



Santa Clara Valley Water District Board of Directors Meeting

Teleconference Zoom Meeting

***AMENDED/APPENDED** **4:00PM CLOSED SESSION & 6:00PM REGULAR** **MEETING** **AGENDA**

Tuesday, November 23, 2021
4:00 PM

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

DISTRICT BOARD OF DIRECTORS
Tony Estremera, Chair - District 6
Gary Kremen, Vice Chair - District 7
John Varela - District 1
Barbara Keegan - District 2
Richard P. Santos - District 3
Linda J. LeZotte - District 4
Nai Hsueh - District 5

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

RICK L. CALLENDER, ESQ.
Chief Executive Officer

MICHELE L KING, CMC
Clerk of the Board
(408) 265-2600
Fax (408) 266-0271
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Board of Directors**

***AMENDED/APPEDED
AGENDA**

***ITEMS AMENDED AND/OR APPEDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

Tuesday, November 23, 2021

4:00 PM

Teleconference Zoom Meeting

*****BY VIRTUAL TELECONFERENCE ONLY*****

Pursuant to California Government Code section 54953(e), this meeting will be held by teleconference only. No physical location will be available for this meeting; however, members of the public will be able to participate in the meeting as noted below.

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the "Raise Hand" tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

Santa Clara Valley Water District (District), in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in District Board meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled District Board meeting to ensure that the District may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the District on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <http://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:

<https://valleywater.zoom.us/j/87901362801>

Meeting ID: 879 0136 2801

Join by Phone:

1 (669) 900-9128, 87901362801#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME CERTAIN:

4:00 PM

Notice to the Public: The Board of Directors meets in Closed Session in accordance with the Ralph M. Brown Act. Following the conclusion of Closed Session discussion, the Board will return for the remaining items on the regular meeting agenda.

2.1. CLOSED SESSION

[21-1307](#)

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Rick Callender, J. Carlos Orellana, Brian Hopper, Tina Yoke, Edward Kreisberg, Ingrid Bella, Bryant Welch, Emily Meeks

Employee Organizations: Employees Association, Engineers Society, Professional Managers

2.2. CLOSED SESSION

[21-1266](#)

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)

Titles: CEO, District Counsel and Clerk of the Board

6:00 PM

Rejoin Zoom Meeting:

<https://valleywater.zoom.us/j/87901362801>

Meeting ID: 879 0136 2801

Join by Phone:

1 (669) 900-9128, 87901362801#

2.3. District Counsel Report on Closed Session.

2.4. Pledge of Allegiance/National Anthem.

2.5. Orders of the Day.

A. *Approximate Discussion Time (Board); and*

B. *Adjustments to the Order of Agenda Items.*

2.6. Time Open for Public Comment on any Item not on the Agenda.

Notice to the public: Members of the public who wish to address the Board on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Board Chair in order requests are received and granted speaking access to address the Board. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Board action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board may take action on any item of business appearing on the posted agenda.

*2.7. Public Hearing on the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins, and Resolution Adopting the 2021 Groundwater Management Plan.

[21-1075](#)

Recommendation: A. Open the public hearing to receive comments on Santa Clara Valley Water District's 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins;
B. Close the public hearing; and
C. Adopt the Resolution ADOPTING THE 2021 GROUNDWATER MANAGEMENT PLAN FOR THE SANTA CLARA AND LLAGAS SUBBASINS.

Manager: Greg Williams, 408-630-2867

Attachments: [Attachment 1: Notice of Public Hearing](#)
[Attachment 2: Resolution](#)
[Attachment 3: PowerPoint](#)
[Attachment 4: 2021 GWMP](#)
[*Handout 2.7-A: D. Muirhead](#)
[*Handout 2.7-B: Green Foothills](#)
[*Handout 2.7-C: Open Space Authority](#)
[*Handout 2.7-D: Change List](#)

Est. Staff Time: *10 Minutes

- 2.8. Receive Overview of the FY 2022-23 Groundwater Production Charge Setting Process and Review of the 10-Year Water Rate Projection Assumptions, and Provide Feedback. [21-0974](#)

Recommendation: A. Receive an overview of the Fiscal Year 2022-23 Groundwater Production Charge setting process;
 B. Review the 10-year Water Rate Projection Assumptions;
 and
 C. Provide feedback.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: PowerPoint](#)
 [Attachment 2: SCVWD Resolution No. 99-21](#)
 [Attachment 3: SCVWD Resolution No. 12-10](#)

Est. Staff Time: 10 Minutes

- *2.9. Consider Memoranda of Understanding Between the Santa Clara Valley Water District and the Employees Association, AFSCME Local 101, Professional Managers Association, IFPTE Local 21, and Engineers Society, IFPTE Local 21; and Adopt the Resolutions (4) Approving the Terms of the Memoranda, and Approving the Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022 through June 30, 2026).

[21-1309](#)

Recommendation:

- A. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND EMPLOYEES ASSOCIATION, AFSCME LOCAL 101 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Employees Association, AFSCME Local 101, in substantially the same form as the draft version;
- C. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- D. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Engineers Society, IFPTE Local 21, in substantially the same form as the draft version;
- E. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE PROFESSIONAL MANAGERS ASSOCIATION, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- F. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Professional Managers Association, IFPTE Local 21, in substantially the same form as the draft version; and
- G. *Adopt the Resolution APPROVING SECOND AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (January 1, 2022 through December 31, 2025).

Manager:

Bryant Welch, 408-630-2383

Attachments: [*Original Agenda Memo](#)
[*Supplemental Agenda Memo](#)
[*Supplemental Attachment 1: Pkg Tentative Agmt w/Coalition Tab](#)
[*Supplemental Attachment 2: Redlined MOU, EA](#)
[*Supplemental Attachment 3: Redlined MOU, ES](#)
[*Supplemental Attachment 4: Redlined MOU, PMA](#)
[*Supplemental Attachment 5: Resolution, EA MOU](#)
[*Supplemental Attachment 6: Resolution, ES MOU](#)
[*Supplemental Attachment 7: Resolution, PMA MOU](#)
[*Supplemental Attachment 8: Resolution, Second Amended Com](#)
[*Supplemental Attachment 9: Revised Unclassified Benefits Sumr](#)
[*Handout 2.9-A: Unclassified Reso Revised Comp Pln](#)
[*Handout 2.9-B: Revised Unclass Benefit Summary](#)

Est. Staff Time: 10 Minutes

3. CONSENT CALENDAR: (3.1 - *3.4) (Est. Time: 5 Minutes)

Notice to the public: There is no separate discussion of individual consent calendar items. Recommended actions are voted on in one motion. If an item is approved on the consent vote, the specific action recommended by staff is adopted. Items listed in this section of the agenda are considered to be routine by the Board, or delegated to the Board Appointed Officers (BAOs) yet required by law or contract to be Board approved (EL-7.10). Any item may be removed for separate consideration at the request of a Board member. Whenever a resolution is on the consent calendar, a roll call vote will be taken on the entire calendar. Members of the public wishing to address the Board on any consent items should submit a request to speak to the Clerk of the Board.

- 3.1. Approve the Agreement with Sjoberg Evashenk Consulting, Inc, CAS File [21-1127](#) 5183 for Board Audit Consultant Services 2021, for a not-to-exceed fee of \$800,000.

Recommendation: Approve the Agreement with Sjoberg Evashenk Consulting, Inc, for Board Audit Consultant Services 2021 (Project) for a not-to-exceed fee of \$800,000.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Agreement](#)

- *3.2. ITEM REMOVED FROM AGENDA.
Approve the Agreement with Harvey M. Rose Associates, LLC, CAS File 5174 for On-Call Management Services for Auditing Support for a not-to-exceed fee of \$500,000.

3.3. Approval of Minutes. [21-1218](#)

Recommendation: Approve the minutes.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 100621 Special Joint Meeting](#)
[Attachment 2: 101221 CS & Regular Meeting](#)
[Attachment 3: 102221 Special Meeting w Flip Chart Notes](#)
[Attachment 4: 102621 CS & Regular Meeting Minutes](#)

*3.4. Accept the CEO Bulletin for the Weeks of November 5 - 18, 2021. [21-1269](#)

Recommendation: Accept the CEO Bulletin.

Manager: Rick Callender, 408-630-2017

Attachments: [Attachment 1: 111821 CEO Bulletin](#)

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

4.1. Consider the October 21, 2021 Board Policy and Planning Committee [21-1211](#)

Recommendation to Adopt the Proposed Modifications to Board Governance Ends Policy E-3: Natural Flood Protection.

Recommendation: A. Consider the October 21, 2021 Board Policy and Planning Committee recommendation to adopt the proposed modifications to Board Governance Ends Policy E-3: Natural Flood Protection; and
 B. Adopt the proposed modifications to Board Governance Ends Policy E-3: Natural Flood Protection.

Manager: Lisa Bankosh, 408-630-2618

Attachments: [Attachment 1: Revised Ends Policy E-3](#)
[Attachment 2: PowerPoint](#)

Est. Staff Time: 10 Minutes

- 4.2. Consider Adopting a Resolution Proclaiming a Continued Local Emergency, Acknowledging the Proclamation of a State of Emergency by Governor's Order No. N-23-20 Dated March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Santa Clara Valley Water District for 30 Days Pursuant to Brown Act Provisions. [21-1242](#)

Recommendation: Consider adopting a RESOLUTION PROCLAIMING A CONTINUED LOCAL EMERGENCY, ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: Resolution](#)

Est. Staff Time: 5 Minutes

- 4.3. Review Fiscal Year 2022 Board Policy Planning Calendar. [21-0132](#)

Recommendation: Review, discuss and revise the Fiscal Year 2022 Board Policy Planning Calendar.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: FY22 Board Calendar](#)

Est. Staff Time: 5 Minutes

- 4.4. Board Committee Reports. [21-1270](#)

Attachments: [*Handout 4.4-A: 102121 BAC Summary](#)
[*Handout 4.4-B: 102121 RWC Summary](#)
[*Handout 4.4-C: 102521 WCaDM Summary](#)
[*Handout 4.4-D: 110421 SPOC Summary](#)
[*Handout 4.4-E: 112221 WCaDM Agenda](#)
[*Handout 4.4-F: 102821 D&I Summary](#)

- 4.5. Proposed Future Board Member Agenda Items.

5. **WATER UTILITY ENTERPRISE:**

- 5.1. Update on the Condition of the Almaden Valley Pipeline and [21-1247](#)
Determination that the Condition of the Almaden Valley Pipeline Continues
to Constitute an Emergency (San Jose) (District 3).

Recommendation: A. Receive an update on the Almaden Valley Pipeline; and
B. Determine by a four-fifths vote of the Board that there is a
need to continue the emergency action declared by the
Chief Executive Officer (CEO) on November 2, 2021
pursuant to California Public Contract Code §22050, to
repair the Almaden Valley Pipeline.

Manager: Greg Williams, 408-630-2867

Attachments: [Attachment 1: Declaration of Emergency](#)

Est. Staff Time: 5 Minutes

6. WATERSHEDS:

7. ASSISTANT CHIEF EXECUTIVE OFFICER:

8. EXTERNAL AFFAIRS:

9. CHIEF EXECUTIVE OFFICER:

- *9.1. Fiscal Year 2021-22 Urgent Position Requests and Midyear Budget [21-1298](#)
Adjustments.

Recommendation: A. *Approve the budget adjustments for the addition of
fourteen (14) regular positions and two (2) limited term
positions for urgent project support and drought
emergency needs;
B. Approve the Fiscal Year 2021-22 midyear operating and
capital budget adjustments; and
C. *Approve the recommendation to revise the Board
Governance Policy Executive Limitation 3.7 to increase
the number of unclassified positions from no more than
thirty-two (32) to thirty-four (34) positions without Board
approval.

Manager: Darin Taylor, 408-630-3068

Attachments: [*Original Agenda Memo](#)
[*Supplemental Memo](#)

Est. Staff Time: 10 Minutes

- *9.2. CEO and Chiefs' Report. [21-1271](#)

Attachments: [*Handout 9.2-A: Office of Government Relations Update](#)
[*Handout 9.2-B: Office of Civic Engagement Update](#)

10. ADMINISTRATION:

11. DISTRICT COUNSEL:

12. ADJOURN:

12.1. Board Member Reports/Announcements.

12.2. Clerk Review and Clarification of Board Requests.

12.3. Adjourn to Special Meeting at 12:00 p.m., on December 8, 2021.



Santa Clara Valley Water District

File No.: 21-1307

Agenda Date: 11/23/2021
Item No.: 2.1.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Rick Callender, J. Carlos Orellana,
Brian Hopper, Tina Yoke, Edward Kreisberg, Ingrid Bella, Bryant Welch,
Emily Meeks

Employee Organizations: Employees Association, Engineers Society,
Professional Managers



Santa Clara Valley Water District

File No.: 21-1266

Agenda Date: 11/23/2021
Item No.: 2.2.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:
CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Titles: CEO, District Counsel and Clerk of the Board



Santa Clara Valley Water District

File No.: 21-1075

Agenda Date: 11/23/2021

Item No.: *2.7.

BOARD AGENDA MEMORANDUM

SUBJECT:

Public Hearing on the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins, and Resolution Adopting the 2021 Groundwater Management Plan.

RECOMMENDATION:

- A. Open the public hearing to receive comments on Santa Clara Valley Water District's 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins;
- B. Close the public hearing; and
- C. Adopt the Resolution ADOPTING THE 2021 GROUNDWATER MANAGEMENT PLAN FOR THE SANTA CLARA AND LLAGAS SUBBASINS.

SUMMARY:

The Sustainable Groundwater Management Act (SGMA) requires that groundwater sustainability agencies (GSAs) managing medium- or high-priority basins prepare and implement a groundwater sustainability plan (GSP) or an authorized alternative to a GSP under Water Code § 10733.6 (Alternative Plan). As the GSA for the Santa Clara and Llagas subbasins, Santa Clara Valley Water District (Valley Water) developed and adopted, after public hearing, its 2016 Groundwater Management Plan (GWMP) for these basins and submitted it to the Department of Water Resources (DWR) as an Alternative Plan prior to the January 2017 statutory deadline. DWR approved the Alternative Plan in 2019.

As required by SGMA, an updated Alternative Plan must be submitted to DWR by January 1, 2022. Staff has developed Valley Water's 2021 GWMP to be adopted and submitted to DWR as the updated Alternative Plan.

Like the 2016 plan, the 2021 GWMP describes Valley Water goals, strategies, activities, and metrics to ensure continued groundwater sustainability. This memo provides an overview of the major elements of the 2021 GWMP and describes notable changes and updates from the 2016 plan. On October 8, 2021, the draft 2021 GWMP was posted to Valley Water's website for public review at: <https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable>.

Although Valley Water's District Act does not specify that a public hearing is required to enact a groundwater management plan, this hearing provides an opportunity for the public to provide formal input to the Board prior to adoption of the 2021 GWMP. If the Board adopts the 2021 GWMP, it will be

submitted to DWR prior to January 1, 2022 as required by SGMA.

2021 GWMP Overview

While the organization name and purpose have evolved over time, Valley Water was originally formed as a special act district in 1929 for the purposes of managing groundwater. Historically, unsustainable pumping in Santa Clara County resulted in chronic overdraft, land subsidence, and seawater intrusion. While similar problems persist in groundwater basins throughout California, Santa Clara County is recognized as an area where these issues have been, and continue to be, successfully addressed through sustainable groundwater management.

Valley Water's comprehensive groundwater management framework has maintained sustainable conditions in the Santa Clara and Llagas subbasins over many decades. The 2021 GWMP provides detailed information describing this framework, including the following major elements:

- Valley Water history, groundwater management authority, structure, and finances
- Basin setting and conditions including geology, groundwater levels and quality, groundwater dependent ecosystems, land subsidence, and seawater intrusion
- Water supplies, demands, and the groundwater budget
- Sustainable management criteria, including goals derived from Board Ends Policy E-2, effective strategies, and outcome measures to gauge performance
- Basin management programs and activities
- Groundwater monitoring and modeling
- Potential actions to address outcome measure performance and plan recommendations

While all GWMP sections are being updated to represent current basin conditions and Valley Water activities, the fundamental structure and content of the GWMP are largely unchanged as implementation of the plan has proven to be effective in maintaining sustainable groundwater conditions.

Notable changes from the 2016 GWMP include the following, with the first three items supporting related DWR recommendations:

- New and modified outcome measures
- Identification of groundwater dependent ecosystems within the basins
- Evaluation of climate change impacts
- Evaluation of SGMA authorities, including fixed fees and pumping regulation (the latter resulting in new Valley Water policy)

- Description of seawater intrusion mechanisms and risk from sea level rise

A summary of these changes is provided below.

New and Modified Outcome Measures

DWR made several recommendations regarding the outcome measures in Valley Water's 2016 GWMP, including adding a new metric for seawater intrusion and clarifying basin conditions that represent undesirable results. The outcome measures are metrics to gauge performance in meeting sustainability goals and have been modified slightly since 2016. New to the 2021 GWMP are proposed outcome measure-lower thresholds to define undesirable results. A detailed description of the proposed outcome measures and lower thresholds is available in the 2021 GWMP, along with the related rationale.

Valley Water has a long-established history of sustainable groundwater management and will continue to proactively manage groundwater to avoid reaching the outcome measure-lower thresholds and related undesirable results. The new and modified outcome measures in the 2021 GWMP are identified in Table 1 below.

Table 1. Proposed 2021 GWMP Outcome Measures

Sustainability Indicator	Outcome Measure	Outcome Measure - Lower Threshold
Groundwater Storage	Projected end of year groundwater storage is greater than 278,000 acre-feet (AF) in the Santa Clara Plain, 5,000 AF in the Coyote Valley, and 17,000 AF in the Llagas Subbasin.	Projected end of year countywide groundwater storage is greater than Stage 5 (150,000 AF) of the Water Shortage Contingency Plan.
Subsidence	Groundwater levels are above subsidence thresholds at the Santa Clara Subbasin subsidence index wells.	Groundwater levels are above the historical low water levels at the majority of the Santa Clara Subbasin subsidence index wells.
Groundwater Quality	For Santa Clara Subbasin water supply wells, at least 95% meet primary drinking water standards, and at least 90% have stable or decreasing trends for total dissolved solids (TDS).	At least 70% of water supply wells have stable or decreasing trends for nitrate and TDS.
Groundwater Quality	For Llagas Subbasin water supply wells, at least 95% meet primary drinking water standards, and at least 90% have stable or decreasing trends for total dissolved solids (TDS).	At least 70% of water supply wells have stable or decreasing trends for nitrate and TDS.

Seawater Intrusion	In the Santa Clara Subbasin shallow aquifer, the 100 milligram per liter chloride isocontour area is less than the historical maximum extent area (57 square miles).	In the Santa Clara Subbasin shallow aquifer, the 100 milligram per liter chloride isocontour area is less than 81 square miles, which represents a one-mile radial buffer of the historical maximum extent area.
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Groundwater Dependent Ecosystems (GDEs)

Using guidance developed by The Nature Conservancy and supported by extensive Valley Water biologist field surveys, the 2021 GWMP presents maps of likely, transition, and possible GDEs for the Santa Clara and Llagas subbasins. As shown in the GWMP, most GDEs are located along stream reaches and in known wetlands. Some GDEs are supported by groundwater only, while others are supported by a combination of groundwater and surface water. The GWMP also provides additional information on groundwater/surface water interaction and notes that staff is not aware of any areas where groundwater pumping has a significant or unreasonable effect on interconnected surface water.

Evaluation of Climate Change Impacts

Using downscaled data from global climate models, model simulations were conducted to project the future groundwater budget, with a focus on how climate change may affect natural recharge. Projected natural recharge in the subbasins ranges from 8 to 19% higher in 2045 compared to the average from 2010 to 2019. Valley Water has initiated a study to evaluate climate change impacts on imported water supply that will consider projected changes in snowpack, streamflow, and sea-level rise beyond Santa Clara County. Results from this new study will be integrated in the next five-year update of the GWMP.

Evaluation of SGMA Authorities and New Valley Water Policy Regarding Pumping Regulation

Following extensive stakeholder engagement through meetings of the Board's Water Conservation and Demand Management Committee (Committee), in February 2018 the Board adopted Resolution 18-04, setting forth the process to regulate pumping under SGMA, if needed. The resolution notes that collaboration will continue to be the preferred approach to address observed or projected undesirable results, and that pumping regulation will only be considered if there is no viable alternative. The process identified in the resolution includes the following basic steps: identification of the issue and potential mitigation; consultation with affected stakeholders to develop an action plan; pumping regulation if voluntary action is not taken or is not successful; and implementation, monitoring and reporting.

In 2018, Valley Water in conjunction with its retail customers explored the idea of implementing a fixed (base) charge that would complement its volumetric groundwater charge, in order to minimize the revenue impact associated with water use decreases such as in a drought. Retail customers generally strongly opposed a fixed charge component for various reasons. As a result, staff recommended suspending the effort to implement a fixed charge component at the full Board meeting on November 27, 2018. Subsequently, the Committee reviewed the reasons for retailer opposition at its March 25, 2019 meeting and agreed with staff's recommendation to not proceed with further development of a fixed charge component at that time. However, implementation of a fixed

charge component remains a potential option for Valley Water in the future.

Seawater Intrusion

In addition to establishing an outcome measure related to seawater intrusion, the 2021 GWMP provides additional analysis and description of seawater intrusion mechanisms. Shallow aquifers near southern San Francisco Bay have been affected by seawater intrusion, primarily due to leakage of saltwater through tidal creeks (as opposed to the more “classic” case of intrusion due to direct hydraulic connection between ocean water and fresh water). The principal aquifer is protected by extensive clays and silts and Valley Water managed recharge that maintains hydraulic gradients toward the Bay.

Outreach and Next Steps

Throughout development of the 2021 GWMP, regular updates have been provided to the Board’s Water Conservation and Demand Management Committee, water retailers, and interested stakeholders. Valley Water hosted a well-attended virtual public meeting on August 12, 2021. As noted above, the draft 2021 GWMP was posted to <https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable> for public review on October 8, 2021. An overview of the 2021 GWMP was provided at the October 25, 2021 Committee meeting.

If the Board adopts the 2021 GWMP, it will be submitted to DWR by January 1, 2022 as Valley Water’s five-year update to the approved Alternative, as required by SGMA.

FINANCIAL IMPACT:

There is no financial impact associated with this item. Activities described in the 2021 GWMP are addressed as part of the annual budget approved by the Board. Water utility projects supporting the protection and augmentation of water supplies are funded through the Water Utility Enterprise fund, which includes revenue from groundwater production charges, treated water charges, and other sources.

CEQA:

This project is exempt from CEQA Guidelines Section 15262 which exempts planning studies.

ATTACHMENTS:

- Attachment 1: Notice of Public Hearing
- Attachment 2: Resolution
- Attachment 3: PowerPoint
- Attachment 4: 2021 Groundwater Management Plan
- *Handout 2.7-A: D. Muirhead
- *Handout 2.7-B: Green Foothills
- *Handout 2.7-C: Open Space Authority
- *Handout 2.7-D: Change List

File No.: 21-1075

Agenda Date: 11/23/2021
Item No.: *2.7.

UNCLASSIFIED MANAGER:
Greg Williams, 408-630-2867

Public Hearing Notice

2021 GROUNDWATER MANAGEMENT PLAN FOR SANTA CLARA AND LLAGAS SUBBASINS



Who: Santa Clara Valley Water District

What: Public Hearing on the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins

When: Tuesday, November 23, 2021, 6:00 p.m.

Where: Zoom Teleconference <https://valleywater.zoom.us/j/87901362801>

The Santa Clara Valley Water District (Valley Water) invites you to a Public Hearing on the 2021 Groundwater Management Plan (GWMP) for the Santa Clara and Llagas Subbasins. If adopted by the Board of Directors, it will be submitted to the California Department of Water Resources by January 1, 2022 as an update to the approved alternative to a groundwater sustainability plan for these basins pursuant to the Sustainable Groundwater Management Act (SGMA).

The Santa Clara and Llagas groundwater subbasins span nearly 400 square miles in Santa Clara County. The subbasins underlie the valley floor and extend from the county boundaries with San Mateo and Alameda counties in the north, to the Santa Clara/San Benito County boundary in the south. The 2021 GWMP, which describes Valley Water goals, strategies, activities, and metrics to ensure continued groundwater sustainability, is available at <https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable>.

This meeting is being held in accordance with the Brown Act, as currently in effect. Valley Water's offices are closed to the public. The 6:00 p.m. November 23, 2021 public hearing will be held during a virtual Board Meeting accessible to the public at Zoom link <https://valleywater.zoom.us/j/87901362801>. Document(s) associated with this hearing are available for public inspection at www.valleywater.org.

For more information, contact Jason Gurdak, Senior Water Resources Specialist, at 408-630-2971.

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled Board meeting to ensure that Valley Water may assist you. Reasonable efforts will be made to accommodate persons with disabilities.

重要通知：

本次会议遵循布朗法案举行。Valley Water 办公室不对公众开放。公众听证会将在理事会线上会议期间举行，公众可通过以上的Zoom链接访问参与。公众可在此获取与本次听证会相关的文件：www.valleywater.org。按照《美国残疾人法案》（ADA）规定，Valley Water 要求出席或参与理事会会议的有特殊住宿需要的个人，在理事会会议之前至少3个工作日致电（408）630-2711，与

理事会办公室工作人员联系，以确保相关员工可以为您提供帮助。我们会做出合理的努力，帮助解决残障人士的需求。

Thông Báo Quan Trọng:

Cuộc họp này sẽ được tổ chức theo Đạo luật Brown. Các văn phòng của Valley Water hiện đang đóng cửa không tiếp dân. Phiên điều trần công khai sẽ được tổ chức trong Cuộc Họp Hội Đồng Quản Trị trực tuyến và công chúng có thể truy cập vào theo liên kết Zoom ở trên. Tài liệu liên quan đến phiên điều trần này có thể truy cập để kiểm tra công khai tại www.valleywater.org. Theo Đạo Luật Người Mỹ Khuyết tật (ADA), Valley Water yêu cầu những cá nhân cần sự hỗ trợ đặc biệt để truy cập và/hoặc tham gia vào các cuộc họp Hội Đồng Quản Trị Của Cục Nước xin hãy liên hệ với Thư ký văn phòng Hội Đồng Quản Trị theo số (408) 630-2711 ít nhất 3 ngày làm việc trước khi cuộc họp Hội Đồng Của Cục Nước diễn ra theo lịch để đảm bảo rằng nhân viên của Cục Nước có thể hỗ trợ quý vị. Chúng tôi sẽ thực hiện những nỗ lực hợp lý để hỗ trợ người khuyết tật.

Aviso importante:

Esta reunión se lleva a cabo de acuerdo con la Ley Brown (Brown Act). Las oficinas del Valley Water están cerradas al público. La audiencia pública se llevará a cabo durante una reunión de la Junta virtual a la que el público puede acceder a través del link de Zoom de arriba. Los documentos asociados a esta audiencia están disponibles para la revisión del público en www.valleywater.org. Valley Water, en cumplimiento con la Ley de Estadounidenses con Discapacidades (ADA), solicita que las personas que requieran adaptaciones especiales para acceder o participar de las reuniones de la Junta de Valley Water se comuniquen con el secretario de la oficina de la Junta al (408) 630-2711, al menos 3 días hábiles antes de la reunión programada de la Junta, para asegurarse de que el personal del Distrito pueda ayudarlas. Se realizarán esfuerzos razonables para proveer adaptaciones para las personas con discapacidades.

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 21-

**ADOPTING THE 2021 GROUNDWATER MANAGEMENT PLAN
FOR THE SANTA CLARA AND LLAGAS SUBBASINS**

WHEREAS, the Santa Clara Valley Water District Act (District Act) (California Water Code Appendix, Chapter 60) provides the Santa Clara Valley Water District (Valley Water) with broad groundwater management authority, including the authority to protect, spread, store, retain, and cause water to percolate in the soil within Santa Clara County; and

WHEREAS, Valley Water's statutory boundary wholly overlies the Santa Clara Subbasin and Llagas Subbasin, identified by the California Department of Water Resources as Basins 2-9.02 and 3-3.01, respectively; and

WHEREAS, on September 16, 2014, the Sustainable Groundwater Management Act (SGMA) was signed into law and adopted into the California Water Code, commencing with Section 10720; and

WHEREAS, the legislative intent of SGMA is to provide for the sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, Water Code Section 10723(c)1(P) identifies Valley Water as one of eighteen (18) agencies created by statute to manage groundwater that shall be deemed the exclusive local agencies within their respective statutory boundaries; and

WHEREAS, on May 24, 2016, the Valley Water Board of Directors adopted Resolution 16-51 on the Decision to Become the Groundwater Sustainability Agency for the Santa Clara and Llagas Subbasins; and

WHEREAS, the Santa Clara and Llagas Subbasins are deemed to be high-priority basins by the California Department of Water Resources (DWR) and therefore require the development of a Groundwater Sustainability Plan or prescribed alternative (Alternative); and

WHEREAS, Water Code Section 10733.6(b)(1) identifies a plan developed pursuant to Part 2.75 (commencing with Section 10750) or other law authorizing groundwater management as an acceptable alternative; and

WHEREAS, Valley Water prepared the 2016 Groundwater Management Plan under authority granted by the District Act and submitted the plan to DWR as an Alternative in December 2016, prior to the statutory deadline of January 1, 2017; and

WHEREAS, in July 2019, DWR approved the 2016 Groundwater Management Plan as an Alternative, confirming it satisfies SGMA objectives for sustainable groundwater management in both basins; and

WHEREAS, Water Code Section 10733.6(c) requires five-year updates to approved Alternatives, with the first updates due to DWR by January 1, 2022; and

WHEREAS, the 2021 Groundwater Management Plan is prepared under authority provided by the District Act and will be submitted to DWR as the required five-year update to Valley Water's approved Alternative; and

WHEREAS, the 2021 Groundwater Management Plan describes Valley Water's comprehensive framework to ensure continued, sustainable groundwater conditions in the Santa Clara and Llagas Subbasins; and

WHEREAS, Valley Water provided updates to interested stakeholders throughout plan development, and prepared and made available a draft of its 2021 Groundwater Management Plan, and noticed a public hearing regarding said plan, which was held on November 23, 2021; and

WHEREAS, the Valley Water Board of Directors considered the 2021 Groundwater Management Plan during a public hearing held on November 23, 2021, and has existing statutory authority to adopt the 2021 Groundwater Management Plan under the District Act.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby adopt the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on November 23, 2021:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors



2021 Groundwater Management Plan

Presented by: Jason Gurdak, Groundwater Management Unit
November 23, 2021

Sustainable Groundwater Management Act (SGMA)

Key elements of State law enacted in 2015:

- Empowers local agencies to form Groundwater Sustainability Agencies (**GSAs**) and provides authorities to manage groundwater
- Agencies must adopt Groundwater Sustainability Plans (**GSPs**) or **Alternatives** and reach sustainability within twenty years (2040 or 2042).
- Focus on local control, but provides for State assistance and if needed, State intervention.

