held full-time status during their employment and their eligible dependents is subject to the discretion of the District and is not guaranteed for life, or for any specific time period. However, the District will endeavor to make health insurance available to employees who retire, subject to the conditions noted in the rest of Article 7. In addition, retirees may only remain as participants in the District's plan as long as the terms of the plan permit such participation. Retirement through the District's Pension Retirement Plan (CalPERS) is required to be eligible to receive Retiree Health Insurance in addition to the provisions set below. Medicare-eligible retirees are required to sign up for Medicare Parts A and B at the retiree's own expense, in order to qualify for the Medicare-enrolled premium rates. For Medicare-eligible retirees who choose not to enroll for both Medicare Parts A and B, the District will pay up to the Medicare supplement premium rate and the retiree will pay the difference in the higher premium rate.
- B. Eligible Dependents. Eligible dependents include those dependents who were covered by the District's health insurance on the date the employee ceased active service with the District. Dependents acquired after the employee retires are not eligible for coverage. If the retiree dies, or an active employee dies, and such employee was eligible to be covered by health insurance as a retiree on the date of death, then such employee's dependent(s) will be eligible for continuation of health insurance coverage until the surviving spouse ~~is Medicare eligible~~ ~~reaches age 65~~. If there are dependent children eligible for coverage, such unmarried children are eligible for continuation of health insurance coverage up to age 19. Plan requirements shall be set forth in a separate booklet furnished to all eligible retirees, is referenced only to provide additional information and is not incorporated into the MOU.
- C. Health Insurance Premium Contributions. Effective ~~January 1, 2008~~ ~~December 29, 2003~~ District contributions towards health insurance premiums for retired employees who held full-time status during their employment, shall be as follows; and medical and dental plan requirements shall be as set forth in separate booklets furnished to all eligible retirees, are referenced only to provide additional information, and are not incorporated into the MOU:

REGULAR RETIREMENT

1. TIER I: Qualifications for Tier I coverage are:
 - a. The employee was hired before January 1, 1981; and
 - c. The employee has attained age 55; and
 - d. The employee has completed five (5) continuous years of service.
 - e. District/retiree contribution:
District and retiree health and dental insurance contributions shall be based on the formula implemented for active employees as set forth in Article 7,

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Section 3(D) and Article 7, Section 5 of this Memorandum of Understanding.

2. TIER II: Qualifications for Tier II coverage are:

- a. The employee was hired on or after January 1, 1981 but before July 1, 1993 and;
- b. The employee has attained age 55 but has not attained age 60; and
- c. The sum of the employee's age plus continuous years of service equals 70
OR
- d. The employee was hired on or after January 1, 1981 but before July 1, 1993 and;
- e. The employee has attained age 60; and
- f. The sum of the employee's age plus continuous years of service equals 70.
- g. District/retiree contribution:

District and retiree health insurance contributions for employees eligible under a), b) and c) immediately above shall be based on the formula implemented for active employees as set forth in Article 7, Section 3(D) of this Memorandum of Understanding.

District and retiree health and dental insurance contributions for employees eligible under d), e) and f) immediately above shall be based on the formula implemented for active employees as set forth in Article 7, Section 3(D) and Article 7, Section 5 of this Memorandum of Understanding.

3. TIER III: Qualifications for Tier III coverage are:

- a. The employee was hired on or after July 1, 1993; and
- b. The employee has attained age 55; and
- c. The employee has completed fifteen (15) years of continuous service.
- d. ~~Medical and dental insurance continuation: At the time of retirement, a retiring employee may opt to continue medical and dental insurance for the retiree and eligible dependents. The employee shall pay all premium costs.~~
District/retiree contribution:

At the time of retirement, an eligible retiring employee will be eligible to receive \$157.86 monthly or the minimum required by the District-selected plan, whichever is greater, to be paid towards employee-only health premiums. If there is no minimum contribution required by the plan, then the payment amount toward health insurance premium will be the last current dollar amount paid toward premiums at the time the District moves to a new plan.

District coverage will end when the employee becomes Medicare-eligible unless the District-selected health insurance plan requires the District to continue to make a contribution toward the retiree health premium.

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The retiree may elect to provide coverage to his/her eligible dependents after retirement provided the employee pays 100% of the District-selected plan costs at the group plan rate. This election is not available once the retiree becomes Medicare-eligible.

The retiree will not have access to purchase the District's group dental plan.

Medical and Dental plan requirements shall be as set forth in a separate booklet furnished to all eligible retirees.

D. EARLY RETIREMENT DUE TO EMPLOYEE DISABILITY

Effective January 1, 2008, an employee may retire between the ages of 50 and 55, if the employee is permanently disabled and unable to work (subject to District approval) and has a minimum of 10 years of continuous District service and also takes an early retirement through the District's retirement pension plan (CalPERS). The District will make the final determination of disability eligibility. The District has sole discretion to determine whether the employee is disabled to qualify for this benefit and to adopt policies, regulations, and or guidelines to aid in this determination. The association waives for the life of this agreement its right to negotiate the District's ability to determine who is disabled and to determine the polices, regulations and or guidelines.

The early retirement benefit is determined based on eligible Tier (hire date) as follows:

1. Tier I and Tier II: If an employee is permanently disabled, the employee may be eligible for Tier I or Tier II retiree health benefits provided they are an active employee who has attained age 50 and has 10 years of continuous service. The employee and eligible dependents would receive a reduced contribution level toward the District's current retiree benefit medical plan and if eligible for dental as follows:

<u>Early Retirement Due to Disability</u>	
<u>Age at Time of Retirement</u>	<u>Fixed Percentage</u>
<u><50</u>	<u>0%</u>
<u>50</u>	<u>70%</u>
<u>51</u>	<u>76%</u>
<u>52</u>	<u>82%</u>
<u>53</u>	<u>88%</u>
<u>54</u>	<u>94%</u>

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If disability retirement is approved by the District, the percentage of the retiree's health benefit premium to be paid by the District will be determined based on the retiree's age at the time the retirement becomes effective. The District's fixed percentage contribution will not increase over time. The same fixed percentage will be applied to calculate the District's portion for any qualified dependent(s).

2. Tier III: If an employee is permanently disabled, the employee may be eligible for Tier III employee-only retiree health benefits provided they are an active employee who has attained age 50 and has 10 years of continuous service. The employee would receive the same level of benefit as if the employee had retired at normal age described in Article 7, Section 4 (C 3).

ARTICLE 7, SECTION 5: DENTAL INSURANCE: ACTIVE EMPLOYEES

Regular full-time employees and their eligible dependents are eligible for coverage under the District-selected Dental Insurance Plan, effective the first of the month following date of hire and upon proper application, acceptance, and thirty (30) days of continuous service. Regular part-time employees and their eligible dependents are eligible for coverage effective the first of the month following date of hire and upon proper application, acceptance, and thirty (30) days of continuous service, except that the District's contribution is limited to one-half (1/2) the District's contribution as provided below. The dental plan details are set forth in a separate booklet furnished to eligible employees, is referenced only to provide additional information, and is not incorporated into the MOU.

The formula for District and employee contributions for dental insurance shall be:

1. District contribution for FY 2007-2013~~2003-2004~~:

From July 1, ~~2007-2003~~ through December 31, ~~2013-2003~~ the District will pay one hundred percent (100%) of the employee premium and 88% of the dependent premium. Employee contribution to be effective January 1, 2004.

EO: 100% of the premium paid by the District

E+1S: ~~88%~~ 88% of the premium paid by the District; 12% paid by the employee

EC: ~~88%~~ 88% of the premium paid by the District; 12% paid by the employee

E+2 or moreF: 88% of the premium paid by the District; 12% paid by the employee

This results in the following monthly breakdown of cost sharing for 2003-04:

Category	Premium	Less-EO	Otay 88%	Employee 12%	Employee % of Total Premium	2003-04 Approximate Annual District Cost
EO	\$31.59				0%	\$379.08
ES	\$79.22	\$47.63	\$41.91	\$5.72	7.22%	\$882.00

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EC	\$72.05	\$40.46	\$35.60	\$4.86	6.75%	\$806.28
EF	\$116.11	\$84.52	\$74.38	\$10.14	8.73%	\$1,271.64

2. ~~District contribution for FY 2004-2005, 2005-06, 2006-07, and 2007-08:~~

~~EO: 100% of the premium paid by the District~~

~~ES: 88% of the premium paid by the District; 12% paid by the employee~~

~~EC: 88% of the premium paid by the District; 12% paid by the employee~~

~~EF: 88% of the premium paid by the District; 12% paid by the employee~~

ARTICLE 7, SECTION 6: LIFE INSURANCE: ACTIVE EMPLOYEES

Group Term Life Insurance is provided to regular full-time and regular part-time employees and their eligible dependents. The benefits are based on the employee's annual earnings. Dependents covered under the employee's health insurance policy have life insurance coverage of \$1,000.00. The details of the plan are as set forth in a separate booklet furnished to all eligible employees, is referenced only to provide additional information, and is not incorporated into the MOU.

A. Premiums: The premium is based on the employee's coverage and is paid by the District. In addition, an employee may elect to cover him/herself and eligible dependents for voluntary term life insurance. The full cost of this insurance is paid by the employee through payroll deduction. The details of the plan are as set forth in a separate booklet furnished to all eligible employees.

ARTICLE 7, SECTION 7: DEATH BENEFIT

In the event of an employee's death, any unpaid wages, accrued unused vacation, and/or accrued unused sick leave shall be paid to the beneficiary designated in the insurance records filed in Human Resources or as otherwise required by law.

ARTICLE 8 - PAID LEAVES

ARTICLE 8, SECTION 1: HOLIDAYS AND HOLIDAY COMPENSATION

The District recognizes the following ~~fourteen~~^{thirteen} (14~~13~~) holidays:

1. New Year's Day
2. Dr. Martin Luther King Jr.'s Birthday
3. Presidents Day
4. Cesar Chavez Day
5. Memorial Day
6. Independence Day
7. Labor Day
8. Veterans Day
9. Thanksgiving Day
10. Friday following Thanksgiving Day
11. Christmas Day

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12. ~~Two~~One Floating Holidays (see subsection "A" below)
13. Employee's Birthday (see subsection "B" below)

- A. Floating Holiday. ~~One~~Two (+2) floating holidays shall be granted to employees to use in conjunction with other holidays. To establish the date of this holiday, on or before October first of each year, the Association shall notify the District of their preference for scheduling it. The District will then schedule the holiday on the date requested by the Association, if practical.
- B. Employee's Birthday. The employee's birthday holiday may be used on the date of the employee's birthday, or, with advance approval, at any time after his/her birthday. Employees will not be paid for unused birthday holidays. An employee must notify his/her supervisor when he/she would like to take his/her birthday holiday. This holiday is to be used within twelve (12) calendar months from the date it is granted and may not be carried over to the next calendar year. ~~Employees who have accumulated one (1) or more birthday holidays as of the beginning date of this Memorandum of Understanding shall have six (6) months within which to use all accumulated birthday holidays. If the accumulated birthday holidays are not used within six (6) months, the employee shall not earn any additional birthday holidays until all accumulated birthday holidays have been used.~~
- C. Saturday and Sunday Holidays. Holidays falling on Saturday will be observed on the preceding Friday and holidays falling on Sunday will be observed on the following Monday, which days shall be considered as the designated holiday.
- D. Eligibility for Holidays. In no event shall the employee receive holiday pay unless he/she is on the payroll the day the holiday occurs and has worked or has paid service on his/her full regularly scheduled shift the day before and the day after the holiday.
- E. Compensation for Holidays.
 1. Eligible full-time employees shall receive eight (8) hours pay, and eligible regular part-time employees shall receive four (4) hours pay for holidays, regardless of the day of the week on which the holiday falls, and regardless of whether it was worked or not.
 2. Compensation for Working on a Holiday: In addition to subsection E (1) above, an FLSA non-exempt employee who works on a holiday shall be compensated at twice the employee's regular hourly rate for all hours worked on that holiday.
 3. Weekend Holidays: An employee who works on Christmas Day, New Year's Day, and/or Independence Day when these three holidays fall on a weekend shall be compensated at twice the employee's regular rate of pay either on the Monday or Friday upon which the holiday is observed or on the actual day of the holiday, whichever day coincides with the day the employee works.

ARTICLE 8, SECTION 2: VACATION

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- A. Eligibility. Vacation is paid time off earned by eligible full-time employees. Regular part-time employees shall earn fifty percent (50%) of the vacation credits earned by full-time employees. Temporary employees shall not be eligible to accrue vacation credits.

An employee's vacation credits earned become available for use as it is accumulated on a daily basis for actual hours paid in the payroll period and may be used in the payroll period following the payroll period within which it was earned. ~~However, no vacation credits shall be eligible for terminal payment until the employee has completed a minimum of one year (12 months) of continuous paid service with the District.~~

- B. Earnings. Eligible employees earn vacation credit as follows:

Years of Continuous Service with the District	Hour/Day Equivalent for Full-Time Employees Over One Year (26 Biweekly Pay Periods)
Up to Five Years	96 hours /12 Days
Six Years	104 hours/13 Days
Seven Years	112 hours/14 Days
Eight Years	120 hours/15 Days
Nine Years	128 hours/16 Days
Ten Years	136 hours/17 Days
Eleven Years	144 hours/18 Days
Twelve Years	152 hours/19 Days
Thirteen Years	160 hours/20 Days
Fourteen Years	168 hours/21 Days
Fifteen Years	176 hours/22 Days
Twenty Years	184 hours/23 Days

Vacation credit continues to accrue when an employee is on paid vacation or sick leave.

- C. Maximum Balance. The maximum amount of vacation an eligible employee may accumulate is four (4) times his/her annual rate of accrual. Employees of the District as of July 1, 1993 shall have his/her existing vacation credits set aside or "banked" and the employee will have the ability to use or cash in these credits in accordance with the District Vacation Policy.
- D. Cash-In of Vacation Credits. An employee may request to cash in any number of accrued or banked vacation credits for a minimum of twenty (20) hours for each request, provided the employee maintains an eighty (80) hour balance after the cash-in occurs and agrees to take a minimum of forty (40) consecutive hours of vacation (or a combination of vacation, holiday hours, compensatory time, and/or flex schedule when used consecutively) in that same calendar year. In the event an approved vacation is canceled by the District, those hours will have been deemed to have been taken for purposes of this section.

In cases where an employee has an unforeseeable emergency, the General Manager may approve an employee's request to be reimbursed for any or all of the required eighty (80) hour balance and may waive the requirement that the employee take a minimum of forty (40) consecutive hours of vacation. An unforeseeable emergency

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means a severe financial hardship resulting from: (a) sudden and unexpected illness or accident of the employee or his/her dependent, (b) loss of employee's property due to casualty, or (c) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the employee.

E. Granting Requests. Vacations will, so far as practicable, be granted at the time requested by the employee provided, however, that the District may schedule vacations to assure orderly operation of the District.

F. Use of Vacation Leave in Lieu of Sick Leave. If employee has used all available sick leave, ~~vacation~~ vacation credits may also be used by an employee for sick leave.

~~GF.~~ Terminal Payment of Vacation. Notwithstanding any other provision in this Article 8.2 (F), for employees designated as Employees' Field Unit and Administrative Employees' Unit, an eligible employee (as defined in the last sentence) who is a participant in the Otay Water District Terminal Pay Plan on the date of his or her separation from District service, shall not be paid the monetary value of all available vacation credit as provided in Article 8.2 (F) above but, in lieu of such payment, the District shall make a monetary contribution in the amount of the monetary value of the vacation credit, up to the lower of the amount due or the amount allowed by law, towards the benefits provided for under the District's Terminal Pay Plan, if any, as provided therein. An eligible employee is a regular employee who is age 55 or older at the time of his/her termination of employment or who terminates employment because of his/her death. Provided that the employee has completed a minimum twelve (12) months of continuous service at the time he/she terminates employment with the District, he/she shall be paid for any unused vacation credits at the employee's rate of pay at the time of leaving employment. Employees shall not be allowed to take vacation to extend their date of termination.

~~Commencing September 1, 2003, the District and the Association will meet and confer to investigate and implement, if feasible, a 401(a) or similar plan to provide options to employees age 55 or older in the management of their vacation payout.~~

HG. Returning Employees. If an employee terminates from his/her position at the District and then returns to District employment within thirty-six (36) months, the employee will accrue vacation on the schedule based on his/her years of service at the time he/she left the District.

ARTICLE 8, SECTION 3: SICK LEAVE

A. Eligibility. Sick leave is paid time off for use as described herein, earned by eligible full-time employees. Regular part-time employees shall earn fifty percent (50%) of the sick leave credits earned by full-time employees. Temporary employees shall not be eligible to accrue sick leave credits.

An employee's sick leave credits earned become available for use as it is accumulated on a daily basis for actual hours paid in the payroll period and may be used in the payroll period following the payroll period within which it was earned.

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~~However, no sick leave credits shall be eligible for terminal payment until the employee has completed a minimum of one year (12 months) of continuous paid service with the District.~~

B. Earnings. Eligible employees earn sick leave credit as follows:

Years of Continuous Service with the District	Hour/Day Equivalent for Full-Time Employees Over One Year (26 Biweekly Pay Periods)
Up to Five Years	64 Hours/8 Days
Over Five Years but less than Ten Years	80 Hours/10 Days
Ten Years	120 Hours/15 Days

Sick Leave credits will continue to accrue when an employee is on paid vacation or sick leave.

C. Allowable Use of Sick Leave. Sick leave shall be allowed and used for personal illness, injury, medical appointments, and/or treatment including hospitalization. Sick leave may also be used to care for the illness, injury, medical appointments, and/or medical treatment of family members.

D. Use of Sick Leave in Lieu of Vacation Leave. If an employee has used all available vacation leave sick leave may, with advance notice and prior approval by the District, be used as vacation.

E. Definition of Family Member. Family members for the use of sick leave are defined as:

- Child of the employee. "Child" is defined as a biological, foster or adopted child, stepchild, legal ward, or a child of an employee or his/her spouse who is acting in *loco parentis*;
- The employee's spouse;
- Parents of the employee or the employee's spouse;

F. Verification of the Proper Use of Sick Leave. The District may require verification of the proper use of sick leave at any time. If the use of sick leave for illness or injury exceeds five (5) consecutive days, the employee shall provide the District with a medical doctor's written verification of the illness or injury.

G. Maximum Balance. The maximum sick leave balance for eligible employees shall be six hundred (600) hours of sick leave credits. Employees of the District as of July 1, 1993 shall have his/her existing sick leave credits set aside or "banked" and the employee will have the ability to use or cash in these credits in accordance with the District Sick Leave Policy.

H. Cash-In of Sick Leave Credits. An employee may request to cash in any number of accrued or banked sick leave credits for a minimum of twenty (20) hours for each request, provided that the employee maintains an eighty (80) hour balance after the cash-in occurs.

In cases where an employee has an unforeseeable emergency, the General Manager may approve an employee's request to be reimbursed for any or all of the required

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eighty (80) hour balance. An unforeseeable emergency means a severe financial hardship resulting from: (a) sudden and unexpected illness or accident of the employee or his/her dependent, (b) loss of employee's property due to casualty, or (c) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the employee.

II. Terminal Payment of Sick Leave. Notwithstanding any other provision in this Article 8.3 (H), an eligible employee (as defined in the last sentence) who is a participant in the Otay Water District Terminal Pay Plan on the date of his or her separation from District service, shall not be paid the monetary value of all available sick leave balance otherwise payable under this Article 8.3 (H) but, in lieu of such payment, the District shall make a monetary contribution in the amount of the monetary value of the sick credit, up to the lower of the amount due or the amount allowed by law, towards the benefits provided for under the District's Terminal Pay Plan, if any, as provided therein. An eligible employee is a regular employee who is age 55 or older at the time of his/her termination of employment or who terminates employment because of his/her death. Provided that an employee has completed twelve (12) months of continuous service at the time he/she terminates employment with the District, an employee shall be paid for any unused sick leave credits at the employee's rate of pay at the time of leaving employment. Employees shall not be allowed to take sick leave to extend their date of termination.

~~Commencing September 1, 2003 the District and the Association will meet and confer to investigate and implement, if feasible, a 401(a) or similar plan to provide options to employees age 55 or older in the management of their sick leave payout.~~

II. Returning Employees. If an employee terminates from his/her position at the District and then returns to District employment within thirty-six (36) months, the employee will accrue sick leave on the schedule based on his/her years of service at the time he/she left the District.

ARTICLE 8, SECTION 4: JURY DUTY (COURT LEAVE)

A. Definition. Jury duty (court leave) is paid leave granted by the District to an eligible employee to enable that employee to fulfill his/her duty as a citizen to serve as a juror, or as a prospective juror, or to serve as a witness in a court action to which the employee is not a party, before a Federal, Superior or Justice Court located within San Diego County.

B. Eligibility. An employee who has received an order from a court is eligible for court leave. Court leave is not granted when the employee is paid an expert witness fee or when attendance is part of the employee's official District duties. The employee must notify his/her supervisor immediately of any notice he/she receives to report for jury duty. The employee shall furnish the District with a statement from a court official certifying the employee's service as a juror or prospective juror.

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C. Court Leave Shall be Limited to:

1. Required attendance before Federal, Superior and Justice Courts located within the County of San Diego. If an employee is excused from jury duty on or before 11:30 am, he/she shall report to work within one (1) hour from the time he/she is excused.
2. Jury service on a regular workday. Payment shall not be made for jury duty performed on Saturdays or Sundays unless those are regularly scheduled workdays for the employee or for hours in excess of the employee's regularly scheduled workday, work week or work period.
3. Attendance that is required as a result of a notice to appear from the Jury Commissioner. If an employee volunteers to serve on jury duty even though the local rule of the court does not require it, the District will not pay the employee's salary for the period of such service. However, the employee may use accrued vacation or sick leave to compensate him/her for the hours missed while on voluntary jury duty. No unpaid leave shall be granted for voluntary jury duty without prior approval of the employee's supervisor.

ARTICLE 8, SECTION 5: BEREAVEMENT LEAVE

- A. Definition. Bereavement leave is paid leave which is available to an employee at the time of death or funeral of a member of the employee's immediate family as defined below.
- B. Eligibility. Employees on paid status and regular part-time employees are eligible for bereavement leave.
- C. Amount of Leave. Bereavement leave shall not exceed three (3) work days for the death of a member of the employee's immediate family. Also, an employee shall be entitled to use two (2) days of sick leave, vacation, or compensatory time as bereavement leave. Regular part-time employees shall be eligible for fifty percent (50%) of the amount of leave granted to full-time employees.
- D. Immediate Family. For purposes of bereavement leave only, immediate family is defined as:
 - Spouse,
 - Parent,
 - Stepparent,
 - Parent of current spouse,
 - Child,
 - Dependent stepchild,
 - Grandchild,
 - Grandparent,
 - Brother,
 - Sister,-

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- Domestic partner (as defined in California Family Code §297).

E. Verification of Proper Use of Bereavement Leave. If requested by the District, application for paid bereavement leave must be supported by satisfactory evidence of death and family relationship.

ARTICLE 8, SECTION 6: SCHOOL ACTIVITIES LEAVE

- A. Definition. School Activities Leave is the allowable use of the employee's existing leave credits to attend school activities.
- B. Eligibility. An employee on paid status and a regular part-time employee who is a parent, guardian, or grandparent with custody of a child attending a licensed day care facility or kindergarten, or enrolled in grade school through grade twelve, is eligible for School Activities Leave.
- C. Amount of Leave. An employee may use as School Activities Leave, up to forty (40) hours of his/her existing vacation or sick leave credits or compensatory time balance per calendar year but not more than eight (8) hours in any one (1) month of the school year regardless of the number of children the employee may have.
- D. Required Advance Notice. Employees are required to give forty-eight (48) hours advance notice of their desire to take School Activities Leave. The District may require that the employee provide documentation verifying participation in school activities on a particular date and time.

ARTICLE 8, SECTION 7: MILITARY LEAVE

- A. Definition and Eligibility. Military Leave is granted to an employee who is or becomes a member of the Armed Services, Militia, or Organized Reserves of California or the United States. Such employee shall be entitled to the leaves of absence and employment rights and privileges provided by the Military and Veterans Code of the State of California.
- B. Required Advance Notice. The employee must provide reasonable advance notice of the need for Military Leave and must provide the District with a copy of all military orders.
- C. Duration of Military Leave. Military Leave shall be for the duration of a summer encampment not to exceed a two (2) -week period in any one (1) calendar year, or the employee's service during hostilities or other actions of the military forces.
- D. Compensation for Military Leave. The District will pay the difference between the employee's District salary and compensation he/she receives from the government for military services rendered. The employee will receive pay from the District at such time he/she submits a statement to the Human Resources Manager verifying compensation received from the government.