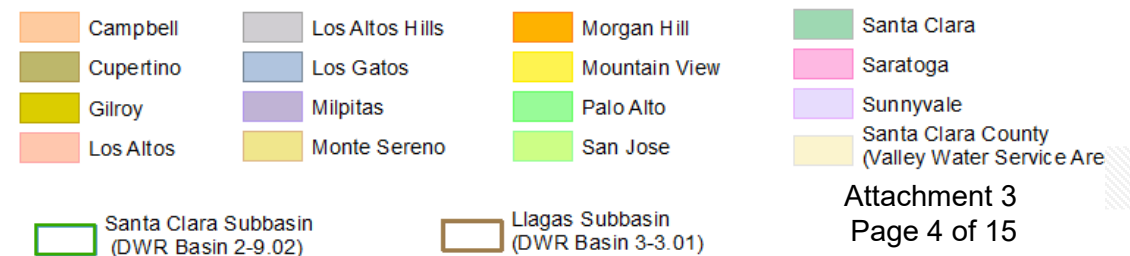
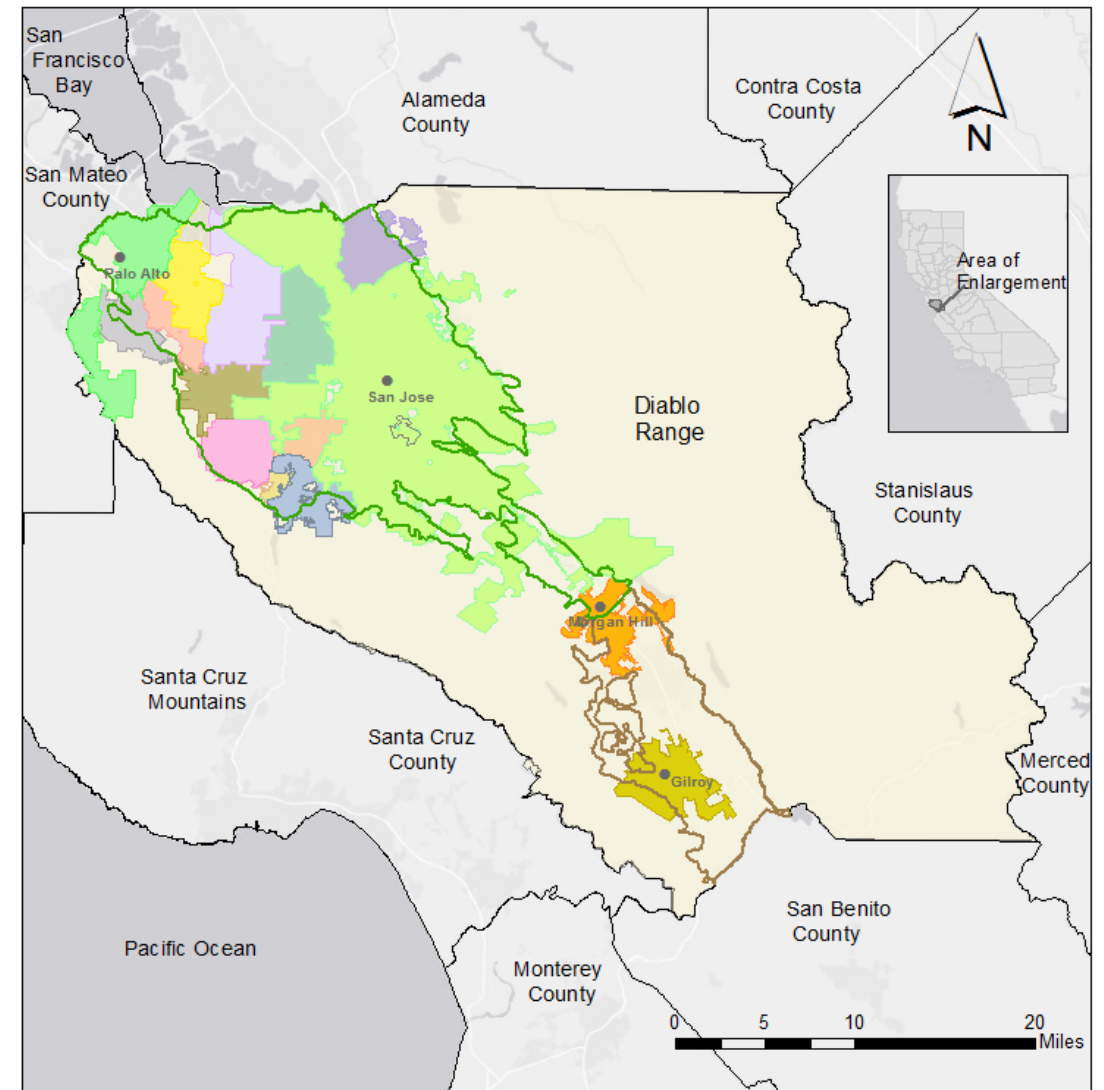
Local SGMA Compliance

- Valley Water is the Groundwater Sustainability Agency for the Santa Clara and Llagas Subbasins
- 2016 Groundwater Management Plan (GWMP) approved by DWR as Alternative
- Five-year update due January 1, 2022



Santa Clara and Llagas Subbasins

- Span nearly 400 square miles
- Provide about 40% of water used countywide
- Serve over 90% of South County water needs



What's in the GWMP?

Detailed information on basins and Valley Water's groundwater management framework:

- Authorities, partners, stakeholders
- Basin setting, conditions, and monitoring
- Water supplies, demands, and groundwater budget
- Sustainability goals, strategies, and metrics
- Programs & potential actions for continued sustainability

Effective Groundwater Management

Long-term groundwater balance due to:

- Managed aquifer recharge
- Treated water, water conservation, recycled & purified water

Sustainability supported by:

- Extensive monitoring
- Effective metrics and planning
- Groundwater quality protection
- Coordination with others



Notable Updates in the 2021 GWMP

- New and modified outcome measures
- Groundwater dependent ecosystems
- Climate change impacts
- SGMA authorities (fixed fees and pumping regulation)
- Seawater intrusion

2021



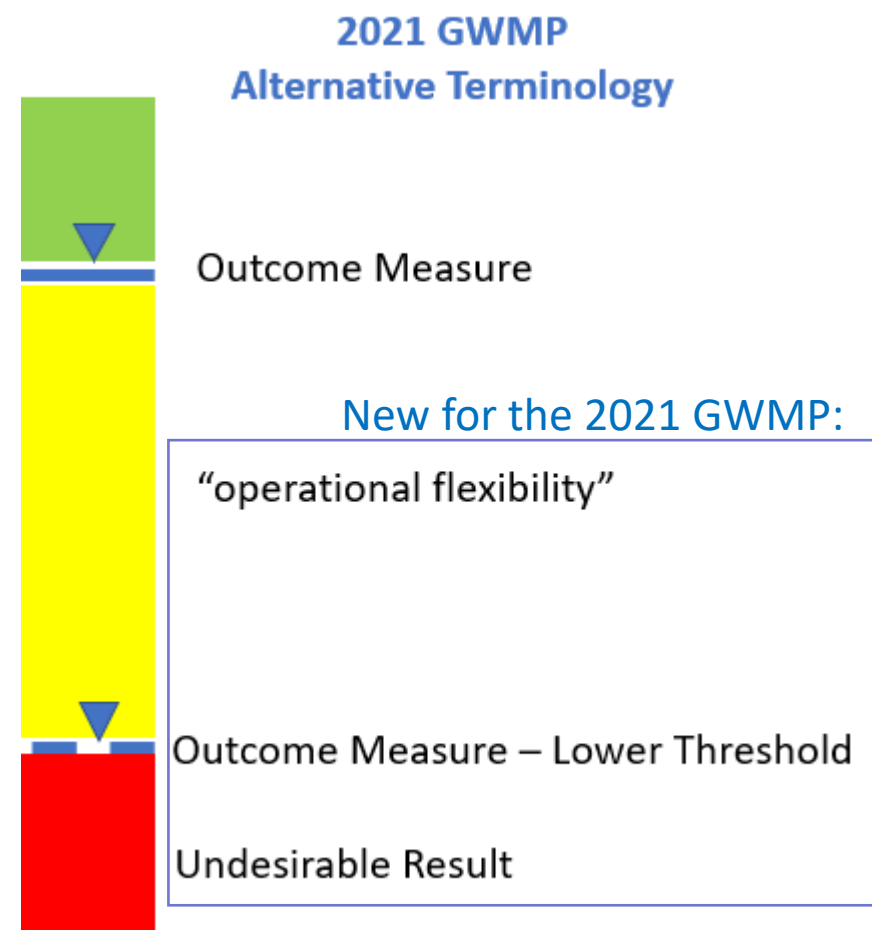
Groundwater Management Plan
for the Santa Clara and Llagas Subbasins

valleywater.org

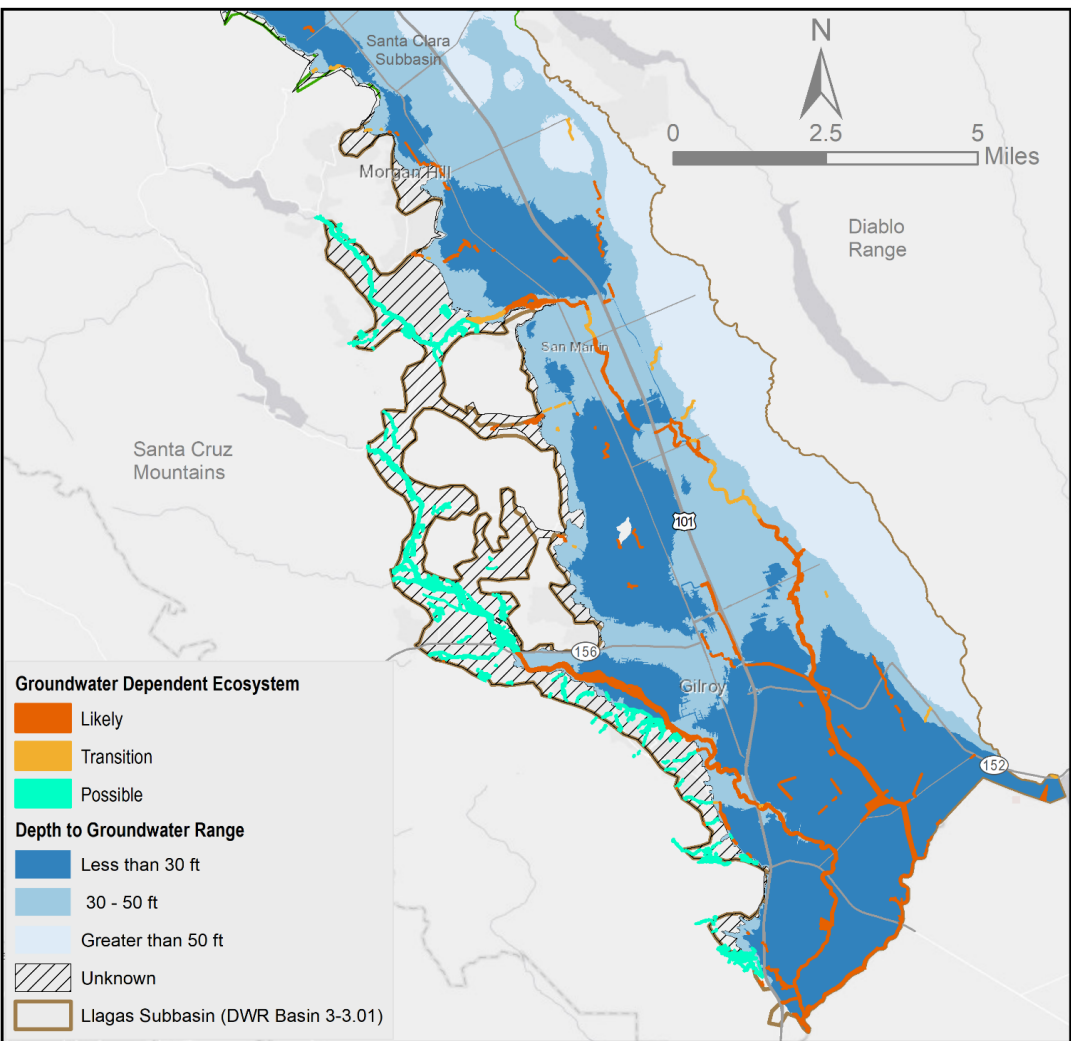
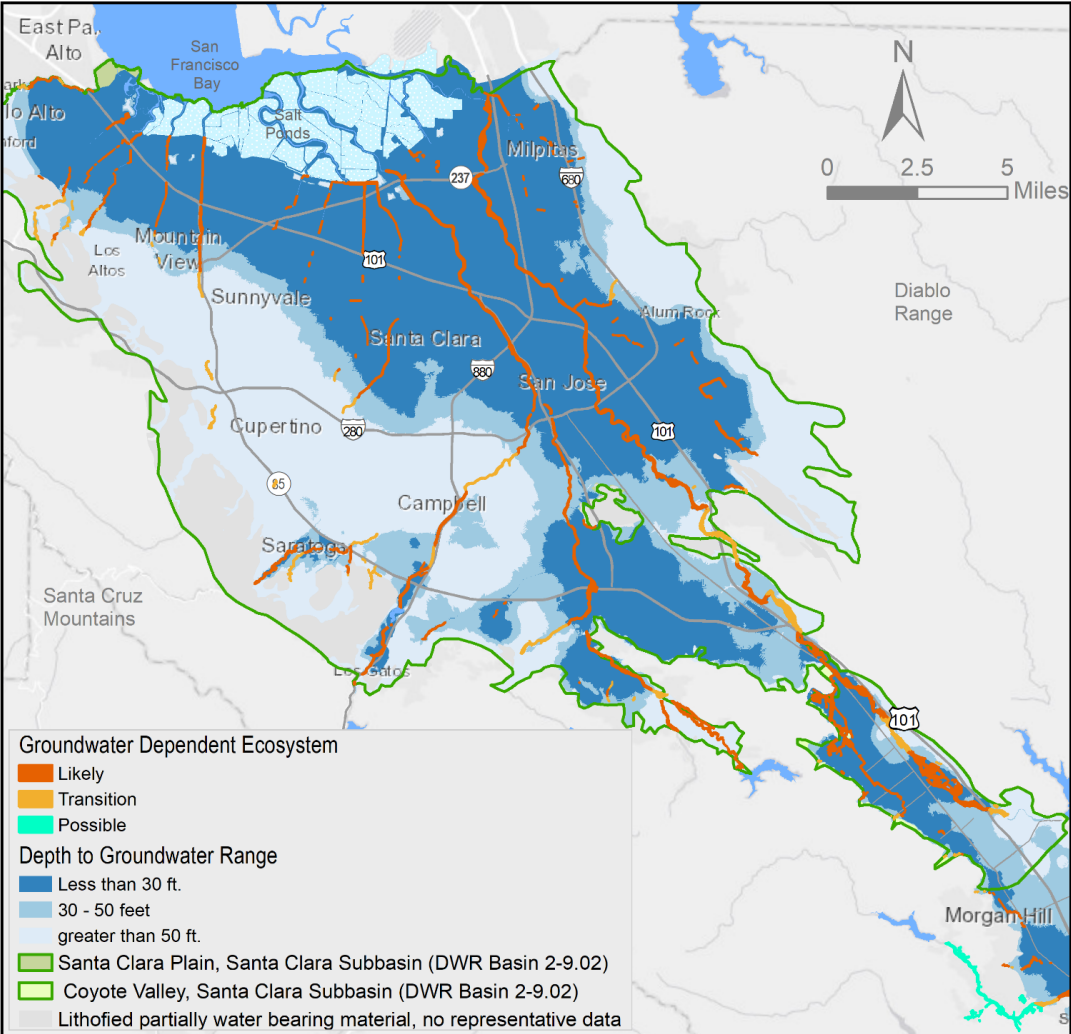
New and Modified Outcome Measures

- Modified outcome measures
- New measure for seawater intrusion*
- New lower thresholds representing undesirable results for:
 - groundwater storage
 - groundwater quality
 - subsidence*
 - seawater intrusion*

*Relevant for Santa Clara Subbasin only



Groundwater Dependent Ecosystems Identified



Climate Change Impacts to Groundwater Budget

1

- Slight increases in natural recharge projected
- Projected changes to imported water and local reservoirs will be included in 2026 GWMP



Credit: kwest/Shutterstock.com

Evaluation of New SGMA Authorities

- Pumping regulation
 - If ever needed, follow process in Board Resolution 18-04
 - If no viable alternative exists
- Fixed fee component of charges
 - Generally opposed by retailers
 - Board opted not to implement
 - Remains a potential future option

BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT

RESOLUTION NO. 18- 04

RESOLUTION MEMORIALIZING THE PROCESS TO REGULATE
GROUNDWATER EXTRACTION UNDER THE SUSTAINABLE GROUNDWATER
MANAGEMENT ACT, IF NEEDED

WHEREAS, the Santa Clara Valley Water District Act (California Water Code Appendix, Chapter 60) provides the District with broad groundwater management authority, including the authority to protect, spread, store, retain, and cause water to percolate in the soil within Santa Clara County; and

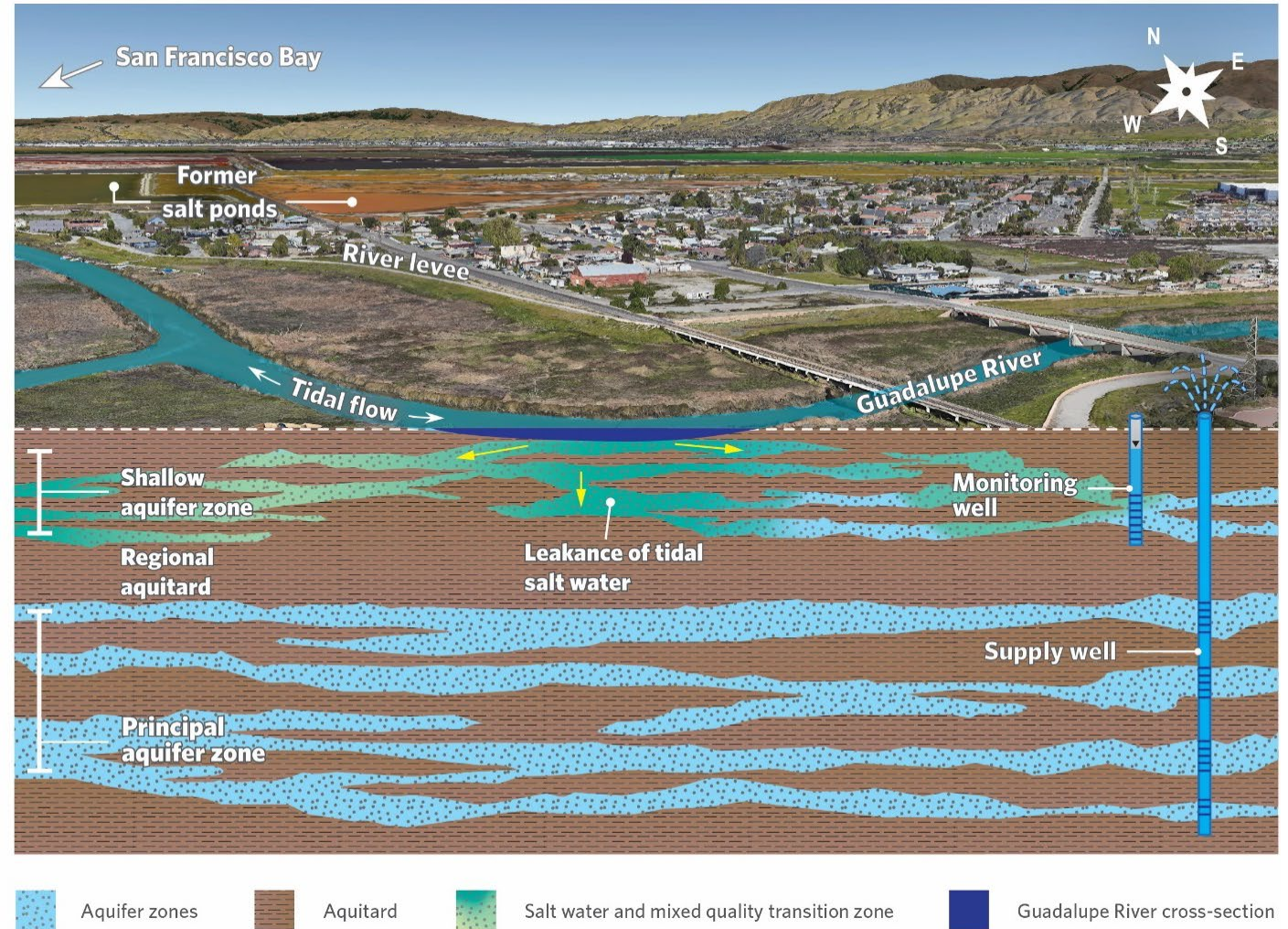
WHEREAS, on September 16, 2014, the Sustainable Groundwater Management Act (SGMA) was signed into law and adopted into the California Water Code, commencing with Section 10720; and

WHEREAS, Water Code Section 10720.1 states that, in enacting SGMA, the intent of the legislature is to provide for the sustainable management of groundwater basins, to enhance local management of groundwater consistent with rights to use or store groundwater, to establish minimum standards for sustainable groundwater management, to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater, and to achieve other listed intents; and

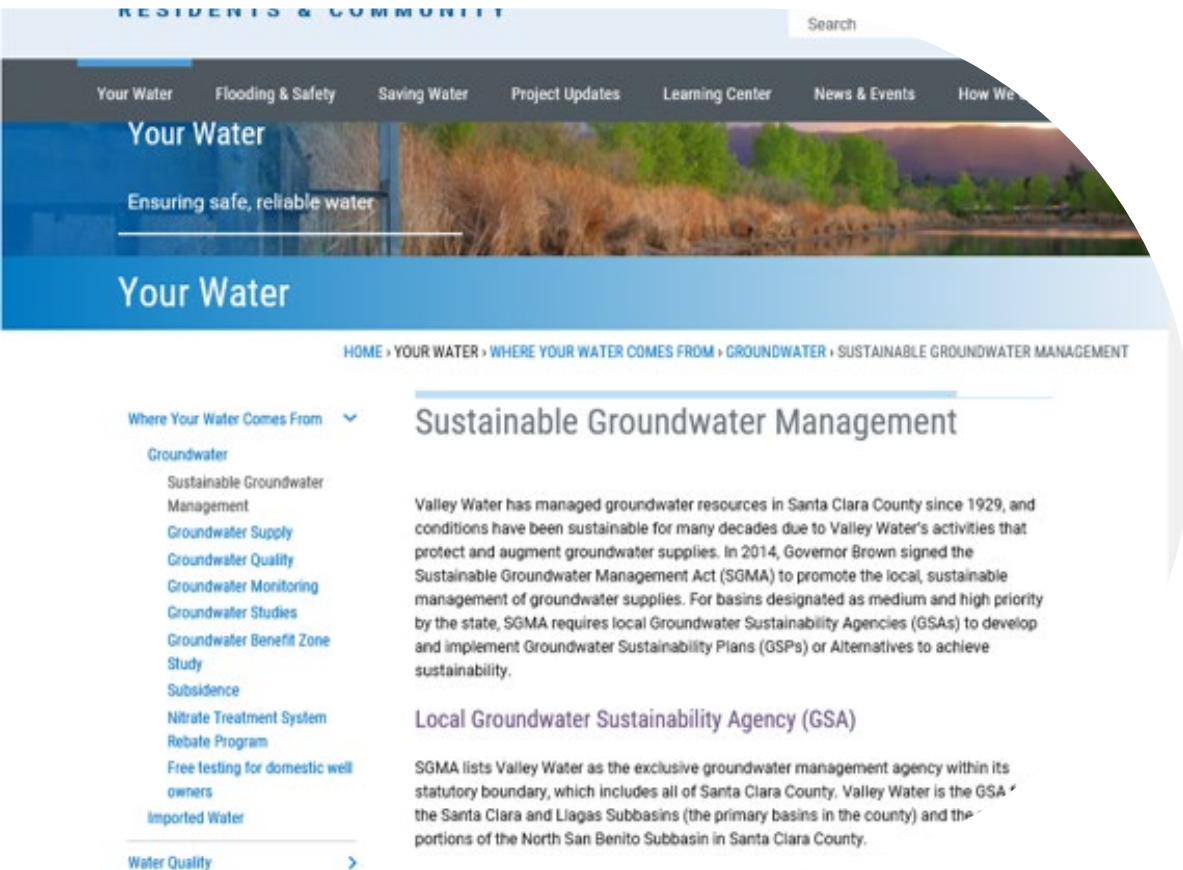
WHEREAS, on May 24, 2016, the District Board of Directors adopted Resolution 16-51 on the Decision to Become the Groundwater Sustainability Agency (GSA) for the Santa Clara and Llagas Subbasins; and

Seawater Intrusion (Santa Clara Subbasin)

- Some shallow aquifer impacts, primarily from leakage through tidal creeks
- Principal aquifer largely protected by geology
- Need to maintain gradient toward Bay



Stakeholder Engagement

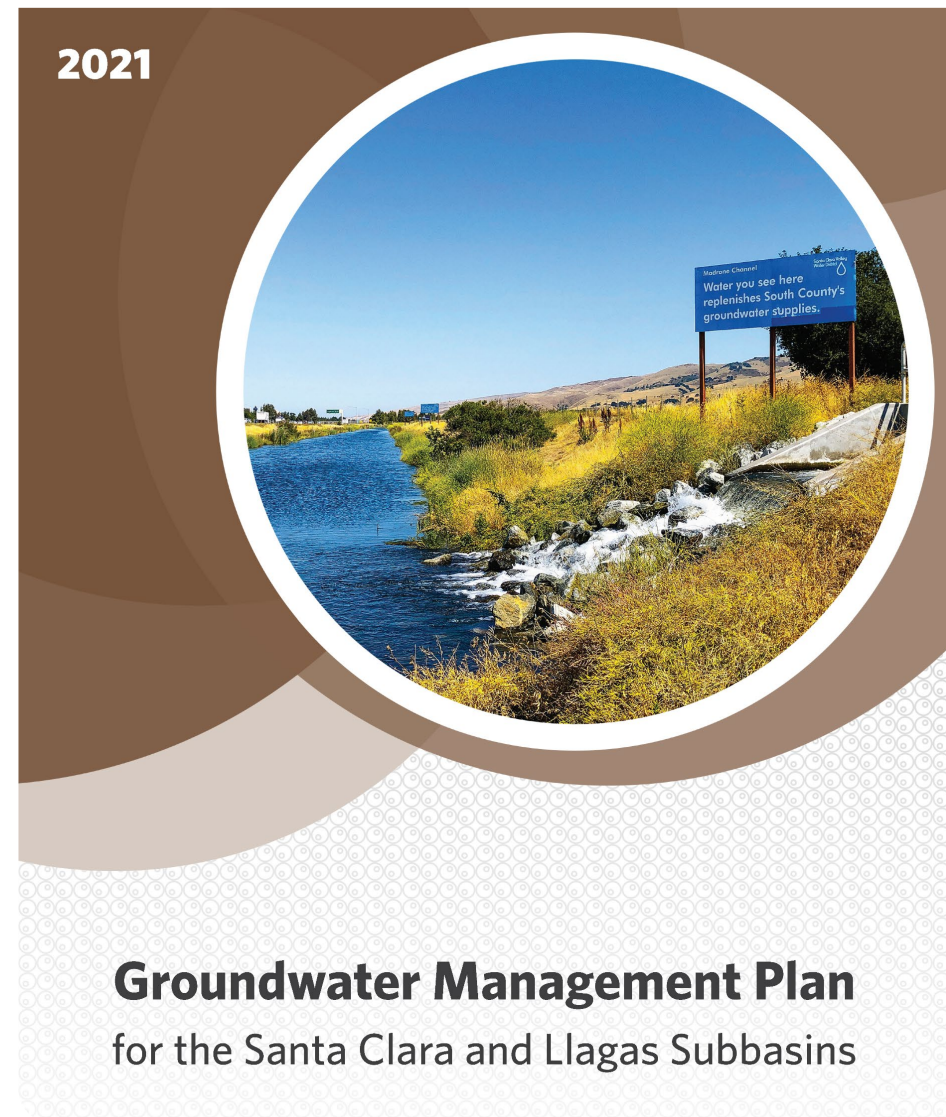


- Regular updates to the Water Conservation and Demand Management Committee, water retailers, and interested stakeholders
- Virtual public meeting
- Draft plan posted to website October 8, 2021

Draft 2021 GWMP available at: <https://www.valleywater.org/your-water/where-your-water-comes/groundwater>

Recommendation

Adopt the 2021 Groundwater Management Plan after considering public comments.



Questions?



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2021



A complete copy of this document can be viewed at the following site:
[https://www.valleywater.org/your-water/where-your-water-comes/
groundwater/sustainable](https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable)

Groundwater Management Plan

for the Santa Clara and Llagas Subbasins

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Michele King

From: D. Muirhead <doug.muirhead@stanfordalumni.org>
Sent: Sunday, November 7, 2021 8:33 AM
To: Vanessa De La Piedra
Cc: Jason Gurdak
Subject: 2021 GWMP Comments

Hello Vanessa and Jason,
Thank you for your responses to my comments at the Demand Management Committee on October 25. I will use some of the material from that meeting to augment my comments on your draft 2021 Groundwater Management Plan. I know I am not the target audience for this exhaustively comprehensive plan, but I just cannot resist commenting. Buried in this overly-long and occasionally rambling message are perhaps a few opportunities to educate me.

Thank you for your consideration, Doug Muirhead, Morgan Hill

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2. asymmetric relationship Water Retailers vs opaque Stakeholders
3. Framework Flowchart for dealing with undesirable conditions
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5. limited well depth information
6. impacts to well users
7. reporting Dry Domestic Wells
8. principles and strategies for drinking water wells
9. better aquifer/aquitard summary
10. criteria for high-priority basins
11. where are the 102 groundwater recharge ponds
12. 2 Regional Water Boards and SCVURPPP
13. contaminating activities should include wildfire impacts
14. statewide airborne electromagnetic (AEM) surveys
15. spelling and glossary

[1. hydrogeological composition resistant to subsidence]

Thank you for noting in the presentation that seawater intrusion and subsidence are of concern in North County but not South County. But Llagas Subbasin Description Land Subsidence [3-12] says

"Inelastic land subsidence has not been observed in the Llagas Subbasin."
and goes on to say that

U.C. Berkeley researchers used satellite imagery to evaluate the potential for subsidence and concluded that there was no evidence of long-term subsidence.

Missing from this evaluation is what was found in the past in other District publications. Which I can no longer find. :-(
You used to describe the "hydrogeological" (if that is the word) composition in South County as being resistant to subsidence.

And George Cook confirmed that in some post-meeting conversation several years ago..

My interest in this is that I have repeatedly quoted the "resistant to subsidence" in correcting people who describe subsidence as a County-wide issue to instead consider this only for North County.

[2. asymmetric relationship Water Retailers vs opaque Stakeholders]

I want to provide my view of the asymmetry of your relationship with the Water Retailers compared to everyone else as opaque Stakeholders.

From Overview Water Retailers [1-19]

"Valley Water and water retailers collaborate closely on operations as well as long-term planning and meet quarterly through the Water Retailers Committee."

In the Drought Emergency Response Report, September 2021, under Collaboration with the County, Retailers, and Cities, you say

"Valley Water continues to meet with retailers at numerous Subcommittee meetings to provide drought updates, track progress towards drought response efforts, and ensure consistent messaging. Valley Water has also initiated a monthly Ad Hoc Retailer Drought Subcommittee, and a monthly Subcommittee meeting for drought-related operational updates."

The public is not allowed to observe any of these District-Retailer interactions nor do we see report-outs from these meetings.

When you had the SGMA plan development meetings, the investor-owned utilities sent their lawyers.

When it comes to "stakeholders", you mention environmental advocates, and sometimes the list for other programs mentions "members of the public" but other times there is no mention of us.

Vanessa did mention notices sent to well owners as an attempt to increase engagement. But there is no broad attempt to include all of us who live on the ground above the basin and depend on the basin for our very lifeblood. I know you think Groundwater Week is a big deal, and perhaps it is in schools, but it passes unnoticed in Morgan Hill.

[3. Framework Flowchart for dealing with undesirable conditions]

In OVERVIEW Authorities Provided by SGMA [1-14]

"SGMA allows a GSA with an adopted Plan to ..."

but then backpedals with

"SGMA also acknowledges limitations related to the regulations of pumping", Vanessa mentioned that the framework has multiple off-ramps. These show up in the textual descriptions of the stages as options.

A Note to the Flow Chart alludes to this:

"Depending on the severity and challenges of the issue identified, the implementation of any step could be elevated to the Committee and/or Board."

I see a lack of clarity as to how these would be invoked. My previously-stated concern is that I see no place where increasing severity requires shorter response times. You have chosen a different approach.

"the process ... avoids prescriptive triggers and requirements ...and avoid unnecessary or ineffective actions".

If you did allocations, you might be able to use a local groundwater trading program as a management mechanism. This was the subject of a recent webinar

California Water Commission Groundwater Trading Safeguards
for Vulnerable Water Users Workshop [October 2021]

[4. shallow domestic wells and aquifer zones]

You use basin capacity as an outcome measure.

My previously-stated concern is about equity for domestic wells.

But my mental model may incorrectly have shallow domestic wells drawing from the same aquifer as deeper wells for agricultural, municipal, and industrial uses.

In Water Supplies, Demands and Budget [Chapter 4], Groundwater Pumping,

"Groundwater use in the Llagas Subbasin is nearly evenly split between agricultural uses (52%) and municipal and industrial uses (43%), with 5% used for domestic purposes. Pumping by water retailers accounts for about 36% of pumping in the Llagas Subbasin." [Figure 4-5]

In describing the Llagas Subbasin, you say [3-2]

"Within the confined area, low permeability units restrict the vertical flow of groundwater and divide the subbasin into shallow and principal aquifer zones."

I do appreciate Water Supply Well Depth by Well Use Type [Figure 3 D-8].

Perhaps shallow domestic wells draw from a shallow aquifer and are not affected by drawdown in the principal aquifer?

[5. limited well depth information]

Although you provide a number of statistics about wells, I was surprised on the limited number of wells with depth information. Can you determine the depth of an existing well? At what cost? Should this be a gap-filling activity? It would help if you said clearly that only 1,427 supply wells in the Llagas subbasin have well depth information out of 3,989 total wells.

In Evaluation of Dry Supply Wells (Appendix D, 2. Methods), you say [D-10]

"The observed depth to groundwater readings (groundwater levels) and supply well completion depths were compiled from Valley Water databases. It should be noted that Valley Water does not have completion depths for many wells that were installed prior to well permitting regulations, which took effect in the 1970s."

You go on to say in 2.1.2. Well Depth that

"Of the 6,189 supply wells in the Santa Clara and Llagas subbasins, only 2,303, or 37%, have available completed well depth information. Of these wells, the majority (62%, 1,427) are in the Llagas Subbasin and 38% (876) are in the Santa Clara Subbasin."

and in 2.1.3. Well Use Type

"for all 6,198 supply wells in the Santa Clara and Llagas subbasins ... Most active wells are domestic (4,001), followed by M&I (1,062) and agricultural (780). Most standby wells are also domestic (75), followed by agricultural (37) and M&I (14)."

and

"The Santa Clara Plain has the majority (67%, 310) of the M&I supply wells and the Llagas Subbasin has the majority of the agricultural (61%, 171) and domestic (73%, 1,128) supply wells with completed depth information."

I found the fragmentation of information above to be confusing. Combine in one section for readability.

[6. impacts to well users]

In Sustainable Management Criteria [Chapter 5], Outcome Measures [5-6],
"during 2014 and 2015 ... there were very limited impacts to well users,
with fewer than 15 reports of wells going dry for domestic wells along
the basin margins where well yield is more uncertain (Appendix D)."

In Evaluation of Dry Supply Wells (Appendix D), you say

"Figure 8 supports the prior conclusion that most water supply wells
likely had a substantial height of groundwater above the completed
well depth and were not vulnerable to going dry during the 20122016."

I am not sure that this proves that we will not have a larger number of
dry wells in a future worst-case drought draw-down. But if this conclusion
satisfies your team and the professionals at DWR, so be it.

[7. reporting Dry Domestic Wells]

In Evaluation of Dry Supply Wells (Appendix D, 2.3 Reported Dry Domestic
Wells During the 20122016 Drought), you say [D-10]

"[water supply wells] were reported by well owners to Valley Water
as having gone dry"

Department of Water Resources has a Household Water Supply Shortage
Reporting System <<https://mydrywell.water.ca.gov/report/>>, described as
"This site is for Californians experiencing problems with their private
(self-managed) household water supply".

Do you forward dry well reports you receive to DWR? Do you also look at
their dry-well reports? Is the mechanism for reporting dry wells one of
the things you put in your notices to well owners?

[8. principles and strategies for drinking water wells]

Do you expect that the definition of undesirable conditions will be
modified as a result of California Department of Water Resources (DWR),
in coordination with the State Water Resources Control Board, developing
principles and strategies related to groundwater management and drinking
water well impacts? They hosted Listening Sessions (June 29-30) and a
Public Workshop (July 22).

[9. better aquifer/aquitar summary]

I particularly liked the narrative in Appendix H Seawater Intrusion [H-10].

"Below the regional aquitar is the principal aquifer that is used
as a public water supply. The shallow multi-layered aquifer zone is
generally not used as a public water supply.

The shallow aquifer zone has relatively small seasonal fluctuations
in water levels because this zone has limited groundwater pumping.

The principal aquifer zone has relatively larger seasonal fluctuations
in water levels because of substantial groundwater pumping.

Perhaps similar wording could be added to

3.1.3 Principal Aquifers and Aquitards
preceding

Cross-sections of the Llagas Subbasin are presented in Figures 3-3 - 3-6.

[10. criteria for high-priority basins]

Both Executive Summary [ES-1] and Introduction [1-1] say

"DWR has identified the Santa Clara and Llagas subbasins

as high-priority basins"
but I would include in ES-1 the remainder of the statement in 1-1
"based on criteria that include overlying population, projected growth, number of wells, irrigation acreage, groundwater reliance, and groundwater impacts. Neither subbasin has been identified as being critically overdrafted."
since a common misperception is that "high/medium" priority equates to "troubled".

[11. where are the 102 groundwater recharge ponds]
The Water Supply and Groundwater Overview [ES-2] claims
102 groundwater recharge ponds covering 277 acres
but Overview Figure 1-4 [1-8] shows only 17 Recharge Ponds not 102.
Maybe [number of ponds] notation next to triangle?

[12. 2 Regional Water Boards and SCVURPPP]
In both CHAPTER 6 BASIN MANAGEMENT PROGRAMS AND ACTIVITIES
and CHAPTER 7 GROUNDWATER MONITORING AND MODELING
you describe the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) without mentioning that this is under the authority of the SF Bay Regional Water Board and that there is not a counterpart for South County under the authority of the Central Coast Regional Water Board.
Contrast this with a section in Chapter 7 that refers to a Central Coast Ambient Monitoring Program ([7.4.3.1](#)) and then refers to the North County counterpart as SCVURPPP.

[13. contaminating activities should include wildfire impacts]
In 6.3.4 Watershed Management you say
"protect the water quality and water supply ... from potentially contaminating activities."
Although Erosion, Debris Flow, and Flooding are surface water issues, they can affect groundwater. I remember an exchange several years ago with a senior staff member who said that the Madrone Channel was empty because there was too much sediment in the water available for recharge.
I do not know how Groundwater Management interfaces with Watersheds.
I do not know what came of a January 2017 Joint Meeting of the Santa Clara Valley Water District Board of Directors and the Santa Clara Valley Open Space Authority Board of Directors to discuss the potential for collaboration regarding watershed management following the Loma Fire.
If you have the time, I found the Loma Fire Watershed Emergency Response Team Final Report (CA-SCU-006912 October 25, 2016) a fun read.
The burn area was predominantly located within two watersheds, the Upper Llagas Creek and the Upper Uvas Creek watersheds. Approximately 35% of the burn area was in the Uvas Creek basin and 63% in the Llagas Creek watershed. Llagas Creek flows into Chesbro Reservoir and Uvas Creek flows into Uvas Reservoir.

[14. statewide airborne electromagnetic (AEM) surveys]
In NEXT STEPS [CHAPTER 8], 8.3 GROUNDWATER MANAGEMENT PLAN RECOMMENDATIONS
one topic is to

"Maintain adequate monitoring programs and modeling tools."

The upcoming statewide airborne electromagnetic (AEM) surveys do not list Santa Clara County and especially the Llagas subbasin as candidates, even though the Department of Water Resources (DWR) webinar on June 8, 2021 claimed that AEM data will be collected in all high- and medium-priority groundwater basins, where data collection is feasible, and will start Summer 2021 and continue over the next several years.

[15. spelling and glossary]

[spelling] ES-4 "this subbasins is"

[spelling] 1-1 "Alternative Pan"

[define] H-2 "semiperched groundwater" not defined until H-10 in text;
not defined in glossary



November 19, 2021

Vanessa De La Piedra, Groundwater Management Unit Manager
Santa Clara Valley Water District

Re: Comments on 2021 Draft Groundwater Management Plan for the Santa Clara and Llagas Subbasins

Dear Ms. De La Piedra,

Green Foothills submits the following comments on Valley Water's 2021 Draft Groundwater Management Plan for the Santa Clara and Llagas Subbasins (Draft Plan).

As a general matter, we support and ask Valley Water to adopt the seven comments and recommendations from the Santa Clara Valley Open Space Authority (OSA) letter of November 19, 2021, attached separately. In particular, we wish to emphasize and expand on the seventh comment regarding the importance of the Coyote Valley area. As Valley Water's own November 16, 2021 letter to San Jose City Council (also attached) states:

The Santa Clara Subbasin begins in the Coyote Valley, then flows north under San José and Santa Clara toward the Bay. Development in Coyote Valley could convert pervious soil to impermeable concrete, pavement, and buildings, flushing water into streams and the Bay rather than letting it percolate to groundwater. In most parts of the subbasin, but not in Coyote Valley, the drinking water aquifer is deep underground, and extensive clay layers provide some natural protection from contamination. In Coyote Valley, the drinking water aquifer is often very close to the surface and the soils allow relatively rapid downward percolation, making groundwater there highly vulnerable to contamination. Industrial contamination in Coyote Valley could potentially impact not only local groundwater users, but also those drawing on the subbasin in San José and other downgradient areas.

We suggest this language be included in the Draft Plan in an appropriate location, possibly in section 6.2.4 or 6.2.5.

Finally, the attached 2018 analysis "Coyote Valley and Groundwater Protection" draws heavily from the Santa Clara Valley Water District's 2010 Revised Final Groundwater Vulnerability Study (Groundwater Study), with the gratefully-acknowledged help of data provided by Valley Water. The 2018 analysis concludes that Coyote Valley is uniquely vulnerable and available to substantial reduction in vulnerability by protecting the groundwater from incompatible development. Since then, two things have occurred. San Jose land use protections recommended by Valley Water in its letter have passed, eliminating any additional industrial uses beyond existing developed parcels, and in addition 1400 acres in Coyote Valley are now publicly owned, so vulnerability to farming operations and fertilizer contamination can also be managed in cooperation with the public agencies that own the land. We suggest the Draft Plan acknowledge the vulnerability and the change since the 2010 Groundwater Study. We also suggest the Draft Plan recommend Valley Water's cooperation with San Jose and Santa Clara County as land use agencies, and with San Jose and OSA as landowners to achieve reductions in



groundwater vulnerability. This cooperation could include financial “buy-in” or other incentives from Valley Water.

Thanks for this opportunity to comment. Please contact us with any questions.

Sincerely,

A handwritten signature in black ink that reads "Brian Schmidt". The signature is fluid and cursive, with a long horizontal stroke at the end.

Brian Schmidt
Legislative Advocacy Director





Andrea Mackenzie, General Manager
Alex Kennett, District 1
Mike Flaughner, District 2
Helen Chapman, District 3
Dorsey Moore, District 4
Shay Franco-Clausen, District 5
Mike Potter, District 6
Kalvin Gill, District 7

November 19, 2021

Santa Clara Valley Water District
Vanessa De La Piedra, Groundwater Management Unit Manager

RE: 2021 Draft Groundwater Management Plan for the Santa Clara and Llagas Subbasins

Dear Ms. De La Piedra,

On behalf of the Santa Clara Valley Open Space Authority (Authority), thank you for the opportunity to provide comment on Valley Water's Draft Groundwater Management Plan (Draft Plan).

The Open Space Authority is a public, independent special district created by the California State Legislature in 1993 to conserve the natural environment, support agriculture, and connect people to nature by protecting open spaces, natural areas, and working farms and ranches for future generations.

Valley Water serves a critical role as our Groundwater Sustainability Agency (GSA), where it is responsible for delivering sustainable groundwater conditions in Santa Clara County. The Draft Plan is proposed to serve as the Groundwater Sustainability Plan update for Santa Clara County, which requires Valley Water to outline specific sustainable groundwater management criteria that avoid the six undesirable results outlined by the Sustainable Groundwater Management Act (SGMA), including the avoidance of depleted interconnected surface waters that supply water to Groundwater Dependent Ecosystems (GDEs) like wetlands, wetted stream channels, and riparian corridors.

We applaud Valley Water for its work to map GDEs in the Draft Plan and we are grateful for Valley Water's ongoing groundwater management actions that help maintain our aquifers in long-term balance. Nevertheless, the Draft Plan fails to include sustainable management criteria that avoid the depletion of interconnected surface waters, the only SGMA undesirable result not addressed in the Draft Plan, and one that is critical for Valley's Water's responsibility as a GSA, its mission to "Provide Silicon Valley safe, clean water for a healthy life, environment, and economy", and its Ends Policy E-4 "Water resources stewardship protects and enhances ecosystem health". Despite the immense efforts of Valley Water, we continue to observe the depletion of interconnected surface waters in our GDEs due to declines in groundwater levels. One particularly notable example being Fisher Creek and the Laguna Seca wetland complex in Coyote Valley, which underwent significant periods of drying during the 2012-2016 drought and are currently nearly completely dry as groundwater levels decline in the Coyote Valley.

As you know, the Authority, its conservation partners, and funders, have invested over \$150million to date to permanently protect nearly 1,500 acres of land in Coyote Valley that encompass groundwater dependent ecosystems in and around Fisher Creek and the Laguna Seca wetland complex (**Exhibit A attached**). This includes more than \$32 million in state grants from the California Natural Resources Agency (CNRA), Department of Conservation, Strategic Growth Council, Wildlife Conservation Board, and the State Coastal Conservancy. These lands will be subject of the Coyote Valley Conservation Areas Master Plan, an integrated restoration master plan process, which will enable large-scale restoration actions to begin within the next 3-5 years. In restoring Coyote Valley's groundwater-dependent ponds, wetlands, and riparian channels, our aim is to protect surface and groundwater quality and promote habitat conditions favorable to the recovery of rare, threatened, and endangered species such as California red-legged frog, California tiger salamander, and tri-colored blackbird among others.

Valley Water is a key partner of the Authority where its groundwater management actions are essential for the protection and restoration of groundwater dependent ecosystems in Coyote Valley. Given Valley Water's unique role, commitment to environmental stewardship and responsibilities under SGMA, we respectfully provide the following comments on the Draft Plan:

1. Consider updating the Draft GSP's sustainability goal to specifically include sustainable supplies for all groundwater users (including the environment).

The Draft GSP identifies two sustainability goals: (1) "Manage groundwater to ensure sustainable supplies and avoid land subsidence", and (2) "Aggressively protect groundwater from the threat of contamination. While Valley Water has been able to provide long term balance of our aquifers, groundwater dependent ecosystems rely on groundwater supplies being maintained at or near the ground surface to sustain these ecosystems. Please consider updating Goal (1) to "Manage groundwater to ensure sustainable supplies for all groundwater users, including environmental users of groundwater, and avoid land subsidence".

2. Include a new outcome measure and outcome measure lower thresholds that, if met, would avoid the depletion of interconnected surface waters.

The Draft GSP currently lacks sustainability criteria that directly addresses the depletion of interconnected surface waters. The Department of Water Resources' Alternative Assessment Staff Report: Santa Clara Subbasin (2-009.02) sent on July 17, 2019 stated that "...sustainable management criteria have not been established to avoid significant and unreasonable depletion of interconnected surface water." and "GSP Regulations specify that the minimum threshold for depletions of interconnected surface water shall be the rate or volume of surface water depletions caused by groundwater use that has adverse impacts on beneficial uses of the surface water and may lead to undesirable results.". Please consider adding a sixth outcome measure and lower threshold that would avoid depletion of interconnected surface waters.

3. Consider developing an estimate of a sustainable yield or sustainable recharge that avoids undesirable results

The Authority wishes to support the long-term viability of land uses that are compatible with groundwater sustainability, and do not contribute to the depletion of the aquifer. The Draft Plan states "Valley Water does not manage to a particular value for sustainable yield, but instead manages groundwater to maintain sustainable conditions through annual operations and long-term water supply planning.". If Valley Water does not wish to provide a sustainable yield, please consider providing an estimate of sustainable recharge levels so that land use agencies and water users know what amount of water extraction is possible in areas like the Coyote Valley management area without exceeding Valley Water's recharge capabilities.

4. Consider updating groundwater models to evaluate seasonal fluctuations in surface water groundwater interactions

The Draft GSP states "models are used to evaluate and forecast groundwater storage and water levels under various operational and hydrologic conditions. Maintaining calibrated models that can reasonably forecast groundwater conditions is an important part of Valley Water's comprehensive groundwater management strategy". It appears that some of Valley Water's groundwater models do not directly consider the interaction between groundwater and surface water and how that relates to the health of groundwater dependent ecosystems. Please consider updating your groundwater models to enable estimates of seasonal fluctuations in groundwater levels, since seasonal variability drives the health and sustainability of groundwater dependent ecosystems. The Authority is currently in the process of securing a consultant team for the Coyote Valley Conservation Areas Master Plan that will develop a SWAT-MODFLOW model of the Coyote Valley Management Area to better understand interconnected surface water behavior. We appreciate the Groundwater Unit's willingness to serve as a collaborator and technical adviser on this work and the Authority hopes this modeling could be useful for Valley Water's groundwater

condition forecasting and management activities that support groundwater dependent ecosystems.

5. Consider opportunities to pilot or implement voluntary actions that address groundwater demand, especially when sustainability indicators are not being met.

Piloting tools, frameworks, and programs that support voluntary reductions in pumping could be an essential first step in addressing groundwater overdraft conditions without requiring regulatory action. Please consider potential next steps or opportunities to explore or implement programs like groundwater trading programs, farmland fallowing programs, ag irrigation efficiency grants, or voluntary agreements with well users to reduce pumping when sustainability indicators are not being met. The Authority and Peninsula Open Space Trust hold a conservation easement over the City of San Jose's land in Coyote Valley that requires the City consider reducing groundwater extraction from its municipal wells when they contribute to unsustainable groundwater conditions in Coyote Valley. We are in the process of determining the tools and frameworks that will be required to do this and appreciate the Valley Water Groundwater Unit's willingness to partner with us on this work and hope to develop new tools and monitoring frameworks that will make it easier for well operators to voluntarily reduce pumping when groundwater levels are trending in an unsustainable direction.

6. Add the Laguna Seca wetland complex and Fisher Creek as locations of known groundwater emergence.

Figure 20 in the Draft GSP, "Likely Groundwater Emergent Areas in the Santa Clara Subbasin" does not include Fisher Creek or the Laguna Seca wetland complex, likely due to limitation in the resolution of GIS data that was used to identify those areas. However, the report recognizes Fisher Creek and Laguna Seca as locations of interconnected surface waters and groundwater dependent ecosystems. Please consider a manual update to Figure 20 to include Fisher Creek and Laguna Seca as groundwater emergent areas.

7. Add acknowledgment that Coyote Valley is a resource of statewide significance.

- a. AB-948 was approved by the Governor on September 27, 2019, authorizing the Authority to administer a newly created Coyote Valley Conservation Program, and declaring Coyote Valley is a resource of statewide significance. The bill requires that Coyote Valley to be acknowledged as an area of statewide significance in local planning documents developed or updated on or after January 1, 2020, affecting land use within Coyote Valley. Please add this acknowledgment given Coyote Valley land uses depend on groundwater, including the Authority's ongoing management and restoration of groundwater dependent ecosystems in and around Laguna Seca and Fisher Creek.

Thank you for your consideration.

Sincerely,



Andrea Mackenzie
General Manager

CC: Santa Clara Valley Open Space Authority Board of Directors

Exhibit A: Coyote Valley A Conserved Landscape- showing recently protected valley floor lands outlined in yellow





November 16, 2021

City of San José
Mayor and City Council
200 East Santa Clara Street, 18th Floor
San José, CA 95113

Re: Item #10.3 on November 16, 2021 City Council Agenda

Dear Mayor and City Council:

Valley Water appreciates the opportunity to comment on the proposed development of Coyote Valley. First, Valley Water supports items 1 through 5 recommended by staff, rather than the Planning Commission's direction to deny staff's recommendation at their October 27, 2021 Planning Commission meeting. Furthermore, Valley Water would also like to take this opportunity to respond to comments and questions from Planning Commissioners related to the price of water, and the availability of water, for Coyote Valley farmers. Statements that were made suggested that the availability and/or cost of water were reasons why farming isn't viable as a business in Coyote Valley, and thus recommended against the staff and General Plan Task Force proposals to protect Coyote Valley from further development.

Valley Water has not wavered in its commitment to provide a safe, clean water supply to not only the farming and agricultural communities, but to all communities here in Santa Clara County. Price and availability of water are competitive advantages for Coyote Valley farmers compared to other regions such as the Central Valley, Imperial Valley, and elsewhere. This is due to the natural advantages of climate, rainfall, and depth of groundwater, as well as the many decades of sustainable groundwater management by Valley Water. Because of our activities to replenish and protect local aquifers, groundwater is readily available and sustainable throughout Coyote Valley to support agricultural, domestic, municipal/industrial, and environmental uses.

Valley Water worked with the County and Open Space Authority on the Santa Clara Valley Agricultural Plan, which "acknowledges the vital importance of Santa Clara Valley agriculture to the region for long-term sustainability and health of our county." Valley Water's agricultural rate is lower than its municipal and industrial rate to encourage open space preservation, which is important to watershed health. Agricultural and open space can replenish local groundwater by allowing water to infiltrate and recharge aquifers, unlike developed areas with associated impervious surfaces. Valley Water continues to support the viability of agriculture in the County through sustainable groundwater management and by keeping agricultural water rates low.

While our surface water reservoirs are crucial, more water is stored in local groundwater basins than all of our reservoirs combined. The Santa Clara Subbasin begins in the Coyote Valley, then flows north under San José and Santa Clara toward the Bay. Development in Coyote Valley could convert pervious soil to impermeable concrete, pavement, and buildings, flushing water into streams and the Bay rather

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City of San José – Mayor and City Council
Page 2
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than letting it percolate to groundwater. In most parts of the subbasin, but not in Coyote Valley, the drinking water aquifer is deep underground, and extensive clay layers provide some natural protection from contamination. In Coyote Valley, the drinking water aquifer is often very close to the surface and the soils allow relatively rapid downward percolation, making groundwater there highly vulnerable to contamination. Industrial contamination in Coyote Valley could potentially impact not only local groundwater users, but also those drawing on the subbasin in San José and other downgradient areas.

Finally, Coyote Valley in its current state also provides benefits to improve or maintain a healthy watershed ecology. Water-dependent species like Western pond turtles, California tiger salamanders, and red-legged frogs need a healthy environment around their waterways. Open space and agricultural habitats are much more compatible with wildlife than new development. The loss of Coyote Valley as open space could potentially harm the environment, and new roads or increased traffic threatens wildlife corridors for small animals as well as larger ones like bobcats and deer. Coyote Valley could continue to be a thriving valley-bottom watershed ecosystem if it is preserved as such.

Valley Water greatly respects the autonomy and authority of the Council in its decisions such as this; please know this letter is only intended to provide clarity and respond to points raised from the Planning Commissioners for your consideration, while also offering other potential environmental impacts for your consideration. We would respectfully request that you support the staff recommended actions, and we stand ready and willing to support you in your environmental stewardship of the precious water and lands we have here in our county.

Thank you for your time and consideration, and please feel free to reach out to Don Rocha, Deputy Administrative Officer for Government Relations, should you have any questions or concerns at (408) 630-2338 or at drocha@valleywater.org.