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ARTICLE 8, SECTION 8: FAILURE TO RETURN FROM LEAVE

Failure by an employee to return to duty within two (2) days of the date he/she is scheduled to return from any type of leave shall be considered an automatic resignation and the employee shall be notified of his/her automatic resignation from District employment. The District will consider evidence of extenuating circumstances if it is submitted by the employee to the District within ten (10) calendar days of the postmark of the District notice.

ARTICLE 9 - UNPAID LEAVES

ARTICLE 9, SECTION 1: FAMILY MEDICAL LEAVE AND PREGNANCY
DISABILITY LEAVE

The administration of Family Medical Leave shall conform to the requirements of the State and Federal Family Leave Acts as set forth in the District's Family Medical Leave and Pregnancy Disability Leave Policy. A copy of which is available on the INET.

ARTICLE 9, SECTION 2: NON-WORK-RELATED MEDICAL LEAVE

A. Eligibility and Length of Leave. An employee who has twelve (12) months of service, which service need not be consecutive, and has worked at least 1,250 hours during the twelve (12) months immediately prior to the leave, shall be eligible to request Non-Work-Related Employee Medical Leave for up to six (6) months under the same conditions as applies to Article 9, Section 1, Family Medical Leave.

B. Reinstatement.

1. Within Twelve Weeks. The District shall reinstate the employee who returns within twelve (12) weeks of commencement of leave to his/her former position or to an equivalent position as determined by the District, with equivalent pay, benefits, status and authority.
2. After Twelve Weeks. For an employee who returns after twelve (12) weeks from commencement of leave, the District may return the employee to his/her former position, unless the position is no longer available. In the event the District at its discretion, eliminates the position or fills it while the employee is on leave, the District shall notify the employee on leave in writing at least two (2) weeks prior to eliminating or posting the position.

ARTICLE 9, SECTION 3: WORK FURLOUGH

A. Eligibility. Work furlough is unpaid leave available to regular employees who are on paid status the entire scheduled work day before as well as the entire scheduled work

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day after the work furlough. Employees on other leave without pay shall not be eligible for work furlough.

B. Requests. The General Manager or his/her designee may grant a request from an employee for a voluntary unpaid leave of absence (work furlough) subject to the following conditions:

1. Leave must be taken in increments of at least one full hour.
2. The amount of leave shall not exceed forty (40) hours per fiscal year.
3. Medical and dental benefits shall continue as though the employee were on paid status.

ARTICLE 9, SECTION 4: PERSONAL LEAVE

A. Eligibility. An employee who has at least twelve (12) months of service with the District, which service need not be consecutive, and has worked at least 1,250 hours during the twelve (12) months immediately prior to the leave, shall be eligible to request unpaid Personal Leave of up to six (6) months.

B. Requests. The District may grant Personal Leave for emergency or other necessary conditions, and such requests shall be subject to review to determine if the leave serves the best interest of the District, subject to the following conditions:

1. During the leave, the employee and his/her eligible dependent(s), may continue group medical and dental coverage for a limited period of time at his/her own expense in accordance with Consolidated Omnibus Budget Reconciliation Act (COBRA) guidelines.
2. Sick leave and vacation credits will not accrue during Personal Leave.
3. Personal Leave shall run concurrently with Family Medical Leave, if the purpose for the leave qualifies under the Family Medical Leave Act.
4. The employee's in-range performance review date will be extended by the number of days following the first sixty (60) calendar days of leave taken.
5. Upon return from leave, the District may return the employee to his/her former position, unless the position is no longer available. In the event the District, at its discretion, eliminates the position or fills it while the employee is on Personal Leave, the District shall notify the employee in writing at least two (2) weeks prior to eliminating or posting the position.

ARTICLE 9, SECTION 5: FAILURE TO RETURN FROM LEAVE

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Failure by an employee to return to duty within two (2) days of the date he/she is scheduled to return from any type of leave shall be considered an automatic resignation and the employee shall be notified of his/her automatic resignation from District employment. The District will consider evidence of extenuating circumstances if it is submitted by the employee to the District within ten (10) calendar days of the postmark of the District notice.

ARTICLE 10 - WORK-RELATED OCCUPATIONAL INJURY OR DISABILITY

ARTICLE 10, SECTION 1: WORK-RELATED DISABILITY LEAVE

- A. Definition. Work-Related Disability Leave is unpaid leave provided to an employee on Workers' Compensation Temporary Disability Benefits for a period of up to six (6) months for the purpose of recovering from, and receiving treatment for, a work-related disability.

Work-related Disability Leave shall run concurrently with Family Medical Leave (FML) if the purpose for the leave qualifies under the FML Act.

- B. Maintenance of Benefits During Work-Related Disability Leave. During Work-Related Disability Leave, the District shall maintain the following benefits for the employee and the employee's eligible dependents under the same conditions as coverage would have been provided if the employee had been continuously employed:

- Medical Insurance,
- Dental Insurance,
- Life and AD&D Insurance, and
- Long-Term Disability (LTD) Insurance.

If the employee elects to continue the optional life insurance and/or the flexible benefits program, the employee shall be required to pay the premiums by payroll deduction or direct payment to the District. At the beginning of the leave period, the employee will be given written notice of the amounts and option of either payroll deduction or direct payments. Such employee contribution amounts are subject to any changes in rates that occur while the employee is on leave.

While on Work-Related Disability Leave, an employee shall earn sick leave and vacation credit and will be entitled to pay for holidays.

- C. Reinstatement.

1. Return Prior to Six Months. At the conclusion of a Work-Related Disability Leave that has not exceeded six (6) months in duration, and providing that the employee's attending physician verifies that he/she is fully able to resume all of the duties and responsibilities of the position, and if such position exists, an

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employee shall be returned to the duties of the position within the classification to which he/she was assigned prior to the leave.

2. Status of Leave at Six Months. If, at the conclusion of six (6) months from the first day of injury or illness, the employee remains unable to return and resume the duties and responsibilities of his/her position, the District may consider his/her position vacated and take the necessary steps to fill it. The District will then place the employee on a Personal Leave of Absence not to exceed six (6) months. In the event the District in its discretion, eliminates the position or fills it while the employee is on leave, the District shall notify the employee in writing at least two (2) weeks prior to eliminating or posting the position.

ARTICLE 11 - WORKPLACE SAFETY

- A. Commitment to Safety. The District will continue to provide for the workplace safety and health of its employees and to maintain an effective Safety and Loss Control Program. It is the responsibility of all employees to follow all safety practices, rules, and regulations.
- B. Safety Committee. The District may convene an Employee Safety Committee to review and discuss safety features, methodologies, and equipment.
- C. Reporting Safety Concerns. It is the obligation of all employees to immediately report any condition that he/she believes to be unsafe. The District will conduct a prompt investigation and correct any unsafe conditions found to exist.

ARTICLE 12 - PERSONNEL PRACTICES

ARTICLE 12, SECTION 1: PERSONNEL FILES

An employee may inspect his/her personnel file with the exception of references and all materials obtained from other employers and agencies before he/she was hired. An employee shall make a request to inspect his/her file at least forty-eight (48) hours in advance of such inspection. In order to preserve the integrity of personnel files, the District may require inspections to be made in the presence of the Human Resources Manager or his/her designee. The District shall keep documents regarding the processing of a grievance separate from the employee's personnel file, except that the District may place in the personnel file any document that would have been placed there in the absence of a grievance.

ARTICLE 12, SECTION 2: LAYOFF PROCEDURE

An employee terminated because of the elimination of the employee's position or a reduction in the workforce (layoff) shall receive ten (10) working days notice or ten (10) days pay. The District shall determine whether the employee shall receive notice or pay.

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The District shall also provide the Association with twenty (20) working days notice prior to the layoff to allow the Association to meet and confer over the impact of the layoff.

The layoff process shall be administered in accordance with the following:

1. Seniority. Seniority shall be used to determine the order of layoff. Seniority is defined as the employee's total hours of continuous District employment. All seniority is lost upon the employee's resignation or dismissal.
2. Calculation of Layoff Rating. The employee's layoff rating equals one (1) point for each hour of continuous paid service exclusive of all unpaid leaves or periods of suspension.
3. Order of Layoff. Except for employees who volunteer to be laid off, layoff shall be in seniority order. The District may layoff a volunteer for layoff at any point. Employees shall be laid off according to their layoff ratings, with the lowest ratings being laid off first. Employees with equal layoff ratings shall be at the District's discretion. Employees on leave shall be laid off in the same manner as active employees.
4. Reemployment List. A regular employee who is laid off shall be placed on a Reemployment List for the position from which he/she was laid off in the reverse order of layoff. The employee shall be removed from the Reemployment List for any of the following reasons:
 - a. The expiration of six (6) months from the date of placement on the list.
 - b. Reemployment in any permanent position.
 - c. Failure to respond within ten (10) calendar days of the postmark of a registered letter notifying the employee of the availability of reemployment.
 - d. Failure to report to work within ten (10) calendar days of the postmark of a registered letter containing a notice of reemployment.
 - e. A request by the employee that his/her name be removed from the list.
5. Reemployment.
 - a. Vacancies to be filled shall be first offered to individuals on the Reemployment List who filled a position in the same classification as the vacancy to be filled.

ARTICLE 12, SECTION 3: PROBATIONARY PERIOD

- A. Exclusions from Probationary Period. For all types of probationary periods, leaves of absence or limited duty assignments shall not count towards completion of the probationary period and therefore, the employee's probationary period shall be extended by the number of days of absence or limited duty assignment.
- B. Probationary Employees. Employees newly hired by the District shall serve a twelve (12) month probationary period.

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- C. Promotions, Demotions, Reclassifications, and Transfers. An employee who is promoted, demoted, reclassified, or transferred to a different classification prior to completion of his/her initial twelve (12)-month probationary period shall remain on probationary status and will serve a new probationary period of twelve (12) months which shall commence on the date of the employee's promotion, demotion, reclassification, or transfer. Exception: if the employee has completed at least nine (9) months of his/her initial probationary period and is then promoted, demoted, reclassified, or transferred, he/she shall remain on probation and serve a new probationary period of six (6) months which shall commence on the date of the employee's promotion, demotion, reclassification, or transfer.
- D. Benefits During Probation. Employees serving probation shall receive the benefits of this Memorandum of Understanding with the exception that during the probationary period, a probationary employee may be disciplined, discharged, laid off, or otherwise dismissed from District service at the sole discretion of the District and neither the reason for, nor the disciplinary action, discharge, layoff, or dismissal may be appealed through the Grievance Procedure of this Memorandum of Understanding.

ARTICLE 12, SECTION 4: JOB POSTING

~~Notices announcing openings~~Employment announcements for full or part-time positions will be sent via email to all District employees and shall be posted on the INET bulletin boards at the ~~Administrative Office, Operations Office, Warehouse, and Treatment Plant~~ for a period of not less than seven (7) calendar days before the deadline established for submitting an application. The notice shall remain posted until the date of the deadline.

ARTICLE 12, SECTION 5: PERFORMANCE EVALUATION

The performance of regular employees is generally evaluated once in each twelve (12) - month period for regular employees ~~and once every six (6) months for probationary employees.~~ An evaluation shall be also be prepared at the time an regular employee is promoted to a different classification for the time the employee served in his/her former classification unless an evaluation was completed within thirty (30) days prior to the promotion. A District-generated Performance Evaluation may be issued at any time. ~~In addition, Six Month Performance Progress Reports may be prepared by the employee's immediate supervisor or may be requested by the employee.~~ The employee shall be furnished with a copy of his/her completed Performance Evaluation form.

ARTICLE 12, SECTION 6: USE OF DISTRICT VEHICLES

Except as provided in this section, District vehicles may be used by employees only for conducting District business.

- A. Lunch Purchase Stops. An employee driving a District vehicle may stop to purchase lunch food/beverages as follows:

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1. The stop is on a direct route to/from the Operations Yard and the employee's assigned work site, or on a direct route between two assigned work sites.
2. The use of District vehicles shall not extend lunch periods. Time spent for lunch purchase stops will be deducted from the employee's lunch period.
3. An employee may leave a field work site to buy food/beverages only if the employee can leave the work site, return, and eat his/her meal within the time provided for the lunch period.

ARTICLE 13 - GRIEVANCE PROCEDURE

A. Definition.

1. A grievance is defined as an allegation by an employee that the District has failed to provide a condition of employment that is established by this Memorandum of Understanding, or an appeal of a disciplinary termination, reduction in salary, demotion, or suspension of more than three (3) days. A grievance filed under this definition shall have the right to be processed up to Step Three: Binding Arbitration.
2. A grievance is also defined as an appeal of a disciplinary suspension of three (3) days or less or of a letter of reprimand. A grievance filed under this definition shall only have the right to be processed up to Step Two: Review by the General Manager.

B. Exclusions.

This grievance procedure shall not apply to:

1. Matters covered by the District Employer-Employee Relations Policy;
2. Matters over which the Public Employment Relations Board (PERB) has jurisdiction;
3. The substance of Performance Evaluations;
4. Matters concerning the District's self-funded medical and dental benefits for which appeal procedures are contained in the plan documents;
5. Oral warnings or counseling;
6. Employee recognition programs;
7. Concerning any other subject, unless the subject is covered by the expressed terms of this Memorandum of Understanding.

C. Stale Grievance.

A grievance shall be void unless filed in writing within twenty (20) days from the date upon which the District is alleged to have failed to provide a condition of employment which has been established by this Memorandum of Understanding, or within twenty (20) days from the time an employee might reasonably have known of the alleged

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failure, or within twenty (20) days from receipt by the employee of notice of intent to render formal discipline.

For purposes of this Procedure, "day" is defined as any day upon which the administrative offices of the District are open for regularly scheduled business. In no event shall a grievance include a claim for money relief for more than a thirty (30) day period prior to the date the grievance was filed.

D. Informal Discussion with Employee's Supervisor.

Before proceeding to Step One of the formal grievance procedure, except when discipline has been rendered, an employee shall discuss his/her grievance with his/her immediate supervisor in private; outside the presence of any other person and attempt to work out a satisfactory solution. If the employee and his/her supervisor cannot work out a satisfactory solution, the employee may choose to represent himself/herself individually without the involvement of the Association, or he/she may request the assistance of an Association Representative to write and formally present the grievance.

E. Grievance Procedure Steps.

1. Step One: Immediate Supervisor

If the employee chooses to formally pursue his/her grievance after he/she has met with his/her supervisor as required in Subsection D of this Procedure, he/she shall present the written grievance to his/her immediate supervisor within the time limit specified in Subsection C of this Procedure.

The written grievance shall be submitted on the District form and shall specify each Article, Section, and/or Subsection of the Memorandum of Understanding that is alleged to have been violated by the District and shall specify dates, times, places, and persons, and other facts necessary to a clear understanding of the matter being grieved. In cases of disciplinary action, the written grievance shall state as a ground(s) for the appeal that the disciplinary action is inaccurate, unduly severe, and/or unfair, and set forth the facts supporting such ground(s). The grievance shall also state the remedy sought. If the grieving employee fails to provide the required information, or state a ground for challenging disciplinary action, the District may return the grievance to the employee and may refuse to process the grievance until the information is furnished. The Grievance Procedure time limits will not be extended for this purpose. However, the time limits may be extended by mutual agreement of the parties.

The immediate supervisor shall return a copy of the written grievance to the employee with his/her answer thereto in writing within ten (10) days of receipt of the written grievance. If the grievance is not resolved at Step One, the

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employee may appeal the grievance to Step Two no later than ten (10) days from receipt of the supervisor's answer.

2. Step Two: General Manager

A grievance appealed to the General Manager shall include a copy of the original grievance and a clear, concise statement of the reasons for the appeal. If requested, the grievant will be granted the right to present his/her case orally in addition to the written appeal. The General Manager or his/her designee shall review the grievance in an attempt to resolve it and shall communicate the decision to the grievant within ten (10) days of receipt of the appeal. This is the final step for grievances defined under Section A (2) of this Grievance Procedure.

3. Step Three: Arbitration

If the General Manager or his/her designee's decision does not resolve the grievance, and the grievance falls under the definition in Section A (1) of this Procedure, the grievant may, within ten (10) days of receipt of the General Manager's decision, submit a request in writing to the Association to submit the grievance to arbitration. Within twenty (20) days of the grievant's receipt of the decision of the General Manager or his/her designee, the Association shall inform the District if they desire that the grievance be arbitrated.

F. Selection of Arbitrator.

The arbitrator shall be selected by mutual agreement between the District and the grievant or his/her representative. If agreement is not reached on an arbitrator, the parties shall request the State Mediation and Conciliation Service to supply a list of seven (7) qualified arbitrators. The parties shall then alternately strike names from the list until only one (1) name remains, and that person shall serve as the arbitrator. If the parties are unable to agree which party will make the first strike, they shall flip a coin and the winner shall decide which party will make the first strike.

If either the District or the Association so requests, a separate arbitrator shall be selected using the process in this section to hear the question of arbitrability of the grievance. No hearing on the merits of the grievance may be conducted until the issue of arbitrability has been decided.

G. Submission of the Issue to the Arbitrator.

The parties will jointly prepare a statement defining the issue to be submitted to the arbitrator. If agreement is not reached on this statement, each party will submit its own statement defining the issue.

H. Duty of the Arbitrator.

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It shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a disposition of the grievance, which shall be binding. On all issues except appeals of disciplinary action, the grievant shall bear the burden of proof. The decision of the arbitrator shall be based solely on the interpretation of the provisions of the Memorandum of Understanding applicable to the grievance and he/she shall not add to, subtract from, modify or disregard any of the terms or provisions of the Memorandum of Understanding.

In appeals of disciplinary action, the arbitrator's decision shall state whether the District has proven the charge(s) against the employee and whether the discipline imposed is appropriate to the proven charges. The arbitrator shall not consider any ground for appeal not raised by the grievant at Step One.

The provisions for arbitration are not intended and shall not be construed to empower an arbitrator to change any condition of employment specifically covered by the Memorandum of Understanding or to revise, modify or alter in any respect, any provision contained in the Memorandum of Understanding.

I. Payment of Costs.

Each party to a hearing before an arbitrator shall bear his/her own expenses in connection with the arbitration. All fees and expenses of the arbitrator shall be borne one-half (1/2) by the District and one-half (1/2) by the Association.

Either party may request a certified court reporter to record the arbitration hearing. The cost of the court reporter shall be paid by the party requesting the reporter. The cost of a transcript of the hearing shall be borne by the party requesting it.

J. Effect of Failure of Timely Action.

Failure of the employee to file an appeal within the required time period at any step shall constitute an abandonment of the grievance. If the District fails to respond within the required time limit at any step, the District shall be considered to have denied the grievance at that step as of the last day for response. The grievant's time to proceed to the next step, if applicable, shall commence accordingly.

K. No Reprisal.

Employees shall be free from reprisal for use of this Grievance Procedure.

L. Grievance Forms.

All grievances shall be filed on the appropriate form, which is attached as Appendix "E" to this Memorandum of Understanding.

M. Representation.

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An employee may represent himself/herself without the involvement of the Association or he/she may request the assistance of an Association Representative to write and formally present the grievance. However, an employee may not grieve to Step Three: Arbitration, without the consent of the Association.

ARTICLE 14 - GENERAL PROVISIONS

ARTICLE 14, SECTION 1: NON-DISCRIMINATION

In receiving the rights afforded by this Memorandum of Understanding, no person shall in any way be favored or discriminated against to the extent prohibited by law because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, and sexual orientation.

ARTICLE 14, SECTION 2: ENTIRE AGREEMENT

This Memorandum of Understanding sets forth the full and entire agreement of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements over these matters between the parties, whether formal or informal, are hereby superseded or terminated in their entirety.

ARTICLE 14, SECTION 3: SEPARABILITY

This Memorandum of Understanding is subject to all current and future applicable federal, state and local laws and regulations. If any part or provision of this MOU is in conflict or inconsistent with such applicable provisions of federal, state or local laws or regulations, or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such part or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of the MOU shall not be affected thereby.

ARTICLE 14, SECTION 4: MANAGEMENT RIGHTS

The management of the District and the direction of the work force are vested exclusively in the District, subject to the terms of this MOU. All matters not covered by this MOU may be administered by the District. The District shall have sole authority over the merits, necessity, or organization of any District service or activity provided by law.

ARTICLE 14, SECTION 5: STRIKES AND LOCKOUTS

Neither the Association nor any employee represented by the Association shall cause, authorize, engage in, or sanction any type of job action, strike, or slowdown which results in less than the full and faithful performance of the duties of employment during the term of this MOU and for a ninety (90) day period following expiration of the term of this

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MOU. During the term of this MOU and for ninety (90) days following its expiration, the District shall not take action to lock out employees covered by this MOU.

ARTICLE 14, SECTION 6: EMERGENCY

Nothing herein shall limit the authority of management to make necessary changes during emergencies. Emergency is defined as a substantial likelihood that serious harm would be experienced unless immediate action is taken.

ARTICLE 14, SECTION 7: IMPLEMENTATION

This MOU constitutes a mutual recommendation to be jointly submitted to the District Board of Directors. It is agreed that this MOU shall not be binding upon the parties either in whole or in part unless and until:

1. The Association ratifies this Memorandum; and
2. The Board of Directors acts by majority vote, to formally approve and adopt this MOU and to appropriate the necessary funds required to implement the provisions of this MOU that require funding.

The District shall act in a timely manner to make the necessary changes to implement this Memorandum of Understanding.

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IN WITNESS WHEREOF, the parties have caused their duly-authorized representatives to execute this Memorandum of Understanding on this 15th day of July, 2003.

FOR: OTAY WATER DISTRICT

FOR: OTAY WATER DISTRICT
EMPLOYEES ASSOCIATION

Mark W. Watton~~Robert Griego,~~
~~Burpeau,~~
General Manager

Mike Powell~~David~~~~H.~~
~~Employee Services~~~~Administrative~~~~Employees Unit~~

Daniel C. Cassidy~~Madge M. Blakey,~~
~~Madge M. Blakey & Associates~~
~~Liebert Cassidy Whitmore~~

John M. Mobley~~James K. Clements,~~
~~Administrative Employees Unit~~

Kelli M. Williamson,
Human Resources Manager

Sandra E. Horski,
~~Administrative Employees Unit~~

Rita K. Bell,
Finance Manager

Larry A. Cass,
Field Employees Unit

David T. Charles,
~~DiPietro,~~
~~Engineering Customer Service Manager~~

Dennis S. Cooper~~Brandon D.~~
Field Employees Unit

Rosemary F. Dries,
Senior Human Resources Analyst

E. Patrick Newman~~Tim Keeran,~~
Field Employees Unit

Donald R. Henderson,
~~Construction Maintenance~~~~Facilities Manager~~

Larry Le-Feuvre,
~~Field Employees Unit~~

ATTACHMENT B

EXHIBIT 2

CLASSIFICATION TITLES/SALARY RANGES
Effective September 1, 2007

Position	Grade	Step	Position	Grade	Step
DISTRICT-WIDE POSITIONS			FINANCE		
Executive Secretary	22	NE	<u>Accounting</u>		
Secretary	18	NE	Finance Manager, Controller and Budget	35	E
Office Assistant	15	NE	Finance Manager, Treasury and Accounting	35	E
GENERAL MANAGER'S OFFICE			Sr. Accountant	28	E
Communications Officer	30	E	Accountant	25	NE
District Secretary	29	E	<u>Customer Service</u>		
Assistant District Secretary	24	E	Customer Service Manager	34	E
ADMINISTRATIVE SERVICES			Customer Service Supervisor	28	E
Confidential Secretary	18	NE	Lead Customer Service Field Rep.	21	NE
<u>Human Resources</u>			Customer Service Field Representative II	18	NE
Human Resources Manager	35	E	Customer Service Field Representative I	16	NE
Senior Human Resources Analyst	30	E	Sr. Customer Service Representative	21	NE
Human Resources Analyst	25	E	Customer Service Representative II	18	NE
Human Resources Technician	21	NE	Customer Service Representative I	16	NE
<u>Purchasing</u>			<u>Payroll and Accounts Payable</u>		
Purchasing and Facilities Manager	34	E	Finance Supervisor	31	E
Buyer II	23	NE	Payroll Technician	20	NE
Buyer I	20	NE	Accounting Assistant	17	NE
Facilities Maintenance Technician	19	NE	INFORMATION TECHNOLOGY		
Facilities Maintenance Assistant	14	NE	Database Administrator	32	E
Lead Warehouse/Facilities Worker	23	NE	Business Systems Analyst II	29	E
Warehouse/Delivery Worker	19	NE	Business Systems Analyst I	25	E
<u>Safety</u>			<u>G.I.S</u>		
Safety and Security Administrator	30	E	GIS Manager	34	E
<u>Water Conservation</u>			GIS Programmer Analyst	27	E
Water Conservation Manager	30	E	GIS Technician	22	NE
Water Conservation Specialist	22	NE	<u>I.T. Operations</u>		
			IT Operations Manager	32	E
			Network Engineer	31	E
			Network Analyst	26	E
			Records Assistant	18	NE

CLASSIFICATION TITLES/SALARY RANGES
Effective September 1, 2007

POSITION	GRADE	RANGE	POSITION	GRADE	RANGE
ENGINEERING			Utility Maintenance/Construction		
Engineering Manager/Design, Construction, & Planning	37	E	Construction Maintenance Manager	35	E
Engineering Manager/Water Resources	36	E	Utility Maintenance		
Construction			Utility Maintenance Supervisor	28	E
Inspection Supervisor	28	E	Utility Crew Leader	24	NE
Construction Inspector II	24	NE	Senior Utility/Equipment Operator	22	NE
Construction Inspector I	22	NE	Utility Worker II	20	NE
Surveying			Utility Worker I	18	NE
Surveying Supervisor	29	E	Equipment Shop		
Survey Technician	25	NE	Fleet Maintenance Supervisor	28	E
Assistant Survey Technician	19	NE	Equipment Mechanic II	21	NE
Customer Services			Equipment Mechanic I	18	NE
Public Services Manager	34	E	Welder	21	NE
Permit Technician	20	NE	Meter Maintenance		
Engineers			Meter Maint/Cross Conn Supervisor	28	E
Sr. Civil Engineer	34	E	Lead Meter Maintenance/ Cross Connection Worker	24	NE
Associate Civil Engineer	32	E	Meter Maintenance Worker II	21	NE
Assistant Civil Engineer	27	E	Meter Maintenance Worker I	18	NE
Jr. Civil Engineer	25	NE	Pump/Electrical		
Environmental Compliance			Pump/Electrical Supervisor	28	E
Environmental Compliance Specialist	28	E	Sr. SCADA / Instrumentation Technician	26	NE
Engineering Technicians			SCADA / Instrumentation Technician	25	NE
Sr. Engineering Technician	24	NE	Electrician II	24	NE
Engineering Technician	22	NE	Electrician I	22	NE
WATER OPERATIONS			Pump Mechanic II	22	NE
Collection/Treatment/Reclamation			Pump Mechanic I	19	NE
Reclamation Plant Supervisor	30	E	Water Systems		
Laboratory Technician II	23	NE	Water Systems Supervisor	30	E
Laboratory Technician I	21	NE	Sr. Disinfection Technician	24	NE
Lead Recycled Water Distribution Operator	26	NE	Disinfection Technician	23	NE
Recycled Water Distribution Operator III	23	NE	Lead Water Systems Operator	26	NE
Recycled Water Distribution Operator II	21	NE	Water Systems Operator III	23	NE
Recycled Water Distribution Operator I	19	NE	Water Systems Operator II	22	NE
Lead Reclamation Plant Operator	26	NE	Water Systems Operator I	20	NE
Reclamation Plant Operator III	23	NE	Valve Maintenance Worker	17	NE
Reclamation Plant Operator II	21	NE			
Reclamation Plant Operator I	19	NE			

OTAY WATER DISTRICT SALARY SCHEDULE
EFFECTIVE JULY 1, 2008

GRADE	HOURLY			MONTHLY			ANNUAL		
	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX
10	\$ 13.8362	\$ 15.5657	\$ 17.2952	\$ 2,398.27	\$ 2,698.05	\$ 2,997.83	\$ 28,779.30	\$ 32,376.66	\$ 35,974.02
11	14.5280	16.3440	18.1600	\$ 2,518.19	\$ 2,832.96	\$ 3,147.73	\$ 30,218.24	\$ 33,995.52	\$ 37,772.72
12	15.2544	17.1612	19.0680	\$ 2,644.10	\$ 2,974.61	\$ 3,305.11	\$ 31,729.15	\$ 35,695.30	\$ 39,661.35
13	16.0171	18.0192	20.0214	\$ 2,776.30	\$ 3,123.33	\$ 3,470.37	\$ 33,315.57	\$ 37,479.94	\$ 41,644.42
14	16.8180	18.9202	21.0224	\$ 2,915.12	\$ 3,279.50	\$ 3,643.89	\$ 34,981.44	\$ 39,354.02	\$ 43,726.64
15	17.6589	19.8662	22.0735	\$ 3,060.88	\$ 3,443.47	\$ 3,826.08	\$ 36,730.51	\$ 41,321.70	\$ 45,912.97
16	18.5418	20.8595	23.1772	\$ 3,213.91	\$ 3,615.65	\$ 4,017.39	\$ 38,566.94	\$ 43,387.76	\$ 48,208.62
17	19.4689	21.9025	24.3361	\$ 3,374.61	\$ 3,796.43	\$ 4,218.25	\$ 40,495.31	\$ 45,557.20	\$ 50,619.05
18	20.4424	22.9976	25.5529	\$ 3,543.35	\$ 3,986.25	\$ 4,429.17	\$ 42,520.19	\$ 47,835.01	\$ 53,150.01
19	21.4645	24.1475	26.8305	\$ 3,720.51	\$ 4,185.57	\$ 4,650.63	\$ 44,646.16	\$ 50,226.80	\$ 55,807.51
20	22.5377	25.3549	28.1721	\$ 3,906.53	\$ 4,394.85	\$ 4,883.16	\$ 46,878.42	\$ 52,738.19	\$ 58,597.88
21	23.6646	26.6226	29.5807	\$ 4,101.86	\$ 4,614.58	\$ 5,127.31	\$ 49,222.37	\$ 55,375.01	\$ 61,527.78
22	24.8478	27.9538	31.0597	\$ 4,306.95	\$ 4,845.33	\$ 5,383.68	\$ 51,683.42	\$ 58,143.90	\$ 64,604.16
23	26.0902	29.3514	32.6127	\$ 4,522.30	\$ 5,087.58	\$ 5,652.86	\$ 54,267.62	\$ 61,050.91	\$ 67,834.37
24	27.3947	30.8190	34.2433	\$ 4,748.41	\$ 5,341.96	\$ 5,935.51	\$ 56,980.98	\$ 64,103.52	\$ 71,226.09
25	28.7645	32.3600	35.9555	\$ 4,985.85	\$ 5,609.07	\$ 6,232.28	\$ 59,830.16	\$ 67,308.80	\$ 74,787.40
26	30.2027	33.9780	37.7533	\$ 5,235.13	\$ 5,889.52	\$ 6,543.90	\$ 62,821.62	\$ 70,674.24	\$ 78,526.77
27	31.7128	35.6769	39.6409	\$ 5,496.89	\$ 6,184.00	\$ 6,871.09	\$ 65,962.62	\$ 74,207.95	\$ 82,453.10
28	33.2985	37.4607	41.6230	\$ 5,771.74	\$ 6,493.19	\$ 7,214.65	\$ 69,260.88	\$ 77,918.26	\$ 86,575.76
29	34.9634	39.3337	43.7041	\$ 6,060.32	\$ 6,817.84	\$ 7,575.38	\$ 72,723.87	\$ 81,814.10	\$ 90,904.55
30	36.7116	41.3004	45.8893	\$ 6,363.34	\$ 7,158.74	\$ 7,954.15	\$ 76,360.13	\$ 85,904.83	\$ 95,449.77
31	38.5471	43.3655	48.1838	\$ 6,681.50	\$ 7,516.69	\$ 8,351.86	\$ 80,177.97	\$ 90,200.24	\$ 100,222.26
32	40.4745	45.5337	50.5930	\$ 7,015.58	\$ 7,892.51	\$ 8,769.45	\$ 84,186.96	\$ 94,710.10	\$ 105,233.38
33	42.4982	47.8104	53.1226	\$ 7,366.35	\$ 8,287.14	\$ 9,207.92	\$ 88,396.26	\$ 99,445.63	\$ 110,495.04
34	44.6231	50.2009	55.7787	\$ 7,734.67	\$ 8,701.49	\$ 9,668.32	\$ 92,816.05	\$ 104,417.87	\$ 116,019.80
35	46.8543	52.7110	58.5677	\$ 8,121.41	\$ 9,136.57	\$ 10,151.73	\$ 97,456.94	\$ 109,638.88	\$ 121,820.79
36	49.1970	55.3465	61.4961	\$ 8,527.48	\$ 9,593.39	\$ 10,659.32	\$ 102,329.76	\$ 115,120.72	\$ 127,911.83
37	51.6568	58.1139	64.5709	\$ 8,953.85	\$ 10,073.08	\$ 11,192.28	\$ 107,446.14	\$ 120,876.91	\$ 134,307.42

OTAY WATER DISTRICT SALARY SCHEDULE
EFFECTIVE JULY 1, 2009

GRADE	HOURLY			MONTHLY			ANNUAL		
	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX
10	\$ 14.2513	\$ 16.0327	\$ 17.8141	\$ 2,470.23	\$ 2,779.00	\$ 3,087.78	\$ 29,642.70	\$ 33,348.02	\$ 37,053.33
11	14.9639	16.8343	18.7048	\$ 2,593.74	\$ 2,917.95	\$ 3,242.17	\$ 31,124.91	\$ 35,015.34	\$ 38,905.99
12	15.7121	17.6761	19.6400	\$ 2,723.43	\$ 3,063.86	\$ 3,404.27	\$ 32,681.17	\$ 36,766.29	\$ 40,851.29
13	16.4977	18.5599	20.6220	\$ 2,859.60	\$ 3,217.05	\$ 3,574.49	\$ 34,315.22	\$ 38,604.59	\$ 42,893.86
14	17.3225	19.4878	21.6531	\$ 3,002.57	\$ 3,377.89	\$ 3,753.21	\$ 36,030.80	\$ 40,534.62	\$ 45,038.55
15	18.1887	20.4622	22.7358	\$ 3,152.71	\$ 3,546.78	\$ 3,940.87	\$ 37,832.50	\$ 42,561.38	\$ 47,290.48
16	19.0981	21.4854	23.8726	\$ 3,310.34	\$ 3,724.14	\$ 4,137.92	\$ 39,724.05	\$ 44,689.63	\$ 49,655.00
17	20.0530	22.5596	25.0662	\$ 3,475.85	\$ 3,910.33	\$ 4,344.81	\$ 41,710.24	\$ 46,923.97	\$ 52,137.75
18	21.0557	23.6876	26.3195	\$ 3,649.65	\$ 4,105.85	\$ 4,562.05	\$ 43,795.86	\$ 49,270.21	\$ 54,744.64
19	22.1084	24.8720	27.6355	\$ 3,832.12	\$ 4,311.15	\$ 4,790.16	\$ 45,985.47	\$ 51,733.76	\$ 57,481.87
20	23.2139	26.1156	29.0173	\$ 4,023.74	\$ 4,526.70	\$ 5,029.66	\$ 48,284.91	\$ 54,320.45	\$ 60,355.97
21	24.3746	27.4214	30.4682	\$ 4,224.93	\$ 4,753.04	\$ 5,281.15	\$ 50,699.17	\$ 57,036.51	\$ 63,373.77
22	25.5933	28.7924	31.9916	\$ 4,436.17	\$ 4,990.68	\$ 5,545.20	\$ 53,234.06	\$ 59,888.19	\$ 66,542.45
23	26.8730	30.2320	33.5911	\$ 4,657.99	\$ 5,240.21	\$ 5,822.46	\$ 55,895.84	\$ 62,882.56	\$ 69,869.58
24	28.2166	31.7436	35.2707	\$ 4,890.88	\$ 5,502.22	\$ 6,113.59	\$ 58,690.53	\$ 66,026.69	\$ 73,363.05
25	29.6274	33.3308	37.0342	\$ 5,135.42	\$ 5,777.34	\$ 6,419.27	\$ 61,624.99	\$ 69,328.06	\$ 77,031.21
26	31.1088	34.9974	38.8859	\$ 5,392.19	\$ 6,066.22	\$ 6,740.23	\$ 64,706.30	\$ 72,794.59	\$ 80,882.77
27	32.6642	36.7472	40.8302	\$ 5,661.79	\$ 6,369.51	\$ 7,077.24	\$ 67,941.54	\$ 76,434.18	\$ 84,926.91
28	34.2975	38.5846	42.8718	\$ 5,944.90	\$ 6,688.00	\$ 7,431.10	\$ 71,338.80	\$ 80,255.97	\$ 89,173.25
29	36.0123	40.5138	45.0153	\$ 6,242.13	\$ 7,022.39	\$ 7,802.66	\$ 74,905.58	\$ 84,268.70	\$ 93,631.91
30	37.8129	42.5395	47.2661	\$ 6,554.24	\$ 7,373.51	\$ 8,192.79	\$ 78,650.83	\$ 88,482.16	\$ 98,313.51
31	39.7036	44.6665	49.6294	\$ 6,881.96	\$ 7,742.19	\$ 8,602.43	\$ 82,583.49	\$ 92,906.32	\$ 103,229.19
32	41.6888	46.8998	52.1109	\$ 7,226.06	\$ 8,129.30	\$ 9,032.55	\$ 86,712.70	\$ 97,551.58	\$ 108,390.64
33	43.7732	49.2448	54.7164	\$ 7,587.35	\$ 8,535.77	\$ 9,484.18	\$ 91,048.26	\$ 102,429.18	\$ 113,810.18
34	45.9619	51.7071	57.4523	\$ 7,966.73	\$ 8,962.56	\$ 9,958.39	\$ 95,600.75	\$ 107,550.77	\$ 119,500.69
35	48.2600	54.2924	60.3249	\$ 8,365.07	\$ 9,410.68	\$ 10,456.31	\$ 100,380.80	\$ 112,928.19	\$ 125,475.72
36	50.6730	57.0070	63.3411	\$ 8,783.32	\$ 9,881.21	\$ 10,979.13	\$ 105,399.84	\$ 118,574.56	\$ 131,749.51
37	53.2066	59.8574	66.5082	\$ 9,222.48	\$ 10,375.28	\$ 11,528.08	\$ 110,669.73	\$ 124,503.39	\$ 138,336.98

OTAY WATER DISTRICT SALARY SCHEDULE
EFFECTIVE JULY 1, 2010

GRADE	HOURLY			MONTHLY			ANNUAL		
	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX
10	\$ 14.6788	\$ 16.5137	\$ 18.3485	\$ 2,544.33	\$ 2,862.37	\$ 3,180.41	\$ 30,531.90	\$ 34,348.50	\$ 38,164.88
11	15.4127	17.3394	19.2659	\$ 2,671.53	\$ 3,005.50	\$ 3,339.43	\$ 32,058.42	\$ 36,065.95	\$ 40,073.12
12	16.1834	18.2064	20.2292	\$ 2,805.12	\$ 3,155.78	\$ 3,506.40	\$ 33,661.47	\$ 37,869.31	\$ 42,076.78
13	16.9925	19.1167	21.2407	\$ 2,945.37	\$ 3,313.56	\$ 3,681.72	\$ 35,344.40	\$ 39,762.74	\$ 44,180.62
14	17.8422	20.0725	22.3027	\$ 3,092.65	\$ 3,479.23	\$ 3,865.80	\$ 37,111.78	\$ 41,750.80	\$ 46,389.65
15	18.7343	21.0761	23.4179	\$ 3,247.28	\$ 3,653.19	\$ 4,059.09	\$ 38,967.34	\$ 43,838.29	\$ 48,709.13
16	19.6710	22.1299	24.5887	\$ 3,409.64	\$ 3,835.85	\$ 4,262.05	\$ 40,915.68	\$ 46,030.19	\$ 51,144.59
17	20.6545	23.2364	25.8182	\$ 3,580.11	\$ 4,027.64	\$ 4,475.15	\$ 42,961.36	\$ 48,331.71	\$ 53,701.82
18	21.6873	24.3983	27.1091	\$ 3,759.13	\$ 4,229.04	\$ 4,698.91	\$ 45,109.58	\$ 50,748.46	\$ 56,386.91
19	22.7716	25.6182	28.4645	\$ 3,947.08	\$ 4,440.49	\$ 4,933.85	\$ 47,364.93	\$ 53,285.86	\$ 59,206.26
20	23.9102	26.8991	29.8878	\$ 4,144.43	\$ 4,662.51	\$ 5,180.55	\$ 49,733.22	\$ 55,950.13	\$ 62,166.57
21	25.1057	28.2440	31.3822	\$ 4,351.65	\$ 4,895.63	\$ 5,439.57	\$ 52,219.86	\$ 58,747.52	\$ 65,274.90
22	26.3610	29.6562	32.9513	\$ 4,569.24	\$ 5,140.41	\$ 5,711.55	\$ 54,830.88	\$ 61,684.90	\$ 68,538.64
23	27.6791	31.1390	34.5988	\$ 4,797.71	\$ 5,397.43	\$ 5,997.13	\$ 57,572.53	\$ 64,769.12	\$ 71,965.57
24	29.0630	32.6960	36.3288	\$ 5,037.59	\$ 5,667.31	\$ 6,296.99	\$ 60,451.04	\$ 68,007.68	\$ 75,563.85
25	30.5162	34.3308	38.1452	\$ 5,289.47	\$ 5,950.67	\$ 6,611.84	\$ 63,473.70	\$ 71,408.06	\$ 79,342.04
26	32.0420	36.0473	40.0525	\$ 5,553.95	\$ 6,248.20	\$ 6,942.43	\$ 66,647.36	\$ 74,978.38	\$ 83,309.15
27	33.6441	37.8497	42.0551	\$ 5,831.64	\$ 6,560.61	\$ 7,289.55	\$ 69,979.73	\$ 78,727.38	\$ 87,474.60
28	35.3263	39.7422	44.1579	\$ 6,123.23	\$ 6,888.65	\$ 7,654.03	\$ 73,478.70	\$ 82,663.78	\$ 91,848.33
29	37.0926	41.7293	46.3657	\$ 6,429.38	\$ 7,233.08	\$ 8,036.73	\$ 77,152.61	\$ 86,796.94	\$ 96,440.75
30	38.9472	43.8158	48.6840	\$ 6,750.85	\$ 7,594.74	\$ 8,438.57	\$ 81,010.18	\$ 91,136.86	\$ 101,262.79
31	40.8946	46.0066	51.1182	\$ 7,088.40	\$ 7,974.48	\$ 8,860.49	\$ 85,060.77	\$ 95,693.73	\$ 106,325.93
32	42.9393	48.3069	53.6741	\$ 7,442.81	\$ 8,373.20	\$ 9,303.52	\$ 89,313.74	\$ 100,478.35	\$ 111,642.22
33	45.0863	50.7222	56.3579	\$ 7,814.96	\$ 8,791.85	\$ 9,768.69	\$ 93,779.50	\$ 105,502.18	\$ 117,224.34
34	47.3406	53.2583	59.1757	\$ 8,205.70	\$ 9,231.44	\$ 10,257.13	\$ 98,468.45	\$ 110,777.26	\$ 123,085.55
35	49.7076	55.9212	62.1345	\$ 8,615.98	\$ 9,693.01	\$ 10,769.99	\$ 103,391.81	\$ 116,316.10	\$ 129,239.83
36	52.1930	58.7173	65.2413	\$ 9,046.79	\$ 10,177.67	\$ 11,308.49	\$ 108,561.44	\$ 122,131.98	\$ 135,701.82
37	54.8027	61.6532	68.5033	\$ 9,499.13	\$ 10,686.55	\$ 11,873.91	\$ 113,989.62	\$ 128,238.66	\$ 142,486.91

OTAY WATER DISTRICT SALARY SCHEDULE
EFFECTIVE JULY 1, 2011

GRADE	HOURLY			MONTHLY			ANNUAL		
	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX
10	\$ 15.1926	\$ 17.0916	\$ 18.9907	\$ 2,633.38	\$ 2,962.54	\$ 3,291.72	\$ 31,600.61	\$ 35,550.53	\$ 39,500.66
11	15.9522	17.9462	19.9402	\$ 2,765.05	\$ 3,110.67	\$ 3,456.31	\$ 33,180.58	\$ 37,328.10	\$ 41,475.69
12	16.7498	18.8435	20.9372	\$ 2,903.30	\$ 3,266.21	\$ 3,629.12	\$ 34,839.58	\$ 39,194.48	\$ 43,549.47
13	17.5873	19.7857	21.9841	\$ 3,048.47	\$ 3,429.52	\$ 3,810.58	\$ 36,581.58	\$ 41,154.26	\$ 45,726.95
14	18.4667	20.7749	23.0833	\$ 3,200.89	\$ 3,600.98	\$ 4,001.11	\$ 38,410.74	\$ 43,211.79	\$ 48,013.29
15	19.3900	21.8137	24.2375	\$ 3,360.93	\$ 3,781.04	\$ 4,201.16	\$ 40,331.20	\$ 45,372.50	\$ 50,413.96
16	20.3595	22.9044	25.4494	\$ 3,528.98	\$ 3,970.10	\$ 4,411.22	\$ 42,347.76	\$ 47,641.15	\$ 52,934.66
17	21.3775	24.0496	26.7218	\$ 3,705.43	\$ 4,168.60	\$ 4,631.78	\$ 44,465.20	\$ 50,023.17	\$ 55,581.39
18	22.4464	25.2521	28.0579	\$ 3,890.71	\$ 4,377.03	\$ 4,863.37	\$ 46,688.51	\$ 52,524.37	\$ 58,360.46
19	23.5687	26.5147	29.4608	\$ 4,085.24	\$ 4,595.88	\$ 5,106.54	\$ 49,022.90	\$ 55,150.58	\$ 61,278.48
20	24.7471	27.8404	30.9338	\$ 4,289.50	\$ 4,825.67	\$ 5,361.87	\$ 51,473.97	\$ 57,908.03	\$ 64,342.41
21	25.9845	29.2324	32.4805	\$ 4,503.98	\$ 5,066.95	\$ 5,629.96	\$ 54,047.76	\$ 60,803.39	\$ 67,559.53
22	27.2837	30.6941	34.1046	\$ 4,729.17	\$ 5,320.31	\$ 5,911.46	\$ 56,750.10	\$ 63,843.73	\$ 70,937.50
23	28.6479	32.2288	35.8098	\$ 4,965.64	\$ 5,586.33	\$ 6,207.03	\$ 59,587.63	\$ 67,035.90	\$ 74,484.38
24	30.0803	33.8402	37.6003	\$ 5,213.92	\$ 5,865.63	\$ 6,517.38	\$ 62,567.02	\$ 70,387.62	\$ 78,208.60
25	31.5843	35.5322	39.4803	\$ 5,474.61	\$ 6,158.91	\$ 6,843.25	\$ 65,695.34	\$ 73,906.98	\$ 82,119.03
26	33.1635	37.3088	41.4543	\$ 5,748.34	\$ 6,466.86	\$ 7,185.41	\$ 68,980.08	\$ 77,602.30	\$ 86,224.98
27	34.8217	39.1743	43.5270	\$ 6,035.76	\$ 6,790.21	\$ 7,544.69	\$ 72,429.14	\$ 81,482.54	\$ 90,536.23
28	36.5628	41.1330	45.7034	\$ 6,337.55	\$ 7,129.72	\$ 7,921.92	\$ 76,050.62	\$ 85,556.64	\$ 95,063.04
29	38.3909	43.1896	47.9886	\$ 6,654.42	\$ 7,486.20	\$ 8,318.02	\$ 79,853.07	\$ 89,834.37	\$ 99,816.19
30	40.3105	45.3491	50.3880	\$ 6,987.15	\$ 7,860.51	\$ 8,733.92	\$ 83,845.84	\$ 94,326.13	\$ 104,807.00
31	42.3260	47.6166	52.9074	\$ 7,336.51	\$ 8,253.54	\$ 9,170.61	\$ 88,038.08	\$ 99,042.53	\$ 110,047.35
32	44.4423	49.9974	55.5527	\$ 7,703.33	\$ 8,666.22	\$ 9,629.14	\$ 92,439.98	\$ 103,994.59	\$ 115,549.72
33	46.6644	52.4973	58.3304	\$ 8,088.50	\$ 9,099.53	\$ 10,110.60	\$ 97,061.95	\$ 109,194.38	\$ 121,327.20
34	48.9977	55.1221	61.2469	\$ 8,492.93	\$ 9,554.50	\$ 10,616.13	\$ 101,915.22	\$ 114,653.97	\$ 127,393.56
35	51.4475	57.8782	64.3093	\$ 8,917.57	\$ 10,032.22	\$ 11,146.94	\$ 107,010.80	\$ 120,386.66	\$ 133,763.24
36	54.0199	60.7721	67.5247	\$ 9,363.45	\$ 10,533.83	\$ 11,704.28	\$ 112,361.39	\$ 126,405.97	\$ 140,451.40
37	56.7209	63.8107	70.9009	\$ 9,831.62	\$ 11,060.52	\$ 12,289.50	\$ 117,979.47	\$ 132,726.26	\$ 147,473.97