Sincerely,



Tony Estremera
Chair, Board of Directors

cc: Board of Directors (7), R. Callender, M. Richardson, R. Gibson, D. Rocha
bz:jh
1116a-l

COYOTE VALLEY & GROUNDWATER PROTECTION

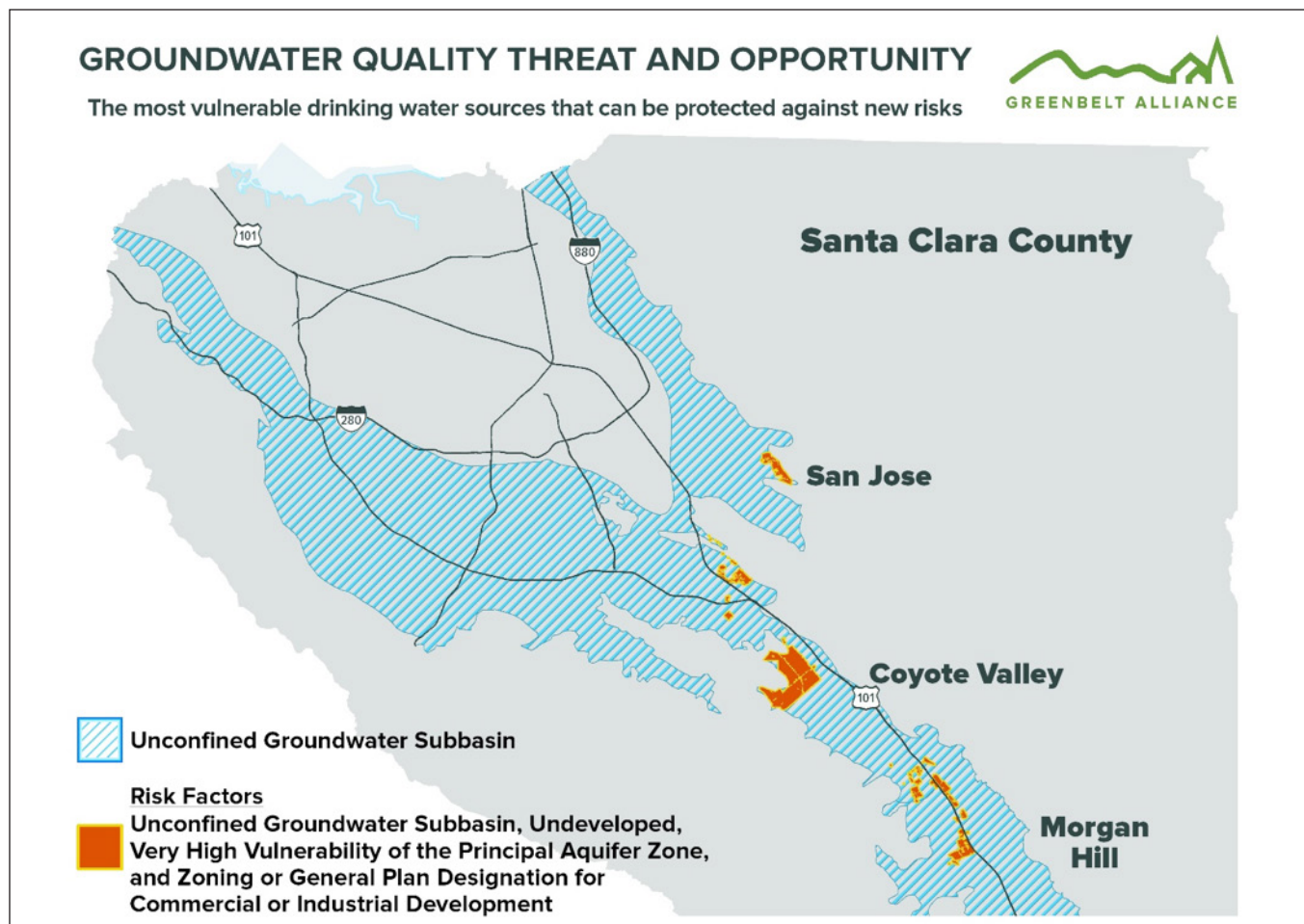
NORTH COYOTE VALLEY PRESENTS A UNIQUE OPPORTUNITY TO PROTECT GROUNDWATER QUALITY FROM A POTENTIAL THREAT TO THE DRINKING WATER FOR THOUSANDS OF SAN JOSE RESIDENTS. Physical characteristics of the land make it one of the most vulnerable areas in the county for contamination, but widespread industrial development has not yet occurred. The risk from that development can still be prevented entirely, while in already-developed areas it can only be managed. Local government agencies should undertake proactive policies and purchases in light of the combined opportunity and vulnerability for San Jose's groundwater supplies.



The map below draws from the Santa Clara Valley Water District's *Revised Final Groundwater Vulnerability Study (Groundwater Study)*, and from land-use zoning and General Plan designation mapping to identify a combination of factors showing which land is most vulnerable to harm to groundwater quality and can most easily be protected.

Features of the Threat and Opportunity Map:

- The unconfined subbasin aquifer, shown on the map as the “Unconfined Groundwater Subbasin,” is an area where underground drinking water sources are more vulnerable than the rest of the county. The remaining gray areas on the map are either hilly areas without large aquifers, or “confined” aquifers where drinking water sources deep underground are partially protected by intervening layers of clay and separate, shallow aquifers above that clay.
- “Very High Vulnerability” is the Water District’s own most vulnerable rating category in its model. The study combined physical characteristics of the land in the county that increase or decrease the consequences if a contamination event occurred, together with the land uses that occur there that increase or decrease the likelihood of a contamination event. Combined, they measure vulnerability, and only a small part of the entire county is rated “Very High”.
- Undeveloped land zoned for commercial or industrial development presents a great opportunity for groundwater protection. Much of the threat to drinking water results from potential future development, but because the land is still vacant, the opportunity remains to find an alternative use that does not create this risk. Existing risk from undeveloped land uses (e.g. farming activities) could be limited through purchase of easements or fee title.



- The Water District does monitor groundwater for contamination, but the monitoring is not a guarantee against any contamination. Monitoring will only detect contamination after it has spread far enough to reach a monitoring location.

Why Coyote Valley Stands Out:

- Unlike most other locations, the drinking water aquifer is very near the surface. A contamination event that might not even reach the groundwater table in other locations will reach it in Coyote Valley and then become mobilized with the moving groundwater.
- Water moves quickly through Coyote Valley sediment, both vertically and horizontally. This means contamination may reach groundwater quickly and then move quickly to contaminate the aquifer further north.
- The speed at which groundwater moves in Coyote Valley could make it more difficult for groundwater monitoring to respond in time to limit additional contamination, even assuming the contaminant is being monitored.
- North Coyote Valley represents by far the largest geographic area with combined significant risk and significant opportunity to avoid inappropriate development.
- The three other areas also rated highly in this analysis are distinguishable from Coyote Valley in that they are generally small, scattered parcels that would be difficult to acquire or manage for agricultural benefit, they are surrounded on most or all sides with urbanization that makes their own development nearly inevitable or, in the case of the Evergreen Industrial Park, have no near-term prospects for industrial development. Regardless, even if the other three areas are considered equivalently important, over half (1,363 acres of 2,484 acres) of the priority land that is most vulnerable and feasibly protected is located in North Coyote Valley.

The Problem at Coyote Valley Could Be Even Worse Than It Appears:

- Several reasons suggest that this map is a conservative estimate of the risk from North Coyote Valley. It is at the most upstream portion of the broader Santa Clara Valley aquifer, so underground water flows north from it through much of the remaining aquifer. By contrast, other potential contamination sites further north could harm a smaller portion of the aquifer. In addition, a surface-spill contamination event in Coyote Valley that reached Fisher Creek or Coyote Creek would rapidly move north past Coyote Valley in Coyote Creek's surface water. Contamination moving in this surface water percolates down into the drinking water aquifer for another mile before being stopped at the shallow aquifer (and then contaminating that shallow aquifer as well).¹
- Allowed land use includes industrial use with significant risk of contamination.
- The "Very High Vulnerability" rating for Coyote Valley could underestimate the future risk in that area. The study acknowledges the risk of future development in the text, but the risk weighting would become even worse if the area is developed. See *Groundwater Study* at page 61.

Coyote Valley, especially North Coyote Valley, stands at the confluence of threat and opportunity. With industrial development just a possibility rather than an on-the-ground reality, the risk that development entails can be entirely prevented rather than simply managed. The following recommendations for Santa Clara Valley Water District and other agencies present significant opportunities to protect San Jose's groundwater.

Recommendations for Water District and Other Agency Policies:

- The Water District has an existing policy that groundwater basins be “aggressively protected from contamination and the threat of contamination.” (*Vulnerability Study*, page 18.) Both this policy and new policies should help guide how the Water District acts regarding Coyote Valley.
- Where undeveloped land in the unconfined aquifer is highly vulnerable only because of potential development, the Water District should support reasonable efforts to maintain the land’s use in a non-developed state.
- In addition, the Water District should fully communicate to the City of San Jose and the public regarding the risk and consequences of groundwater contamination in Coyote Valley, including extensive, multi-year cleanup costs that may be passed along to retail water agencies and potential inability to use groundwater sources in the event of contamination.²
- The Water District should investigate the creation of and funding of groundwater protection easements that prevent uses and development that pose contamination risks. The easements could allow existing agriculture to continue while restricting agricultural practices that increase risk.
- The Santa Clara Valley Open Space Authority should support groundwater protection policies such as those described above for the Water District and for land use agencies.
- The Open Space Authority should support funding and protection of land for reasons of groundwater protection.
- The Open Space Authority and the Water District should consider an agreement with each other granting to the Water District a groundwater quality protection easement for land owned by the Open Space Authority in Coyote Valley. See the Supplemental Information Section of this document for more details.
- The City of San Jose should consider re-designating North Coyote Valley to maintain its existing agricultural and other open space use in order to protect the City’s groundwater quality.
- The City of San Jose should consider funding and supporting the funding of land acquisition and easement acquisition for purposes of protecting groundwater quality.

SUPPLEMENTAL INFORMATION

- SELECTED CASES OF CONTAMINATION IN SANTA CLARA
- CASE STUDY: AUSTIN TEXAS GROUNDWATER PROTECTION PROGRAM OF
LAND PURCHASES
- GROUNDWATER EASEMENT
 - GENERAL CONCEPT
 - SPECIFIC APPLICATION TO OSA AND POST LAND
- METHODOLOGY AND COMPONENT MAPS
 - DISCLAIMER REGARDING SHALLOW AQUIFERS

Selected Examples of Groundwater Contamination in Santa Clara County

Multiple groundwater contamination events have occurred in Santa Clara County, with more federal Superfund sites than any other county in the US. Fortunately, the most dangerous events have generally occurred in northern parts of the county where clay layers create shallow aquifers that trap contamination before it reaches the drinking water aquifer. This pattern highlights the risk of putting industrial development in Coyote Valley, where the drinking water aquifer is unshielded and near the surface.

Below are some contamination examples. More information can be found at the Santa Clara Valley Water District and its *Groundwater Study*.³

Perchlorate and Volatile Organic Compound (VOC) contamination:

- Middlefield-Ellis-Whisman & Moffett Field (349 acres)
- National Semiconductor (195 acres)
- Varian, 601 California Ave. (175 acres)
- Hewlett-Packard, 395 Page Mill Rd. (175 acres)
- Hewlett-Packard, 640 Page Mill Rd. (175 acres)
- FEI (TRW), 825 Stewart Dr. (124 acres)
- Mohawk Laboratories (110 acres)

Notes: the above contamination all happened in areas protected by the shallow aquifer. Most also did not reach deep levels, averaging a depth only 40 feet below ground. The drinking water aquifer in Coyote Valley, however, is closer to the surface than 40 feet.

- Fairchild: this Superfund site was located in South San Jose, an area not protected by clay layers and a shallow aquifer, resulting in drinking water aquifer contamination and significant cleanup costs. Even this location was not quite as vulnerable as Coyote Valley, with a greater depth to groundwater.

- Olin Facility Perchlorate: the most serious drinking water aquifer contamination was from perchlorate contamination in Morgan and San Martin, in the Llagas sub-aquifer that drains south instead of north. A nine-mile plume costing millions of dollars for cleanup resulted from this contamination. Again, this area was not protected by shallow aquifers, and was contaminated although groundwater levels were deeper and less exposed to contamination than in Coyote Valley.

Groundwater Quality Conservation Easement General Concept

In order to protect groundwater drinking sources in the Santa Clara Valley Subbasin from the unique contamination issues in Coyote Valley, the Water District should acquire easements from Coyote Valley landowners. Two possible uses of the easement include restrictions on certain types of activities when the land is in agricultural use and/or easements that restrict industrial activities. An easement applied to any particular property would not need to restrict both types of uses (e.g., restrict certain agricultural practices without being applicable if the land is converted to industrial use).

An agricultural-groundwater protective easement would restrict activities that increase the risk of contamination. Most prominently, it would reduce the risk of nitrate contamination from fertilizer use, given that that is the main agricultural contamination issue for groundwater. It could prohibit certain kinds of uses of fertilizer, mandate certain types that limit contamination if fertilizer is used, or simply set standards for the maximum amount of fertilizer applied per acre per time period. It could also prohibit certain kinds of pesticides or allow only certain other pesticides to avoid other contamination issues. The easements could potentially include related groundwater issues like limitations on certain types of irrigation that use excessive amounts of water.

An industrial-use groundwater conservation easement could function at several alternative levels. At the broadest, it might prohibit all industrial and all other non-open space use of the property. This level would be similar to a general purpose conservation easement, but it might be useful as a way to divide up the value of conserving the land, where a certain amount is paid to recognize the monetary value of protecting groundwater quality, while other sources pay for the other environmental values in land protection.

Less broadly, an industrial groundwater conservation easement could protect against limited types of uses that jeopardize groundwater without prohibiting industrial usage outright. A specifically important and relevant example would be to prohibit warehouses on the property. Even if toxics are theoretically prohibited from being stored, actually enforcing that prohibition against, for example, a contractor temporarily storing something in violation of the terms is extremely difficult. Prohibiting warehouse uses outright would be much more enforceable and effective. Other uses might face restrictions, e.g. prohibiting certain types of toxic materials from being stored or used at all and/or maximizing the amount of toxics that can be stored at any one time.

The Water District can make use of the Drinking Water State Revolving Fund as a source to pay for groundwater protection easements (see “Using the Drinking Water State Revolving Fund for Source Water Protection Loans” at <https://www.epa.gov/sites/production/files/2015-04/documents/landmanage.pdf>).

POST/OSA Pilot Project with the Water District

A pilot-project version of the groundwater quality conservation easement could be part of an exchange between POST or OSA and the Water District. The Water District’s vulnerability study for North Coyote Valley shows a significant vulnerability due to agricultural practices that constitute potentially contaminating activities. Coyote Valley land currently controlled by those two agencies could be managed in a way that prohibits those activities.

We suggest the following exchange:

- POST/OSA grants an agricultural groundwater quality conservation easement (and possibly an industrial groundwater quality conservation easement) to the Water District that prohibits certain potentially contaminating activities. Terms of the easement would be subject to negotiation with the Water District, sufficient to result in revision of the Groundwater Vulnerability analysis as described in Part 2 below. An agricultural groundwater quality easement would only restrict agricultural uses; if Coyote Valley is ultimately developed and POST/OSA decide not to keep all of their parcels undeveloped, then the easement would not prohibit development.
- In compensation for the easement, the Water District will revise the 2010 Groundwater Vulnerability analysis to reflect the increased protections on the property with the easement, with the terms of the easement negotiated to be sufficiently strict to revise downward the Vulnerability Analysis of the parcels with the easements.⁴

No money needs to be transferred, which simplifies and facilitates the pilot project. As a result of this exchange, the Water District can guarantee incrementally better protection of groundwater than had previously been the case and can show its progress in its primary analysis. POST or OSA get recognition of the environmental values they seek to protect while giving up only the ability to conduct certain agricultural practices they would likely want to avoid. Together the three agencies have established a mechanism and example for future groundwater quality conservation easements that could protect additional properties in Coyote Valley or elsewhere.

San Antonio and the Edwards Aquifer Example

San Antonio, Texas, together with other areas of Texas, draws its primary water supply from the Edwards Aquifer. This parallels the situation with Santa Clara County, where the groundwater table stores twice as much water as all local reservoirs put together. Just as Coyote Valley is associated with important wildlife values, the Edwards Aquifer supports unique ecological values.

After a major, multi-year drought, Texas and its local governments embarked on a number of measures to protect their groundwater aquifer. Over the years, the protections involved a mix of regulatory actions, water conservation plans, and purchases. Beginning in 2000 and with regular renewals thereafter, San Antonio voters authorized a sales tax of one-eighth percent to purchase conservation easements on a voluntary basis from landowners. The easements prevent further subdivision of property and usually amount to significantly less than the land's total value. The program has protected over 130,000 acres and is intended to protect water quality as well as quantity.

Similar programs exist in other parts of Texas to protect Edwards Aquifer. Austin has been involved in both regulating and purchasing development rights in the parts of the aquifer that provide water to the city. Controversies over protection of the land mirror those seen in Coyote Valley. A documentary movie, *The Unforeseen*, was made about that process that begins with the Wendell Berry poem, "Santa Clara Valley," highlighting our area as a cautionary example where development here in Silicon Valley has ignored the natural resource values of the land and water. Excerpts of "Santa Clara Valley" are quoted below:

I walked the deserted prospect of the modern mind where nothing lived or happened that had not been foreseen. What had been foreseen was the coming of the Stranger with Money. All that had been before had been destroyed: the salt marsh of unremembered time, the remembered homestead, orchard and pasture....

New buildings, built to seal and preserve the inside against the outside, stood in the blatant outline of their purpose in the renounced light and air. Inside them were sealed cool people, the foreseen ones, who did not look or go in any way that they did not intend....

Outside, what had been foreseen was roaring in the air. Roads and buildings roared in their places on the scraped and chartered earth; the sky roared with the passage of those who had been foreseen toward destinations they foresaw, unhindered by any place between. The highest good of that place was the control of temperature and light...I could not see past it but to its ruin.

I walked alone in that desert of unremitting purpose, feeling the despair of one who could no longer remember another valley where bodies and events took place and form not always foreseen by human, and the humans themselves followed ways not altogether in the light, where all the land had not yet been consumed by intention, or the people by their understanding, where still there was forgiveness in time, so that whatever had been destroyed might yet return. Around me as I walked were dogs barking in resentment against the coming of the unforeseen.

And yet even there I was not beyond reminding...The coots and gallinules skulked in the reeds, the mother mallards and their little ones afloat on the seaward-sliding water to no purpose I had foreseen. The stilts were feeding in the shallows, and the killdeer treading with light feet the mud that was all ashine with the coming day. Volleys of swallows leapt in joyous flight out of the dark into the brightening air in eternal gratitude for life before time not foreseen, and the song of the song sparrow rang in its bush.

Local California agencies here in Santa Clara County could consider following the environmental leadership demonstrated in Texas.

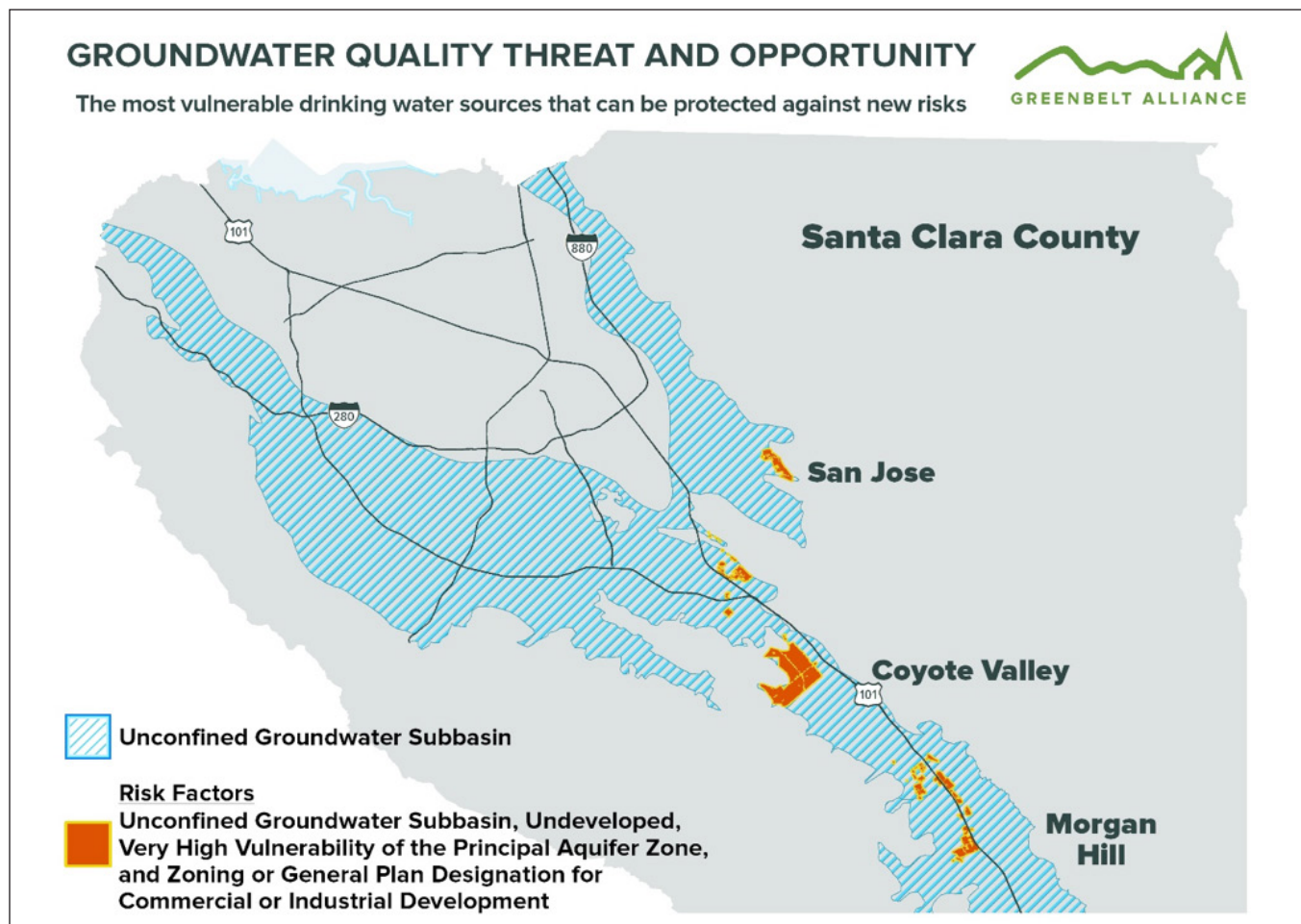
Greenbelt Alliance Methodology for This Analysis

Greenbelt Alliance's research objective was to map where the greatest overlap exists between groundwater vulnerability on the one hand, and on the other hand, the opportunity to prevent that vulnerability threat because the development has not yet occurred. This analysis relies on the greater ability to prevent a threat if the development posing the threat has not yet occurred.

The analysis also makes use of the information that drinking water aquifers in much of Santa Clara County are partially protected from surface contamination by impermeable clay "aquitard" layers and shallow aquifers above the clay layers. Contamination from the surface affects those shallow aquifers long before it reaches the (in places, very deep) underlying drinking water aquifer. The methodology here prioritizes groundwater that is not

confined and protected by clay layers and shallow aquifers (called "unconfined aquifers").

The prioritization of unconfined aquifers does not in any way assume that protecting the confined aquifers or shallow aquifers is unimportant. Both confined aquifers and shallow aquifers have important functions for people and ecology. The ongoing cleanup of some contaminated shallow aquifers is necessary and an important lesson about preventing contamination threat where we can. This analysis simply focuses on the greater threat where aquifers are unconfined.



Mapping Analysis

To create the Groundwater Quality Threat and Opportunity Map for this report, Greenbelt Alliance researchers created a map that overlapped multiple GIS layers from governmental source data. The analysis overlays:

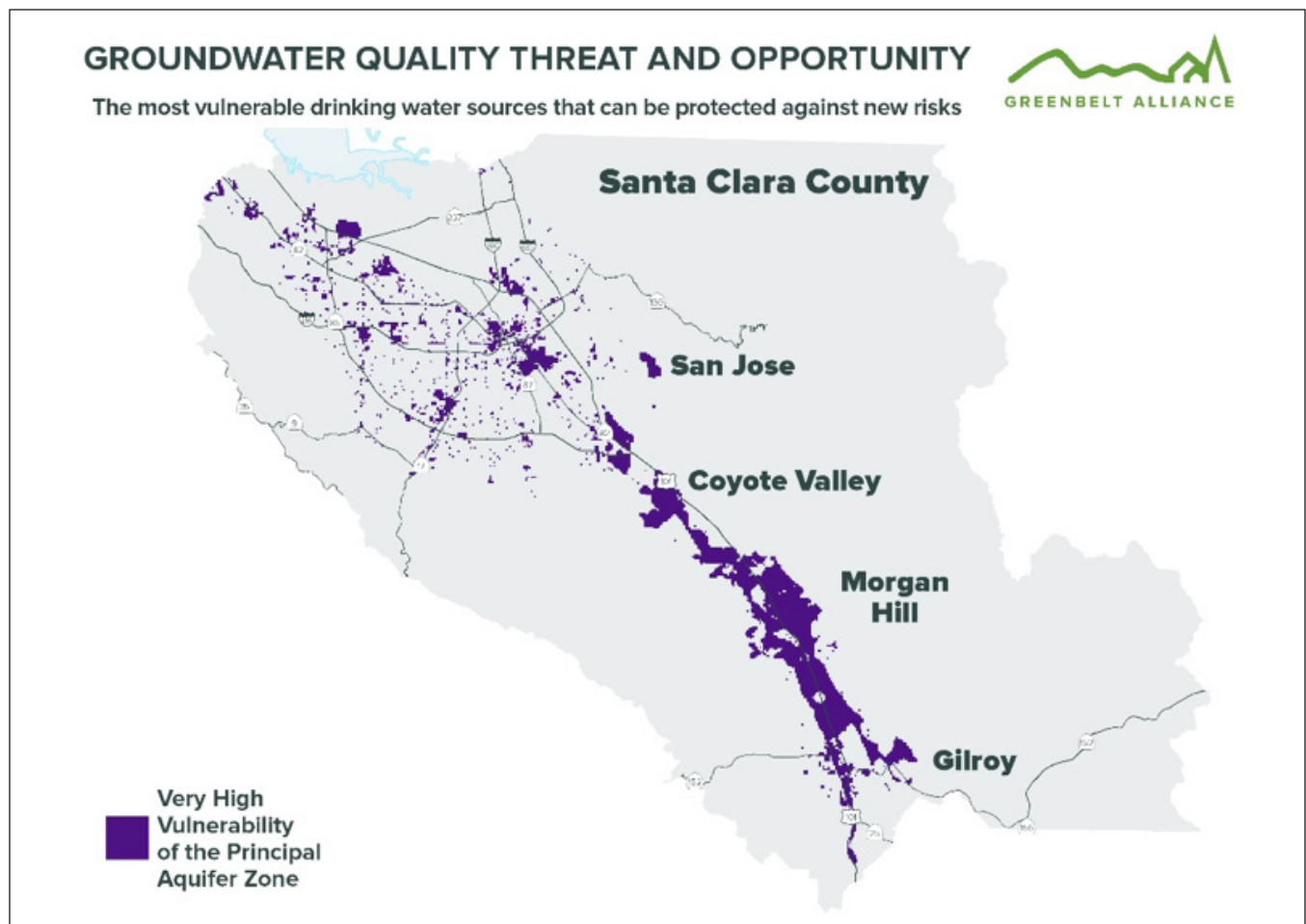
- GIS mapping data layers from the Water District's 2010 Groundwater Vulnerability analysis showing the highest rating ("Very High Vulnerability") for the principal aquifer;
- from the same Groundwater Vulnerability analysis, a map layer showing the Unconfined Aquifer portions of the principal aquifer;
- GIS mapping data layers from Santa Clara County and cities showing zoning and General Plan designation for commercial and industrial development; and

- mapping layers showing the land that is undeveloped.

The first three factors show where the threat to drinking water aquifers is potentially the greatest, while the fourth shows where there is at least a theoretical opportunity to prevent that threat because the development has not yet occurred.

As described above, Greenbelt Alliance used the following map layers to create the final version.