OTAY WATER DISTRICT SALARY SCHEDULE
EFFECTIVE JULY 1, 2012

GRADE	HOURLY			MONTHLY			ANNUAL		
	MIN	MID	MAX	MIN	MID	MAX	MIN	MID	MAX
10	\$ 15.7243	\$ 17.6898	\$ 19.6553	\$ 2,725.55	\$ 3,066.23	\$ 3,406.92	\$ 32,706.54	\$ 36,794.78	\$ 40,883.02
11	16.5105	18.5743	20.6381	\$ 2,861.82	\$ 3,219.55	\$ 3,577.26	\$ 34,341.84	\$ 38,634.54	\$ 42,927.18
12	17.3360	19.5030	21.6700	\$ 3,004.91	\$ 3,380.52	\$ 3,756.13	\$ 36,058.88	\$ 40,566.24	\$ 45,073.53
13	18.2028	20.4782	22.7535	\$ 3,155.15	\$ 3,549.55	\$ 3,943.93	\$ 37,861.82	\$ 42,594.66	\$ 47,327.21
14	19.1130	21.5021	23.8911	\$ 3,312.92	\$ 3,727.03	\$ 4,141.13	\$ 39,755.04	\$ 44,724.37	\$ 49,693.57
15	20.0686	22.5772	25.0857	\$ 3,478.56	\$ 3,913.38	\$ 4,348.19	\$ 41,742.69	\$ 46,960.58	\$ 52,178.25
16	21.0721	23.7060	26.3400	\$ 3,652.50	\$ 4,109.04	\$ 4,565.60	\$ 43,829.97	\$ 49,308.48	\$ 54,787.16
17	22.1257	24.8913	27.6570	\$ 3,835.12	\$ 4,314.49	\$ 4,793.88	\$ 46,021.46	\$ 51,773.90	\$ 57,526.52
18	23.2320	26.1359	29.0398	\$ 4,026.88	\$ 4,530.22	\$ 5,033.57	\$ 48,322.56	\$ 54,362.67	\$ 60,402.85
19	24.3936	27.4427	30.4918	\$ 4,228.22	\$ 4,756.73	\$ 5,285.25	\$ 50,738.69	\$ 57,080.82	\$ 63,422.99
20	25.6132	28.8148	32.0164	\$ 4,439.62	\$ 4,994.57	\$ 5,549.51	\$ 53,275.46	\$ 59,934.78	\$ 66,594.14
21	26.8939	30.2556	33.6172	\$ 4,661.61	\$ 5,244.30	\$ 5,826.99	\$ 55,939.31	\$ 62,931.65	\$ 69,923.85
22	28.2386	31.7683	35.2981	\$ 4,894.69	\$ 5,506.51	\$ 6,118.34	\$ 58,736.29	\$ 66,078.06	\$ 73,420.04
23	29.6505	33.3568	37.0630	\$ 5,139.42	\$ 5,781.85	\$ 6,424.25	\$ 61,673.04	\$ 69,382.14	\$ 77,091.04
24	31.1330	35.0246	38.9161	\$ 5,396.39	\$ 6,070.93	\$ 6,745.47	\$ 64,756.64	\$ 72,851.17	\$ 80,945.59
25	32.6897	36.7758	40.8620	\$ 5,666.21	\$ 6,374.47	\$ 7,082.74	\$ 67,994.58	\$ 76,493.66	\$ 84,992.87
26	34.3242	38.6146	42.9051	\$ 5,949.53	\$ 6,693.20	\$ 7,436.88	\$ 71,394.34	\$ 80,318.37	\$ 89,242.51
27	36.0404	40.5453	45.0503	\$ 6,247.00	\$ 7,027.85	\$ 7,808.72	\$ 74,964.03	\$ 84,334.22	\$ 93,704.64
28	37.8424	42.5726	47.3028	\$ 6,559.35	\$ 7,379.25	\$ 8,199.16	\$ 78,712.19	\$ 88,551.01	\$ 98,389.87
29	39.7345	44.7012	49.6680	\$ 6,887.31	\$ 7,748.21	\$ 8,609.11	\$ 82,647.76	\$ 92,978.50	\$ 103,309.37
30	41.7212	46.9363	52.1514	\$ 7,231.67	\$ 8,135.63	\$ 9,039.57	\$ 86,780.10	\$ 97,627.50	\$ 108,474.83
31	43.8073	49.2831	54.7589	\$ 7,593.27	\$ 8,542.40	\$ 9,491.55	\$ 91,119.18	\$ 102,508.85	\$ 113,898.58
32	45.9977	51.7473	57.4969	\$ 7,972.93	\$ 8,969.53	\$ 9,966.13	\$ 95,675.22	\$ 107,634.38	\$ 119,593.50
33	48.2976	54.3346	60.3717	\$ 8,371.58	\$ 9,418.00	\$ 10,464.43	\$ 100,459.01	\$ 113,015.97	\$ 125,573.18
34	50.7124	57.0514	63.3903	\$ 8,790.15	\$ 9,888.91	\$ 10,987.65	\$ 105,481.79	\$ 118,666.91	\$ 131,851.84
35	53.2481	59.9039	66.5598	\$ 9,229.67	\$ 10,383.34	\$ 11,537.04	\$ 110,756.05	\$ 124,600.11	\$ 138,444.43
36	55.9105	62.8991	69.8878	\$ 9,691.15	\$ 10,902.51	\$ 12,113.89	\$ 116,293.84	\$ 130,830.13	\$ 145,366.65
37	58.7060	66.0441	73.3822	\$ 10,175.71	\$ 11,447.64	\$ 12,719.58	\$ 122,108.48	\$ 137,371.73	\$ 152,634.98

ATTACHMENT B

EXHIBIT 3

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	9/5/07

A. Policy

The Otay Water District has zero tolerance for the use of controlled substances or the abuse of alcohol. The District prohibits the use, possession, manufacture, distribution, or being under the influence of alcohol or controlled substances by any District employee while on District property or while on duty, except as specified herein.

B. Exceptions

The following exceptions apply to this policy:

1. Events

The General Manager or his/her designee, at his/her discretion, may authorize the use of alcohol at a District event, subject to any conditions he/she elects to impose.

2. Over-the Counter or Prescription Drugs

With respect to an employee, use of an over-the-counter drug, or a prescription-only drug under a prescription for the employee, in the manner prescribed, will not be treated as a violation of this policy unless the drug has potential side effects which impair the employee's ability to perform any safety-sensitive duty and/or the core duties of his/her position and the employee has failed to notify his/her supervisor or Human Resources of such side effects before performing duties while under the influence of the drug. The District may require a note from the employee's doctor concerning authorization for a prescription and/or the possible side effects of the prescribed drugs. The District shall comply with all applicable laws concerning the privacy of employees' medical information.

With respect to an applicant, use of an over-the-counter drug, or a prescription-only drug under a prescription for the applicant, in the manner prescribed, will not disqualify the applicant for employment if he/she satisfactorily explains such use upon being informed of a positive test for controlled substances. The District may require a note from the applicant's doctor concerning authorization for a prescription and/or the possible side effects of the prescribed drugs.

C. Definitions

1. Accident:

a. Any accident, in which an employee is driving a District vehicle while on duty, that, had the vehicle been a commercial

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BOARD OF DIRECTORS POLICY**

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vehicle, would have required post-accident testing of the driver under the Department of Transportation (DOT) Drug and Alcohol Testing Policy. This shall apply to employees covered by the DOT policy only if the accident is not subject to the DOT policy.

- b. Any accident, not involving the driving of a District vehicle, that is reasonably believed by a manager to have been caused by an on-duty employee and which results in serious physical injury.
2. **Controlled substance:** Any substance identified by section 40.85 of title 49 of the Code of Federal Regulations or sections 11054-11058 of the California Health and Safety Code.
 3. **Dilute Specimen:** A specimen with creatinine and specific gravity values that are lower than expected for human urine or a specimen that is adulterated in any way.
 4. **DOT Policy:** The District's Drug and Alcohol Testing Policy, enacted pursuant to Part 382 of title 49 of the Code of Federal Regulations.
 5. **Drug Paraphernalia:** This term has the same definition as is used in section 11364.5(d) of the California Health and Safety Code and applies only to paraphernalia deemed unlawful under section 11364.5(d).
 6. **Manager:** A District employee who is designated as a supervisor, manager, or executive.
 7. **Medical Review Officer:** A person who is a licensed physician and who is responsible for receiving and reviewing laboratory results for substance tests and evaluating medical explanations for certain test results.
 8. **Negative:** A person is considered to have tested negative for a substance if his/her substance test does not produce a positive result.
 9. **Positive:** A person is considered positive for alcohol if he/she has a blood alcohol concentration of 0.04 or greater at the time he/she submits to testing. A person is considered positive for a controlled substance if he/she has any amount of a controlled substance at or above a "cutoff concentration" specified in section 40.87 of title 49 of the Code of Federal Regulations at the time he/she submits to testing.

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BOARD OF DIRECTORS POLICY**

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DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	9/5/07

10. Reasonable suspicion: A reasonable suspicion exists that a person is under the influence of a substance if a trained observer reasonably comes to the conclusion that the person is under the influence of a substance due to having personally observed, with respect to the person, some or all of the effects specified in Appendix A of this policy.

Additionally, a reasonable suspicion exists that a person is under the influence of a substance if an observer has seen the person use a substance.

No one factor is sufficient to create a reasonable suspicion, but an observer may make a reasonable assessment based on the quantity, degree, and/or severity of applicable factors.

11. Refuse to submit to testing: A failure to immediately report for substance testing when directed to do so, a failure to complete the testing process (including signing any forms necessary to authenticate or identify a specimen), or a failure to provide an adequate amount of breath, saliva, or urine for a test.
12. Safety-sensitive duties: Any duties identified as "safety-sensitive duties" by DOT regulations, or duties which consist of any of the following:
- Operating any assigned District vehicle or equipment (includes management and non-management employees)
 - High-voltage electrical work (600 volts or greater)
 - Work in "confined spaces," as that term is defined in District regulations or OSHA regulations
13. Serious physical injury: An injury to an employee that causes the employee to be absent from work on either of the two working days following an accident or which requires hospitalization of the employee.
14. Substance: Any substance containing alcohol or any controlled substance.
15. Under the influence: With respect to alcohol, a person is under the influence at the time he/she is ordered to submit to testing if he/she tests positive for alcohol at the time he/she submits to testing. With respect to controlled substances, a person is under the influence at the time he/she is ordered to submit to testing if he/she tests positive for a controlled substance at the time he/she submits to testing.

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BOARD OF DIRECTORS POLICY**

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D. Conflicts with DOT Policy

As to applicants or employees to whom the DOT Policy applies, to the extent this policy imposes a requirement that is less stringent than the DOT Policy the more stringent requirements of the DOT Policy will control.

E. Testing Procedures

When an employee or applicant is to be tested, the District shall use the same testing procedures that are used for testing under the DOT policy, including the procedures for testing a "split specimen", as that term is defined in section 40 of title 49 of the Code of Federal Regulations. The service providers shall comply with section 40.47 of title 49 of the Code of Federal Regulations by using the Federal Drug Testing Custody and Control Form for applicants/employees subject to the DOT Policy and a non-federal form for all other persons.

F. Testing

1. Persons Subject to Substance Screening

- All applicants for employment, in conjunction with pre-employment physical examination
- All employees reasonably suspected of using substances while on duty or on District property or while working while under the influence of substances
- All employees reasonably suspected of possessing, manufacturing, or distributing substances while on duty or on District property
- Any employee involved in or reasonably suspected to have caused an accident while on duty.
- Any employee who performs safety-sensitive duties whose name is selected for testing pursuant to the District's random testing policy
- Any District employee who applies for and is selected for a position that will require the performance of safety-sensitive duties.

2. Pre-employment physicals

All applicants for employment shall, as part of their pre-employment physical examination, submit to a urine analysis or other legally authorized testing methods as selected by the employer for substances.

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Any District employee who applies for a position that will require the performance of safety-sensitive duties shall, as a precondition to appointment to such position, submit to a urine analysis or other legally authorized testing methods as selected by the employer for substances.

3. Random testing of managers and safety-sensitive duty employees

Each year the District shall randomly conduct substance tests of employees who perform safety-sensitive duties. Based on the number of such employees employed by the District on January 1, the District shall conduct by the following December 31 a number of tests for controlled substances equal to 50 percent of the total number of employees who perform safety-sensitive duties. Within the same time period, the District shall conduct a number of tests for alcohol equal to 10 percent of the same number of safety-sensitive employees.

Each year the District shall randomly conduct substance tests of managers who are not randomly tested as employees performing safety-sensitive duties. Based on the number of managers employed by the District on January 1, the District shall conduct by the following December 31 a number of tests for controlled substances equal to 10 percent of the total number of such managers. Within the same time period, the District shall conduct a number of tests for alcohol equal to 10 percent of the same number of such managers. Managers who perform safety-sensitive duties and who are included in the pool of safety-sensitive duty employees selected for random testing shall not be included in the pool of non-safety-sensitive duty managers who are selected for random testing. The General Manager will contract with a service provider to perform the random selection of employee names for substance testing and select the dates upon which the employees will be tested. The service provider must ensure that every safety-sensitive employee has an equal chance of being selected each time a name is randomly drawn and that any employee whose name is selected is not exempt from having his/her name selected in any subsequent drawing in the same year.

The service provider shall provide the selected names and dates to the Safety and Risk Administrator, who shall not disclose this information to any other person except to the employee selected for testing and the employee's supervisor at the time that the employee is required to submit to testing. If the employee is absent from duty on a date that he/she has been randomly selected for testing,

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he/she shall be required to submit to a test immediately upon returning to work, without prior notice.

Upon being informed that he/she is required to submit to a random test, the employee must report to the testing location, as quickly as possible but no greater than one hour from being informed, and complete the test as directed by personnel at the testing location. Upon completing testing, the employee shall report back to duty if his/her duty day has not yet concluded.

Random testing is separate from the other forms of testing described in this policy. An employee who submits to a reasonable suspicion or post-accident test does not satisfy the requirement that he/she submit to a random test when ordered.

4. Post-accident testing

If an employee is involved in an accident that under this policy requires that the employee submit to substance testing, the employee's supervisor shall immediately contact Human Resources to report the accident and the necessity of testing. Thereafter, the supervisor shall direct the employee to report to the testing location and complete the test as directed by personnel at the testing location. The supervisor shall arrange to transport the employee to the testing location. Upon completing testing, the employee shall report back to duty if his/her duty day has not yet concluded, unless a reasonable suspicion exists, based on the observation of the employee's supervisor, that the employee was under the influence of a substance at the time or shortly after the accident. If such a reasonable suspicion exists, the supervisor's discretion under the return to duty provisions of Section F(5) shall apply.

If the employee requires immediate medical assistance due to the accident, such that he/she is unable to report to the testing location, the supervisor shall coordinate with the hospital to conduct the test or require the employee to report to the testing location as soon as is practicable.

The determination as to whether an employee is involved in an accident shall be made by the employee's supervisor in consultation with the Safety and Risk Administrator, based on the information available to him/her. If the supervisor cannot immediately determine whether the employee was involved in an accident, the supervisor shall not order the employee to testing until the supervisor makes such determination.

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5. Reasonable suspicion testing

If an employee's supervisor or any manager has a reasonable suspicion that the employee is under the influence of a substance while on District property or on duty, he/she shall advise Human Resources of this observation and then direct the employee to immediately report for testing and complete the test as directed by personnel at the testing location. The supervisor shall arrange to transport the employee to the testing location. If the person who advises Human Resources of the observation is not the employee's supervisor, Human Resources must immediately notify the supervisor that the employee is reporting to Human Resources and why, and the supervisor shall arrange to transport the employee to the testing location.

Upon completing testing, the employee shall be released from duty for the remainder of the day. The supervisor, in consultation with Human Resources, thereafter shall determine on a day-to-day basis whether to permit the employee to return to duty, until the results of the test have returned. If an employee has been ordered to submit to substance testing for reasonable suspicion, the District may place the employee on leave without pay pending the test results. If the employee's test results are negative, the District shall restore any salary lost by the employee for the days he/she was on leave, as though the employee had reported for duty.

6. Refusal to submit to testing

If an applicant refuses to submit to testing for any substance, the applicant is disqualified for employment. If a District employee who has applied for a position that requires the performance of safety-sensitive duties refuses to submit to testing for any substance, the employee is disqualified for such position.

If an employee refuses to submit to testing for any substance, the District may treat such refusal as an act of insubordination. The District shall also impose the same disciplinary action for a refusal to test that it would impose for a positive test result, so as not to encourage employees to refuse to test in the hope of avoiding more severe disciplinary action. The District may immediately place an employee on leave without pay if the employee refuses to submit for testing.

7. Refusal to authorize disclosure of results of testing

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BOARD OF DIRECTORS POLICY**

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If an applicant refuses to authorize the disclosure of the testing results to the District, the applicant is disqualified for employment. If a District employee who has applied for a position that requires the performance of safety-sensitive duties refuses to authorize the disclosure of the test results to the District, the employee is disqualified for such position.

If an employee refuses to authorize the disclosure of results of testing to the District, the District will treat it in the same manner as a refusal to submit to testing.

8. Positive test

If an applicant tests positive for a controlled substance, he/she shall be disqualified for employment unless he/she meets the requirements for the over-the-counter/prescription drug exception set forth in Section B(2) of this policy. If a District employee who has applied for a position that requires the performance of safety-sensitive duties tests positive for a substance, the employee is disqualified for such position.

If an employee tests positive for a substance, the employee shall not be returned to duty and shall not receive pay during his/her absence until the employee requests that the split urine specimen be tested and the test of that specimen is not positive for a substance.

This unpaid absence shall not be considered a disciplinary or punitive action against the employee and any record of such absence shall be maintained separately from the employee's personnel file. The absence is for the administrative and safety interests of the District. This unpaid absence has no effect on the District's decision or ability to discipline an employee for violating this policy.

If the Medical Review Officer determines that an employee's specimen is a dilute specimen and the specimen is positive for a substance, the employee shall be considered to have tested positive for that substance. If a dilute specimen produces a negative result then the employee shall be required to submit to a second substance test, in the manner prescribed in section 40.197 of title 49 of the Code of Federal Regulations. All such second tests shall be with "direct observation", as that term is used in section 40.197.

9. Request for retest

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BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
	DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90

If an employee tests positive for any substance, the employee may, within 72 hours of being notified of the positive test result, request of the Medical Review Officer that the split specimen be tested. If the employee does not timely submit a request, the employee shall be considered to have waived his/her right to have the split specimen tested. The employee shall pay for the cost of testing the split specimen. If the employee is unable to pay this cost at the time of the request, the District must ensure that the split specimen is tested even if it means that the District may have to initially bear the cost. The District may recover the cost from the employee at a later time.

If a split specimen does not produce a positive result for a substance, the District shall restore any salary lost by the employee as a result of an absence imposed because of the positive result on the first specimen. The employee shall be considered to have not tested positive for a substance. The District shall also reimburse the employee for the cost of the retest if the employee paid for the retest.

The District may not request that the split specimen be tested.

G. Employee Assistance Programs

The District may refer any employee, including an employee who is dismissed because of a positive test for a substance, to its employee assistance program. If in any instance the District is required to lawfully accommodate an employee's disability related to substance abuse, the District shall refer the employee to a substance abuse professional.

H. Suspicion of Possession/Distribution/Manufacture of Controlled Substances

If an employee's supervisor has a reasonable suspicion that the employee unlawfully possesses or is distributing or manufacturing a controlled substance or drug paraphernalia on or in District property, or while on duty, the supervisor must report this suspicion to Human Resources.

1. For purposes of Section H only, "reasonable suspicion" means the following:
 - a. As to possession, the supervisor must have seen a substance or item on the person of the employee, in the employee's work area, or in or on District property assigned to the use of the employee that a reasonable person would believe is a controlled substance or drug paraphernalia, or have

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BOARD OF DIRECTORS POLICY**

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seen in any of the same areas a container that a reasonable person would believe contains a controlled substance or drug paraphernalia.

- b. As to distribution, the supervisor must have seen the employee convey to another person a substance or item that a reasonable person would believe is a controlled substance or drug paraphernalia, or have seen the employee convey a container to another person that a reasonable person would believe contains a controlled substance or drug paraphernalia.
- c. As to manufacture, the supervisor must have observed conditions that a reasonable person would equate to the manufacture of a controlled substance or drug paraphernalia, which may include the observation of smell, appearance, or sound. The supervisor must also have observed conditions that would attribute suspected manufacture to the employee, such as observing these conditions in the employee's work area or in or on District property assigned to the use of the employee. If the conditions are observed on the person of the employee, the supervisor must consider whether the employee reported to duty in such condition instead of changing to such condition while on duty.

2. After a supervisor has reported a reasonable suspicion to Human Resources, the supervisor, the Human Resources Manager, the General Manager, Assistant General Manager and the employee's Department Chief must confer, consider whether the supervisor's observation constituted reasonable suspicion, and decide what steps to take in response to the supervisor's observation. The unavailability of any one of these individuals should not be permitted to interfere with the making of this decision.

- a. If the decision is to take no further action, the matter will be dismissed.
- b. If the decision is to discuss the observation with the employee, Human Resources and the supervisor will meet with the employee to discuss the observation. If as a result of the discussion, Human Resources and/or the supervisor believe that a search is necessary, they will confer with the General Manager, Assistant General Manager, and Department Chief to determine whether to conduct a search.
- c. If the decision is to conduct a search, the search must be limited to a search of District property, such as the employee's work area (including desk drawers and file

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BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
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cabinets), District equipment, and District facilities. The employee's supervisor and a representative of Human Resources must be present for the search. The search may be performed by the Human Resources representative or another person designated by the Human Resources representative, which may include the supervisor. Human Resources should advise the employee that he/she has the right to have a representative or witness present during the search. If any material is retrieved that appears to bear out the supervisor's reasonable suspicion, the Human Resources representative must take possession of the material.

- d. If the decision is to conduct a search and the distribution of controlled substances or drug paraphernalia is reasonably suspected, the search may include not only the work area/equipment of the employee suspected of distributing controlled substances or drug paraphernalia, but the work area/equipment of any employee whom was observed receiving the item from the employee suspected of distributing controlled substances or drug paraphernalia. The receiving employee is entitled to the same rights as the distributing employee.
 - e. Any search of the person of the employee or personally-held possessions of the employee, such as a briefcase, purse, pocketbook, or backpack, must be conducted by a law enforcement officer. If the decision to conduct a search extends to these areas, Human Resources should contact law enforcement to request such a search.
3. If the Human Resources representative takes possession of any material as a result of the search, and the employee does not confirm that it is a controlled substance or drug paraphernalia, the District contact the local law enforcement agency and will forward the substance to have the item tested/analyzed to determine if it is a controlled substance or drug paraphernalia. If a law enforcement officer takes possession of an item as a result of a search, and the employee does not confirm that it is a controlled substance or drug paraphernalia, the District shall follow up with the law enforcement agency to verify the item is a controlled substance or drug paraphernalia.

I. Disciplinary Action

Disciplinary action for violations of this policy will be taken in accordance with the District's Discipline Policy and Procedures.

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BOARD OF DIRECTORS POLICY**

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The District considers using, possessing, manufacturing, distributing, being under the influence of a controlled substance while on duty or while on District property, unless otherwise excused under this policy, or refusing to submit to testing for any substance, to be an act of misconduct meriting dismissal without prior warning or disciplinary action.

J. Accommodation of Individuals with Disabilities

Nothing in this policy shall be construed so as to relieve the District of its lawful obligation to accommodate individuals with disabilities.

ATTACHMENT B

EXHIBIT 4

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	09/05/07

PURPOSE

It is the purpose of this policy to provide guidelines for the recruitment and selection of regular, student intern, temporary and/or contract employees.