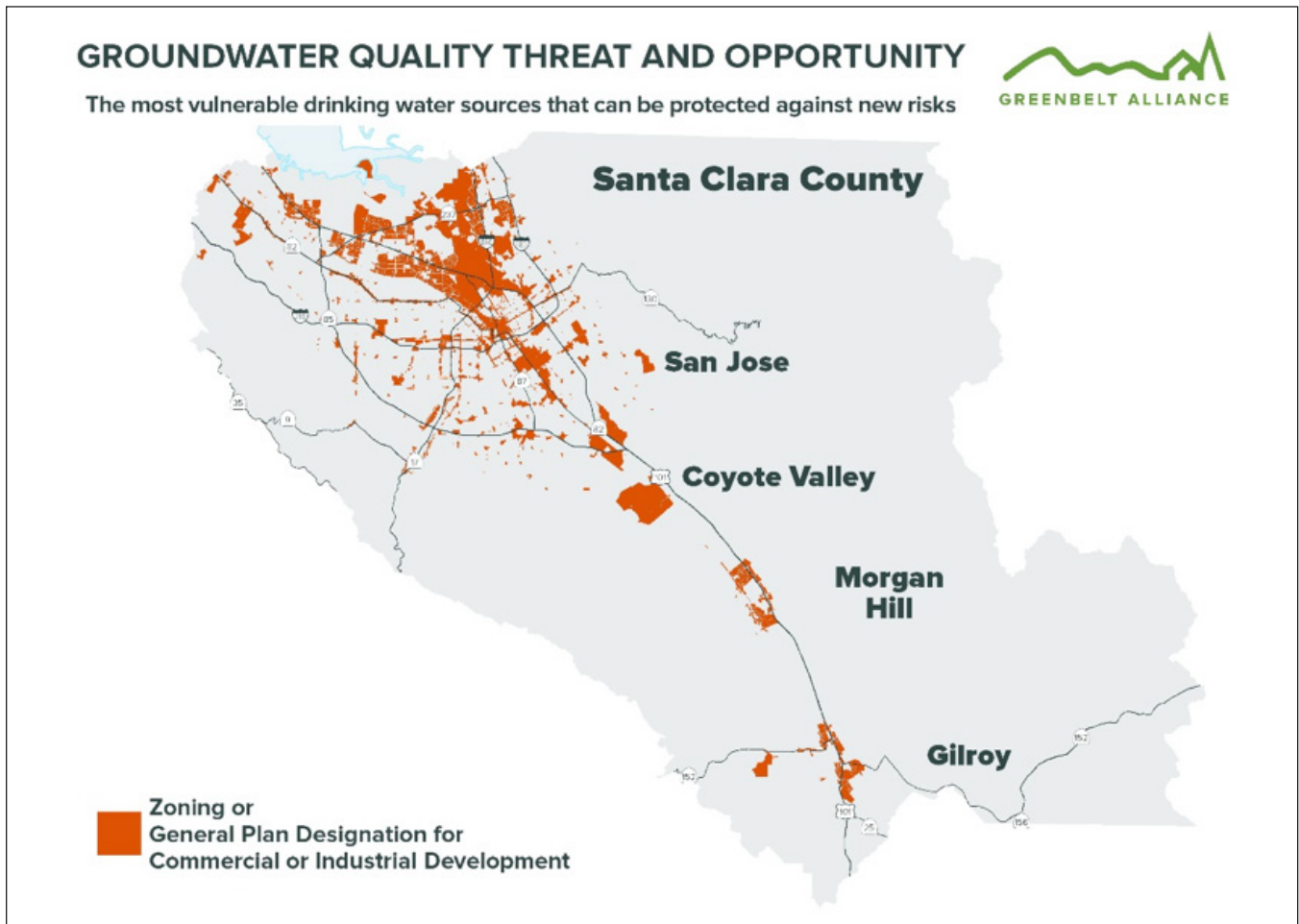
THREAT FACTOR: VERY HIGH VULNERABILITY



THREAT FACTOR: UNCONFINED ACQUIFER



THREAT FACTOR: ZONING OR GENERAL PLAN DESIGNATION FOR COMMERCIAL/INDUSTRIAL DEVELOPMENT

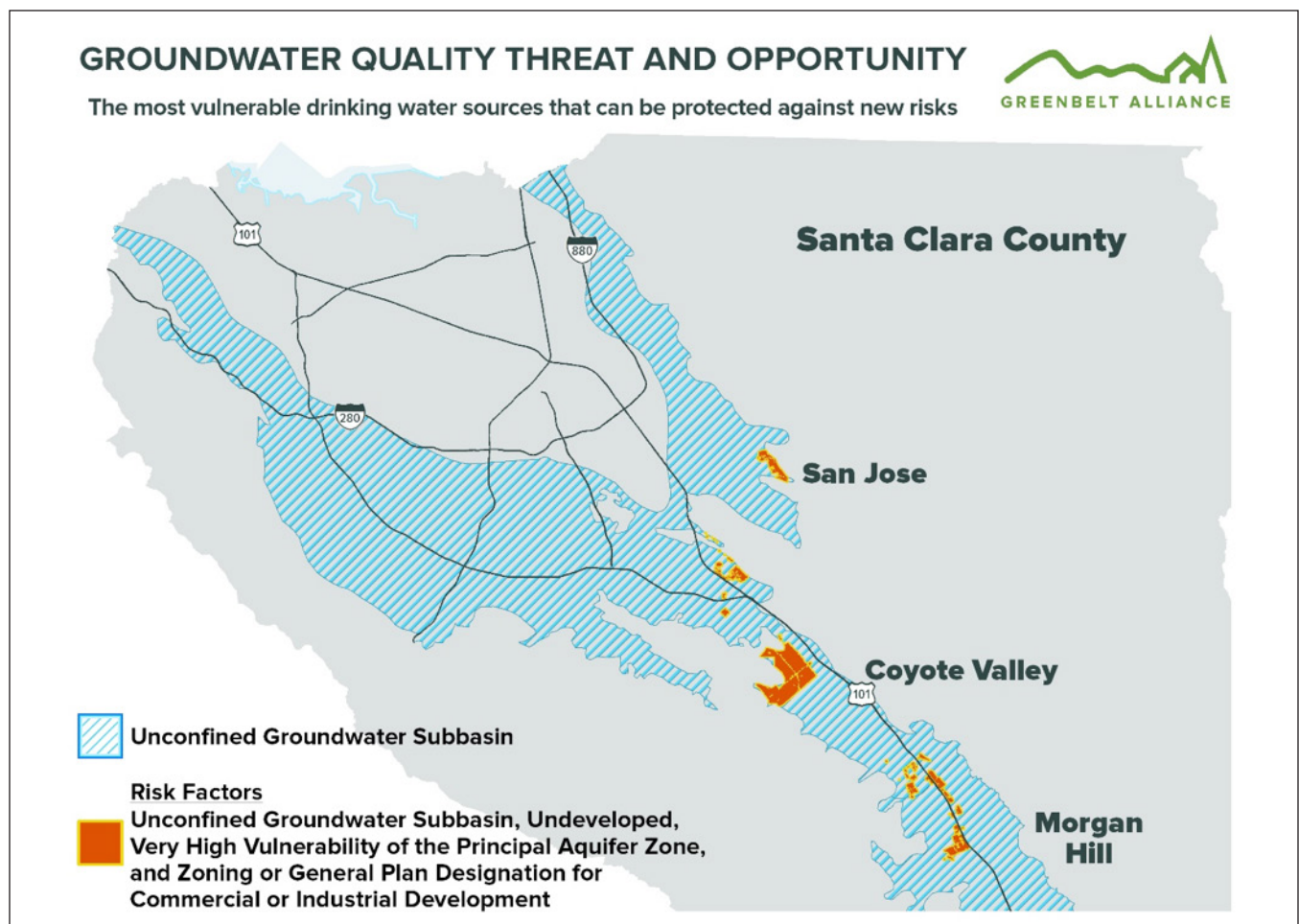


OPPORTUNITY FACTOR: UNDEVELOPED LAND



When putting the layers together into the final map, recopied below, the orange area shows where all four layers overlap. The unconfined aquifer is also shown to provide context that a relatively small part of that aquifer provides the best place to focus protection efforts for the combined threat and opportunity.

As described in the text, several additional reasons not analyzed in this mapping exercise demonstrate that the feasibility of protecting Coyote Valley exceeds that of the other areas mapped in orange.



ENDNOTES

- 1 Contamination of the creeks, a significant biological issue in addition to drinking water concerns, could come from a surface spill and could also come from a groundwater plume leaking into a creek in Coyote Valley and then flowing north for miles along Coyote Creek.
- 2 In theory, potentially responsible parties that caused the contamination would be required to pay for cleanup, but they cannot always be located and are not always financially capable of paying full cleanup costs.
- 3 In addition to the above examples, Southern Santa Clara County also experiences some groundwater nitrate contamination from agricultural activities. This contamination, a separate issue from industrial contamination, has been addressed to manageable levels and could be further managed with land use protections in Coyote Valley that still allow appropriate agricultural use.
- 4 Currently, the Vulnerability Analysis does not distinguish between groundwater vulnerability caused by overlying property and vulnerability of the underlying groundwater within a parcel regardless of the cause. For small parcels, the easement would dramatically affect vulnerability caused by the parcel, while only incrementally affecting the vulnerability of the groundwater itself. The revised analysis should distinguish between these two types of vulnerability so the benefit of the easement will be recognized.

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Andrea Mackenzie, General Manager
Alex Kennett, District 1
Mike Flaughner, District 2
Helen Chapman, District 3
Dorsey Moore, District 4
Shay Franco-Clausen, District 5
Mike Potter, District 6
Kalvin Gill, District 7

November 19, 2021

Santa Clara Valley Water District
Vanessa De La Piedra, Groundwater Management Unit Manager

RE: 2021 Draft Groundwater Management Plan for the Santa Clara and Llagas Subbasins

Dear Ms. De La Piedra,

On behalf of the Santa Clara Valley Open Space Authority (Authority), thank you for the opportunity to provide comment on Valley Water's Draft Groundwater Management Plan (Draft Plan).

The Open Space Authority is a public, independent special district created by the California State Legislature in 1993 to conserve the natural environment, support agriculture, and connect people to nature by protecting open spaces, natural areas, and working farms and ranches for future generations.

Valley Water serves a critical role as our Groundwater Sustainability Agency (GSA), where it is responsible for delivering sustainable groundwater conditions in Santa Clara County. The Draft Plan is proposed to serve as the Groundwater Sustainability Plan update for Santa Clara County, which requires Valley Water to outline specific sustainable groundwater management criteria that avoid the six undesirable results outlined by the Sustainable Groundwater Management Act (SGMA), including the avoidance of depleted interconnected surface waters that supply water to Groundwater Dependent Ecosystems (GDEs) like wetlands, wetted stream channels, and riparian corridors.

We applaud Valley Water for its work to map GDEs in the Draft Plan and we are grateful for Valley Water's ongoing groundwater management actions that help maintain our aquifers in long-term balance. Nevertheless, the Draft Plan fails to include sustainable management criteria that avoid the depletion of interconnected surface waters, the only SGMA undesirable result not addressed in the Draft Plan, and one that is critical for Valley's Water's responsibility as a GSA, its mission to "Provide Silicon Valley safe, clean water for a healthy life, environment, and economy", and its Ends Policy E-4 "Water resources stewardship protects and enhances ecosystem health". Despite the immense efforts of Valley Water, we continue to observe the depletion of interconnected surface waters in our GDEs due to declines in groundwater levels. One particularly notable example being Fisher Creek and the Laguna Seca wetland complex in Coyote Valley, which underwent significant periods of drying during the 2012-2016 drought and are currently nearly completely dry as groundwater levels decline in the Coyote Valley.

As you know, the Authority, its conservation partners, and funders, have invested over \$150million to date to permanently protect nearly 1,500 acres of land in Coyote Valley that encompass groundwater dependent ecosystems in and around Fisher Creek and the Laguna Seca wetland complex (**Exhibit A attached**). This includes more than \$32 million in state grants from the California Natural Resources Agency (CNRA), Department of Conservation, Strategic Growth Council, Wildlife Conservation Board, and the State Coastal Conservancy. These lands will be subject of the Coyote Valley Conservation Areas Master Plan, an integrated restoration master plan process, which will enable large-scale restoration actions to begin within the next 3-5 years. In restoring Coyote Valley's groundwater-dependent ponds, wetlands, and riparian channels, our aim is to protect surface and groundwater quality and promote habitat conditions favorable to the recovery of rare, threatened, and endangered species such as California red-legged frog, California tiger salamander, and tri-colored blackbird among others.

Valley Water is a key partner of the Authority where its groundwater management actions are essential for the protection and restoration of groundwater dependent ecosystems in Coyote Valley. Given Valley Water's unique role, commitment to environmental stewardship and responsibilities under SGMA, we respectfully provide the following comments on the Draft Plan:

1. Consider updating the Draft GSP's sustainability goal to specifically include sustainable supplies for all groundwater users (including the environment).

The Draft GSP identifies two sustainability goals: (1) "Manage groundwater to ensure sustainable supplies and avoid land subsidence", and (2) "Aggressively protect groundwater from the threat of contamination. While Valley Water has been able to provide long term balance of our aquifers, groundwater dependent ecosystems rely on groundwater supplies being maintained at or near the ground surface to sustain these ecosystems. Please consider updating Goal (1) to "Manage groundwater to ensure sustainable supplies for all groundwater users, including environmental users of groundwater, and avoid land subsidence".

2. Include a new outcome measure and outcome measure lower thresholds that, if met, would avoid the depletion of interconnected surface waters.

The Draft GSP currently lacks sustainability criteria that directly addresses the depletion of interconnected surface waters. The Department of Water Resources' Alternative Assessment Staff Report: Santa Clara Subbasin (2-009.02) sent on July 17, 2019 stated that "...sustainable management criteria have not been established to avoid significant and unreasonable depletion of interconnected surface water." and "GSP Regulations specify that the minimum threshold for depletions of interconnected surface water shall be the rate or volume of surface water depletions caused by groundwater use that has adverse impacts on beneficial uses of the surface water and may lead to undesirable results.". Please consider adding a sixth outcome measure and lower threshold that would avoid depletion of interconnected surface waters.

3. Consider developing an estimate of a sustainable yield or sustainable recharge that avoids undesirable results

The Authority wishes to support the long-term viability of land uses that are compatible with groundwater sustainability, and do not contribute to the depletion of the aquifer. The Draft Plan states "Valley Water does not manage to a particular value for sustainable yield, but instead manages groundwater to maintain sustainable conditions through annual operations and long-term water supply planning.". If Valley Water does not wish to provide a sustainable yield, please consider providing an estimate of sustainable recharge levels so that land use agencies and water users know what amount of water extraction is possible in areas like the Coyote Valley management area without exceeding Valley Water's recharge capabilities.

4. Consider updating groundwater models to evaluate seasonal fluctuations in surface water groundwater interactions

The Draft GSP states "models are used to evaluate and forecast groundwater storage and water levels under various operational and hydrologic conditions. Maintaining calibrated models that can reasonably forecast groundwater conditions is an important part of Valley Water's comprehensive groundwater management strategy". It appears that some of Valley Water's groundwater models do not directly consider the interaction between groundwater and surface water and how that relates to the health of groundwater dependent ecosystems. Please consider updating your groundwater models to enable estimates of seasonal fluctuations in groundwater levels, since seasonal variability drives the health and sustainability of groundwater dependent ecosystems. The Authority is currently in the process of securing a consultant team for the Coyote Valley Conservation Areas Master Plan that will develop a SWAT-MODFLOW model of the Coyote Valley Management Area to better understand interconnected surface water behavior. We appreciate the Groundwater Unit's willingness to serve as a collaborator and technical adviser on this work and the Authority hopes this modeling could be useful for Valley Water's groundwater

condition forecasting and management activities that support groundwater dependent ecosystems.

5. Consider opportunities to pilot or implement voluntary actions that address groundwater demand, especially when sustainability indicators are not being met.

Piloting tools, frameworks, and programs that support voluntary reductions in pumping could be an essential first step in addressing groundwater overdraft conditions without requiring regulatory action. Please consider potential next steps or opportunities to explore or implement programs like groundwater trading programs, farmland fallowing programs, ag irrigation efficiency grants, or voluntary agreements with well users to reduce pumping when sustainability indicators are not being met. The Authority and Peninsula Open Space Trust hold a conservation easement over the City of San Jose's land in Coyote Valley that requires the City consider reducing groundwater extraction from its municipal wells when they contribute to unsustainable groundwater conditions in Coyote Valley. We are in the process of determining the tools and frameworks that will be required to do this and appreciate the Valley Water Groundwater Unit's willingness to partner with us on this work and hope to develop new tools and monitoring frameworks that will make it easier for well operators to voluntarily reduce pumping when groundwater levels are trending in an unsustainable direction.

6. Add the Laguna Seca wetland complex and Fisher Creek as locations of known groundwater emergence.

Figure 20 in the Draft GSP, "Likely Groundwater Emergent Areas in the Santa Clara Subbasin" does not include Fisher Creek or the Laguna Seca wetland complex, likely due to limitation in the resolution of GIS data that was used to identify those areas. However, the report recognizes Fisher Creek and Laguna Seca as locations of interconnected surface waters and groundwater dependent ecosystems. Please consider a manual update to Figure 20 to include Fisher Creek and Laguna Seca as groundwater emergent areas.

7. Add acknowledgment that Coyote Valley is a resource of statewide significance.

- a. AB-948 was approved by the Governor on September 27, 2019, authorizing the Authority to administer a newly created Coyote Valley Conservation Program, and declaring Coyote Valley is a resource of statewide significance. The bill requires that Coyote Valley to be acknowledged as an area of statewide significance in local planning documents developed or updated on or after January 1, 2020, affecting land use within Coyote Valley. Please add this acknowledgment given Coyote Valley land uses depend on groundwater, including the Authority's ongoing management and restoration of groundwater dependent ecosystems in and around Laguna Seca and Fisher Creek.

Thank you for your consideration.

Sincerely,



Andrea Mackenzie
General Manager

CC: Santa Clara Valley Open Space Authority Board of Directors

Exhibit A: Coyote Valley A Conserved Landscape- showing recently protected valley floor lands outlined in yellow



List of Changes to the Public Draft 2021 Groundwater Management Plan (GWMP) for the Santa Clara and Llagas Subbasins

Topic	2021 GWMP		Description of Changes*
	Section	Page number	
Board action and outreach	Appendix A	A1, A2, A3	Added public notices, adoption resolution, and recent emails sent to interested stakeholders.
Demonstration of functional equivalency	Appendix B	B-3 to B-31	Added page numbers to the Alternative Element Guide to be consistent with Department of Water Resources (DWR) template.
Monitoring well details	Appendix K	K-2 to K-15	Updated the location tables with current latitude and longitude.
Coyote Valley	1.2	1-2	In response to comment letters received, added reference to AB-948 declaring Coyote Valley a resource of statewide significance.
High-priority basins	Executive Summary	ES-1	In response to comments received, added clarification that the high-priority Santa Clara and Llagas subbasins are not critically overdraft basins.
Comment letters	Appendix A	NA	Comment letters received and responses.
			* Not including minor editorial edits and corrections.

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Santa Clara Valley Water District

File No.: 21-0974

Agenda Date: 11/23/2021

Item No.: 2.8.

BOARD AGENDA MEMORANDUM

SUBJECT:

Receive Overview of the FY 2022-23 Groundwater Production Charge Setting Process and Review of the 10-Year Water Rate Projection Assumptions, and Provide Feedback.

RECOMMENDATION:

- A. Receive an overview of the Fiscal Year 2022-23 Groundwater Production Charge setting process;
- B. Review the 10-year Water Rate Projection Assumptions; and
- C. Provide feedback.

SUMMARY:

This agenda item presents the Fiscal Year (FY) 2022-23 groundwater production charge setting process and provides an update on key issues that pertain to setting the charges that would take effect July 1, 2022 (Attachment 1).

Each year, the Board establishes groundwater production charges for four zones of benefit (Zone W-2 in the North County and Zones W-5, W-7, and W-8 in the South County) in accordance with Section 26 of the District Act. Although not specified under the District Act, the Board also sets surface water charges, recycled water charges, treated water surcharges, and the amount of the State Water Project cost to be recouped through the State Water Project tax, within the framework of the groundwater charge setting process.

The Water Utility taxing and pricing policy, Resolution 99-21 (Attachment 2) and legal requirements, guide staff in the development of the overall structure for these charges.

The FY 2022-23 surface water charge setting process will be conducted consistent with Proposition 218's requirements for property-related fees for water services as detailed in Board Resolution 12-10 (Attachment 3).

Proposition 26 applies to groundwater charges. For a groundwater charge to qualify as a nontax fee under Proposition 26, it must satisfy both of the following requirements:

1. It must be no more than necessary to cover the reasonable costs of the government activity, and
2. The manner in which those costs are allocated to a payor bear a fair or reasonable

relationship to the payor's burdens on, or benefits received from, the government activity.

The FY 2022-23 groundwater production charge setting process will be conducted consistent with Proposition 26 requirements. Procedural requirements for property related fees and charges under Proposition 218 like holding a public hearing and noticing well owners are consistent with the District Act and would continue.

Under the District Act, Section 26.6, an annual report referred to as the Report on Protection and Augmentation of Water Supplies (PAWS) is to be filed with the Clerk of the Board on or before the first Tuesday in April. A public hearing must be held on or before the fourth Tuesday in April and it must be noticed to the public in a newspaper of general circulation at least 10 days in advance. In addition, all well owners and well operators on record are notified of proposed groundwater production increases in writing, and of the public hearing at least 45 days in advance. Groundwater production charges must be determined for the ensuing fiscal year prior to July 1 of the ensuing fiscal year. For each zone of benefit, groundwater production charges must be fixed and uniform per acre-foot for agricultural water and fixed and uniform per acre-foot for all water other than agricultural water.

Under the District Act, Section 26.3, groundwater production charges are to be used for the following purposes:

1. Pay for construction, operation, and maintenance of imported water facilities;
2. Pay for imported water purchases;
3. Pay for constructing, maintaining, and operating facilities which will conserve or distribute water including facilities for groundwater recharge, surface distribution, and purification and treatment; or
4. Pay for debt incurred for purposes 1, 2 and 3.

The Board may establish groundwater benefit zones in accordance with the District Act. The objective of establishing various groundwater benefit zones is to recover costs for the benefits resulting from District activities within that zone. The benefits and costs which are apportioned to zones by customer class are presented in the annual PAWS report.

The groundwater production charge reflects the benefit of District activities to protect and augment groundwater supplies and is applied to water extracted from the groundwater basin in Zones W-2, W-5, W-7, and W-8. Zone W-2 encompasses the Santa Clara groundwater subbasin north of Metcalf Road or the North County. Zone W-5 overlays the Llagas subbasin from northern Morgan Hill south to the Pajaro River. Zone W-7 overlays the Coyote Valley south of Metcalf Road to northern Morgan Hill, and W-8 encompasses the area below Uvas and Chesbro Reservoirs.

Santa Clara Valley Water District (Valley Water) protects and augments water supplies for the health, welfare, and safety of the community. County-wide, groundwater replenished by the District makes up, on average, two-thirds of the groundwater used by residents, retailers, and businesses. The District replenishes the groundwater basins with local water and purchased water imported from the Sierra Nevada mountains and conveyed thru the San Francisco Bay Delta Estuary. The activities undertaken by the District to acquire, monitor, recharge, and protect the water supply are funded, in

part, through groundwater production charges.

Water Usage Trend

District managed water use for FY 2020-21 is estimated to be approximately 247,000 acre-feet (AF), roughly 17,000 AF higher than budgeted due to a dry winter and dry spring.

Due to the current drought conditions, the Board has called for 15% mandatory conservation compared to calendar year 2019. If the conservation goals are achieved in this current fiscal year (FY 2021-22), then there could be a reduction of about 42,000 AF in water usage versus adopted budget of 232,000 AF; this would translate to upwards of \$50 million in reduced revenue this fiscal year versus budget.

Water use projections for FY 2022-23 and beyond have been adjusted due to the current drought and mandatory calls for conservation. Based on trends from the last drought (2014-2017) returning to “normal” water use is projected by FY 2025-26.

Staff are carefully monitoring monthly water use actuals and working closely with the water retailers during the drought and will continue to do so during the upcoming rate setting process, modifying the water usage forecast as necessary.

FY 23 Planning Scenario Ideas

Staff anticipates the need to provide several groundwater charge projection scenarios for Board consideration during this rate setting cycle. Staff would appreciate Board feedback on the following assumptions and scenario ideas:

Baseline assumptions:

- Anderson Reservoir with WIFIA loan
- Pacheco Reservoir Expansion with 35% Partnership Participation & WIFIA loan
- Purified Water Expansion via P3 operational by FY28, assumes 100% debt financed by P3 entity
- Los Vaqueros (Transfer Bethany Pipeline)
- State Water Project Tax pays for 100% of SWP costs (excludes SWP portion of Delta Conveyance)
- Delta Conveyance SWP portion at 3.23%
- Agricultural rates remain set at 10% of lowest M&I rate
- Conservation: 15% achieved in both FY 2021-22 and FY 2022-23, returning to prior projections by FY 2025-26
- New, additional emergency water supply purchases in FY 2022-23, FY2023-24 and FY 2024-25
- Leveraging existing reserves in FY 2022-23 and FY 2023-24 and current unspent project funds (Pacheco: from FY 2020-21 to be used in FY 2022-23 and replenished in FY 2024-25)
- One-time transfer of up to \$25M from Watershed Stream Stewardship fund to the Water Utility

in FY 2023-24

Scenarios:

1. Baseline as described above
2. Baseline with water usage alternatives
3. Baseline without Pacheco

Based on Board feedback, various groundwater charge projection scenarios will be provided for Board consideration.

Planned Groundwater Charge Setting Schedule

Below are the key dates for the groundwater charge setting process as tentatively scheduled. The schedule calls for adopting the budget and groundwater production charges on May 10, 2022.

Jan 3: Agricultural Advisory Committee Meeting (Preliminary Groundwater Production Charge Analysis)
Jan 11: Board Meeting (Preliminary Groundwater Production Charge Analysis), CIP Work Study
Jan 19: Water Retailers Meeting (Preliminary Groundwater Production Charge Analysis)
Jan 25: Board Meeting (Budget development update)
Jan 26: Water Commission Meeting (Preliminary Groundwater Production Charge Analysis)
Feb 25: File "Report on Protection & Augmentation of Water Supplies" (PAWS) with District Clerk of the Board & mail well owners and surface water users notice
Mar 8: Board Meeting - Budget development update (2nd Pass)
Mar 16: Water Retailers Meeting (Groundwater Production Charge recommendation)
Mar TBD: Landscape Committee Meeting (Groundwater Production Charge recommendation)
Apr 4: Agricultural Advisory Committee Meeting (Groundwater Production Charge recommendation)
Apr TBD: Water Commission Meeting (Groundwater Production Charge recommendation)
Apr 12: Board Meeting (Open Public Hearing on Groundwater Production Charges)
Apr TBD: Board Meeting (Continue Public Hearing on Groundwater Production Charges to South County)
Apr 26: Board Meeting (Continue and Conclude Public Hearing)
Apr 27-28: Board Meetings (Budget Work Study Sessions)
May 10: Board Meeting (Adopt Groundwater Production Charges, Budget & CIP)

FINANCIAL IMPACT:

Depending on the direction provided by the Board, there could be a future financial impact to the Water Utility.

CEQA:

CEQA Guidelines Section 15273: CEQA does not apply to the establishment or modification of groundwater production charges and other water charges.

ATTACHMENTS:

Attachment 1: PowerPoint

Attachment 2: SCVWD Resolution No. 99-21

Attachment 3: SCVWD Resolution No. 12-10

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068

Overview of the FY 2022-23 Groundwater Production Charge Setting Process

November 23, 2021

Topics

1. Background Information on Groundwater Production Charge Setting Process

- ▶ District Act
- ▶ Prop 218 & Prop 26
- ▶ Pricing Policy
- ▶ Groundwater Benefit Zones

2. North County & South County Infrastructure

3. Drought Impact

4. Water Usage

5. Rate Setting Strategy for FY 2022-23

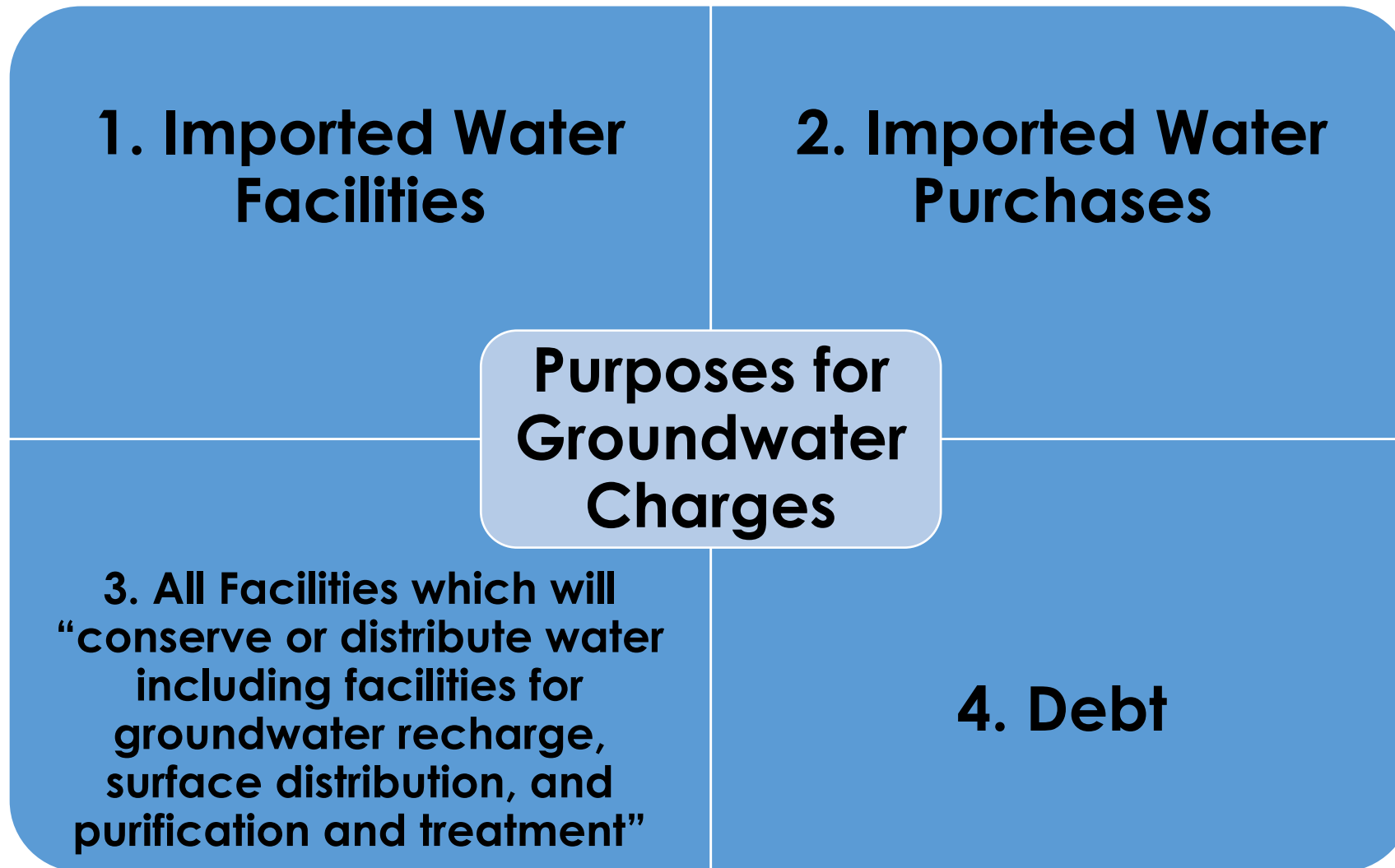
6. Schedule

7. Summary

District Act Details Several Process Requirements to Set Groundwater Production Charges

- ▶ **Requires setting of groundwater production charges once per year**
 - ▶ Option to do mid-year adjustment (added in 1992)
- ▶ **Requires publication of Annual Report on Protection and Augmentation of Water Supplies (PAWS)**
- ▶ **Requires public hearing**
 - ▶ Surface, treated, & recycled water rates can be set separately
- ▶ **Requires establishment of groundwater benefit zones**

District Act Defines Purposes for Groundwater Charges



Many activities ensure safe, reliable groundwater supplies



- ▶ Plan & construct improvements to infrastructure
- ▶ Operate & maintain local reservoirs
- ▶ Purchase imported water
- ▶ Operate & maintain raw, treated & recycled water pipelines
- ▶ Monitor & protect groundwater from pollutants

The Surface Water Charge-setting Process is Consistent with Prop 218 Process for Water Service Charges

- Includes protest procedure as defined in Board Resolution 12-10

Historical Majority Protest Procedure Results

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Surface Water										
North County W-2	0%	0%	0%	0%	0%	0%	0%	5%	0%	0%
South County W-5	0%	0%	0%	1.3%	0%	0%	0%	0%	0%	0%
South County W-7									0%	0%
South County W-8									0%	0%

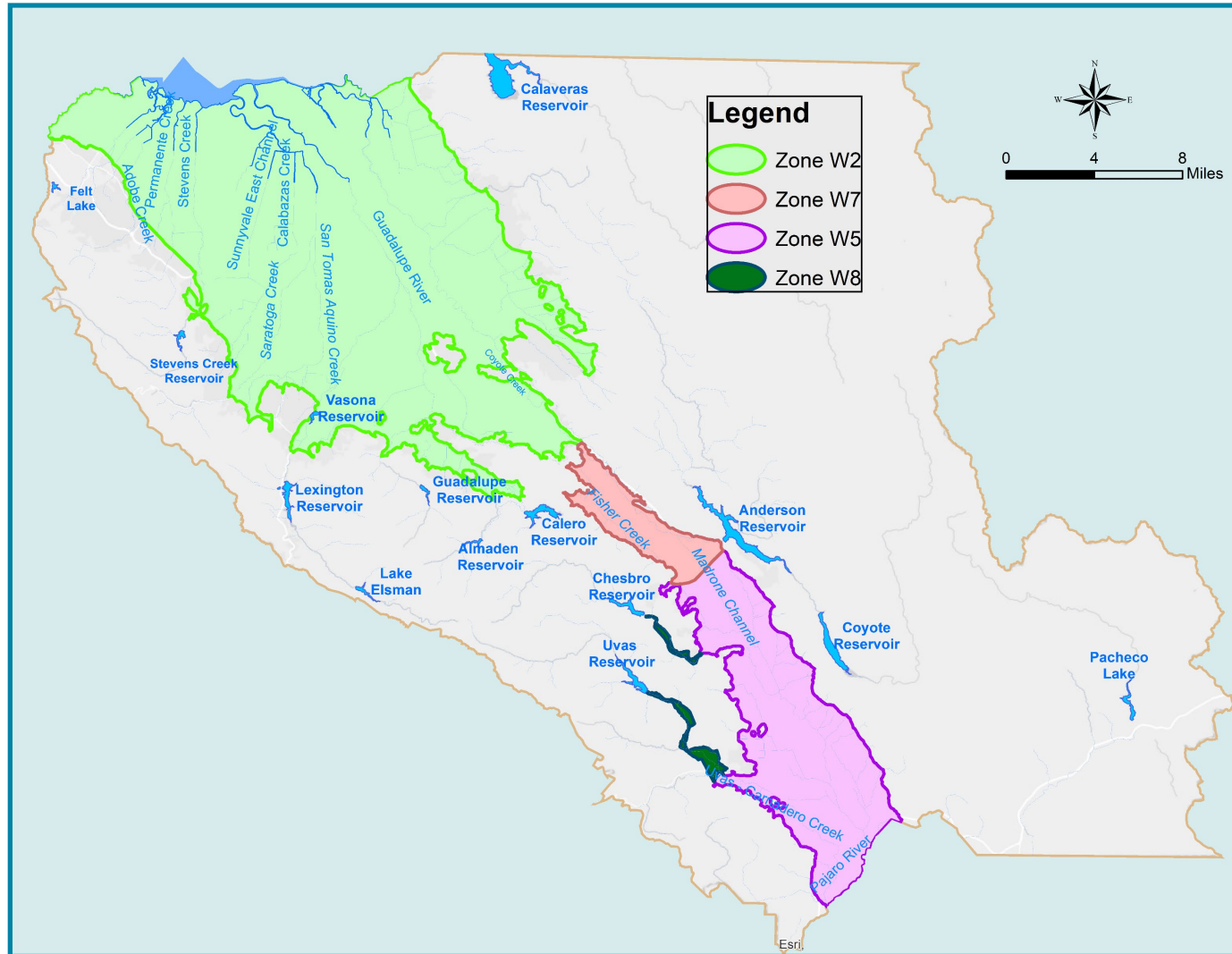
The Groundwater charge-setting process is Consistent with Prop 26

- ▶ **Supreme Court found Prop 218 not applicable to groundwater charges**
 - ▶ **Certain Prop 218 requirements continue, like holding a public hearing and noticing well owners, which are consistent with District Act**

- ▶ **Supreme Court found Prop 26 is applicable to groundwater charges**

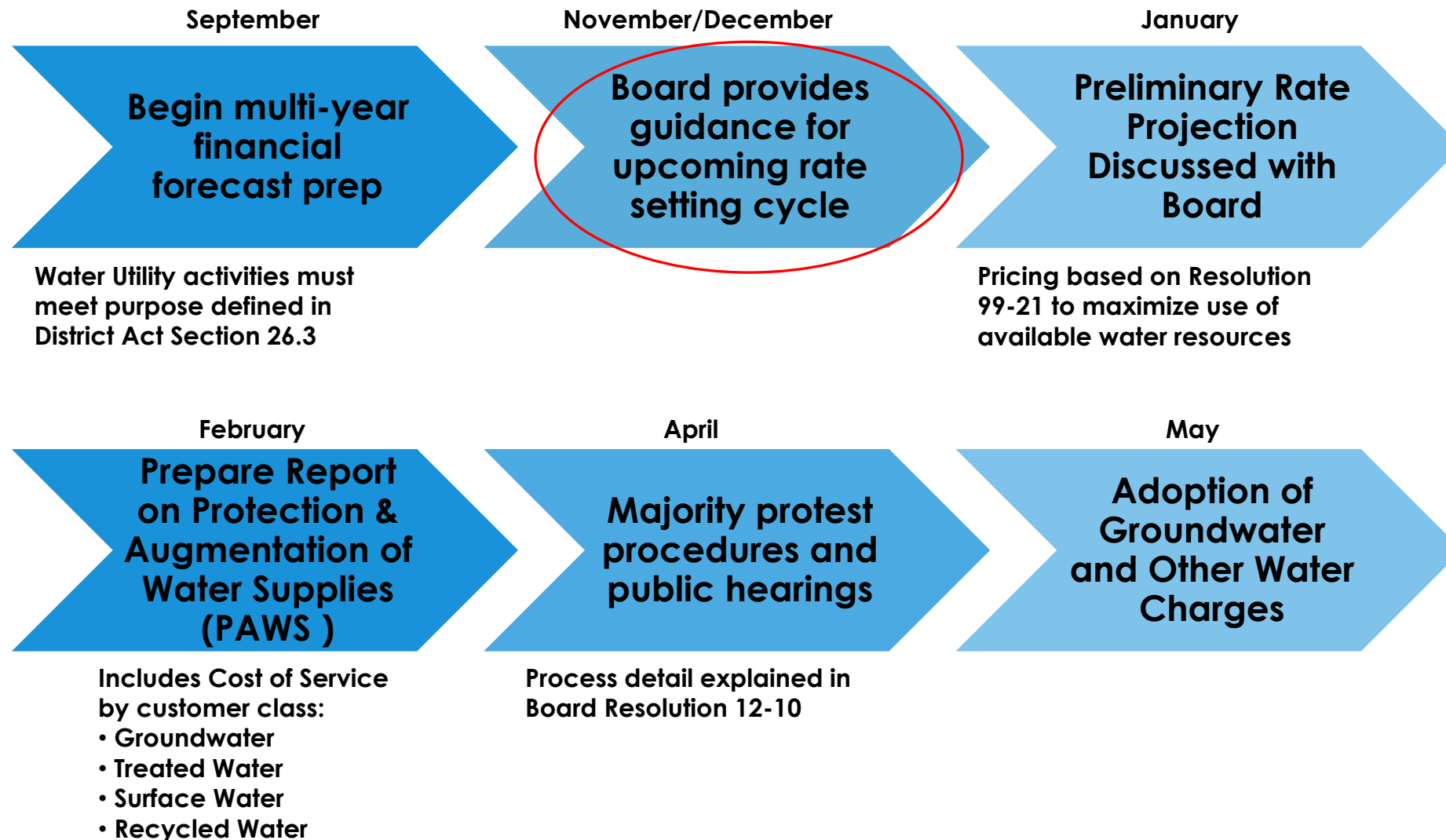
- ▶ **To qualify as a nontax fee under Prop 26, GW charge must satisfy both:**
 1. **GW charge established at amount that is no more than necessary to cover reasonable costs of government activity**
 2. **Manner in which costs are allocated to payor bear a fair or reasonable relationship to payor's burdens on, or benefits received from government activity**

Resolution 99-21 is the Board's Pricing Policy



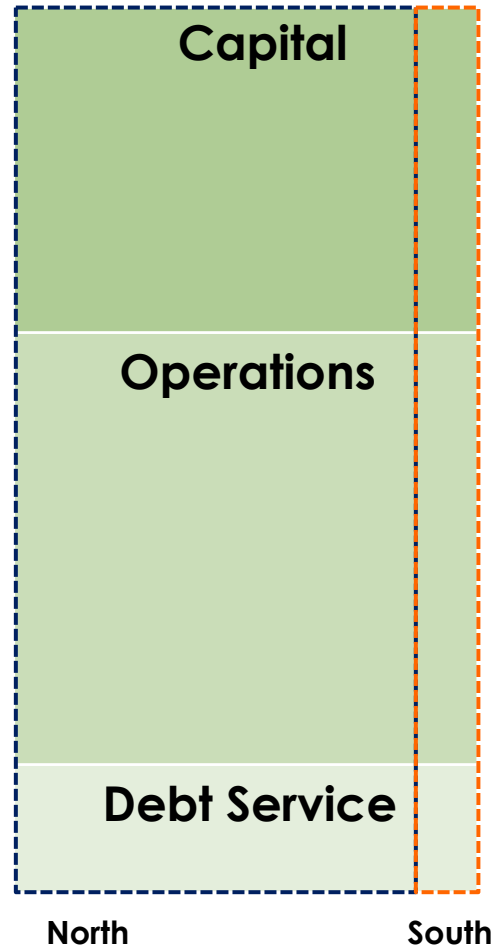
- ▶ Groundwater charges are levied within a zone for benefits received
- ▶ All water sources and water facilities contribute to common benefit within a zone regardless of cost, known as “pooling” concept
 - ▶ Helps maximize effective use of available resources
- ▶ Agricultural water charge shall not exceed 10% of M&I water charge

Groundwater Charge-Setting Approach

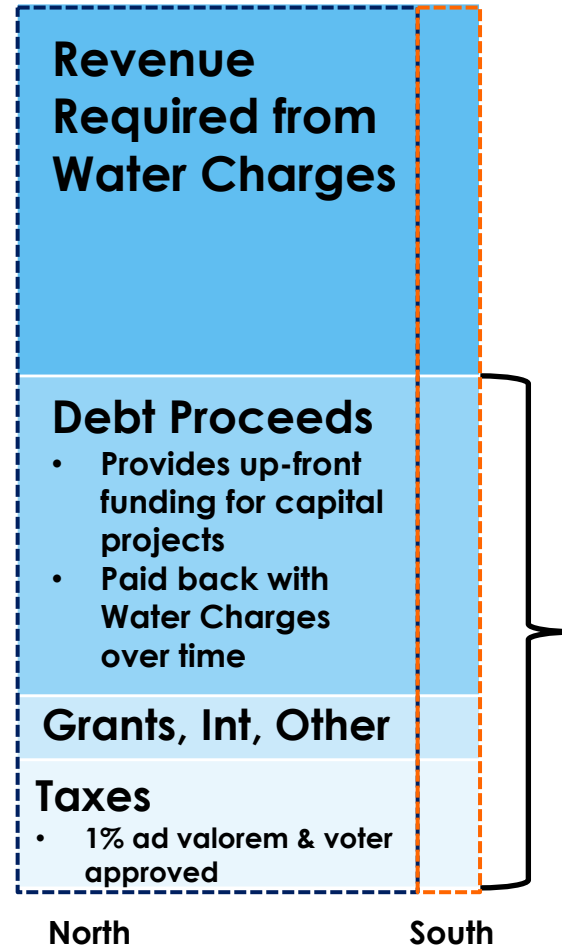


“Revenue Requirements” approach used to determine revenue required from water charges

Revenue Requirements (Cost of Service)



Funding Sources



Sound financial targets over multi-year time frame keep bond ratings high

- Debt service coverage targeted at 2.0 or better
- Reserves targeted at policy minimums or better
- Aa1 from Moody's and AA+ from Fitch

North: Zone W-2
South: Zones W-5, W-7, W-8

Non-water charge funding sources



Infrastructure differences drive different groundwater production charges in each zone

North County

- 3 water treatment plants
- Reservoirs –
 - Almaden
 - Calero
 - Guadalupe
 - Lexington
 - Stevens Creek
 - Vasona
- Silicon Valley Advanced Water Purification Center
- Imported Water – State Water Project

Shared

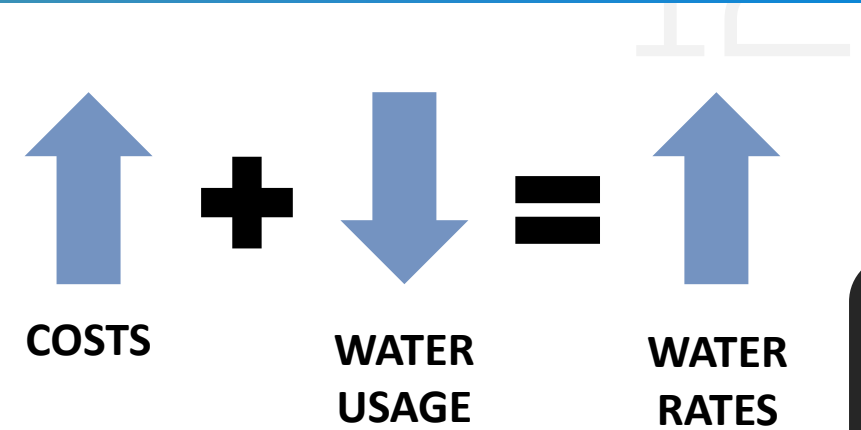
- Reservoirs –
 - Anderson
 - Coyote
 - Pacheco
- Imported Water –
 - Central Valley Project
- Shared facilities do not benefit Zone W-8

South County

- Reservoirs – Chesbro & Uvas
 - Do no benefit Zone W-7
- SCRWA Recycled Water System
 - Benefits Zone W-5 only

Drought Impact Puts Pressure on Water Rates:

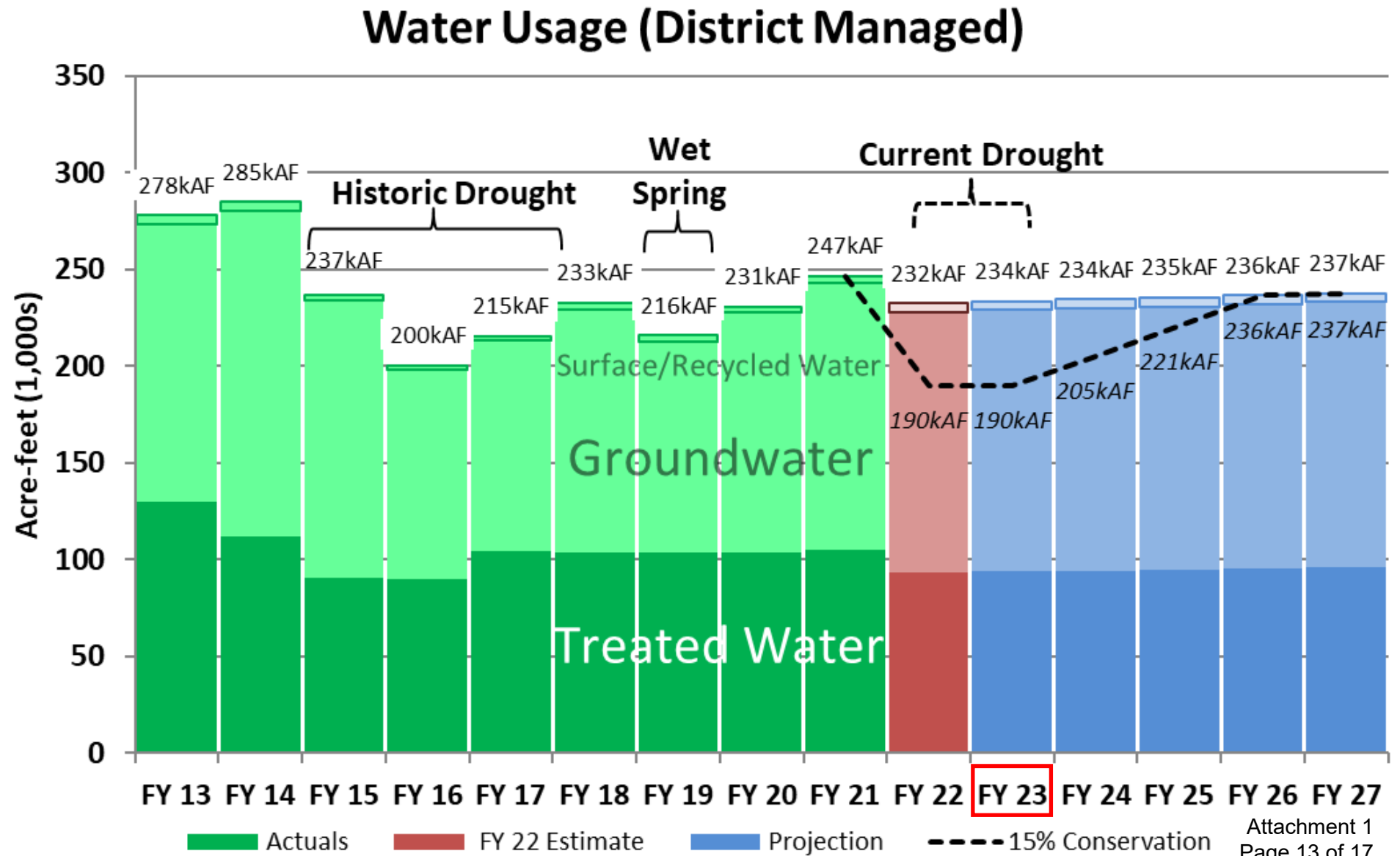
- ▶ O&M Costs up
 - ▶ Supplemental Water Purchases
 - ▶ Conservation activities
- ▶ Water Usage down
 - ▶ Results in lower revenue to pay for highly fixed cost structure



Potential Measures to Soften Water Rate Impact:

- ▶ Draw down reserves in FY 23 (and FY 24)
 - ▶ Rate Stabilization, Drought, Supplemental Water
- ▶ Spread drought impact over multiple year rate projection to extent possible
 - ▶ Debt service coverage & minimum reserve balances are limiting factor
- ▶ Use unneeded near-term capital project budget or project reserves to offset rate impacts
 - ▶ Make capital project budget whole in future years
- ▶ Potential one-time transfer from WSS Fund

Water Usage (District Managed)



FY 23 Baseline Case Assumptions:

▶ Response to Drought:

- ▶ Mandatory 15% call for conservation compared to 2019 (achieved in FY22 and FY23)
- ▶ Emergency Water Supply Purchases for FY23, FY24 & FY25

▶ Minimize Rate Impacts of Drought:

- ▶ Leverage available reserves: draw down in FY23 & FY24
- ▶ Leverage current unused project funds (Pacheco from FY21): use in FY23 and replenish in FY25
- ▶ One-time transfer up to \$25M from WSS Fund to Water Utility in FY 24

▶ Pacheco Reservoir Expansion with 35% Participation & WIFIA loans

▶ SWP Tax pays for 100% of SWP costs (excludes SWP portion of Delta Conveyance)

▶ Delta Conveyance SWP portion at 3.23%

▶ Purified Water Expansion via P3 with operations beginning in FY28

- ▶ Assumes 100% debt financing through P3 entity

▶ Los Vaqueros (Transfer Bethany Pipeline)

▶ Agricultural Rate remains set at 10% of lowest M&I rate

FY 23 Rate Scenarios:

- ▶ **Baseline with water usage alternatives**
 - ▶ More conservation?
 - ▶ Less conservation?

- ▶ **Baseline without Pacheco**

2022 Schedule

Jan 3	Ag Water Advisory Committee
Jan 12	Board Meeting: Preliminary Groundwater Charge Analysis
Jan 19	Water Retailers Meeting: Preliminary Groundwater Charge Analysis
Jan 26	Water Commission Meeting: Prelim Groundwater Charge Analysis
Feb 8	Board Meeting: Set time & place of Public Hearing
Feb 25	Mail notice of public hearing and file PAWS report
Mar 8	Board Meeting: Budget development update
Mar 16	Water Retailers Meeting: FY 23 Groundwater Charge Recommendation
Mar TBD	Landscape Committee Meeting
Apr 4	Ag Water Advisory Committee
Apr TBD	Water Commission Meeting
Apr 12	Open Public Hearing
Apr TBD	Continue Public Hearing in South County
Apr 26	Conclude Public Hearing
Apr 27-28	Board Meeting: Budget work study session
May 10	Adopt budget & groundwater production and other water charges

Staff seeking Board guidance for FY 2022-23 rate setting cycle:

- ▶ **Baseline rate assumptions**
- ▶ **Proposed rate scenarios**

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RESOLUTION NO. 99- 21

ADOPTING "WATER UTILITY TAXING AND PRICING POLICY" AND
RESCINDING RESOLUTION NO. 96-82

WHEREAS, the Santa Clara Valley Water District (District) adopted a District mission, goals and objectives on February 19, 1985, in order to conduct a sound water management program that serves the community; and

WHEREAS, the District Act authorizes the District to enter into water sales contracts and to levy and collect taxes and assessments on property within the District and in the respective zones of the District and sets forth requirements for groundwater charges and rates between agricultural and nonagricultural water; and

WHEREAS, several Board resolutions, as identified in Exhibit "A," are related to the management of water resources and the implementation of this water taxing and pricing policy; and

WHEREAS, several changes which affect revenue sources and benefit distribution have occurred since adoption of Resolution No. 96-82. These changes include: (1) passage of Resolution Nos. 98-44 and 98-45 setting agricultural charges for groundwater and surface water at 10 percent of the nonagricultural charges; (2) revisions to the policy governing sale of noncontract water in 1998; (3) pending completion of an agreement to act as the wholesaler to deliver recycled water in South County.

BE IT RESOLVED, by the Board of Directors of the District as follows:

1. **The policy of the District in the areas of taxation and water pricing for water utility revenues shall be and is hereby adopted:**

Policy Statement

The intent of this water utility taxing and pricing policy is to provide revenue for the management of water resources and operation of the water utility enterprise. This policy establishes a framework for establishing a system of water charges as permitted by the District Act to meet revenue requirements and to allocate costs amongst the beneficiaries. The general approach is to charge the recipients of the various benefits for the benefits received from the District's comprehensive water utility program.

The consumptive and nonconsumptive benefits provided by District water supply facilities and operations are listed and described below:

- Provision of a water supply and effective management of water resources available to the community from a variety of sources of supply, transmission, and water treatment facilities operated by the District.
- Protection of water quality through the purification and treatment of water and the protection of water supplies.
- Stewardship of watersheds and riparian corridor.
- Administration of related programs and projects such as recycled water and water conservation administered solely by the District or in partnership with another organization.

Resolution Adopting "Water Utility Taxing and Pricing Policy" and Rescinding Resolution No. 96-82

- Ancillary flood protection.
- Recreation, such as fishing, boating, picnicking, hiking, and other related recreation activities.
- Support for the economic well being of the community.
- Protection of the community infrastructure from subsidence.

2. Policy Implementation

The following water taxing and pricing concepts and framework shall be implemented in order to provide for revenue in order to continue providing direct and ancillary benefits to the customers of the District and the community of Santa Clara County.

Water Taxing and Pricing Concepts

- **Water Pooling:** Water is considered to be a single commodity irrespective of the water's source or cost. It is a single commodity whether it is from water provided locally, imported, or recycled, and all users benefit from the availability of multiple sources of water.
- **Water Facilities Cost Pooling:** All water supply facilities contribute to the common benefit of effective water resources management. In general, the water charges and property taxes are based on the common benefits of the capital and operations outlays, rather than reference to named facilities, with the exception of the liability for bonded indebtedness which is applied to each zone of benefit.
- **Water Resources Management:** Water supplies are managed, through taxing and pricing, to obtain the effective utilization of the water resources of the District to the advantage of the present and future populations of the County. This concept provides for development of taxing and pricing structures that will achieve the effective use of available resources and conserve supplies for potential drought conditions.
- **Revenue Pooling:** For the most part, water utility revenues are collected in a common fund and not designated for a specific cost. Such revenues are available for the general capital and operating outlays of the water utility enterprise. Some revenues such as certain property taxes are specifically designated for debt service and the fixed costs of the State Water Project, and are not available to the common fund. Water charges are established to provide the revenues that are required in the common fund for general capital and operating outlays and that are over and above revenues from ad valorem taxes, interest, and miscellaneous sources. This provides flexibility in managing continuing operations and funding capital outlays.

Water Taxing and Pricing Framework

The following procedures are intended as a general framework to guide staff in the development of a water rate structure implementing this policy:

- **Zones of Benefit:** Zones of benefit are to be identified and established in accordance with the District Act. Groundwater charges and property taxes are levied for the benefits received by the water users and property owners benefitting from that zone. For each zone, a basic

Resolution Adopting "Water Utility Taxing and Pricing Policy" and Rescinding Resolution No. 96-82

water user charge is determined for current groundwater and raw surface water users to be applied to the quantities of water used or consumed.

- **Basic Water Charge Zones:** The objective of establishing various water charge zones is to recover costs for the benefits resulting from conservation, import, and recharge of water which occur only within that zone. Water charges are levied for water producing operations, such as groundwater pumping and raw surface water diversion. In addition, users may be subject to specific charges that meet special needs of a group of users, such as water master charges for surface water deliveries, a capital charge for equipment or facilities, and power costs for pumping.
- **Treated Water Surcharge:** A treated water surcharge shall be added to the basic water charge for the price of treated surface water delivered by the District. The charge is to be established at an amount that would promote the effective use of available water resources. The charge may differ between treatment plants to better manage regional variations in groundwater conditions.
- **Costs for Specific Benefits:** Whenever costs associated with specific benefits are clearly and easily measurable, those costs shall be charged to the beneficiaries, in accordance with their specific zones of benefit. Where there is a question as to the identity of the beneficiary or the method of measuring the benefit, the allocation of costs should remain flexible and be determined in accordance with accepted practices and sound judgements based on the four water pricing concepts. The District recognizes and supports the State Legislature's limitation imposed on the District that rates for agricultural water shall not exceed one-fourth of the rate for all water other than agricultural water. In order to encourage the continuance of agricultural use of land in the County, to encourage the preservation of open space, to defer intensification of users and to further support the limitation imposed by the State Legislature, it is the District's policy that rates for agricultural water shall not exceed one-tenth the rate for all water other than agricultural water.