POLICY

It is the policy of the Otay Water District to recruit and select the best qualified applicants on the basis of job-related standards of experience, education, training, ability, and merit; to encourage members of the communities which we serve to apply for employment opportunities with the District; to encourage District employees to apply for positions for which they believe they qualify, to assure that qualified internal applicants are given fair and adequate consideration; and to advance regular district employees when it is determined that they are the best qualified.

EQUAL EMPLOYMENT OPPORTUNITY

The District is an equal opportunity employer. All employees and applicants shall receive equal consideration and treatment. The District shall recruit, hire, and promote the best qualified individuals without regard to race, color, religion, sex, national origin, ancestry, age, physical or mental disability, medical condition, marital status, sexual orientation, or membership in any other "protected class" recognized by California or federal law or regulation.

AUTHORITY OF THE GENERAL MANAGER

Section 2.01, of the Otay Water District's Code of Ordinance provides that pursuant to §71362 and §71363 of the California Water Code the General Manager has the authority to manage and operate the affairs of the District. This authority includes the employment, discharging and fixing of compensation for all employees and assistants, except those referred to in §71340, and to prescribe their duties and promulgate specific rules and regulations for such employees and assistants.

The General Manager's authority also includes making appointments of temporary or contract employees needed to perform District work resulting from such matters as interim vacancies, peak workload, and special projects so long as he/she operates within Board-approved budgeted appropriation levels. Contract or temporary appointments are not subject to amount limits for agreements, contracts, or other documents as defined in §2.01(C), or to formal competition, selection and advertisement requirements identified herein.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	09/05/07

DEFINITIONS

- A. **Applicant:** A person applying for a position, including a District employee who seeks appointment to a different position.
- B. **Appointment:** The employment of a person in a position, whether on a regular or temporary basis..
- C. **Closed/Promotional Recruitment:** A recruitment open only to qualified regular District employees, or open only to regular District employees in a particular classification, unit or division.
- D. **Conviction:** Any sentence, suspended sentence, probation or other resolution followed by a verdict, plea (including a no contest plea) or other finding of guilt.
- E. **Eligible List:** A list of qualified applicants who remain eligible for consideration for a position.
- F. **Employment Announcement:** A formal notice by the District of an employment opportunity.
- G. **Open/Competitive Recruitment:** A recruitment open to all interested qualified applicants.
- H. **Promulgation:** The date Human Resources certifies the list of eligible applicants for consideration.
- I. **Qualified Applicant:** An applicant who has passed all elements of the selection process, would be at least 18 years old at the time of appointment and remains eligible for appointment.
- J. **Recruitment and Selection Plan:** A planned process to establish an adequate pool of qualified applicants which shall consist of an open/competitive or a closed/promotional recruitment.
- K. **Regular Appointment:** An appointment to a regular authorized position with benefits.
- L. **Regular Vacancy:** A vacancy in an authorized position.
- M. **Temporary Appointment:** An appointment made for a specific duration, generally not to exceed one year. Temporary appointments may be exempt from the formal recruitment and selection process.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	09/05/07

RECRUITMENT AND SELECTION PROCESS

All regular vacancies shall be filled through an open/competitive recruitment and selection plan unless otherwise approved by the General Manager. This is consistent with best practice and expected to maximize community participation, competition, diversity, and the number of highly qualified applicants available for consideration for employment. However, the General Manager may authorize a closed/promotional recruitment and selection plan given the requirements of the position and the quality of the internal applicant pool.

All applicants for regular positions shall submit to the same recruitment and selection plan for that position. The General Manager may approve revising the recruitment and selection plan in order to better meet the needs of the District.

A. Notice of Employment Opportunities

Human Resources shall post employment opportunities for regular vacancies consistent with the approved recruitment and selection plan.

1. The employment announcement shall include the following:

- a. Classification Title
- b. Salary Rate and/or Range
- c. Essential Functions
- d. Minimum Qualifications
- e. Selection/Examination Plan
- f. Application Filing Instructions
- g. Equal Employment Opportunity Employer Statement

B. Disqualification of Applicants

1. Applicants may be disqualified at any time during the process for any of the following reasons:

- a. The applicant is found to lack any of the minimum job requirements established for the position.
- b. The applicant has made a false statement of material fact in the application or has committed fraud or deception in the selection process or in securing eligibility for appointment.
- c. The applicant has a history of less than satisfactory employment.
- d. The applicant uses or attempts to use any personal or political influence to further eligibility.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	09/05/07

- e. The applicant has without authorization directly or indirectly obtained information regarding examinations.
- f. The applicant fails to submit his or her application correctly or within the prescribed time limits.
- g. The applicant has taken part in the compilation, administration, or correction of the examinations for the position for which he/she is an applicant.
- h. Any other reason deemed by the General Manager to protect the best interests of the District.

C. Examination Content

The recruitment and selection plan shall be job-related in order to determine the ability of applicants to perform the duties of the job classification. The plan may provide for one or more of the following types of examinations:

- 1. Review of Employment Application and/or Required Supplementary Material(s)
- 2. Written Examination
- 3. Physical Agility and/or Performance Skill Examination
- 4. Oral Interview

D. Eligible Lists

Eligible lists may be maintained to fill current and future vacancies. The eligible list may be valid for up to twelve (12) months from date of promulgation. Human Resources may pull applicants from any eligible list in lieu of posting a position or to augment the applicant pool for other similar classifications with related skills and abilities.

E. Conditions of Appointment

Once an applicant is determined to be the best qualified, but prior to appointment, all applicants shall meet and agree to the terms and conditions of employment specified for a particular position. Failure of such pre-employment examinations may cause the applicant to be disqualified for employment. Conditions of employment may include, but are not limited to the following:

- 1. Physical Fitness/Medical Examination

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	09/05/07

2. Drug/Alcohol Screening
3. Verification of lawful work status under Immigration rules
4. Verification of employment, education, driving, and criminal history including fingerprinting

F. Evaluation of Criminal Conviction Information

Upon receipt of the criminal conviction information, the District shall determine if the information shall disqualify the applicant. There shall be an automatic disqualification for employment for any of the following:

- a. Any felony conviction;
- b. Any misdemeanor conviction within one year preceding the date of application for any offense(s) considered to be crimes of moral turpitude by any court of the state, and/or crimes involving, firearms, explosives, violence, dishonesty and/or requiring registration under Penal Code §290;
- c. Intentionally failing to disclose a prior conviction of any type

Attachment C

RESOLUTION NO. 4111

A RESOLUTION OF THE BOARD OF DIRECTORS OF OTAY WATER DISTRICT APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY'S MEDICAL BENEFITS PROGRAM

WHEREAS, Otay Water District (the "Entity"), a public agency duly organized and existing under and by virtue of the laws of the State of California, has determined that it is in the best interest and to the advantage of the Entity to participate in Medical Benefits offered by the Special District Risk Management Authority (the "Authority"); and the Entity understands a condition of participation in Medical Benefits is a minimum of 3 full years; and

WHEREAS, the Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 et seq., for the purpose of providing risk financing and risk management programs; and other coverage protection programs; and

WHEREAS, participation in the Authority's programs requires the Entity to execute and enter into a Memorandum of Understanding (the "MOU"); which states the purpose and participation requirements for Medical Benefits; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in

connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Entity is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ENTITY AS FOLLOWS:

Section 1. Findings. The Entity's Board of Directors hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Entity.

Section 2. Memorandum of Understanding. The MOU, to be executed and entered into by and between the Entity and the Authority, in the form presented at this meeting and on file with the Entity's Secretary, is hereby approved. The Entity's General Manager and the President of the Board of Directors ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Entity, to execute and deliver to the Authority the MOU.

Section 3. Program Participation. The Entity's Board of Directors approves participating for a minimum of three full years in the Authority's Medical Benefits Program.

Section 4. Other Actions. The Authorized Officers of the Entity are each hereby authorized and directed to

execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Otay Water District at a regular Board meeting held this 5th of September, 2007.

Ayes:
Noes:
Abstain:
Absent:

President

ATTEST:

District Secretary



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereafter "MEMORANDUM") is entered into by and between the Special District Risk Management Authority (hereafter "SDRMA") and the participating public entity (hereafter "ENTITY") who is signatory to this MEMORANDUM.

Recitals

WHEREAS, on August 1, 2006, SDRMA was appointed administrator for the purpose of enrolling small public entities typically having 250 or less employees into the California State Association of Counties ("CSAC") Excess Insurance Authority ("EIA") EIAHealth's Small Group Medical Benefits Program (hereinafter "PROGRAM").

WHEREAS, the terms and conditions of the PROGRAM as well as benefit coverage, rates, assessments, and premiums are governed by EIAHealth Committee for the PROGRAM (the "COMMITTEE") and not SDRMA.

WHEREAS, ENTITY desires to enroll and participate in the PROGRAM.

NOW THEREFORE, SDRMA and ENTITY agree as follows:

1. **PURPOSE.** ENTITY is signatory to this MEMORANDUM for the express purpose of enrolling in the PROGRAM.
2. **INITIAL COMMITMENT PERIOD.** ENTITY understands and acknowledges that it is required to remain in the PROGRAM for a period of at least three (3) full years as a condition to participation in the PROGRAM (the "INITIAL COMMITMENT PERIOD").
3. **ENTRY INTO PROGRAM.** ENTITY shall enroll in the PROGRAM by making application through SDRMA which shall be subject to approval by the PROGRAM's Underwriter and governing documents and in accordance with applicable eligibility guidelines.
4. **MAINTENANCE OF EFFORT.** PROGRAM is designed to provide an alternative medical benefit solution to all participants of the ENTITY including active and retired employees, dependents and public officials. ENTITY's contributing toward retiree benefit coverage prior to joining the PROGRAM, must contribute a minimum of 50% toward the cost of retiree benefit coverage during the INITIAL COMMITMENT PERIOD. After the INITIAL COMMITMENT PERIOD, ENTITY may discontinue coverage or change the contribution amount for retirees. However, ENTITY must contribute at least the minimum percentage required by the eligibility requirements.
5. **PREMIUMS.** ENTITY understands that premiums and rates for the PROGRAM are set by the COMMITTEE. ENTITY will remit monthly premiums based upon rates established for each category of participants and the census of covered employees, dependents and retirees.

Rates for the ENTITY and each category of participant will be determined by the COMMITTEE designated for the PROGRAM based upon advice from their consultants and/or a consulting Benefits Actuary and insurance carriers. In addition, SDRMA will add an administrative fee to premiums and rates set by the COMMITTEE for costs associated with administering the PROGRAM. Rates

- may vary depending upon factors including, but not limited to, demographic characteristics, loss experience of all public entities participating in the PROGRAM and differences in benefits provided (plan design), if any.
- a. SDRMA will administrate a billing to ENTITY each month, with payments due by the date specified by SDRMA. Payments received after the specified date will accrue penalties. Medical benefit premiums are based on a full month. There are no partial months or prorated premiums.
 - b. ENTITY must send notification of termination of benefits for a covered employee to the PROGRAM and SDRMA by the 15th of the current month to terminate at the end of the month. Otherwise (i.e. notification after the 15th), termination will be as of the end of the following month.
6. **BENEFITS.** Benefits provided to ENTITY participants shall be as set forth in ENTITY's Plan Summary for the PROGRAM and as agreed upon between the ENTITY and its recognized employee organizations as applicable.
 7. **COVERAGE DOCUMENTS.** Except as otherwise provided herein, CSAC-EIAHealth documents outlining the coverage provided, including terms and conditions of coverage, are controlling with respect to the coverage of the PROGRAM.
 8. **PROGRAM FUNDING.** It is the intent of this MEMORANDUM to provide for a fully funded PROGRAM by any or all of the following: pooling risk; purchasing individual stop loss coverage to protect the pool from large claims; and purchasing aggregate stop loss coverage.
 9. **ASSESSMENTS.** Should the PROGRAM not be adequately funded for any reason, pro-rata assessments to the ENTITY may be utilized to ensure the approved funding level for applicable policy periods. Any assessments, which are deemed necessary to ensure approved funding levels, shall be made upon the determination and approval of the COMMITTEE in accordance the following:
 - a. Assessments/dividends will be used sparingly. Generally, any over/under funding will be factored into renewal rates.
 - b. If a dividend/assessment is declared, allocation will be based upon each ENTITY's proportional share of total premium paid for the preceding 3 years. ENTITY's must be current participants to receive a dividend except upon termination of the PROGRAM and distribution of assets.
 - c. ENTITY will be liable for assessments for 12 months following withdrawal from the PROGRAM.
 - d. Fund equity will be evaluated on a total program-wide basis as opposed to each year standing on its own.
 10. **WITHDRAWAL.** ENTITY may withdraw after their INITIAL COMMITMENT PERIOD (three (3) full year commitment period) and subject to the following condition; ENTITY shall notify SDRMA and the PROGRAM in writing of their intent to withdraw at least 180 days prior to their actual coverage renewal date. ENTITY may rescind its notice of intent to withdraw.
 11. **LIAISON WITH SDRMA.** Each ENTITY shall maintain staff to act as liaison with the SDRMA and between the ENTITY and the SDRMA's designated PROGRAM representative.

12. **DISPUTES.** Disputes between the parties related to this MEMORANDUM shall be resolved as follows:
- a. **Mediation Before Litigation.** The parties agree that in the event of any dispute by and between them, they shall first attempt to resolve the dispute by way of an informal mediation and if such efforts do not result in a resolution, they may proceed to litigate the claims.
 - b. **Selection of Mediator.** The mediation shall be held before a neutral mediator having at least 15 years civil business litigation experience or a retired judge. Within ten (10) days of a demand for mediation, the parties shall attempt to mutually select a neutral and qualified mediator. If the parties agree on the selection of the mediator, the mutually selected mediator shall be appointed for the mediation. If the parties are unable to mutually select a qualified mediator, they shall each select a neutral mediator and the two shall then select the third who shall be designated as the parties' neutral mediator for the dispute. Any selected mediator who is unable or unwilling to fulfill his duties may be replaced.
 - c. **Time of Mediation.** Subject to the mediator's availability, the parties will make best efforts to have the mediation scheduled and held within 45 days of a demand.
 - d. **Costs of Mediation.** The parties shall split and pay for the fees charged by the mediator equally.
 - e. **Confidentiality of Mediation Process.** The parties agree that the mediation of the dispute will be an effort to compromise disputed claims and that mediation shall be deemed confidential and no statements made at the mediation can be used against them in the event of future litigation.
 - f. **Position Statements.** Any party making a demand for mediation shall set forth in their written demand for mediation the factual and legal basis known to them for their claims or dispute and provide copies of any statements, summaries, reports, or documentary information known to them at the time to support their claims, save and except, privileged or confidential information, which may be withheld. Within thirty (30) days after receipt of a demand for mediation, the recipient shall provide a written response to the claims setting forth the factual and legal basis known to them to support the response or affirmative defenses and also provide copies of any statements, summaries, reports, or documentary information known to them at the time to support the response or affirmative defenses, save and except, privileged or confidential information, which may be withheld. Copies of the position statements and information exchanged between the parties under this provision shall be provided to the mediator in advance of the mediation.
 - g. **Failure to Participate in Mediation.** Any party who fails to participate in the mediation shall waive their right to collect attorney fees herein.
 - h. **Exclusions From Mediation.** The parties agree that any claim for immediate injunctive relief is specifically excluded from the requirements of mediation. The parties further agree that disputes related to coverage under the PROGRAM are excluded from this provision

and shall be governed in accordance with CSAC-EIAHealth documents and/or PROGRAM documents.

13. **GOVERNING LAW.** This MEMORANDUM shall be governed in accordance with the laws of the State of California.
14. **VENUE.** Venue for any dispute or enforcement shall be in Sacramento, California.
15. **ATTORNEY FEES.** The prevailing party in any dispute shall be entitled to an award of reasonable attorney fees.
16. **COMPLETE AGREEMENT.** This MEMORANDUM together with the related PROGRAM documents constitutes the full and complete agreement of the ENTITY.
17. **SEVERABILITY.** Should any provision of this MEMORANDUM be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.
18. **AMENDMENT OF MEMORANDUM.** This MEMORANDUM may be amended by the SDRMA Board of Directors and such amendments are subject to approval of ENTITY's signatory to this MEMORANDUM. Any ENTITY who fails or refuses to execute an amendment to this MEMORANDUM shall be deemed to have withdrawn from the PROGRAM on the next annual renewal date.
19. **EFFECTIVE DATE.** This MEMORANDUM shall become effective upon the signing of this MEMORANDUM by the ENTITY and Chief Executive Officer or Board President of SDRMA.
20. **EXECUTION IN COUNTERPARTS.** This MEMORANDUM may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Whereof, the undersigned have executed the MEMORANDUM as of the date set forth below.

Dated: _____

By: _____

Special District Risk
Management Authority

Dated: _____

By: _____

Otay Water District

Attachment D

**OTAY WATER DISTRICT
HUMAN RESOURCES PROCEDURES**

Subject	Date Adopted	Date Revised
HAZARDOUS MATERIALS RESPONSE AND RESCUE TEAM COMPENSATION	9/05/07	

PURPOSE

To establish standard procedures for providing compensation to members of the Hazardous Materials Response and Rescue Team.

POLICY

Employees who serve as members of the Hazardous Materials Response and Rescue Team will be paid \$1.00 per hour for each hour worked while serving as a member of the team.

PROCEDURE

Appointment as a Team Member:

- A. To be eligible, the employee must have knowledge of District vaults and be required go into confined spaces as a part of their normal job duties. In addition, serving on the team may be a requirement of the employee's job description. Once the employee becomes a member of the team, additional training, if needed, will be required such as: forty (40) hours of Hazardous Material training, confined space entry, confined space rescue and advanced first aid.
- B. When there is a vacancy to serve on the team, the Team Leader notifies all eligible District employees and solicits employee interest. If more employees indicate interest than there are vacancies, the Team meets to discuss the candidates, make a selection, and the Team Leader notifies all interested employees of the outcome of the selection process.
- C. The Team Leader notifies Human Resources when an employee becomes a member of the Hazardous Materials Response and Rescue Team.
- D. Human Resources will prepare a Payroll Action Form (PAF) to notify Payroll to begin payment of the \$1.00 per hour for each hour worked.

Discontinuation as a Team Member:

- E. The Team Leader notifies Human Resources when an employee is no longer a member of the Hazardous Materials Response and Rescue Team.
- F. Human Resources will prepare a PAF to notify Payroll and end payment of the \$1.00 per hour for each hour worked effective the day the employee is no longer a member of the Team.

Attachment E

 <p>Otay Water District Human Resources Policies And Procedures</p>	<p>Effective Date: 6/15/94 Revised: 9/05/07</p>	<p>Page 1 of 3</p>
<p>Section Title: EDUCATIONAL REIMBURSEMENT PROGRAM</p>		

PURPOSE

The purpose of this policy and procedure is to establish requirements and guidelines for administering the Educational Reimbursement Program.

POLICY

Otay Water District encourages employees to continue with their formal education and training in an effort to further develop their job knowledge, skills and capacities in their current job; to prepare for position(s), including promotions, within District employment and to benefit the District by providing or enhancing a needed job-related skill.

A. Eligibility

Any regular full-time employee is eligible to participate. An employee on probation is eligible to participate upon hire and will be reimbursed after passing his/her probationary period for courses that were started while employed at the District. Participants must agree to comply with the requirements and provisions of the program.

B. Maximum Benefit

Maximum educational reimbursement allowance per employee per fiscal year: \$3,000

C. Eligible Reimbursements

The maximum allowance per fiscal year will include reimbursements for tuition costs, books, parking fees, student center fees, health fees, and standard mandatory fees including: matriculation, registration, activity enrollment, library usage, laboratory technology and other instructional fees. Also included in the educational allowance are fees for taking exams for certifications, licenses and study course fees.

Supplies required for particular courses may also be considered for reimbursement (i.e. drafting supplies for a drafting course.)

Any and all courses, fees and/or supplies submitted for educational reimbursement are subject to the District's discretion and approval.

D. Ineligible Reimbursements

The District will not reimburse for the following: mileage, dependent care, late fees, loss or damage to library materials, library fines, tutoring fees, withdrawal fees, fees charged to maintain an active student status during a term in which the employee does not attend, and previously reimbursed classes.

Reimbursement shall not be allowed for fees or expenses covered by other sources such as scholarships or Veteran's Benefits.

ADMINISTRATIVE PROCEDURES

A. Approval

The employee must receive approval to participate in the Educational Reimbursement Program prior to registering for any course, class, exam, or certification for which the employee seeks reimbursement. The employee must do so by completing the Application for Education Reimbursement Program Form and submitting it to his/her immediate supervisor/manager and department chief for approval.

Once the Application for Educational Reimbursement Program is signed by the employee's supervisor/manager and department chief, the employee must forward the form to Human Resources for additional approval. Human Resources staff will coordinate approval with the Human Resources Manager.

Human Resources staff will forward a copy of the form to the employee once all approvals are received.

B. Reimbursement Method

There are two methods for employees to receive reimbursement:

1. Advance reimbursement prior to completion of class/exam/certification (*):
 - a. After payment of tuition and/or related educational fees, the employee must submit receipts to Human Resources along with the Educational Reimbursement Program Claim Form.
 - b. Human Resources staff will ensure that approval was granted to receive reimbursement for the class/exam/certification. Once approval has been confirmed, Human Resources will initiate a check request and forward the reimbursement form to the Finance Department for processing.
 - c. Once processed, the Finance Department will provide the check to the employee.
 - d. Upon completion of the course, the employee must submit proof of grade or certificate exam results to Human Resources within sixty (60) calendar days of completing the course or receiving the certificate exam results.
 - e. If a course/exam is not completed or passed; or a grade of "D", "Fail" or equivalent is received, repayment of advance reimbursement must be made by the employee to the District within thirty (30) calendar days of the employee's knowledge of such. If employment with the District is terminated prior to completion of the class/exam, then the employee shall repay advance reimbursement to the District prior to leaving the District.

(*) Employees who are not in probationary status may receive advance reimbursement of the educational fees prior to completion of a class/exam/certificate. If the employee is on probation, reimbursement will occur only after completion of his/her probationary period.

2. Reimbursement of educational fees upon completion of class/exam/certification:

- a. Upon completion of the course, the employee must submit proof of grade or certificate exam results, receipts, and the Educational Reimbursement Program Claim Form to Human Resources within sixty (60) calendar days of completing the course or receiving certificate exam results.
- b. Human Resources staff will ensure that approval was granted to receive reimbursement for the class/exam/certification. Once approval has been confirmed, Human Resources will initiate a check request and forward the reimbursement form to the Finance Department for processing.
- c. Once processed, the Finance Department will provide the check to the employee.

C. Other Reimbursement Information:

1. Study Courses and Test Fees:

The District will only reimburse for one study course per subject or certification.

2. Reimbursement Allowance Fiscal Year Allotment:

If an employee starts a class or exam in one fiscal year and the class/exam ends in the next fiscal year, the District may apply the reimbursement allowance to either or both fiscal year(s) that is most advantageous to the employee without going over the maximum allowance for that fiscal year.



Otay Water District
Human Resources
Policies And Procedures

Effective
6/15/94 Pending
Revised:
9/5/07

Date:
7/5/06

Page
1 of 32

Section Title:

EDUCATIONAL REIMBURSEMENT
PROGRAM

PURPOSE

The purpose of this policy and procedure is to establish requirements and guidelines for administering the Educational Reimbursement Program.

POLICY

Otay Water District encourages employees to ~~seek further~~ continue with their formal education and training in an effort to increase competency and efficiency in work; to participate in educational and training activities which may lead to increased personal and professional development; and to increase knowledge in other work areas not directly related to the employee's job thus allowing for organizational cross-training further develop their job knowledge, skills and capacities in their current job; to prepare for position(s), including promotions, within District employment and to benefit the District by providing or enhancing a needed job-related skill.

A. Eligibility

Any regular full-time employee ~~who has completed six (6) months of continuous employment with the District and is scheduled to work 80 hours every two week periods~~ is eligible to participate. An employee on probation is eligible to participate upon hire and will be reimbursed after passing his/her probationary period for courses that were started while employed at the District. Participants must agree to comply with the requirements and provisions of the program.

B. Maximum Benefit

Maximum ~~tuition~~ educational reimbursement allowance per employee per fiscal year:

\$12002,5003,000

C. Eligible Reimbursements

The maximum allowance per fiscal year ~~reflects the~~ will include reimbursements for tuition costs. ~~Other covered expenses will not count toward the maximum allowance,~~ books, parking fees, student center fees, health fees, and standard mandatory fees including: matriculation, registration, activity enrollment, library usage, laboratory technology and other instructional fees. Also included in the educational allowance are fees for taking exams for certifications, licenses and study course fees.