Both water charges and property taxes are used to recover costs incurred for the benefit of current water users. The costs for future supply sources can be recovered using current revenues or through project specific long-term financing.

- **Balancing Costs:** The District recognizes that there may be imbalances between revenues and costs within a zone of benefit from year to year. The District will strive to achieve balance over the long-term in accordance with the District Act and to properly charge recipients for the benefits received.
- **Incentives:** Incentives in the form of subsidies may be provided in order to reduce the price of specific sources of water in order to optimize use of available or future water resources.
- **Recycled Water:** From time to time, the District may enter into agreements to provide wholesale delivery or other services related to recycled water. The District will strive to recover the costs of these facilities consistent with the pooling concepts outlined above, while adhering to the specifics of any agreement.

Resolution Adopting "Water Utility Taxing and Pricing Policy" and Rescinding Resolution No. 96-82

3. Executive and Staff Limitations

District staff are authorized to develop a water rate structure which meets the objectives set forth herein, in accordance with the District Act, and using the concepts set forth above. The District's rate structure is implemented only by resolutions approved by the Board of Directors.

Staff is authorized to recommend water charges for consideration by the Board in accordance with the District Act. Water charges, if any, shall be recommended by staff each year be at fixed and uniform rates for agricultural water and for all water other than agricultural water, respectively, except that each such rate for agricultural water shall be one-tenth of the rate for all water other than agricultural water. The Board has determined that agricultural use of lands is of value to the County and the state, and that agricultural lands provide an open space benefit. The Board's limiting staff to a recommendation of agricultural water rates below the maximum allowed by the District Act will benefit water users Countywide, and is necessary to carry out the policies of the State Legislature and the District Board of Directors.

Staff is authorized to prepare, for the Board's consideration, resolutions for the collection of property taxes as needed and authorized under applicable laws.

4. Previous Policy Rescinded

The "Water Taxing and Pricing Policy," adopted by Resolution No. 96-82, is hereby rescinded.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District on
March 16, 1999 by the following vote:

AYES: Directors Gross, Zlotnick, Judge, Kamei, Sanchez, Estremera, Wilson

NOES: Directors None

ABSENT: Directors None

SANTA CLARA VALLEY WATER DISTRICT

By: 
Chair/Board of Directors

ATTEST: LAUREN L. KELLER


Clerk/Board of Directors

RESOLUTION NO. 12- 10

A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA CLARA VALLEY WATER DISTRICT ADOPTING PROCEDURES
FOR THE IMPOSITION OF SURFACE WATER CHARGES

WHEREAS, pursuant to Section 4 of the District Act, the purposes of the District Act are to authorize the District to provide comprehensive water management for all beneficial uses within Santa Clara County; and

WHEREAS, Section 5(5) of the District Act authorizes District to do any and every lawful act necessary to be done that sufficient water may be available for beneficial uses within Santa Clara County; and

WHEREAS, Section 5(12) authorizes the District to make contracts and do all acts necessary for the full exercise of all powers vested in the District; and

WHEREAS, Proposition 218, adopted on November 6, 1996, added Articles XIIIC and XIID to the California Constitution which impose certain procedural and substantive requirements with respect to the imposition of certain new or increased fees and charges; and

WHEREAS, whether legally required or not, the District Board believes it to be in the best interest of the community to align its practices with respect to the imposition of surface water charges to mirror the majority protest requirements of Article XIII D, section 6 applicable to charges for water services to the extent possible; and

WHEREAS, the District Board believes it to be in the best interest of the community to record its decisions regarding implementation of the provisions relating to imposition of surface water charges and to provide the community with a guide to those decisions and how they have been made; and

NOW, THEREFORE, the Board of Directors of Santa Clara Valley Water District does hereby resolve as follows:

SECTION 1. Statement of Legislative Intent. It is the Board of Directors' intent in adopting this resolution, to adopt the notice, hearing, and majority protest procedure proceedings that are consistent, and in conformance with, Articles XIIIC and XIID of the California Constitution and with the Proposition 218 Omnibus Implementation Act and the provisions of other statutes authorizing imposition of surface water charges. To the extent that these requirements are legally required to supercede the requirements set forth in the District Act, these provisions are intended to prevail.

SECTION 2. Definitions.

- A. Record Owner.** The District will provide the required notice to the Record Owner. "Record Owner" means the record owner of the property on which the surface water use-facility is present, and the tenant(s) who are District surface water permittees liable for the payment of the surface water charge.

A Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting
Procedures for the Imposition of Surface Water Charges

- B. Charge Zone.** "Charge Zone" means the District zone (i.e. Zone W-2 or Zone W-5) that a surface water user's turnout is located, which is applicable in identifying the proposed surface water charge. Surface water users that receive surface water outside of either Zone W-2 or Zone W-5 are deemed to be located in the zone to which the surface water user's turnout is most nearly located.

SECTION 3. Surface Water Charge Proceeding. The following procedures will be used:

- A. Those Subject to the charge.** The Record Owners of the existing surface use-facilities.
- B. Amount of Charge.** A formula or schedule of charges by which the customer can easily calculate the potential surface water charge will be included in the notice. The surface water charge is comprised of a basic user charge and a surface water master charge. The surface water charge must comply with the following substantive requirements:
1. Revenues derived from the surface water charge will not be used for any purpose other than that for which the charge is imposed.
 2. Revenues derived from the surface water charge will not exceed the direct and indirect costs required to provide the service.
 3. The amount of the surface water charge must not exceed the proportional cost of the service attributable to the property.
 4. No charge may be imposed for a service unless the service is actually used by, or immediately available to the property owner (or, if applicable, the tenant).
 5. No charge can be imposed for general governmental services where the service is available to the public at large in substantially the same manner as it is to property owners.
- C. Notice.** The following guidelines apply to giving notice of the surface water charge.
1. Record Owner(s) of each parcel subject to the surface water charge, meaning any parcel with a surface water use-facility, will be determined from the last equalized property tax roll. If the property tax roll indicates more than one owner, each owner will be sent the notice. District surface water permittees liable for the payment of the surface water charge will also be provided with the notice.
 2. The notice must be sent at least forty-five (45) days prior to the date set for the public hearing on the surface water charge.
 3. Failure of any person to receive the notice will not invalidate the proceedings.

A Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting
Procedures for the Imposition of Surface Water Charges

D. Surface Water Charge Protest. The following guidelines apply to the surface water charge protest procedure:

1. The notice will be mailed to all affected Record Owners at least forty-five (45) days prior to the date of the public hearing on the proposed surface water charge.
2. Written protests must be forwarded to the Clerk of the Board by mail or in person, sealed in an envelope which conceals the contents, with the property address or APN written on the outside of the envelope. To be counted, protests must be received no later than the date for return of protests stated on the notice, or the close of the public hearing, whichever is later.
3. A protest must be signed under penalty of perjury. For properties with more than one Record Owner, a protest from any one surface water user-facility will count as a protest for the property. No more than one protest will be counted for any given property.
4. Only protests with original signatures will be accepted. Photocopied signatures will not be accepted. Protests will not be accepted via e-mail. Protests must be submitted in sealed envelopes identifying the property on which the surface water user-facility is located, and include the legibly printed name of the signator. Protests not submitted as required by this Resolution will not be counted.
5. This proceeding is not an election.
6. Written Protests must remain sealed until the tabulation of protests commences at the conclusion of the public hearing. A written protest may be submitted or changed by the person who submitted the protest prior to the conclusion of the public testimony on the proposed charge at the public hearing.
7. Prior to the public hearing, neither the protest nor the envelope in which it is submitted will be treated as a public record, pursuant to the Government Code section 6254(c) and any other applicable law, in order to prevent potential unwarranted invasions of the submitter's privacy and to protect the integrity of the protest process.

E. Tabulating Protests. The following guidelines apply to tabulating protests:

1. It will be the responsibility of the Clerk of the Board to determine the validity of all protests. The Clerk will accept as valid all protests except those in the following categories:
 - a. A photocopy which does not contain an original signature;
 - b. An unsigned protest;
 - c. A protest without a legible printed name;
 - d. A protest which appears to be tampered with or otherwise invalid based upon its appearance or method of delivery or other circumstances;

A Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting
Procedures for the Imposition of Surface Water Charges

- e. A protest submitted to the District via e-mail;
- f. A protest submitted in an envelope that does not have the address or APN written on the outside of the envelope;
- g. A protest signed by someone other than the Record Owner for the APN.

The Clerk's decision, after consultation with the District Counsel, that a protest is invalid is final.

- 2. An impartial person, designated by the governing board, who does not have a vested interest in the outcome of the proposed charge will tabulate the written protests submitted, and not withdrawn. The impartial person may be a member of the Clerk of the Board Office.
- 3. A Record Owner who has submitted a protest may withdraw that protest at any time up until the conclusion of the final public hearing on the surface water charge.
- 4. A property owner's failure to receive notice of the surface water charge will not invalidate the proceedings conducted under this procedure.

F. Public Hearing.

- 1. At the public hearing, the District Board will hear and consider all public testimony regarding the proposed surface water charge and accept written protests until the close of the public hearing, which hearing may be continued from time to time.
- 2. The District Board may impose reasonable time limits on both the length of the entire hearing and the length of each speaker's testimony.
- 3. At the conclusion of the hearing, the Clerk of the Board, or other neutral person designated to do the tabulation will complete tabulation of the protests from Record Owners, including those received during public hearing.
- 4. If it is not possible to tabulate the protests on the same day as the public hearing, or if additional time is necessary for public testimony, the District Board may continue the public hearing to a later date to receive additional testimony, information or to finish tabulating the protests; or may close the public hearing and continue the item to a future meeting to finish tabulating the protests.
- 5. If according to the final tabulation of the protests from Record Owners, the number of protests submitted against the proposed surface water charge (or increase of the surface water charge) within a Charge Zone exceeds 50% plus one of either: (i) the identified number of parcels within that Charge Zone, or (ii) the identified number of owners and tenants who are subject to the surface water charge within that Charge Zone, then a "majority protest" exists and the District Board of Directors will not impose the surface water charge within that Charge Zone.

A Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting
Procedures for the Imposition of Surface Water Charges

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the
following vote on February 14, 2012.

AYES: Directors T. Estremera, D. Gage, J. Judge, P. Kwok, R. Santos, B. Schmidt,
L. LeZotte
NOES: Directors None
ABSENT: Directors None
ABSTAIN: Directors None

SANTA CLARA VALLEY WATER DISTRICT

By:


LINDA J. LEZOTTE
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC


Clerk/Board of Directors

REPORT OF THE DIRECTOR OF THE BUREAU OF THE CENSUS
ON THE RESULTS OF THE CENSUS OF 1900

PASSED AND ADOPTED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF ALBANY, NEW YORK, AT A REGULAR MEETING HELD ON THE 10TH DAY OF JANUARY, 1901.

ALBANY: DIRECTOR OF THE BUREAU OF THE CENSUS
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Santa Clara Valley Water District

File No.: 21-1309

Agenda Date: 11/23/2021

Item No.: *2.9.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consider Memoranda of Understanding Between the Santa Clara Valley Water District and the Employees Association, AFSMCE Local 101, Professional Managers Association, IFPTE Local 21, and Engineers Society, IFPTE Local 21; and Adopt the Resolutions (4) Approving the Terms of the Memoranda, and Approving the Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022 through June 30, 2026).

RECOMMENDATION:

- A. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND EMPLOYEES ASSOCIATION, AFSCME LOCAL 101 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Employees Association, AFSCME Local 101, in substantially the same form as the draft version;
- C. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- D. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Engineers Society, IFPTE Local 21, in substantially the same form as the draft version;
- E. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE PROFESSIONAL MANAGERS ASSOCIATION, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- F. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Professional Managers Association, IFPTE Local 21, in substantially the same form as the draft version; and
- G. *Adopt the Resolution APPROVING SECOND AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (January 1, 2022 through December 31, 2025).

SUMMARY:

A. Employees Association

The existing Memorandum of Understanding (MOU) between the Santa Clara Valley Water District (Valley Water) and the Employees Association (EA) will expire on December 31, 2021. Valley Water and representatives of EA commenced negotiations for a successor MOU in the summer of 2021 and are expected to reach a tentative agreement as to the terms of a successor MOU during the week of November 15, 2021. On November 22, 2021, EA members are scheduled to vote on ratification of the upcoming tentative agreement.

The specific elements of the agreed upon MOU terms will be set forth in a supplemental memorandum to be distributed on Friday, November 19, 2021. The Board Resolution and a copy of the Draft MOU will also be distributed on Friday, November 19, 2021, as attachments to the supplemental memorandum.

B. Engineers Society

The existing Memorandum of Understanding (MOU) between Valley Water and the Engineers Society (ES) will expire on December 31, 2021. Valley Water and representatives of ES commenced negotiations for a successor MOU in the summer of 2021 and have reached a tentative agreement as to the terms of a successor MOU. ES members are expected to vote on ratification of the tentative agreement prior to the time of the November 23, 2021, Board meeting.

The specific elements of the agreed upon MOU terms will be set forth in a supplemental memorandum to be distributed on Friday, November 19, 2021. The Board Resolution and a copy of the Draft MOU will also be distributed on Friday, November 19, 2021, as attachments to the supplemental memorandum.

C. Professional Managers Association

The existing Memorandum of Understanding (MOU) between Valley Water and the Professional Managers Association (PMA) will expire on December 31, 2021. Valley Water and representatives of PMA commenced negotiations for a successor MOU in the summer of 2021 and have reached a tentative agreement as to the terms of a successor MOU. PMA members are expected to vote on ratification of the tentative agreement prior to the time of the November 23, 2021, Board meeting.

The specific elements of the agreed upon MOU terms will be set forth in a supplemental memorandum to be distributed on Friday, November 19, 2021. The Board Resolution and a copy of the Draft MOU will also be distributed on Friday, November 19, 2021, as attachments to the supplemental memorandum.

D. Amended Compensation Plan for Unrepresented Employees in the Executive Service

On May 22, 2018, through Resolution 18-25-1, the Board approved the Salary Structure and Compensation Plan for Unrepresented Employees in the Executive Service, which was effective the first pay period of fiscal year 2019 (Compensation Plan). In addition to salary, the Board approved specified employment benefits for Valley Water's executive employees. This Compensation Plan

was updated in 2020 through Resolution 20-80, to add language regarding Temporary Upgrade Pay to conform with CalPERS regulatory requirements.

In this same agenda item, approval of Memoranda of Understanding with Valley Water's three bargaining units is before the Board for consideration. Associated with these MOUs are important changes in employment benefits. Action by the Board is required to update the Compensation Plan to extend these benefit changes to Valley Water's unrepresented employees in the executive service. Since some of the MOU benefit changes are scheduled to commence on January 1, 2022, it is recommended that the Board approve an updated compensation plan to commence on the same date. Since the salary changes under the MOU will extend to the end of the end of Fiscal Year in 2026, this updated compensation plan is scheduled to be in effect until June 30, 2026.

As the final terms of the MOUs with Valley Water's three bargaining units are being finalized, details of the proposed updated compensation plan will be circulated in a supplemental memorandum to be distributed on Friday, November 19, 2021. The Board Resolution and a copy of the proposed updated compensation plan will also be distributed on Friday, November 19, 2021, as attachments to the supplemental memorandum.

FINANCIAL IMPACT:

Information regarding the financial impact will be set forth in a supplemental memorandum to be distributed on Friday, November 19, 2021.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

- *Original Agenda Memo
- *Supplemental Agenda Memo
- *Supplemental Attachment 1: Pkg Tentative Agmt w/Coalition Table
- *Supplemental Attachment 2: Redlined MOU, EA
- *Supplemental Attachment 3: Redlined MOU, ES
- *Supplemental Attachment 4: Redlined MOU, PMA
- *Supplemental Attachment 5: Resolution, EA MOU
- *Supplemental Attachment 6: Resolution, ES MOU
- *Supplemental Attachment 7: Resolution, PMA MOU
- *Supplemental Attachment 8: Resolution, Second Amended Compensation Plan
- *Supplemental Attachment 9: Revised Unclassified Benefits Summary
- *Handout 2.9-A: Unclassified Reso Revised Comp Plan
- *Handout 2.9-B: Revised Unclass Benefit Summary

File No.: 21-1309

Agenda Date: 11/23/2021
Item No.: *2.9.

UNCLASSIFIED MANAGER:
Bryant Welch, 408-630-2383



Santa Clara Valley Water District

File No.: 21-0398

Agenda Date: 11/23/2021

Item No.: *2.9.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consider Memoranda of Understanding Between the Santa Clara Valley Water District and the Employees Association, AFSMCE Local 101, Professional Managers Association, IFPTE Local 21, and Engineers Society, IFPTE Local 21; and Adopt the Resolutions (4) Approving the Terms of the Memoranda, and Approving the Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022 through June 30, 2026).

RECOMMENDATION:

- A. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND EMPLOYEES ASSOCIATION, AFSCME LOCAL 101 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
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- D. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Engineers Society, IFPTE Local 21, in substantially the same form as the draft version;
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- F. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Professional Managers Association, IFPTE Local 21, in substantially the same form as the draft version; and
- G. Adopt the Resolution APPROVING AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (January 1, 2022 through June 30, 2026).

SUMMARY:

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was updated in 2020 through Resolution 20-80, to add language regarding Temporary Upgrade Pay to conform with CalPERS regulatory requirements.

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FINANCIAL IMPACT:

Information regarding the financial impact will be set forth in a supplemental memorandum to be distributed on Friday, November 19, 2021.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Bryant Welch, 408-630-2383

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Santa Clara Valley Water District

File No.: 21-1065

Agenda Date: 11/23/2021

Item No.: *2.9

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

Consider Memoranda of Understanding Between the Santa Clara Valley Water District and the Employees Association, AFSMCE Local 101, Professional Managers Association, IFPTE Local 21, and Engineers Society, IFPTE Local 21; and Adopt the Resolutions (4) Approving the Terms of the Memoranda, and Approving the Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022, through June 30, 2026).

REASON FOR SUPPLEMENTAL MEMORANDUM:

The supplemental report conveys additional information received after the initial report was released.

RECOMMENDATION:

- A. Adopt Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND EMPLOYEES ASSOCIATION, AFSCME LOCAL 101 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Employees Association, AFSCME Local 101, in substantially the same form as the draft version;
- C. Adopt Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- D. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Engineers Society, IFPTE Local 21, in substantially the same form as the draft version;
- E. Adopt Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE PROFESSIONAL MANAGERS ASSOCIATION, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- F. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Professional Managers Association, IFPTE Local 21, in substantially the same form as the draft version; and
- *G. Adopt Resolution APPROVING **SECOND** AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (January 1, 2022, through **December 31, 2025**).

SUMMARY:

A. EMPLOYEES ASSOCIATION, ENGINEERS SOCIETY, PROFESSIONAL MANAGERS ASSOCIATION

The existing Memorandum of Understanding (MOU) between the Santa Clara Valley Water District (Valley Water) and the three (3) unions above expires on December 31, 2021.

Valley Water and representatives of the three (3) unions agreed to “coalition bargaining” with all three (3) unions bargaining jointly for items such as wages and benefits. Those negotiation sessions commenced on September 16, 2021. On November 4, 2021, Valley Water and all three (3) unions reached a tentative agreement on these terms and conditions for the successor MOUs. (Attachment 1.)

Tentative Agreements include the following:

- Four (4)-Year MOU Term - January 1, 2022 through December 31, 2025
- Salary adjustments for the term of the MOU will be:
 - 3.0% effective the first full pay period in July of 2022
 - 3.0% effective the first full pay period in July of 2023
 - 3.0% effective the first full pay period in July of 2024
 - 3.0% effective the first full pay period in July of 2025
- Retiree Health Reciprocation
 - Valley Water employees who work for five (5) years at Valley Water, retire from Valley Water, and have previous services from the state of California or any subdivision thereof, including any city, county, or special district, will receive prior service credit applied towards Valley Water’s retiree health benefit.
- Add Juneteenth Holiday
- Change Columbus Day to Indigenous Peoples’ Day
- CalPERS Pension
 - Effective first full pay period of July 2022:
 - Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will contribute only 8% of the employee contribution rate.
 - Employees participating in the PERS 2% @ 60 formula will contribute only 7% of the contribution rate.
 - Employees participating in the PERS 2.0% @ 62 (2.5% @ 67) (PEPRA) formula will contribute only 50% of the normal cost as determined by CalPERS towards their pension benefits.
 - Effective first full pay period of January 2022:
 - PEPRA employees shall receive a one-time lump sum and non-PERSable payment of \$1,000.
- Deferred Compensation

- Effective first full pay period of July 2022:
 - The current annual Valley Water match will increase by 50% for all unions. From \$1,200 to \$1,800 for both EA and ES and from \$2,000 to \$3,000 for PMA.
- Essential Workers
 - Effective first full pay period of January 2022:
 - Employees who reported on-site (i.e., did not telework) at least 50% of the time from March 20, 2020 through May 30, 2021 shall receive a one-time lump sum and non-PERSable payment of \$1,000.
- Reimbursements
 - Increased safety shoe reimbursement from \$200 to \$225 per year and safety glasses reimbursement from \$185 to \$210 per year for all unions.
- Workforce Development
 - Increased tuition reimbursement from \$2,500 to \$3,500 per year for all unions.
- Parental Leave
 - All employees may use sick time for parental leave subsequent to the period of parental disability.

In addition to the negotiation sessions that took place at the coalition bargaining table, additional negotiation sessions took place at the “local” bargaining tables with the express purpose of addressing issues that were specific to each union.

Tentative Agreements include the following:

Employees Association (EA)

- Integration of side letters into the MOU (SVAWPC, Definition of Confidential Employees, Article 1, Recognition, Temporary Assignments, Uniforms, Water Treatment Plant Operator Certificate Differential, Probation, Tuition Assistance Program, and Vacation Cash Out)
- Increase Job Site Reporting pay from \$17 to \$20 per day
- Increase uniform allowance from \$300 to \$335 per year
- Allow CEO or designee to approve schedule changes upon recommendation from unit managers
- Clarify Professional Reimbursements are made each fiscal year
- Discuss Senior Management Analyst differential within six (6) months at a Labor Management Committee meeting
- Discuss Certification Pay differentials within six (6) months at a Labor Management Committee

Engineers Society (ES)

- Integration of side letters into the MOU (Exempt Leave, Temporary Assignments, Probation, Tuition Assistance Program, Vacation Cash Out)
- Established 2.5% Supervisor Differential when supervising two (2) or more employees

- Having managers meet with employees before making schedule changes

Professional Managers Association (PMA)

- Integration of side letters into the MOU (Temporary Assignments, Probation, Vacation Cash Out, Tuition Assistance Program)
- Ensure unit managers meet with employees before making schedule changes

In addition, Valley Water will meet with all unions within six (6) months to discuss non-substantive MOU language cleanup issues.

B. Amended Compensation Plan for Unrepresented Employees in the Executive Service

The Board gave direction to staff to bargain in good faith and determine the terms of Memoranda of Understanding between the Santa Clara Valley Water District and each of its three bargaining units (Employees Association AFSCME Local 101, Engineers Society - IFPTE Local 21, and Professional Managers Association - IFPTE Local 21), for all the period of January 1, 2022 through December 31, 2025 (MOUs)

The Board's interest and parameters provided the direction to prepare an economic package that will help Valley Water stay competitive and become an employer of choice. This direction takes into consideration the challenges we face with attrition due to more of our workforce taking institutional knowledge as they exit the organization and the difficulty in attracting new staff. The Board has engaged in a strategic approach to attract, hire, and retain a high-performing and skilled workforce. In addition to classified employees represented by three bargaining groups, Valley Water currently employs unrepresented employees in the Unclassified Service of Valley Water pursuant to District Personnel Ordinance 2000-01, section 2.6 ("Executive Employees"). To address similar challenges with attracting and retaining unrepresented employees, staff is recommending that the Board approve a Second Amendment to the Compensation Plan for unrepresented employees in the executive service (Second Amended Compensation Plan) (Attachment 8).

Except where expressly noted, the Second Amended Compensation Plan sets forth the terms for compensation and conditions of employment for Employees for the period from January 1, 2022, through December 31, 2025. The terms of this Compensation Plan do not constitute a contract and are not intended to create a contract with Employees. The terms of this Second Amended Compensation Plan are not intended to create any vested right to retirement health benefits set forth herein. The terms of this Second Amended Compensation Plan may be amended or modified at any time during the effective period through a resolution passed by Valley Water's Board of Directors. The terms in this Second Amended Compensation Plan apply to the BAOs except where specifically excluded herein and except where the BAO's respective written employment agreements with Valley Water provide otherwise.

As part of the approval of the Second Amended Compensation Plan, it is also recommended that the Board express its approval of the plan to explore the feasibility with CalPERS of enhancing the Tier 2 pension formula from 2.0% @ 60 to 2.5% @ 55 and enhancing the final compensation for Tier 2 employees from the highest 36 months to the highest 12 months. Any such change would require a formal amendment of Valley Water's contract with CalPERS, and this would require future Board

approval.

FINANCIAL IMPACT:

Staff estimates a financial impact of \$9.6 million for classified employees and an additional \$725K for unclassified employees and Board Appointed Officers for fiscal year 2022-23, which would be incorporated into the proposed fiscal year 2022-23 budget. The incremental financial impact for subsequent years would be in the range of \$5.0 million for classified and \$415K for unclassified employees and Board Appointed Officers per year.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Pkg Tentative Agmt w/Coalition Table
Attachment 2: Redlined MOU, EA
Attachment 3: Redlined MOU, ES
Attachment 4: Redlined MOU, PMA
Attachment 5: Resolution, EA MOU
Attachment 6: Resolution, ES MOU
Attachment 7: Resolution, PMA MOU
Attachment 8: Resolution, Second Amended Compensation Plan
Attachment 9: Revised Unclassified Benefits Summary

UNCLASSIFIED MANAGER:

Ingrid Bella, 408-630-3171

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**2021 MOU NEGOTIATIONS
SANTA CLARA VALLEY WATER DISTRICT AND
EMPLOYEES ASSOCIATION, ENGINEERS SOCIETY, PROFESSIONAL
MANAGERS ASSOCIATION**

**Redlined MOU Language for Employees Association (AFSMCE) MOU Under Package TA
at Coalition Table on Key Economic Issues on 11/4/21**

ARTICLE 3. COMPENSATION

Section 1. Salaries

- A. Across the Board Salary Adjustments (ABSA) will be effective as follows:

Pay Period 14 Year 2022	Pay Period 14 Year 2023	Pay Period 14 Year 2024	Pay Period 14 Year 2025
3.0%	3.0%	3.0%	3.0%

All employees covered by the 2.0% @ 62 (2.5% @ 67) PEPRA retirement formula shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

All employees whose position mandated that they report to work on-site (i.e., did not telework) at least 50% of the time during March 1, 2020, to May 30, 2021, of the Covid-19 pandemic shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

- B. Payday shall be the Thursday following the last day of the pay period for which the pay was earned. In the event a regularly scheduled payday falls on a holiday, the workday immediately preceding the holiday will be observed as the official payday.
- C. Employees will be notified by email at the end of each pay period when direct deposit paycheck stubs are available for web-friendly viewing and printing. Employees who receive paper paychecks can continue to pick up their paycheck from the Payroll department on the designated payday.
- D. Valley Water shall continue to offer direct deposit to all eligible employees, as available.

[No coalition agreements to change rest of Article 3]

ARTICLE 6. PENSION BENEFITS

Section 1. PERS Pension

- A. Valley Water will continue to participate in the Public Employees' Retirement System (PERS) with benefits as currently provided at the 2.5% @ 55 Formula Benefit Level for employees hired prior to March 19, 2012. Employees hired March 19, 2012, or thereafter, will participate in the Public Employees' Retirement System (PERS) with benefits provided in the contract with PERS at the 2% @ 60 formula Benefit Level. Employees hired January 1, 2013, or thereafter who qualify as new members will be

placed in the PEPRA PERS formula of 2.0% @ 62 (2.5% @ 67). All pension benefits are subject to the provisions of the contract with PERS, as amended from time to time, the terms of which are incorporated by reference as if fully set forth herein.

- B. Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay 11.0% towards their pension benefits which include the employee required contribution as well as an additional amount (3.0% for PERS 2.5% @ 55 formula and 4.0% for PERS 2.0% @ 60 formula) towards the employer's contribution. These deductions will be pre-tax to the extent allowable by law:

Effective the first full pay period in July of 2022, employees participating in the PERS 2.5% @ 55 formula will contribute only the 8.0% employee contribution rate and will no longer contribute any additional amount toward the employer contribution. Effective the first full pay period in July of 2022, employees participating in the PERS 2.0% @ 60 formula will contribute only the 7.0% employee contribution rate and will no longer contribute any additional amount toward the employer contribution. These deductions will be pre-tax to the extent allowed by law.