Supplies required for particular courses may also be considered for reimbursement (i.e. drafting supplies for a drafting course.)

Any and all courses, fees and/or supplies submitted for educational reimbursement are subject to the District's discretion and approval.

D. Ineligible Reimbursements

The District will not reimburse for the following: mileage, dependent care, late fees, loss or damage to library materials, library fines, tutoring fees, withdrawal fees, fees charged to maintain an active student status during a term in which the employee does not attend, and previously reimbursed classes.

Reimbursement shall not be allowed for fees or expenses covered by other sources such as scholarships or Veteran's Benefits.

~~NOTE: All required textbooks, fees, and parking will be reimbursed. Supplies required for particular courses may be considered for reimbursement (i.e. drafting supplies for a drafting course). Mileage reimbursement, dependent care, and other related expenses will not be reimbursed. Reimbursement shall not be allowed for fees or expenses covered by other sources, such as scholarships or Veteran's Benefits.~~

EFFECTIVE DATE

~~Provisions of this plan shall become effective upon approval of the Board of Directors, and shall continue in effect until amended, modified or terminated by the Board of Directors. Eligibility will be determined based upon the terms and conditions contained herein, except that District employees following a previously approved course of study shall continue under the terms and conditions in effect prior to this new policy.~~

ADMINISTRATIVE PROCEDURES

A. Approval

The employee must receive approval to participate in the Educational Reimbursement Program prior to registering for any course, class, exam, or certification for which the employee seeks reimbursement. The employee must do so by completing the Application for Education Reimbursement Program Form and submitting it to his/her immediate supervisor/manager and department chief for approval.

Once the Application for Educational Reimbursement Program is signed by the employee's supervisor/manager and department chief, the employee must forward the form to Human Resources for additional approval. Human Resources staff will coordinate approval with the Human Resources Manager.

Human Resources staff will forward a copy of the form to the employee once all approvals are received.

B. Reimbursement Method

There are two methods for employees to receive reimbursement:

1. Advance reimbursement prior to completion of class/exam/certification (*):
 - a. After payment of tuition and/or related educational fees, the employee must submit receipts to Human Resources along with the Educational Reimbursement Program Claim Form.
 - b. Human Resources staff will ensure that approval was granted to receive reimbursement for the class/exam/certification. Once approval has been confirmed, Human Resources will initiate a check request and forward the reimbursement form to the Finance Department for processing.

- c. Once processed, the Finance Department will provide the check to the employee.
- d. Upon completion of the course, the employee must submit proof of grade or certificate exam results to Human Resources within sixty (60) calendar days of completing the course or receiving the certificate exam results.
- e. If a course/exam is not completed or passed; or a grade of "D", "Fail" or equivalent is received, repayment of advance reimbursement must be made by the employee to the District within thirty (30) calendar days of the employee's knowledge of such. If employment with the District is terminated prior to completion of the class/exam, then the employee shall repay advance reimbursement to the District prior to leaving the District.

(*) Employees who are not in probationary status may receive advance reimbursement of the educational fees prior to completion of a class/exam/certificate. If the employee is on probation, reimbursement will occur only after completion of his/her probationary period.

2. Reimbursement of educational fees upon completion of class/exam/certification:

~~The employee may receive advance payment of the cost of tuition and related costs prior to completion of a course.~~

~~If fees are advanced, and if one of the following occurs, repayment must be made to the District within thirty (30) days:~~

- ~~A course is not completed and/or,~~
- ~~Employment with the District terminates prior to completion of the course and/or,~~
- ~~A passing grade of "C" or better, "Pass" or the equivalent is not received.~~

- a. ~~Upon completion of a course, the employee must receive a passing letter grade of a "C" or better, "Pass" or the equivalent, and proof of grade must be submitted to Human Resources within sixty (60) days of completion of the course.~~

ADMINISTRATIVE PROCEDURES

~~Complete the Application for Education/Certificate Reimbursement prior to registration.~~

~~Submit form to immediate supervisor and/or department head for approval.~~

~~Forward form to Human Resources for additional approval. Human Resources staff will coordinate approval with the Administrative Services Department Head and the General Manager.~~

~~Human Resources staff will forward a copy of the form to the employee once all approvals are received.~~

~~For advance payment prior to completion of a course:~~

~~After payment of tuition and related fees, submit original receipts to Human Resources for reimbursement along with the Education/Certificate Reimbursement Claim Form.~~

~~Human Resources staff will initiate a check request, obtain necessary signatures and forward the form to the Finance Department for processing.~~

~~Once processed, the Finance Department will provide the check to Human Resources and Human Resources staff will forward the check to the employee.~~

~~Upon completion of the course, submit proof of grade to Human Resources within sixty (60) days of completion of the course.~~

~~If a course is not completed or a grade of "D" or less, "Fail" or equivalent is received, reimbursement for advance payment must be made to the District within thirty (30) days.~~

~~For reimbursement upon completion of a course:~~

- ~~a. Upon completion of the course, the employee must submit proof of grade or certificate exam results, and original receipts, and the Educational Reimbursement Program Claim Form to Human Resources for reimbursement within six (6) monthsixty (60) calendar days of completing the course along with the Education/Certificate Reimbursement Claim Form or receiving certificate exam results.~~
- ~~b. Human Resources staff will ensure that approval was granted to receive reimbursement for the class/exam/certification. Once approval has been confirmed, Human Resources will initiate a check request, obtain necessary signatures and forward the reimbursement form to the Finance Department for processing.~~
- ~~c. Once processed, the Finance Department will provide the check to Human Resources and Human Resources staff will forward the check to the employee.~~

C. Other Reimbursement Information:

1. Study Courses and Test Fees:

The District will only reimburse for one study course per subject or certification.

2. Reimbursement Allowance Fiscal Year Allotment:

If an employee starts a class or exam in one fiscal year and the class/exam ends in the next fiscal year, the District may apply the reimbursement allowance to either or both fiscal year(s) that is most advantageous to the employee without going over the maximum allowance for that fiscal year.

Attachment F



**Otay Water District
Human Resources Policies
and Procedures**

**Effective Date:
September 5, 2007**

Page 1 of 7

Section Title:

**DISCIPLINE POLICY AND
PROCEDURES**

PURPOSE

The purpose of this policy is to present a progressive approach to employee discipline which uses consistent and equitable procedures for reflecting employee job performance and general conduct.

POLICY

It is the policy of Otay Water District to maintain an atmosphere of positive motivation and discipline with its employees; to treat all employees fairly; and to administer disciplinary action, when necessary, in a manner that is both fair and corrective.

Disciplinary action is primarily intended to be corrective and progressive, directed at obtaining compliance with District rules, orders, procedures, standards of conduct, and expected job performance. However, disciplinary action may also serve a punitive purpose, particularly in the case of severe or repetitive misconduct. The District may impose discipline, including a first disciplinary action, commensurate with the nature and circumstances of an employee's misconduct. Appropriate disciplinary action may include counseling, oral warning, written reprimand, suspension, reduction in pay, demotion, and/or dismissal.

STANDARDS OF CONDUCT

All employees are expected to act in a positive and professional manner in performing their duties and in their relationships with other employees and the public.

Individual departments may adopt rules specifically based on the needs of the department. In such cases, these rules must be written, approved by the Assistant General Manager, and distributed to all affected employees.

Employees may be informally or formally disciplined for the following misconduct:

1. Fraud in securing employment or promotion;
2. Incompetence, including loss, revocation, suspension, or conditions of probation of a license or certificate that is a condition of the position, that prevent an employee from performing work at the District, or the uninsurability of an employee to drive a District vehicle when driving is a condition of the position;

3. Failure to perform the duties of the position;
4. Inefficiency;
5. Insubordination;
6. Discourteous conduct;
7. Violation of safety rules, policies, standards, and/or regulations, or failure to promptly report the same;
8. Violation of the general rules, regulations, policies, and practices of the District or the employee's department;
9. Dishonesty;
10. Absence or tardiness without leave;
11. Working while intoxicated or illegally under the influence of controlled substances;
12. Consuming alcoholic beverages or illegally using controlled substances while on duty or during breaks;
13. *Conviction of a felony;
14. *Conviction of a misdemeanor involving moral turpitude and/or crimes involving firearms, explosives, violence, dishonesty and/or requiring registration under Penal Code 290;
15. Gambling on District property or while on duty;
16. Bringing or possessing firearms on District property;
17. Unauthorized use or removal of District property, or willful or reckless damage to or destruction of District property;
18. Fighting with or assaulting, harassing, threatening, or intimidating any person during working hours or on District property;
19. Immoral conduct;
20. Unlawful discrimination;
21. Membership in any organization that advocates the overthrow of the government of the United States or that State of California by force, violence, or other unlawful means.

* A "conviction" includes any sentence, suspended sentence, probation or other resolution following a verdict, plea (including a no contest plea) or other finding of guilt.

LEVELS OF DISCIPLINE

A. Informal Discipline

Counseling – Counseling includes any informal discussion with an employee designed to assist the employee to fully develop skills and abilities. The counseling discussion may clarify standards, evaluate the employee's strengths and weaknesses, or seek information.

Counseling is normally given by the immediate supervisor, but it may be given by any departmental supervisory staff up to and including the General Manager.

Oral Warning – An oral warning notifies the employee that his/her performance or behavior must be improved.

An oral warning defines the areas in which improvement is required, sets up goals leading to improvement, and notifies the employee that failure to improve will result in more serious action.

An oral warning is normally given by the immediate supervisor, but it may be given by any departmental supervisory staff up to and including the General Manager. This action shall only be imposed upon review and approval of the Department Chief in consultation with the Human Resources Manager or designee.

A written summary of an oral warning is kept by the supervisor, given to the employee, and placed in the supervisor's file and retained for a period of 18 months after which it is removed at the employee's request, unless other disciplinary problems have occurred within that time. However, if the oral warning is for violation of the Violence in the Workplace Policy, the Drug and Alcohol Policy, or Sexual Harassment Policy, it shall be permanently retained in the file.

B. Formal Discipline

Letter of Reprimand – A written reprimand is a formal notice to the employee that further disciplinary action may be taken unless performance or behavior improves.

A written reprimand admonishes an employee for misconduct and advises him/her of the consequences of failing to improve his/her performance or behavior. It should contain the following information:

- a. What occurred.
- b. Date and time of the event which is the cause of the reprimand.
- c. Specific rule or policy broken or violated.
- d. Reference to previous conversations and/or oral warnings regarding the problem.
- e. What the employee is expected to do to correct the situation.
- f. An outline of subsequent meetings or assignments to ensure that the employee has followed the directions for corrective action.

A written reprimand is normally given by the immediate manager, but it may be given by any departmental supervisory staff up to and including the General Manager. This action shall only be imposed upon review and approval of the Department Chief in consultation with the Human Resources Manager or designee.

Copies of written reprimands are kept by the supervisor, given to the employee, and placed in the employee's permanent personnel file and retained for a period of 3 years after which it is removed at the employee's request, unless other disciplinary problems have occurred within that time. However, if a reprimand is for a violation of the Violence in the Workplace Policy, the Drug and Alcohol Policy or Sexual Harassment Policy, it shall be permanently retained in the file.

Suspension - Suspension is the temporary removal of an employee from his/her duties without pay. Suspensions are normally taken in cases involving serious misconduct or chronic behavioral problems for which there seems to be no other appropriate response.

A suspension is usually given by the Department Chief, but may be given by any departmental supervisory staff up to and including the General Manager. This action shall only be imposed upon review and approval of the Department Chief, in consultation with the Human Resources Manager or designee, and finalized as a written notice of discipline approved by the Assistant General Manager.

Copies of suspension notices are kept by the supervisor, given to the employee, and placed in the employee's permanent personnel file.

Suspensions for 3 days or less shall be retained for a period of 3 years after which it is removed at the employee's request, unless other disciplinary problems have occurred within that time. However, if a suspension is for a violation of the Violence in the Workplace Policy, the Drug and Alcohol Policy or Sexual Harassment Policy, it shall be permanently retained in the file.

Suspensions for more than 3 days shall be retained in the employee's permanent personnel file.

Demotion or reduction in pay – Demotion to a position with a lower salary range or a reduction in salary within the current salary range. This type of discipline is normally imposed in response to an employee's failure to maintain minimum job requirements, incompetence or an inability to perform the essential duties of a position. However, it may be used for any other form of misconduct if deemed appropriate.

A demotion or reduction in pay is usually given by the Department Chief, but may be given by any departmental supervisory staff up to and including the General Manager. This action shall only be imposed after review and approval by the Assistant General Manager, Department Chief, in consultation with the Human Resources Manager or designee, and finalized as a written notice or discipline approved by the General Manager.

Copies of demotions and reductions in pay are kept by the supervisor, given to the employee, and placed in the employee's permanent personnel file.

Dismissal – Action to permanently terminate an employee's employment with the District.

A dismissal is usually given by the Department Chief, but may be given by any departmental supervisory staff up to and including the General Manager. This action shall only be imposed after review and approval by the Assistant General Manager, Department Chief, in consultation with the Human Resources Manager or designee, and finalized as a written notice of discipline approved by the General Manager.

Copies of dismissal notices are kept by the supervisor, given to the employee, and placed in the employee's permanent personnel file.

PRE-DISCIPLINE DUE PROCESS

ELIGIBILITY

These procedures apply to any person holding regular status as a District employee. "Regular status" includes all District employees except probationary employees, at-will employees, part-time employees working less than 20 hours per week, and temporary employees.

A. Notice Of Intent To Discipline

When a recommendation that a suspension of more than five (5) days, demotion, reduction in pay, or dismissal be imposed on an employee has been approved by the General Manager or designee, a Notice of Intent to Discipline shall be prepared and delivered to the employee at least five (5) working days before the date on which the proposed disciplinary action will become effective.

The Notice of Intent to Discipline shall include the following information:

1. A description of the proposed disciplinary action;
2. The date on which that action will become effective;
3. A statement of the charge(s) upon which the proposed action is based, including a description of the events constituting the alleged misconduct and reference to or description of the specific District rule or policy violated;
4. A statement that the employee has a right to meet with the General Manager or designee, and respond to the charges either orally or in writing, at any time before the proposed disciplinary action is to become effective;
5. Copies of any known written materials, reports, or documents upon which the proposed action is based.

B. Notice Of Discipline

If the employee elects not to meet with the General Manager or designee or respond to the charges before the effective date, the proposed action shall be imposed on the effective date.

If the employee meets with the General Manager or designee or submits a response to the charges and the General Manager or designee decides that the proposed action or modified disciplinary action should be imposed, the General Manager or designee shall issue a Notice

of Discipline to the employee.

The Notice of Discipline shall include the following information:

1. A description of the disciplinary action to be taken.
2. The date on which that action will become effective.
3. A statement whether any of the charges, descriptions of events, or alleged violations of District rule or policy in the Notice of Intent to Discipline were not sustained.

APPEAL

Represented Employees

Represented employees shall have the right to appeal disciplinary action taken against them in accordance with and to the extent provided by an applicable collective bargaining agreement. A "represented employee" is an employee who is a member of a bargaining unit for which there is a recognized employee organization.

ADMINISTRATIVE LEAVE

Leave Pending Investigation – The District may place an employee on paid Administrative Leave pending investigation of an alleged violation of law, policy, regulation, or standard of conduct.

Leave Pending Disciplinary Action – The District may place an employee on paid Administrative Leave, pending an employee's response to a Notice of Intent to Discipline and determination whether disciplinary action will be imposed.

EMERGENCY

In extraordinary circumstances, where an emergency situation exists that has the potential to harm District property, employees or members of the public or can result in harm to the employee, the District may remove the employee from the workplace immediately. An investigation will be conducted as soon as possible. After the emergency is passed, and if disciplinary action against the employee is contemplated, the guidelines for disciplinary action set forth herein shall be followed. If no discipline is imposed, the employee will be repaid for any time off without pay.

AUTOMATIC RESIGNATION

An employee is considered to have resigned his/her employment when the employee fails to report to work for two (2) or more consecutive work days without leave to be absent, whether such absence is voluntary or involuntary. Such resignation shall be effective as of the last day actually worked by the employee. The District shall notify the employee his/her resignation. Although the District's acceptance of an employee's automatic resignation is not a disciplinary action, the District shall include the following in the notice of resignation:

- a. A description of the facts upon which the resignation is based;
- b. A statement that the employee has the right to meet with the General Manager or designee, and respond to the description of facts either orally or in writing, within five days of receiving the notice of resignation.
- c. A statement that if the employee does not provide sufficient justification for his/her absence within five days of receiving the notice of resignation, his/her resignation shall be effective as of his/her last day actually worked.

If the General Manager or designee concludes that the employee's absence was justified, he/she shall order the employee reinstated without back pay.

TIME EXTENSIONS

Any time limitations or requirements, as set forth in this Policy and Procedure, may be extended or changed by mutual agreement of all parties.

EMPLOYEE ACKNOWLEDGEMENT

The District may require an employee to sign a document indicating the date on which the employee received a Notice of Intent to Discipline or a Notice of Discipline. If the employee refuses to sign the document, the person serving the document on the employee should note the date of service and that the employee declined to sign.



**Otay Water District
Human Resources Policies
and Procedures**

Effective Date:
~~May 3, 2006~~
September 5,
2007

Page 1 of 7

Section Title:

**DISCIPLINE POLICY AND
PROCEDURES**

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2. Incompetence, including loss, or revocation, suspension, or conditions of probation of a license or certificate that is a condition of the position, that prevent an employee

from performing work at the District, or the uninsurability of an employee to drive a District vehicle when driving is a condition of the position;

3. Failure to perform the duties of the position;
4. Inefficiency;
5. Insubordination;
6. Discourteous conduct;
7. Violation of safety rules, policies, standards, and/or regulations, or failure to promptly report the same;
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9. Dishonesty;
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* A "conviction" includes any sentence, suspended sentence, probation or other resolution following a

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PRE-DISCIPLINE DUE PROCESS

ELIGIBILITY

These procedures apply to any person holding regular status as a District employee. "Regular status" includes all District employees except probationary employees, at-will employees, part-time employees working less than 20 hours per week, and temporary employees.

A. Notice Of Intent To Discipline

When a recommendation that a suspension of more than five (5) days, demotion, reduction in pay, or dismissal be imposed on an employee has been approved by the General Manager or designee, a Notice of Intent to Discipline shall be prepared and delivered to the employee at least five (5) working days before the date on which the proposed disciplinary action will become effective.

The Notice of Intent to Discipline shall include the following information:

1. A description of the proposed disciplinary action;
2. The date on which that action will become effective;
3. A statement of the charge(s) upon which the proposed action is based, including a description of the events constituting the alleged misconduct and reference to or description of the specific District rule or policy violated;
4. A statement that the employee has a right to meet with the General Manager or designee, and respond to the charges either orally or in writing, at any time before the proposed disciplinary action is to become effective;
5. Copies of any known written materials, reports, or documents upon which the proposed action is based.

B. Notice Of Discipline

If the employee elects not to meet with the General Manager or designee or respond to the charges before the effective date, the proposed action shall be imposed on the effective date.

If the employee meets with the General Manager or designee or submits a response to the charges and the General Manager or designee decides that the proposed action or modified disciplinary action should be imposed, the General Manager or designee shall issue a Notice of Discipline to the employee.

The Notice of Discipline shall include the following information:

1. A description of the disciplinary action to be taken.
2. The date on which that action will become effective.
3. A statement whether any of the charges, descriptions of events, or alleged violations of District rule or policy in the Notice of Intent to Discipline were not sustained.

APPEAL

Represented Employees

Represented employees shall have the right to appeal disciplinary action taken against them in accordance with and to the extent provided by an applicable collective bargaining agreement. A "represented employee" is an employee who is a member of a bargaining unit for which there is a recognized employee organization.

ADMINISTRATIVE LEAVE

Leave Pending Investigation – The District may place an employee on paid Administrative Leave pending investigation of an alleged violation of law, policy, regulation, or standard of conduct.

Leave Pending Disciplinary Action – The District may place an employee on paid Administrative Leave, pending an employee's response to a Notice of Intent to Discipline and determination whether disciplinary action will be imposed.

EMERGENCY

In extraordinary circumstances, where an emergency situation exists that has the potential to harm District property, employees or members of the public or can result in harm to the employee, the District may remove the employee from the workplace immediately. An investigation will be conducted as soon as possible. After the emergency is passed, and if disciplinary action against the employee is contemplated, the guidelines for disciplinary action set forth herein shall be followed. If no discipline is imposed, the employee will be repaid for any time off without pay.

AUTOMATIC RESIGNATION

An employee is considered to have resigned his/her employment when the employee fails to report to work for two (2) or more consecutive work days without leave to be absent, whether such absence is voluntary or involuntary. Such resignation shall be effective as of the last day

actually worked by the employee. The District shall notify the employee his/her resignation. Although the District's acceptance of an employee's automatic resignation is not a disciplinary action, the District shall include the following in the notice of resignation:

- a. A description of the facts upon which the resignation is based;
- b. A statement that the employee has the right to meet with the General Manager or designee, and respond to the description of facts either orally or in writing, within five days of receiving the notice of resignation.
- c. A statement that if the employee does not provide sufficient justification for his/her absence within five days of receiving the notice of resignation, his/her resignation shall be effective as of his/her last day actually worked.

If the General Manager or designee concludes that the employee's absence was justified, he/she shall order the employee reinstated without back pay.

TIME EXTENSIONS

Any time limitations or requirements, as set forth in this Policy and Procedure, may be extended or changed by mutual agreement of all parties.

EMPLOYEE ACKNOWLEDGEMENT

The District may require an employee to sign a document indicating the date on which the employee received a Notice of Intent to Discipline or a Notice of Discipline. If the employee refuses to sign the document, the person serving the document on the employee should note the date of service and that the employee declined to sign.

Attachment G



**Otay Water District
Human Resources
Policies and
Procedures**

Effective Date:

Date Adopted: 4/22/98
Revised: 1/27/99;
6/7/06; 02/01/07;
09/05/07

Section Title:

UNIFORM STANDARDS

PURPOSE

To provide a standard for uniforms within the District.

POLICY

In an effort to maintain a safe and efficient workforce, the issuing and use of uniforms within the District shall be in accordance with the procedures and guidelines set forth within this section. As representatives of the District, employees provide direct contact with customers and the general public. Uniforms provide a method by which District employees are readily identifiable and present an organizational image. Additionally, uniforms provide a safety tool for those working in hazardous situations.

GENERAL POLICY

It is mandatory for certain employee classifications to wear the designated District uniform. Uniforms furnished by the District shall be worn only during working hours and may be worn to and from work, but they are not a substitute for personal attire.

Uniforms shall always be neat and clean, with only Otay Water District approved lettering and logo. An American Flag pin, and a District provided pin no larger than one (1) square inch are approved.

EMPLOYEES REQUIRED TO WEAR UNIFORMS

The District shall determine which employee classifications are required to wear a uniform.

UNIFORM STANDARDS

1. Allotment

The District shall provide employees covered under this policy with District uniforms consisting of:

- Eleven (11) button shirts (any combination of short and long-sleeve shirts).
- Eleven (11) pants (any combination of long and short pants).
- Five (5) t-shirts per year.
- One (1) baseball style hat and/or a full-brimmed hat.
- One (1) hard hat (if necessary).
- One (1) jacket and one (1) sweatshirt.
- District approved boots/shoes.

2. Description of Uniforms

The official District uniform shall consist of the following:

- a. Headwear (Hats): All hats shall be a navy blue baseball style hat and/or a full-brimmed hat, selected and provided by the District.
- b. Hard Hat: All hard hats shall meet current ANSI and District safety standards and shall be white, traditional style front or full-brimmed with a District logo attached to the front, center face.
- c. Shirts: Shirts may be long or short-sleeved and shall have the employee's first name on the left-hand side and the District's logo on the right-hand side of the shirt. Acceptable colors are solid white, white with blue pinstripes, orange, or solid light blue. All shirts within a work group shall be the same color. When required by the safety policy, the shirts shall be orange.
- d. T-Shirts: T-shirts shall be white, orange or navy blue. Five (5) t-shirts shall be issued once per year. In the event t-shirts are no longer usable, employee shall wear one of his/her issued uniform shirts. When required by the safety policy, the t-shirt shall be orange.
- e. Pants: All pants shall be navy blue and may be issued in any combination of shorts and long pants. Pants may be polyester, cotton-blend, cotton, or denim. When required by the safety policy, employees shall use pants of specific type and material as directed.
- f. Jackets: All jackets shall be blue or orange with reflective stripes, with the District's logo on the right-hand side. When required by the safety policy, the jackets shall be orange.
- g. Sweatshirts: Sweatshirts shall be navy blue or orange. Sweatshirts shall have the District's logo on the right-hand side. When required by the safety policy, the sweatshirt shall be orange.

- h. Boots/Shoes: The boot/shoe allowance shall be in the amount published in the current Memorandum of Understanding. The allowance may be used for the initial purchase and when necessary, replacement due to work related damage or the end of the boot/shoe service life. Where required by the District, the use of boots/shoes shall meet CAL-OSHA General Industry, Safety Order 3305: Foot Protection.

PROCEDURES AND GUIDELINES

1. Distribution of District Uniforms

The District's Warehouse staff shall order, issue, and collect replaced uniforms and boots/shoes and maintain appropriate records of uniforms for eligible employees.

New hires or employees moved into positions requiring the use of uniforms must purchase approved boots/shoes prior to beginning work. Acceptability of boots/shoes shall be at the discretion of the District. The employee must present a purchase receipt to his/her manager for reimbursement. The manager will submit the receipt together with a completed check request to accounts payable. The employee will be reimbursed through the standard check process.

2. Replacement or Repair of District Uniforms

a. Clothing Items:

Uniforms, excluding t-shirts, shall be replaced when their condition warrants. It is the responsibility of the employee and their supervisor to identify clothing requiring repair or replacement. The Warehouse staff will review and coordinate the repair or replacement of garments. Employees will be required to return clothing being replaced to the warehouse before a replacement is issued.

b. Boots/Shoes:

As needed, an employee will be eligible for a replacement pair of boots/shoes following approval by the employee's manager and the Safety and Security Administrator. Once approved, the employee will purchase a replacement pair of boots/shoes and turn in the old boots/shoes to the warehouse. A warehouse worker will sign the receipt indicating that the warehouse has received the worn or damaged boots/shoes and the employee will submit the signed receipt to his/her manager for reimbursement. The manager will submit the receipt together with a completed check request to accounts payable. The employee will be reimbursed through the standard check process.

3. Laundry Services of District Uniforms

The District's Warehouse staff shall be responsible for coordinating the laundry service for uniform shirts and pants. The employee is responsible for laundering and/or cleaning all other uniform clothing and equipment.

4. Use of Short Pants

Shorts are not allowed if the employee may be exposed to any of the following conditions:

- Working with chemicals and hazardous substances.
- Working with equipment such as grinders, welders, weed trimmers, etc.
- Working below ground in trenches/vaults, etc.
- Working on a construction site.

5. Issuing More Than Five T-Shirts per Year

Where appropriate and compatible with work requirements, employees may be issued an additional (5) t-shirts per year in lieu of five (5) button uniform shirts. This would reduce the number of button uniform shirts issued from eleven (11) to six (6). The total number of t-shirts may not exceed ten (10) per year.

6. Employee Purchase of T-Shirts

Employees may purchase additional t-shirts at their expense from a District designated vendor.

7. Enforcement of Policy

Employee's supervisor/manager is responsible for enforcing the Uniform Eligibility Policy. Any changes must be in compliance with the requirements identified within this procedure.

Employees who report to work in worn, torn, dirty or inappropriate attire or uniform may be required to return home to correct the problem. The time spent away from work is chargeable to the employee's vacation leave accruals. In the event vacation leave hours are not available, the employee will not be paid for the time away from work. Failure to conform to this policy may result in disciplinary action up to and including termination.



**Otay Water District
Human Resources
Policies and
Procedures**

Effective Date:

Date Adopted: 4/22/98
Revised: 1/27/99;
6/7/06; 02/01/07;
09/05/07

Section Title:

UNIFORM STANDARDS

PURPOSE

To provide a standard for uniforms within the District.

POLICY

In an effort to maintain a safe and efficient workforce, the issuing and use of uniforms within the District shall be in accordance with the procedures and guidelines set forth within this section. As representatives of the District, employees provide direct contact with customers and the general public. Uniforms provide a method by which District employees are readily identifiable and present an organizational image. Additionally, uniforms provide a safety tool for those working in hazardous situations.

GENERAL POLICY

It is mandatory for certain employee classifications to wear the designated District uniform. Uniforms furnished by the District shall be worn only during working hours and may be worn to and from work, but they are not a substitute for personal attire.

Uniforms shall always be neat and clean, with only Otay Water District approved lettering and logo. An American Flag pin, and a District provided pin no larger than one (1) square inch are approved.

EMPLOYEES REQUIRED TO WEAR UNIFORMS

The District shall determine which employee classifications are required to wear a uniform.

UNIFORM STANDARDS

1. Allotment

The District shall provide employees covered under this policy with District uniforms consisting of:

- Eleven (11) button shirts (any combination of short and long-sleeve shirts).
- Eleven (11) pants (any combination of long and short pants).
- Five (5) t-shirts per year.
- One (1) baseball style hat and/or a full-brimmed hat.
- One (1) hard hat (if necessary).
- One (1) jacket ~~or~~ and one (1) sweatshirt.
- District/~~ANSI~~ approved boots/shoes.

2. Description of Uniforms

The official District uniform shall consist of the following:

- a. Headwear (Hats): All hats shall be a navy blue baseball style hat and/or a full-brimmed hat, selected and provided by the District.
- b. Hard Hat: All hard hats shall meet current ANSI and District safety standards and shall be white, traditional style front or full-brimmed with a District logo attached to the front, center face.
- c. Shirts: Shirts may be long or short-sleeved and shall have the employee's first name on the left-hand side and the District's logo on the right-hand side of the shirt. Acceptable colors are solid white, white with blue pinstripes, orange, or solid light blue. All shirts within a work group shall be the same color. When required by the safety policy, the shirts shall be orange.
- d. T-Shirts: T-shirts shall be white, orange or navy blue. Five (5) t-shirts shall be issued once per year. In the event t-shirts are no longer usable, employee shall wear one of his/her issued uniform shirts. When required by the safety policy, the t-shirt shall be orange.
- e. Pants: All pants shall be navy blue and may be issued in any combination of shorts and long pants. Pants may be polyester, cotton-blend, cotton, or denim. When required by the safety policy, employees shall use pants of specific type and material as directed.
- f. Jackets: All jackets shall be blue or orange with reflective stripes, with the District's logo on the right-hand side. When required by the safety policy, the jackets shall be orange.
- g. Sweatshirts: ~~A sweat shirt may be issued instead of a jacket.~~ Sweatshirts shall be navy blue or orange. Sweatshirts shall have the District's logo on the right-hand side. When required by the safety policy, the sweatshirt shall be orange.

- h. Safety Boots/Shoes: The boot/shoe allowance shall be in the amount published in the current Memorandum of Understanding. The allowance may be used for the initial purchase and when necessary, replacement due to work related damage or the end of the boot/shoe service life. Where required by the District, the use of boots/shoes shall meet CAL-OSHA General Industry, Safety Order 3305: Foot Protection.

~~The annual safety boot/shoe allowance shall be the amount published in the current Memorandum of Understanding. The allowance may be used anytime during the year for the purchase or repair of safety boots/shoes. In case of extreme wear and if deemed necessary, an employee may be eligible for a second pair of boots/shoes within the same fiscal year if approved by the Safety and Risk Administrator.~~

PROCEDURES AND GUIDELINES

1. Distribution of District Uniforms

The District's Warehouse staff shall order, issue, and collect replaced uniforms and boots/shoes and maintain appropriate records of uniforms for eligible employees.

New hires or employees moved into positions requiring the use of uniforms must purchase approved boots/shoes prior to beginning work. Acceptability of boots/shoes shall be at the discretion of the District. The employee must present a purchase receipt to his/her manager for reimbursement. The manager will submit the receipt together with a completed check request to accounts payable. The employee will be reimbursed through the standard check process.

2. Replacement or Repair of District Uniforms

a. Clothing Items:

Uniforms, excluding t-shirts, shall be replaced when their condition warrants. It is the responsibility of the employee and their supervisor to identify clothing requiring repair or replacement. The Warehouse staff will review and coordinate the repair or replacement of garments. Employees will be required to return clothing being replaced to the warehouse before a replacement is issued.

b. Boots/Shoes:

As needed, an employee will be eligible for a replacement pair of boots/shoes following approval by the employee's manager and the Safety and Security Administrator. Once approved, the employee will purchase a replacement pair of boots/shoes and turn in the old boots/shoes to the warehouse. A warehouse worker will sign the receipt indicating that the warehouse has received the worn or damaged boots/shoes and the employee will submit the signed receipt to his/her manager for reimbursement. The manager will submit the receipt together with a completed check request to accounts payable. The employee will be reimbursed through the standard check process.

3. Laundry Services of District Uniforms

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4. Use of Short Pants

Shorts are not allowed if the employee may be exposed to any of the following conditions:

- Working with chemicals and hazardous substances.
- Working with equipment such as grinders, welders, weed trimmers, etc.
- Working below ground in trenches/vaults, etc.
- Working on a construction site.

5. Issuing More Than Five T-Shirts per Year

Where appropriate and compatible with work requirements, employees may be issued an additional (5) t-shirts per year in lieu of five (5) button uniform shirts. This would reduce the number of button uniform shirts issued from eleven (11) to six (6). The total number of t-shirts may not exceed ten (10) per year.

6. Employee Purchase of T-Shirts

Employees may purchase additional t-shirts at their expense from a District designated vendor.

7. Enforcement of Policy

Employee's supervisor/manager is responsible for enforcing the Uniform Eligibility Policy. Any changes must be in compliance with the requirements identified within this procedure.

Employees who report to work in worn, torn, dirty or inappropriate attire or uniform may be required to return home to correct the problem. The time spent away from work is chargeable to the employee's vacation leave accruals. In the event vacation leave hours are not available, the employee will not be paid for the time away from work. Failure to conform to this policy may result in disciplinary action up to and including termination.

Attachment H

**HIGHLIGHTS OF THE
SPECIAL DISTRICT'S RISK MANAGEMENT AUTHORITY
(SDRMA) MEDICAL BENEFITS PROGRAM**

A. Program

The Program was launched on July 1, 2003, under an MOU with participation from three counties members of California State Association of Counties (CSAC), as an alternative to their employee group health insurance plans. The terms and conditions of the Program, as well as benefit coverage, rates, assessments, and premiums are governed by a Committee (the "Committee") and not by SDRMA.

The Committee consists of representatives of seven of the 10 counties and public entities that are voting members which currently are Amador County, Calaveras County, Merced County, Tehama County, Tulare County, City of Merced, City of Redding, City of Santa Rosa, City of Visalia, and SDRMA.

On August 1, 2006, SDRMA was appointed administrator for the purpose of enrolling small public entities typically having 250 or less employees into the Program.

B. SDRMA

SDRMA, as administrator of the Program, offers a self-funded pooled medical program administered in conjunction with CSAC. Together they have over 80,000 members. Currently, the District is a member of SDRMA's Workers' Compensation and Property Liability Insurance programs. By being members of these programs, the District is able to receive a discounted rate on SDRMA's medical premium rates.

SDRMA offers three medical plans: Two Preferred Provider Organization (PPO) plans and an Exclusive Provider Organization (EPO). Attached is a "Benefits-at-a-Glance" document which provides more information on each plan design (Exhibit 1). All three plans use the Blue Shield Provider network. Blue Shield has some providers across the nation, therefore, out-of-state

retirees and out-of-state dependents will likely have access to covered providers depending on their location.

C. EPO

An EPO is similar to a Health Maintenance Organization (HMO) regarding minimal deductibles and out-of-pocket expenses, but differs in that an employee is not required to select a primary physician. Employees can be treated by a specialist without a referral from their primary physician. The employee can use any physician that is in the Blue Shield provider network, however, physicians outside of the network will not be covered by the EPO plan.

D. SDRMA Eligibility Rules; MOU

The Program, and the MOU with SDRMA, requires that the District commit to remain in the Program for a period of at least three years.

The District will pay monthly premiums based upon rates established by the Health Benefits Committee formed by CSAC for each category of participants and the census of covered employees, dependents and retirees. As administrator of the Program, SDRMA will add an administrative fee to premiums and rates set by the Committee.

Benefits to the employees will be as set forth in the District's Summary Plan Description for the Program.

The MOU and the Program include the following provisions to ensure a fully funded Program: pooling risk, purchasing individual stop loss coverage to protect the pool from large claims, and purchasing aggregate stop loss coverage. This applies to the large pool of over 80,000 participants.

If the Committee determines that the Program is not adequately funded, it may assess pro-rata assessments based upon each participant's proportional share of total premium paid for the preceding 3 years. The District will be liable

for assessments for 12 months following withdrawal from the Program.

After the initial three (3) full year commitment period, the District may withdraw by providing SDRMA and the Program written notice at least 180 days prior to its renewal date.

Disputes under the MOU are to be resolved first through mediation and, if no agreement is reached, by litigation. The parties will split mediator fees equally but the prevailing party is entitled to reasonable attorney's fees. The venue for dispute resolution is in Sacramento, California.

E. Active Employees

The District will continue to pay 100% coverage for employee only and 88% for dependents. Employees will be allowed to choose to participate in any of the three plans offered.

F. Eligible Retirees

SDRMA requires that the District pay 50% of the premium for employee only coverage of retirees. The District has three categories of retirees, Tier I, Tier II and Tier III.

1. Tier I and Tier II

Current benefit: For Tier I and Tier II retirees who retired prior to December 29, 2003, the District pays 100% of medical coverage for the retiree and dependents.

For Tier I and Tier II retirees who retired on or after December 20, 2003, the District pays 100% of retiree coverage and 88% of dependent coverage.

Program: Under the Program, these retirees will be allowed to participate in any of the three health plans and the District will continue to pay the same percentage of the coverage for the retiree and dependents until the retiree or dependent enrolls in Medicare. Under the Program, once a Tier I or Tier II retiree is enrolled in Parts A, B or D of

Medicare, the retiree must select either the Silver PPO or the Gold PPO. SDRMA will allow a retiree to switch from the EPO plan to the Silver or Gold PPO plan once they are enrolled in Parts A, B or D of Medicare without any disruption in coverage.

2. Tier III

Current benefit: Retirees may opt to continue medical for themselves and eligible dependents at their own expense.

Program: Tier III retirees, employees hired on or after July 1, 1993, will be limited to the Silver PPO Plan and the District will pay 50% of the employee only premium rate, or any other percentage of the premium rate in accordance with SDRMA's plan requirements, until Medicare.

G. Board Members

Board members will be allowed to participate in any of the three medical plans. SDRMA requires that the District pay 50% of the premiums for Board Members. The District will continue to cover Board Members in accordance with the provisions of Board Policy 8.

H. Transition

In order to move toward implementation January 1, 2008, informational benefit meetings for all employees and retirees will be held in September or October of this year to ensure a smooth transition. Informational letters will be sent to Retirees informing them of the plan changes and inviting them to attend the benefit meetings.

ATTACHMENT H

EXHIBIT 1

OTAY WATER DISTRICT - SDRMA BENEFITS-AT-A-GLANCE					
	SDRMA GOLD PPO		SDRMA SILVER PPO		SDRMA EPO
	PPO	NON-PPO	PPO	NON-PPO	Participating Providers
Deductible (cal year)					
Individual	\$500 Individual		\$2,000 Individual		\$300 Individual
Family Maximum	\$1,000 Family		\$4,000 Family		\$600 Family
Out-of-Pocket Maximum	\$1,500 Individual / \$3,000 Family excludes the deductible		\$3,000 Individual / \$6,000 Family excludes the deductible		\$1,000 Individual / \$2,000 Family excludes the deductible
Lifetime Maximum					
Substance Abuse					
All Other	\$5,000,000		\$5,000,000		Unlimited
Coinsurance					
Physician Charges					
- office visits	\$20 copay	50%	\$30 copay	50%	\$30 copay
- all other care	80%	50%	80%	50%	100%
Hospital Charges					
Facility (Inpatient)					
- Emergency	80%	80%	80%	80%	100%
- Non Emergency	80%	50% to a max of \$300/day	80%	50% to a max of \$300/day	100%
Facility (Outpatient)	80%	50% to a max of \$300/day	80%	50% to a max of \$300/day	100%
Facility (Outpatient Surgery)	80%	\$50 copay, then 50% to a max. of \$300/day	80%	\$50 copay, then 50% to a max. of \$300/day	100%
Emergency Room	\$50 copay (waived if admitted)		\$50 copay (waived if admitted)		\$100 copay (waived if admitted)
- Emergency	80%	80%	80%	80%	100%
- Non Emergency	80%	50% to a max of \$300/day	80%	50% to a max of \$300/day	
Urgent Care	80%	50%	80%	50%	100%
Outpatient Surgery Center	80%	\$50 copay, then 50% to a max. of \$300/day	80%	\$50 copay, then 50% to a max. of \$300/day	100%
Maternity Care	80%	50%	80%	50%	100%
Diagnostic X-Ray / Lab	80%	50%	80%	50%	100%
Chiropractic Care	80%	50%	80%	50%	
	up to \$50 per visit, combined 26 visits per year	up to \$25 per visit, combined 26 visits per year	up to \$50 per visit, combined 26 visits per year	up to \$25 per visit, combined 26 visits per year	N/A
Preventive Care	80%	50%	80%	50%	100%
- Pap smear / Mammography	Max. of \$200 per year		Max. of \$200 per year		Max. of \$200 per year
- Well Child Care	\$20 per visit	50%	\$30 per visit	50%	100%
Hospice Care	80%	80% (requires prior authorization)	80%	80% (requires prior authorization)	100%
	Max. \$10,000 per member		Max. \$10,000 per member		Max. \$10,000 per member
Ambulance	80%	80%	80%	80%	\$50 copay
Durable Med Equipment	80%	50%	80%	50%	80% after deductible Maximum \$2,000 per year
IP Mental Health / Substance Abuse	80% - Detox 100% - mental illness	50% - Detox N/A	80% - Detox 100% - mental illness	50% - Detox N/A	100% (max. of 30 days per calendar year)
OP Mental Health (MH) / Substance Abuse (SA)	SA - 100%. MH Visits 1-6 100%, Visits 7-20 \$15 copay, Visits 21-50 \$30 copay	SA - \$100 annual deductible, then 50% to a max. of \$1000 per program. MH - \$100 annual deductible, then 50% to a max. of \$40 per visit	SA - 100%. MH Visits 1-6 100%, Visits 7-20 \$15 copay, Visits 21-50 \$30 copay	SA - \$100 annual deductible, then 50% to a max. of \$1000 per program. MH - \$100 annual deductible, then 50% to a max. of \$40 per visit	SA - One treatment program per person per calendar year. MH Visits 1-6 100%, Visits 7-20 \$15 copay, Visits 21-50 \$30 copay
	Max. of 50 visits per person per cal year		Max. of 50 visits per person per cal year		Max. of 50 visits per person per cal year
Prescription Drugs (Retail/Mail Order)			\$200 Individual/\$500 Family Deductible for Brand Name Medications		
Generic Formulary	\$ 5/10 copay		\$ 10/20 copay		\$ 10/20 copay
Brand Name Formulary	\$ 15/25 copay (plus the difference in cost between Brand Name and Generic)		\$ 20/40 copay (plus the difference in cost between Brand Name and Generic)		\$ 20/40 copay (plus the difference in cost between Brand Name and Generic)
Non Formulary	\$ 45/75 copay		\$ 45/90 copay		\$ 45/90 copay

Note: This schedule is a summary only. Refer to the Plan Document for more detailed information regarding eligible expenses and limitations.

Attachment I

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	07/05/06 09/05/07

A. Policy

The Otay Water District has zero tolerance for the use of controlled substances or the abuse of alcohol. The District prohibits the use, possession, manufacture, distribution, or being under the influence of alcohol or controlled substances by any District employee while on District property or while on duty, except as specified herein.

B. Exceptions

The following exceptions apply to this policy:

1. Events

The General Manager or his/her designee, at his/her discretion, may authorize the use of alcohol at a District event, subject to any conditions he/she elects to impose.

2. Over-the Counter or Prescription Drugs

With respect to an employee, use of an over-the-counter drug, or a prescription-only drug under a prescription for the employee, in the manner prescribed, will not be treated as a violation of this policy unless the drug has potential side effects which impair the employee's ability to perform any safety-sensitive duty and/or the core duties of his/her position and the employee has failed to notify his/her supervisor or Human Resources of such side effects before performing duties while under the influence of the drug. The District may require a note from the employee's doctor concerning authorization for a prescription and/or the possible side effects of the prescribed drugs. The District shall comply with all applicable laws concerning the privacy of employees' medical information.

With respect to an applicant, use of an over-the-counter drug, or a prescription-only drug under a prescription for the applicant, in the manner prescribed, will not disqualify the applicant for employment if he/she satisfactorily explains such use upon being informed of a positive test for controlled substances. The District may require a note from the applicant's doctor concerning authorization for a prescription and/or the possible side effects of the prescribed drugs.

C. Definitions

1. Accident:

- a. Any accident, in which an employee is driving a District vehicle while on duty, that, had the vehicle been a commercial vehicle, would have required post-accident testing of the driver under the Department of Transportation (DOT) Drug and Alcohol Testing

OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY

Subject	Policy Number	Date Adopted	Date Revised
DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	07/05/06 09/05/07

Policy. This shall apply to employees covered by the DOT policy only if the accident is not subject to the DOT policy.

b. Any accident, not involving the driving of a District vehicle, that is reasonably believed by a manager to have been caused by an on-duty employee and which results in serious physical injury.

2.—2. Controlled substance: Any substance identified by section 40.85 of title 49 of the Code of Federal Regulations or sections 11054-11058 of the California Health and Safety Code.

3.—3. Dilute Specimen: A specimen with creatinine and specific gravity values that are lower than expected for human urine or a specimen that is adulterated in any way.

4.—4. DOT Policy: The District's Drug and Alcohol Testing Policy, enacted pursuant to Part 382 of title 49 of the Code of Federal Regulations.

5. Drug Paraphernalia: This term has the same definition as is used in section 11364.5(d) of the California Health and Safety Code and applies only to paraphernalia deemed unlawful under section 11364.5(d).

6. Manager: A District employee who is designated as a supervisor, manager, or executive.

5.—7. Medical Review Officer: A person who is a licensed physician and who is responsible for receiving and reviewing laboratory results for substance tests and evaluating medical explanations for certain test results.

6.—8. Negative: A person is considered to have tested negative for a substance if his/her substance test does not produce a positive result.

7.—9. Positive: A person is considered positive for alcohol if he/she has a blood alcohol concentration of 0.04 or greater at the time he/she submits to testing. A person is considered positive for a controlled substance if he/she has any amount of a controlled substance at or above a "cutoff concentration" specified in section 40.87 of title 49 of the Code of Federal Regulations at the time he/she submits to testing.

8.—10. Reasonable suspicion: A reasonable suspicion exists that a person is under the influence of a substance if a trained observer reasonably comes to the conclusion that the person is under the influence of a substance due to having personally observed, with

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	07/05/06 09/05/07

respect to the person, some or all of the effects specified in Appendix A of this policy.

Additionally, a reasonable suspicion exists that a person is under the influence of a substance if an observer has seen the person use a substance.

No one factor is sufficient to create a reasonable suspicion, but an observer may make a reasonable assessment based on the quantity, degree, and/or severity of applicable factors.

~~9.~~—~~11.~~ *Refuse to submit to testing:* A failure to immediately report for substance testing when directed to do so, a failure to complete the testing process (including signing any forms necessary to authenticate or identify a specimen), or a failure to provide an adequate amount of breath, saliva, or urine for a test.

~~10.~~—~~12.~~ *Safety-sensitive duties:* Any duties identified as "safety-sensitive duties" by DOT regulations, or duties which consist of any of the following:

- Operating any assigned District vehicle or equipment (includes management and non-management employees)
- High-voltage electrical work (600 volts or greater)
- Work in "confined spaces," as that term is defined in District regulations or OSHA regulations

~~11.~~—~~13.~~ *Serious physical injury:* An injury to an employee that causes the employee to be absent from work on either of the two working days following an accident or which requires hospitalization of the employee.

~~12.~~—~~14.~~ *Substance:* Any substance containing alcohol or any controlled substance.

~~13.~~—~~15.~~ *Under the influence:* With respect to alcohol, a person is under the influence at the time he/she is ordered to submit to testing if he/she tests positive for alcohol at the time he/she submits to testing. With respect to controlled substances, a person is under the influence at the time he/she is ordered to submit to testing if he/she tests positive for a controlled substance at the time he/she submits to testing.

D. Conflicts with DOT Policy

As to applicants or employees to whom the DOT Policy applies, to the extent this policy imposes a requirement that is less stringent than

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

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the DOT Policy the more stringent requirements of the DOT Policy will control.

E. Testing Procedures

When an employee or applicant is to be tested, the District shall use the same testing procedures that are used for testing under the DOT policy, including the procedures for testing a "split specimen", as that term is defined in section 40 of title 49 of the Code of Federal Regulations. The service providers shall comply with section 40.47 of title 49 of the Code of Federal Regulations by using the Federal Drug Testing Custody and Control Form for applicants/employees subject to the DOT Policy and a non-federal form for all other persons.

F. Testing

1. Persons Subject to Substance Screening

- All applicants for employment, in conjunction with pre-employment physical examination
- All employees reasonably suspected of using substances while on duty or on District property or while working while under the influence of substances
- All employees reasonably suspected of possessing, manufacturing, or distributing substances while on duty or on District property
- Any employee involved in or reasonably suspected to have caused an accident while on duty.
- Any employee who performs safety-sensitive duties whose name is selected for testing pursuant to the District's random testing policy
- Any District employee who applies for and is selected for a position that will require the performance of safety-sensitive duties.

2. Pre-employment physicals

All applicants for employment shall, as part of their pre-employment physical examination, submit to a urine analysis or other legally authorized testing methods as selected by the employer for substances.

Any District employee who applies for a position that will require the performance of safety-sensitive duties shall, as a precondition to appointment to such position, submit to a urine analysis or other legally authorized testing methods as selected by the employer for substances.

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	07/05/06 09/05/07

3. Random testing of managers and safety-sensitive duty employees

Each year the District shall randomly conduct substance tests of employees who perform safety-sensitive duties. Based on the number of such employees employed by the District on January 1, the District shall conduct by the following December 31 a number of tests for controlled substances equal to 50 percent of the total number of employees who perform safety-sensitive duties. Within the same time period, the District shall conduct a number of tests for alcohol equal to 10 percent of the same number of safety-sensitive employees.

Each year the District shall randomly conduct substance tests of managers who are not randomly tested as employees performing safety-sensitive duties. Based on the number of managers employed by the District on January 1, the District shall conduct by the following December 31 a number of tests for controlled substances equal to 10 percent of the total number of such managers. Within the same time period, the District shall conduct a number of tests for alcohol equal to 10 percent of the same number of such managers. Managers who perform safety-sensitive duties and who are included in the pool of safety-sensitive duty employees selected for random testing shall not be included in the pool of non-safety-sensitive duty managers who are selected for random testing.

The General Manager will contract with a service provider to perform the random selection of employee names for substance testing and select the dates upon which the employees will be tested. The service provider must ensure that every safety-sensitive employee has an equal chance of being selected each time a name is randomly drawn and that any employee whose name is selected is not exempt from having his/her name selected in any subsequent drawing in the same year.

The service provider shall provide the selected names and dates to the Safety and Risk Administrator, who shall not disclose this information to any other person except to the employee selected for testing and the employee's supervisor at the time that the employee is required to submit to testing. If the employee is absent from duty on a date that he/she has been randomly selected for testing, he/she shall be required to submit to a test immediately upon returning to work, without prior notice.

Upon being informed that he/she is required to submit to a random test, the employee must report to the testing location, as quickly as possible but no greater than one hour from being informed, and complete the test as directed by personnel at the testing location. Upon

**OTAY WATER DISTRICT
BOARD OF DIRECTORS POLICY**

Subject	Policy Number	Date Adopted	Date Revised
DRUG FREE WORKPLACE POLICY AND PROCEDURE	22	9/19/90	07/05/06 09/05/07

completing testing, the employee shall report back to duty if his/her duty day has not yet concluded.

Random testing is separate from the other forms of testing described in this policy. An employee who submits to a reasonable suspicion or post-accident test does not satisfy the requirement that he/she submit to a random test when ordered.

4. Post-accident testing

If an employee is involved in an accident that under this policy requires that the employee submit to substance testing, the employee's supervisor shall immediately contact Human Resources to report the accident and the necessity of testing. Thereafter, the supervisor shall direct the employee to report to the testing location and complete the test as directed by personnel at the testing location. The supervisor shall arrange to transport the employee to the testing location. Upon completing testing, the employee shall report back to duty if his/her duty day has not yet concluded, unless a reasonable suspicion exists, based on the observation of the employee's supervisor, that the employee was under the influence of a substance at the time or shortly after the accident. If such a reasonable suspicion exists, the supervisor's discretion under the return to duty provisions of Section F(5) shall apply.

If the employee requires immediate medical assistance due to the accident, such that he/she is unable to report to the testing location, the supervisor shall coordinate with the hospital to conduct the test or require the employee to report to the testing location as soon as is practicable.

The determination as to whether an employee is involved in an accident shall be made by the employee's supervisor in consultation with the Safety and Risk Administrator, based on the information available to him/her. If the supervisor cannot immediately determine whether the employee was involved in an accident, the supervisor shall not order the employee to testing until the supervisor makes such determination.

5. Reasonable suspicion testing

If an employee's supervisor or any manager has a reasonable suspicion that the employee is under the influence of a substance while on District property or on duty, he/she shall advise Human Resources of this observation and then direct the employee to immediately report for testing and complete the test as directed by personnel at the testing

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location. The supervisor shall arrange to transport the employee to the testing location. If the person who advises Human Resources of the observation is not the employee's supervisor, Human Resources must immediately notify the supervisor that the employee is reporting to Human Resources and why, and the supervisor shall arrange to transport the employee to the testing location

Upon completing testing, the employee shall be released from duty for the remainder of the day. The supervisor, in consultation with Human Resources, thereafter shall determine on a day-to-day basis whether to permit the employee to return to duty, until the results of the test have returned. If an employee has been ordered to submit to substance testing for reasonable suspicion, the District may place the employee on leave without pay pending the test results. If the employee's test results are negative, the District shall restore any salary lost by the employee for the days he/she was on leave, as though the employee had reported for duty.

6. Refusal to submit to testing

If an applicant refuses to submit to testing for any substance, the applicant is disqualified for employment. If a District employee who has applied for a position that requires the performance of safety-sensitive duties refuses to submit to testing for any substance, the employee is disqualified for such position.

If an employee refuses to submit to testing for any substance, the District may treat such refusal as an act of insubordination. The District shall also impose the same disciplinary action for a refusal to test that it would impose for a positive test result, so as not to encourage employees to refuse to test in the hope of avoiding more severe disciplinary action. The District may immediately place an employee on leave without pay if the employee refuses to submit for testing.

7. Refusal to authorize disclosure of results of testing

If an applicant refuses to authorize the disclosure of the testing results to the District, the applicant is disqualified for employment. If a District employee who has applied for a position that requires the performance of safety-sensitive duties refuses to authorize the disclosure of the test results to the District, the employee is disqualified for such position.

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If an employee refuses to authorize the disclosure of results of testing to the District, the District will treat it in the same manner as a refusal to submit to testing.

89. Positive test

If an applicant tests positive for a controlled substance, he/she shall be disqualified for employment unless he/she meets the requirements for the over-the-counter/prescription drug exception set forth in Section B(2) of this policy. If a District employee who has applied for a position that requires the performance of safety-sensitive duties tests positive for a substance, the employee is disqualified for such position.

If an employee tests positive for a substance, the employee shall not be returned to duty and shall not receive pay during his/her absence until the employee requests that the split urine specimen be tested and the test of that specimen is not positive for a substance.

This unpaid absence shall not be considered a disciplinary or punitive action against the employee and any record of such absence shall be maintained separately from the employee's personnel file. The absence is for the administrative and safety interests of the District. This unpaid absence has no effect on the District's decision or ability to discipline an employee for violating this policy.

If the Medical Review Officer determines that an employee's specimen is a dilute specimen and the specimen is positive for a substance, the employee shall be considered to have tested positive for that substance. If a dilute specimen produces a negative result then the employee shall be required to submit to a second substance test, in the manner prescribed in section 40.197 of title 49 of the Code of Federal Regulations. All such second tests shall be with "direct observation", as that term is used in section 40.197.

910. Request for retest

If an employee tests positive for any substance, the employee may, within 72 hours of being notified of the positive test result, request of the Medical Review Officer that the split specimen be tested. If the employee does not timely submit a request, the employee shall be considered to have waived his/her right to have the split specimen tested. The employee shall pay for the cost of testing the split specimen. If the employee is unable to pay this cost at the time of the request, the District must ensure that the split specimen is tested

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even if it means that the District may have to initially bear the cost. The District may recover the cost from the employee at a later time.

If a split specimen does not produce a positive result for a substance, the District shall restore any salary lost by the employee as a result of an absence imposed because of the positive result on the first specimen. The employee shall be considered to have not tested positive for a substance. The District shall also reimburse the employee for the cost of the retest if the employee paid for the retest.

The District may not request that the split specimen be tested.

G. Employee Assistance Programs

The District may refer any employee, including an employee who is dismissed because of a positive test for a substance, to its employee assistance program. If in any instance the District is required to lawfully accommodate an employee's disability related to substance abuse, the District shall refer the employee to a substance abuse professional.

H. Suspicion of Possession/Distribution/Manufacture of Controlled Substances

If an employee's supervisor has a reasonable suspicion that the employee unlawfully possesses or is distributing or manufacturing a controlled substance or drug paraphernalia on or in District property, or while on duty, the supervisor must report this suspicion to Human Resources.

1. For purposes of Section H only, "reasonable suspicion" means the following:

- a. As to possession, the supervisor must have seen a substance or item on the person of the employee, in the employee's work area, or in or on District property assigned to the use of the employee that a reasonable person would believe is a controlled substance or drug paraphernalia, or have seen in any of the same areas a container that a reasonable person would believe contains a controlled substance or drug paraphernalia.
- b. As to distribution, the supervisor must have seen the employee convey to another person a substance or item that a reasonable person would believe is a controlled substance or drug paraphernalia, or have seen the employee convey a container to another person that a reasonable person would believe contains a controlled substance or drug paraphernalia.

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c. As to manufacture, the supervisor must have observed conditions that a reasonable person would equate to the manufacture of a controlled substance or drug paraphernalia, which may include the observation of smell, appearance, or sound. The supervisor must also have observed conditions that would attribute suspected manufacture to the employee, such as observing these conditions in the employee's work area or in or on District property assigned to the use of the employee. If the conditions are observed on the person of the employee, the supervisor must consider whether the employee reported to duty in such condition instead of changing to such condition while on duty.

2. After a supervisor has reported a reasonable suspicion to Human Resources, the supervisor, the Human Resources Manager, the General Manager, Assistant General Manager and the employee's Department Chief must confer, consider whether the supervisor's observation constituted reasonable suspicion, and decide what steps to take in response to the supervisor's observation. The unavailability of any one of these individuals should not be permitted to interfere with the making of this decision.

a. If the decision is to take no further action, the matter will be dismissed.

b. If the decision is to discuss the observation with the employee, Human Resources and the supervisor will meet with the employee to discuss the observation. If as a result of the discussion, Human Resources and/or the supervisor believe that a search is necessary, they will confer with the General Manager, Assistant General Manager, and Department Chief to determine whether to conduct a search.

c. If the decision is to conduct a search, the search must be limited to a search of District property, such as the employee's work area (including desk drawers and file cabinets), District equipment, and District facilities. The employee's supervisor and a representative of Human Resources must be present for the search. The search may be performed by the Human Resources representative or another person designated by the Human Resources representative, which may include the supervisor. Human Resources should advise the employee that he/she has the right to have a representative or witness present during the search. If any material is retrieved that appears to bear out the supervisor's reasonable suspicion, the Human Resources representative must take possession of the material.

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- d. If the decision is to conduct a search and the distribution of controlled substances or drug paraphernalia is reasonably suspected, the search may include not only the work area/equipment of the employee suspected of distributing controlled substances or drug paraphernalia, but the work area/equipment of any employee whom was observed receiving the ~~substance-item~~ from the employee suspected of distributing controlled substances or drug paraphernalia. The receiving employee is entitled to the same rights as the distributing employee.
- e. Any search of the person of the employee or personally-held possessions of the employee, such as a briefcase, purse, pocketbook, or backpack, must be conducted by a law enforcement officer. If the decision to conduct a search extends to these areas, Human Resources should contact law enforcement to request such a search.
3. If the Human Resources representative takes possession of any material as a result of the search, and the employee does not confirm that it is a controlled substance or drug paraphernalia, the District contact the local law enforcement agency and will forward the substance to have the ~~substance-item~~ tested/analyzed to determine if it is a controlled substance or drug paraphernalia. If a law enforcement officer takes possession of a ~~substancean item~~ as a result of a search, and the employee does not confirm that it is a controlled substance or drug paraphernalia, the District shall follow up with the law enforcement agency to verify the ~~substance-item~~ is a controlled substance or drug paraphernalia.

I. Disciplinary Action

Disciplinary action for violations of this policy will be taken in accordance with the District's Discipline Policy and Procedures.

The District considers using, possessing, manufacturing, distributing, being under the influence of a controlled substance while on duty or while on District property, unless otherwise excused under this policy, or refusing to submit to testing for any substance, to be an act of misconduct meriting dismissal without prior warning or disciplinary action.

J. Accommodation of Individuals wWith Disabilities

Nothing in this policy shall be construed so as to relieve the District of its lawful obligation to accommodate individuals with disabilities.

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Attachment J

**OTAY WATER DISTRICT
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Subject	Policy Number	Date Adopted	Date Revised
RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	06/07/06 09/05/07

PURPOSE

It is the purpose of this policy to provide guidelines for the recruitment and selection of regular, student intern, temporary and/or contract employees.

POLICY

It is the policy of the Otay Water District to recruit and select the best qualified applicants on the basis of job-related standards of experience, education, training, ability, and merit; to encourage members of the communities which we serve to apply for employment opportunities with the District; to encourage District employees to apply for positions for which they believe they qualify, to assure that qualified internal applicants are given fair and adequate consideration; and to advance regular district employees when it is determined that they are the best qualified.

EQUAL EMPLOYMENT OPPORTUNITY

The District is an equal opportunity employer. All employees and applicants shall receive equal consideration and treatment. The District shall recruit, hire, and promote the best qualified individuals without regard to race, color, religion, sex, national origin, ancestry, age, physical or mental disability, medical condition, marital status, sexual orientation, or membership in any other "protected class" recognized by California or federal law or regulation.

AUTHORITY OF THE GENERAL MANAGER

Section 2.01, of the Otay Water District's Code of Ordinance provides that pursuant to §71362 and §71363 of the California Water Code the General Manager has the authority to manage and operate the affairs of the District. This authority includes the employment, discharging and fixing of compensation for all employees and assistants, except those referred to in §71340, and to prescribe their duties and promulgate specific rules and regulations for such employees and assistants.

The General Manager's authority also includes making appointments of temporary or contract employees needed to perform District work resulting from such matters as interim vacancies, peak workload, and special projects so long as he/she operates within Board-approved budgeted appropriation levels. Contract or temporary appointments are not subject to amount limits for agreements, contracts, or other documents as defined in §2.01(C), or to formal competition, selection and advertisement requirements identified herein.

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RECRUITMENT, SELECTION, AND EMPLOYMENT POLICY	24	11/04/98	06/07/06 09/05/07

DEFINITIONS

- A. Applicant: A person applying for a position, including a District employee who seeks appointment to a different position.
- B. Appointment: The employment of a person in a position, whether on a regular or temporary basis.
- C. Closed/Promotional Recruitment: A recruitment open only to qualified regular District employees, or open only to regular District employees in a particular classification, unit or division.
- D. Conviction: Any sentence, suspended sentence, probation or other resolution followed by a verdict, plea (including a no contest plea) or other finding of guilt.
- E. Eligible List: A list of qualified applicants who remain eligible for consideration for a position.
- F. Employment Announcement: A formal notice by the District of an employment opportunity.
- G. Open/Competitive Recruitment: A recruitment open to all interested qualified applicants.
- H. Promulgation: The date Human Resources certifies the list of eligible applicants for consideration.
- I. Qualified Applicant: An applicant who has passed all elements of the selection process, would be at least 18 years old at the time of appointment and remains eligible for appointment.
- J. Recruitment and Selection Plan: A planned process to establish an adequate pool of qualified applicants which shall consist of an open/competitive or a closed/promotional recruitment.
- K. Regular Appointment: An appointment to a regular authorized position with benefits.
- L. Regular Vacancy: A vacancy in an authorized position.
- M. Temporary Appointment: An appointment made for a specific duration, generally not to exceed one year. Temporary appointments may be exempt from the formal recruitment and selection process.

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RECRUITMENT AND SELECTION PROCESS

All regular vacancies shall be filled through an open/competitive recruitment and selection plan unless otherwise approved by the General Manager. This is consistent with best practice and expected to maximize community participation, competition, diversity, and the number of highly qualified applicants available for consideration for employment. However, the General Manager may authorize a closed/promotional recruitment and selection plan given the requirements of the position and the quality of the internal applicant pool.

All applicants for regular positions shall submit to the same recruitment and selection plan for that position. The General Manager may approve revising the recruitment and selection plan in order to better meet the needs of the District.

A. Notice of Employment Opportunities

Human Resources shall post employment opportunities for regular vacancies consistent with the approved recruitment and selection plan.

1. The employment announcement shall include the following:

- a. Classification Title
- b. Salary Rate and/or Range
- c. Essential Functions
- d. Minimum Qualifications
- e. Selection/Examination Plan
- f. Application Filing Instructions
- g. Equal Employment Opportunity Employer Statement

B. Disqualification of Applicants

1. Applicants may be disqualified at any time during the process for any of the following reasons:

- a. The applicant is found to lack any of the minimum job requirements established for the position.
- b. The applicant has made a false statement of material fact in the application or has committed fraud or deception in the selection process or in securing eligibility for appointment.
- c. The applicant has a history of less than satisfactory employment.
- d. The applicant uses or attempts to use any personal or political influence to further eligibility.

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- e. The applicant has without authorization directly or indirectly obtained information regarding examinations.
- f. The applicant fails to submit his or her application correctly or within the prescribed time limits.
- g. The applicant has taken part in the compilation, administration, or correction of the examinations for the position for which he/she is an applicant.
- h. Any other reason deemed by the General Manager to protect the best interests of the District.

C. Examination Content

The recruitment and selection plan shall be job-related in order to determine the ability of applicants to perform the duties of the job classification. The plan may provide for one or more of the following types of examinations:

- 1. Review of Employment Application and/or Required Supplementary Material(s)
- 2. Written Examination
- 3. Physical Agility and/or Performance Skill Examination
- 4. Oral Interview

D. Eligible Lists

Eligible lists may be maintained to fill current and future regular vacancies. The eligible list may be valid for up to ~~six (6)~~ twelve (12) months from date of promulgation. ~~The Human Resources Manager may approve one extension of up to six (6) months.~~ Human Resources may pull applicants from any eligible list in lieu of posting a position or to augment the applicant pool for other similar classifications with related skills and abilities.

E. Conditions of Appointment

Once an applicant is determined to be the best qualified, but prior to appointment, all applicants shall meet and agree to the terms and conditions of employment specified for a particular position. Failure of such pre-employment examinations may cause the applicant to be disqualified for employment. Conditions of employment may include, but are not limited to the following:

- 1. Physical Fitness/Medical Examination

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2. Drug/Alcohol Screening
3. Verification of lawful work status under Immigration rules
4. Verification of employment, education, driving, and criminal history including fingerprinting

F. Evaluation of Criminal Conviction Information

Upon receipt of the criminal conviction information, the District shall determine if the information shall disqualify the applicant. There shall be an automatic disqualification for employment for any of the following:

- a. Any felony conviction;
- b. Any misdemeanor conviction within one year preceding the date of application for any offense(s) considered to be crimes of moral turpitude by any court of the state, and/or crimes involving, firearms, explosives, violence, dishonesty and/or requiring registration under Penal Code §290;
- c. Intentionally failing to disclose a prior conviction of any type

Attachment K



Board Meeting September 5, 2007

Ad Hoc Negotiations Committee

The Board of Directors appointed the following Ad Hoc Negotiations Committee:

- President Gary Croucher
- Vice President Jose Lopez

Dan Cassidy, Lead Negotiator for the District, and District Staff met with the Committee on several occasions to receive instructions for the negotiations process to include 10/6/06, 12/20/06, 1/17/07, 7/9/07, 8/17/07 and 8/24/07

Ad Hoc Negotiations Committee

The Committee reviewed the following items in detail:

- Negotiations overview, discussion of parameters, and strategies
- Review of Compensation Study process & results
- Review of various health plan options and considerations
- Review of retiree health benefits and discussion of options regarding retiree health coverage for Tier III employees
- Review represented and unrepresented (management and confidential employees) benefits
- Review of proposed policy and language revisions
- Review of communication plan for retirees on change in health plans

Summary of Proposed Board Actions

1. Approve Memorandum of Understanding (MOU) between The Otay Water District and The Otay Water District Employees Association (OWDEA) and approve extending the same compensation, cost-of-living adjustments and related benefits for management and confidential employees, and add other specific benefits for management and confidential employees
2. Approve recommendations related to the Compensation Study for all employees
3. Approve revisions to various policies including the Drug Free Workplace Board Policy and Recruitment, Selection and Employment Board Policy
4. Approve changing Medical Program to Special District Risk Management Authority (SDMRA)
5. Approve transfer of \$408,000 from the Retiree Health Reserve to the General Fund

Memorandum of Understanding Tentative Agreement 8/20/07

Term: Current Year, Plus Five Years (2007 – 2013)

COLA: 3.0% in years 1,2 & 3 and 3.5% in years 4 & 5

Compensation Study: Implement 75th Percentile; Bring employees below minimum of salary range to minimum of range and provide future growth

Health Care: Implement SDRMA, No change to Dental - 100% employee coverage and 88% dependent coverage

Retiree Health: Continue existing Tier I/II benefits; Add Tier III benefits - Age 55 and 15 years of service - \$158 per month, or minimum required by plan, whichever is greater, until Medicare-eligible; Early retirement option between age 50 – 55 with a minimum of 10 years of service if employee is permanently disabled (available to all three tiers)

Summary of Language Implemented

- Bereavement Leave for Domestic Partners
- Hazardous Materials Team Pay (\$1.00 per hour for hours worked)
- Drug Free Workplace Policy
- Education Reimbursement Policy (increase to \$3,000 per year)
- Temporary Assignment Pay
- 10 Day Notice
- Requires Use of Sick Leave Before Using Vacation Leave For Sick Leave Purposes
- Requires Use of Vacation Leave Before Using Sick Leave for Vacation
- Changes to Policies Regarding Issuance of Safety Shoes and Uniforms

Health Care Recommendation

Health Care

- Special District Risk Management Authority (SDRMA)
 - One of the largest health programs for Public Agencies
 - Over 80,000 members (part of the CA State Association of Counties pool – CSAC)
 - History of low rate increases
 - History of stable and competitive rates
 - Comparable plan design
 - Same provider for Liability & Workers' Compensation Insurance enables a discount for health care rates

Other Benefits & Services Reviewed

- Dental Plan
- COBRA/Retiree Billing Administration
- Flexible Spending Account (FSA) Administrator
- Life Insurance

Recommendations:

- Maintain self-insured dental plan
- Change Third Party Administrator (TPA) providers
 - Considering Delta Health and Health Comp
- Maintain COBRA/Retiree Billing Administration with new TPA
- Change life insurance providers for better rates

Financial Review

- Negotiated benefits are not anticipated to affect projected rates over the next six years.
- This includes all benefits for all active and retired employees.

Health Care Communication Plan

- Individualized Letters Sent to Retirees After Board Approval
- Orientation/Enrollment Meetings in Sept/Oct
- Frequently Asked Questions and Fact Sheets

Recommended Board Actions:

1. Approve Memorandum of Understanding (MOU) between The Otoy Water District and The Otoy Water District Employees Association (OWDEA) and approve extending the same compensation, cost-of-living adjustments and related benefits for management and confidential employees, and add other specific benefits for management and confidential employees
2. Approve recommendations related to the Compensation Study
3. Approve revisions to various policies including the Drug Free Workplace Board Policy and Recruitment, Selection and Employment Board Policy
4. Approve changing Medical Program to Special District Risk Management Authority (SDRMA)
5. Approve transfer of \$408,000 from the Retiree Health Reserve to the General Fund to fund

Questions?