- C. Employees participating in the formula of 2.0% @ 62 (2.5% @ 67) (PEPRA) will pay 50% of the total normal cost as determined by CalPERS plus an additional 2.0% toward their pension benefits. Effective the first full pay period in July of 2022, employees participating in the 2.0% @ 62 (2.5% @ 67) will only be required to pay 50% of the total normal cost as determined by CalPERS toward their pension benefits. These deductions will be pre-tax to the extent allowable by law:
- D. Valley Water will continue to include an option in the retirement contract which allows retirement credit for military service under the terms and conditions as specified by PERS.
- E. The PERS Retirement Plan will include Post Retirement Survivor Continuance and Retirement Credit for Unused Sick Leave for the 2.5% @ 55 plan.
- F. The employee survivor benefits will be Level 4 as specified in the 1959 Survivor Benefits Report of the California Public Employees Retirement System for the 2.5% @ 55 plan.
- G. The PERS Retirement Plan Final Compensation will be calculated by using the average monthly rate over the highest consecutive 12-month period for the 2.5% @ 55 plan. The PERS Retirement Plan Final Compensation for the 2% @ 60 plan will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period. The PERS Retirement Plan Final Compensation for the PEPRA PERS plan of 2.0% @ 62 (2.5% @ 67) will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period.
- H. Valley Water will continue implementing the provisions of Internal Revenue Code 4140(h) (2) which allows the employee's salary to be reduced by the amount of the employee's retirement contribution only for the purposes of computing Federal and State income tax. The employee PERS contribution will be taken against the actual base salary prior to reduction for taxation purposes.

Section 2. Retiree Health Benefits

- A. This section does not apply to those Valley Water employees who retired from Valley Water prior to July 1, 1988.
- B. Eligibility requirements for retiree medical coverage are as follows:
 - 1. Eligible retirees hired prior to March 1, 2007:
 - a. Eligible retirees with a minimum of ten (10) years (20,800 hours) of continuous District service will receive medical coverage.
 - b. Eligible retirees with a minimum of fifteen (15) years (31,200 hours) of continuous District service will receive medical coverage for the employee plus one eligible dependent.
 - 2. Eligible retirees hired on or after March 1, 2007:
 - a. Eligible retirees with fifteen (15) years (31,200 hours) of continuous service will receive medical coverage.
 - b. Eligible retirees with twenty (20) years (41,600 hours) or more years of continuous service will receive medical coverage for the employee plus one eligible dependent.
 - 3. Eligible retirees – service credit for prior public agency employment:
 - a. For purposes of satisfying the continuous Valley Water service requirement in Section 2(B)(1)-(2) above, Valley Water employees employed or hired during any portion of the term of this Memorandum of Understanding shall be credited for any prior employment at the State of California or any political subdivision thereof, including any city, county or special district (Service Credit).
 - b. This provision shall not apply retroactively to former Valley Water employees who left Valley Water employment prior to the effective date of this Memorandum of Understanding.
 - c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at the Valley Water prior to the date of retirement with CalPERS. For employees hired during the term of this Memorandum of Understanding, completion of the aforementioned five-year (10,400 hours) requirement following expiration of this Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below.
 - d. Eligibility for the Service Credit under this subsection is further conditioned upon employees' full cooperation with Valley Water in any reasonable efforts to obtain records or other proof of employees' prior public agency service.

- e. Service Credit awarded during the term of this Memorandum of Understanding pursuant to this Section 2(B)(3) shall survive expiration of this Memorandum of Understanding. However, nothing in this Section 2(B)(3) is intended to create any other duties or obligations of Valley Water for future employees hired after the expiration of this Memorandum of Understanding.
- C. A retired employee has the option to continue coverage for additional eligible dependents by paying the premium to Valley Water.
- D. Retirees who live outside the Kaiser service area will not be permitted to enroll in the Kaiser plan.
- E. Valley Water will include this assumption in conducting an actuarial analysis to estimate the impact on reducing the unfunded liability.
- F. During periods when an eligible retiree has medical coverage from another employer, that coverage will be primary and Valley Water's coverage will become secondary.
- G. Upon the retiree's death, Valley Water will continue medical coverage for the retiree's surviving eligible dependent. Valley Water-paid continuation of a second eligible dependent will cease upon the retiree's death.
- H. Any other surviving eligible dependents that were on the plan at the time of the retiree's death have the option to continue coverage by paying the premium to Valley Water. New or additional dependents cannot be added after the retiree's death.
 - 1. An eligible Valley Water retiree is defined as:
 - a. An employee who retired from Valley Water on and after July 1, 1988, and is eligible for California Public Employees' Retirement System (CalPERS) service retirement (age fifty (50) or over with a minimum of five (5) years of CalPERS service credit); and
 - b. Subject to Section 2(B)(3) above, an employee with a minimum of ten (10) years (20,800 hours) of continuous Valley Water service; or
 - c. An employee with a minimum of five (5) years (10,400 hours) of continuous District service who is eligible for CalPERS disability retirement.
- I. It is understood that by entering into this MOU, neither party waives any legal rights, including the Union's or an employee's right to assert that retiree health benefits are vested, or what the vested benefit constitutes, as to employees working or who retired at any point between December 30, 2006, and December 31, 2011.
- J. The retiree health benefits provided to eligible Valley Water retirees will be the same health benefits that Valley Water provides its active regular full-time employees. Except as noted below, retiree premium sharing will be based on the premium sharing percentage required of active employees on the same premium amounts that apply to the medical plans for active employees, or retiree rates, whichever is less. Retiree premium sharing shall not apply to employees hired by Valley Water prior to December 30, 2006.

Section 3. Medicare Enrollment

As of August 1, 2007, all current retirees not yet 65 years of age and Medicare-eligible and all future retirees who are Medicare eligible, must enroll themselves in Medicare when they reach the eligibility date for Medicare (presently at age 65). Their Medicare eligible dependents, who are enrolled in the Valley Water's health plan, must also enroll in Medicare upon their eligibility date. Failure to enroll in Medicare Part B will result in termination of retiree medical benefits. The Valley Water will reimburse the ongoing Medicare Part B cost incurred by the retiree and/or dependent. The method of reimbursement shall be developed by Valley Water, but reimbursements shall be made no less frequent than quarterly. Valley Water will also include this assumption in conducting its actuarial analysis to estimate the impact on reducing the unfunded liability.

Section 4. Deferred Compensation

- A. Valley Water agrees to continue to make available reasonable deferred compensation programs.
- B. The Union will have the right to representation on Valley Water's deferred compensation committee.
- C. For the term of this contract, which expires on December 31, 2025, Valley Water agrees to match up to the amount outlined in the Engineers Society MOU or one thousand eight hundred (\$1,800) dollars, whichever amount is greater, per calendar year. The match payments will be contributed to the employee's 401(a) account.

ARTICLE 8. LEAVES OF ABSENCE

[No coalition agreements to change Article 8, Sections 1, 2, 3, 5, 6, and 7]

Section 4. Parental Leave

- A. Upon employee request, a parental leave of absence not to exceed six (6) months (or as required by law) may be granted by the employee's first level manager for disability related to the birth of the employee's child; for the employee to bond with his/her newborn child; or for the placement of a child with an employee for adoption or foster care of the child.
- B. All or a portion of parental leave of absence will be designated as FMLA, CFRA and/or PDL as applicable.
- C. An employee is required to utilize all available sick leave during the period of disability of the parental leave of absence. Use of other accrued time for parental leave, or use of sick leave for parental leave subsequent to the period of parental disability, may be used at the employee's option.
- D. Upon return to work, an employee on parental leave shall be reinstated to his/her former or a comparable level position.

ARTICLE 11. WORKFORCE DEVELOPMENT

Section 1. Tuition Reimbursement

- A. The Union and Valley Water agree that it is in the best interest of both, for not only the employee to initiate but Valley Water to provide, training and other opportunities to further facilitate an employee's career development.
- B. In accordance with Valley Water policy, employees with six (6) or more months of continuous service may be reimbursed for tuition or expense payments incurred in taking courses outside of normal working hours related to Valley Water employment. All such requests for reimbursement must be approved by Valley Water prior to taking the course. The course content must have some direct relationship to the work of Valley Water. Courses that are required as a part of an employee's general qualifications for his/her class are not within the scope of this program.
- C. Upon approval of a course and completion with a passing grade of C or better (Pass in the cases where only Pass/Fail is given) the employee will be reimbursed the cost of the tuition and other costs such as laboratory fees and assigned textbooks. Total tuition reimbursement shall not exceed three thousand, five hundred dollars (\$3,500) in a fiscal year. No unpaid balances over the maximum will be carried forward to the next fiscal year.
- D. Courses must be given by an accredited institution.

[No coalition agreements to change Article 8, Sections 2, 3, and 4]

ARTICLE 27. TERM

This MOU shall become effective January 1, 2022, and shall remain in effect through December 31, 2025, and from year-to-year thereafter unless either party serves written notice on the other of its desire to terminate this MOU or amend any provision thereof at least one hundred twenty (120) days prior to December 31, 2025, or one hundred twenty (120) days prior to December 31 of any successive year.

Memorandum of Understanding

Between

Santa Clara Valley Water District

and

AFSCME Local 101, AFL-CIO

Employees Association

~~2018-2022~~ – ~~2021-2025~~

(January 1, ~~2018-2022~~, through December 31, ~~2021-2025~~)

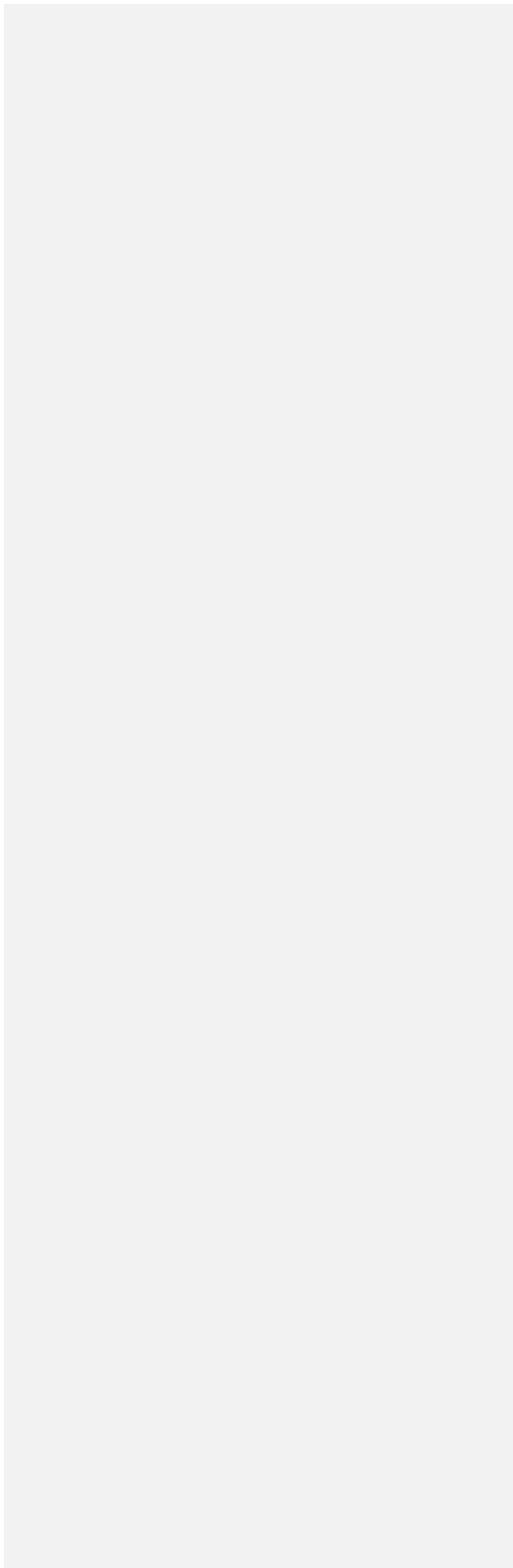


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APPENDIX A – SALARY SCHEDULES

APPENDIX B –SIDE LETTERS (10)

ARTICLE I. RECOGNITION

Section 1. Recognition

The Santa Clara Valley Water District ("District") formally recognizes the Union as the majority representative of those classes of employees and units listed in Attachment I, hereto.

Section 2. Dues Check-Off

- A. The District agrees to check-off Union dues from member paychecks. Such check-off shall be in uniform amounts and be authorized in writing by the employee on a form supplied by the Union, provided that the employee's earnings are regularly sufficient after other legally required deductions are made to cover the amount of dues check off authorized. Dues withheld by the District will be transmitted to the officer or depository designated by the Union.
- B. The District agrees to supply the Union with a biweekly report of the names and classes of employees who have authorized Union dues check-off. The District will provide the Union the home address for members and agency fee payers upon request. An employee has the right to file a statement with the District to withhold release of the home address to AFSCME Local 101.
- C. The Union agrees to indemnify, defend, and hold the District harmless from any and all claims, demands, suits, or other action arising from the provisions of this Section or from compliance with employee cancellations of check-off authorizations.

Section 3. Political Payroll Deduction

Any worker may sign and deliver to the District an authorization card for payroll deduction of voluntary contributions to Public Employees Organized to Promote Legislative Equality (PEOPLE). The District agrees to remit monthly to the Union all monies deducted for PEOPLE accompanied by a list of employees for whom such deductions have been made. Such authorization may be invoked or revoked in writing by the employee at any time. A copy of such letter shall be provided to the Union upon receipt by the District.

Section 4. Union Security

- A. ***Maintenance of Membership***—Any employee who is a Union member and is tendering dues through payroll deduction as of the date of execution of this Memorandum of Understanding (MOU), or who becomes a Union member during the term of this MOU, shall remain a member and continue dues deduction for the duration of this MOU and each subsequent MOU thereafter. For the period of ninety to seventy (90–70) days prior to the expiration of this or any subsequent MOU, an employee who is a Union member shall have the right to withdraw from the Union by discontinuing dues deduction, such withdrawal to be communicated in writing by the employee to the Union and the District on Form FC 671, during the ninety to seventy (90–70) day period. An employee who moves to a position outside the Union's bargaining unit shall not be required to continue dues deduction.

1. The Union shall hold the District harmless against all claims or other forms of liability that arise out of or by reason of this Union Security section.

B. **Agency Shop**—Pursuant to Section 3502.5 of the California Government Code and amendment to the Meyers–Miliias–Brown Act (MMBA), the District and the Union agree to abide by the following provisions as they relate to an agency shop election.

1. Agency Shop as defined under Meyers–Miliias–Brown means “an arrangement that requires an employee, as a condition of continued employment, either to join the recognized employee organization, or to pay the organization a service fee in an amount not to exceed the standard initiation fee, periodic dues, and general assessments of the organization.”
2. Any employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support any public employee organization as a condition of employment. The employee may be required, in lieu of periodic dues, initiation fees, or agency fees, to pay sums equal to the dues, initiation fees, or agency fees to a non–religious, no–labor charitable fund exempt from taxation under Section 501(c) (3) of the Internal Revenue Code, chosen by the employee from a list of at least three (3) organizations, or if the MOU between the District and the Union fails to designate the funds, then to any such fund chosen by the employee. Proof of the payments shall be made on a monthly basis to the District as a condition of continued exemption from the requirement of financial support to the Union.
3. Covered employees shall execute written authorization for either Union dues deductions, the agency fee, or, if eligible, the charitable contribution. In the absence of a written authorization, the District shall deduct the agency fee from the employee’s paycheck.
4. The agency shop provision may be rescinded by a majority vote of all the employees in the unit covered by the MOU, provided that:
 - a. A request for such a vote is supported by a petition of at least thirty percent (30%) of the employees in the bargaining unit;
 - b. The vote is by secret ballot; and
 - c. The vote may be taken at any time during the term of the MOU, but in no event shall there be more than one vote taken during that term.
5. An Agency Shop arrangement shall not apply to confidential or supervisory employees.
6. The Union shall keep an adequate itemized record of its financial transactions and shall make available annually, to the District and to the employees who are agency fee members, within sixty (60) days after the end the calendar year, a detailed written financial report thereof in the form of a balance sheet and an operating fiscal statement, certified as to accuracy by its president and treasurer

or corresponding principal officer, or a certified public accountant. For the purposes of distribution, the District will provide the Union with names and addresses of all affected employees.

7. The Union shall indemnify, defend and hold the District harmless against any liability arising from any claims, demands, or other action relating to the District's compliance with the agency shop obligation. The Union shall comply with all statutory and legal requirements with respect to Agency Shop.

Section 5. Time Off for Representation

- A. The District will notify the Union when members' participation as volunteers in District directed committees/projects is desired. When requesting Union member participation, District management will provide the Union a description of skills/expertise needed, number of hours anticipated, and duration of service needed, and budget code.
- B. Union representatives may be given specified release time for the following:
 1. **Meet and Confer/Consult**—Up to three (3) designated Union members are allowed time off without loss of compensation for purposes of meeting and conferring or meeting and consulting with District representatives on matters within the scope of representation.
 2. **Negotiations**—The District will provide release time for up to seven (7) designated Union members for purposes of meeting and conferring on a successor MOU. Release time for up to four (4) additional hours per week shall be granted for bargaining preparation after the commencement of negotiations.
 3. **Board Meeting Attendance**—Up to two (2) designated Union representatives are allowed time off without loss of compensation to hear items before the Board of Directors within the scope of representation. A Union representative must notify the Labor Relations Officer before using release time to attend Board meetings.
 4. **Meetings of District–Authorized Committees**—Up to three (3) Union representatives are allowed time off without loss of compensation to attend meetings of District–authorized committees when representatives are serving on such committees as a representative of the Union.
 5. **Grievances**—One (1) designated Union representative is allowed time off without loss of compensation for purposes of representing an employee in a meeting with District representatives relative to an employee grievance.
 - a. One (1) designated Union representative is allowed time off without loss of compensation for the purpose of discussing or investigating a grievance with an employee; provided that the District finds there is no undue interruption of the work of either the Union representative or the grievant and both the Union representative and the grievant have notified their respective supervisors of such time off.

- b. An employee has the right to discuss a grievance with a Union representative during working hours provided there is no disruption of the workload and the employee has notified and received authorization from the first-line manager/supervisor.
 - c. Release time will be provided to new stewards to receive training on grievance handling, including observing the actual grievance process.
6. **Representation**—The Union President and/or a designee will have release time without loss of compensation for the purpose of conducting Union business as specified below. Compensated release time shall be limited to formal meetings with District Management personnel and the investigation and presentation of grievances. Release time must be scheduled in advance with the President's or designee's supervisor.
7. **Release Time**—Union representatives shall notify his/her unit manager/supervisor of his/her intention to be on release time as far in advance as reasonably possible, but no later than the end of normal business hours the day before such meeting except in the case of emergency situations. Union representatives must log the time they leave their work assignments and the time they return to work in order to qualify for compensated release time. Union will provide the District a list of all officers, stewards, and representatives/alternative representatives. Permission to perform Union functions shall not be unreasonably denied.

Section 6. Access to Work Locations

The Union shall have reasonable access to work locations for purposes of processing grievances or concerning matters within the scope of representation provided that the supervisor of such work location is notified prior to entry. Such access shall not interfere with the work process, safety, or security of the work location.

Section 7. Mail/Bulletin Boards

- A. The Union may utilize existing bulletin boards in accordance with existing District procedures, provided posted information relates solely to Union activities and services. The bulletin board shall not be used to post material which endorses or supports political candidates or positions in elections. If no bulletin board exists in one of the below listed work locations, the District shall provide and install a bulletin board provided that the size and location are in accordance with existing District procedures as established by the Facilities Maintenance Unit.

District Locations:

Santa Teresa Water Treatment Plant – Common Area/Ready Room
 Rinconada Water Treatment Plant – Common Area/Ready Room
 Penitencia Water Treatment Plant – Common Area/Ready Room
 Silicon Valley Advanced Water Treatment Plant – Common Area/Ready Room
 Headquarters Building – Lunchroom

Administration Building – Near Break Room
Maintenance Building – Ready Room
Crest Building – Lunchroom
Blossom Hill Annex – Near Meeting Room Area
Coyote Pumping Plant – Shop Area
Lab – Mailroom
Vasona Pumping Station – Main Hallway
Warehouse – Office Area

- B. Further, the Union may use District mail, facsimile, and electronic mail for the distribution of information in accordance with existing District procedures.

Section 8. District Facilities

The Union has reasonable use of District facilities and equipment for meetings in accordance with District policies and procedures.

Section 9. Access to Information

The Union has access to such non-confidential information pertaining to employee relations that is subject to disclosure under the California Public Records Act.

Section 10. Written Notice

- A. Written notice of any ordinance, rule, regulation or resolution relating to matters within the scope of representation proposed to be adopted by the Board of Directors or otherwise implemented shall be given to the Union reasonably prior to such action to solicit Union response and to afford an opportunity to meet with the District regarding the issue. In the case of an emergency, when reasonable prior notice is not possible, the District shall provide such notice as soon as possible and an opportunity to meet at the earliest practical time to discuss the issue.
- B. Any communication in accordance with Section 10(A) above shall be submitted to the Union President and to the Union office by the District through its Labor Relations Unit.

Section 11. New Hire Information

The Union shall be notified of the name, classification, unit, and work location of all new hires into coded positions in the classifications listed in Attachment I within the first pay period following the new employee's starting date.

Section 12. Orientation

- A. The District will provide the Union, on an annual basis, the new hire orientation schedule. If it is later determined that the schedule must be amended, an updated copy will be provided.
- B. The District will provide the Union written notice of the employee name, employee number, scheduled start date, position title, position code, unit name, unit number and

supervisor within two business days of the completion of the recruitment process. This written notice will be sent via email.

- C. The Union will be provided with twenty (20) minutes during the new employee orientation meeting to meet with the newly hired employee(s). The Union will have from 8:00 a.m. until 8:20 a.m. on the day of the orientation to meet with the employee(s). Under no circumstances will the Union continue the meeting with the newly hired employee(s) past 8:30 a.m. If for some reason the Union cannot attend the orientation, the Employee Benefits and Recruitment Unit will be notified no later than 8:00 a.m. on the orientation day.
- D. The District agrees to provide the Union with employee contact information for all employees in the bargaining unit by the 10th calendar day of each month. The information that will be provided is as follows:
1. Employee name
 2. Employee job title
 3. Unit name or department
 4. Work location
 5. Home address
 6. Work phone extension
 7. Home or cell phone number (whichever is provided to the District by the employee)

Personal email addresses are not collected or retained by the District therefore, none are available to provide to the Union.

ARTICLE 2. DISTRICT/EMPLOYEE RIGHTS

Section 1. Employee Rights

Employees of the District shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer–employee relations including, but not limited to, wages, hours, and other terms and conditions of employment. Employees of the District also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or by any employee organization because of his exercise of these rights.

Section 2. District Rights

- A. The rights of the District include, but are not limited to those listed herein, except where such rights are limited by clear and explicit language of this Agreement:
1. The right to determine the mission of the District, including without limitation, the District's departments, divisions, institutions, boards and commissions;
 2. The right of full and exclusive control of the management of the District; supervision of all operations; determinations of methods, means, location and assignments of performing all work; and the composition, assignment, direction, location and determination of the size and mission of the workforce;
 3. The right to determine the work to be done by employees, including establishment of service levels, appropriate staffing and the allocation of funds for any position(s) within the District;
 4. The right to review and inspect, without notice, all District–owned facilities and equipment, including without limitation desktop computers, work areas and desks, email, computer storage drives, voicemail systems, vehicles, and filing cabinets and systems;
 5. The right to change or introduce different, new or improved operations, technologies, methods or means regarding any District work, and to contract out for work;
 6. The right to establish and modify qualifications for employment, including the content of any job classification, job description or job announcement, and to determine whether minimum qualifications are met;
 7. The right to maintain and modify the District's job classifications;
 8. The right to establish and enforce employee performance standards;
 9. The right to schedule and assign work, make reassignments, and assign overtime work;

10. The right to hire, fire, promote, reassign, transfer, release, discipline, layoff, terminate, demote, suspend or reduce in step or grade, all employees;
11. The rights to establish and modify bargaining units; to assign new or amended classifications to particular bargaining units; and to designate any position confidential, management or otherwise for bargaining unit assignments pursuant to the MMBA;
12. The right to inquire and investigate regarding complaints or concerns about employee performance deficiencies or misconduct of any sort, including the right to require employees to appear, respond truthfully and cooperate in good faith regarding any District investigation;
13. The right to maintain orderly, effective, and efficient operations; and
14. The right to take any appropriate lawful measure to ensure the best delivery of services to the public in response to any work stoppage, including without limitation; (a) altering work schedules or locations to ensure coverage; and (b) investigating absences to ensure no violation of District policies.

Section 3. Nonstrike/Lockout Provision

- A. During the term of this agreement, the District agrees to not lock out employees and the Union nor its agents nor any District employee, for any reason, will authorize, institute, aid, condone or engage in a work slowdown, work stoppage, strike, or any other interference with the work and statutory functions or obligations of the District.
- B. The Union agrees to notify all of its officers, stewards and staff of their obligation and responsibility for maintaining compliance with this section, including the responsibility to remain at work during any activity which may be caused or initiated by others and to encourage employees violating this section to return to work.
- C. Violation of this section by the Union shall result in cancellation of dues checkoff and the District will be free to seek any other appropriate remedies for such actions.

ARTICLE 3. COMPENSATION

Section 1. Salaries

- A. Across the Board Salary Adjustments (ABSA) will be effective as follows:

Pay Period 14 Year 2018 2022	Pay Period 14 Year 2019 2023	Pay Period 14, Year 2020 2024	Pay Period 14 Year 2021 2025
34.0%	34.0%	34.0%	34.0%

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All employees covered by the 2.0% @ 62 (2.5% @ 67) PEPRA retirement formula shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

All employees whose position mandated that they report to work on-site (i.e. did not telework) at least 50% of the time during March 1, 2020 to May 30, 2021 of the COVID-19 pandemic shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

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- B. Payday shall be the Thursday following the last day of the pay period for which the pay was earned. In the event a regularly scheduled payday falls on a holiday, the workday immediately preceding the holiday will be observed as the official payday.
- C. Employees will be notified by email at the end of each pay period when direct deposit paycheck stubs are available for web-friendly viewing and printing. Employees who receive paper paychecks can continue to pick-up their paycheck from the Payroll department on the designated payday.
- D. The District shall continue to offer direct deposit to all eligible employees, as available.

Section 2. Step Placement

- A. Employees will be compensated on a salary range consisting of seven (7) steps. The salary percentage differential for the seven steps is as follows:
- Between steps 1 and 2, the salary assigned to Step 2 is 5% greater than the salary assigned to Step 1.
 - Between steps 2 and 3, the salary assigned to Step 3 is 5% greater than the salary assigned to Step 2.
 - Between steps 3 and 4, the salary assigned to Step 4 is 5% greater than the salary assigned to Step 3.
 - Between steps 4 and 5, the salary assigned to Step 5 is 5% greater than the salary assigned to Step 4.

5. Between steps 5 and 6, the salary assigned to Step 6 is 2.5% greater than the salary assigned to Step 5.
 6. Between steps 6 and 7, the salary assigned to Step 7 is 2.5% greater than the salary assigned to Step 6.
- B. The first step is the minimum rate and shall be the usual hiring rate for all classes. In cases where it is difficult to secure qualified personnel, or a person of unusual qualifications is employed, the District may authorize appointment at a rate other than the first step. An overall annual review rating of "Needs Improvement" or "Unsatisfactory" will result in the denial of a step increase until the employee's overall performance is rated at least "Achieved" in a future evaluation period.
- C. An employee shall be eligible for advancement to:
1. The second step after completion of 2,080 hours (typically twelve (12) months) of competent service in the first step and approval of the District.
 2. The third, fourth, or fifth steps after completion of 2,080 hours of competent service in the preceding step and approval of the District.
 3. The sixth and seventh steps after completion of 5,200 hours (typically thirty (30) months) of competent service in the preceding step and approval of the District.
- D. Approved salary adjustments will be made retroactive to the first pay period of eligibility, unless the adjustment is withheld due to less than satisfactory performance.

Section 3. Step Placement Upon Promotion, Demotion, Lateral Transfer, Reassignment or Reclassification

- A. For informational purposes, each salary range is approximately 2.5% above the next lower salary range.
- B. All appointments to a class shall be to a step within the salary range for that class.
- C. Upon promotion or reclassification, an employee's salary shall be adjusted as follows:
1. For a promotion or reclassification where the seventh step salary of the higher class is less than 10% above the seventh step salary of the present class, the employee shall be placed at the same step in the higher class that they are at in the present class (i.e., if the employee is at the third step in the present class, s/he will be placed at the third step in the higher class; if the employee is at the sixth step in the present class, s/he will be placed at the sixth step in the higher class).
 2. For a promotion or reclassification where the seventh step salary of the higher class is 10% or more above the seventh step of the present class, the employee shall be placed in the first step in the new range or the step in the new range which provides for a minimum 10% increase, whichever is greater.

- 3. For a demotion, including a voluntary demotion, the employee shall be placed at the highest step in the lower range which does not provide an increase in salary.
- D. For a lateral transfer or reassignment within the same class or to a comparable class, the employee's salary shall remain unchanged.

Section 4. Salary Adjustment and Service Time

- A. An employee placed in the first step of a new range or receiving a 10% or more increase as a result of promotion or reclassification shall receive a new salary anniversary date as of the date of promotion or reclassification for purposes of determining future step increases.
- B. In all other cases of promotion, demotion, lateral transfer, reassignment or reclassification, employees shall not lose the time served in their former salary step. The time served in the former step shall be included when computing the required months of service needed to be eligible for their next step increase.

Section 5. Pay Differentials

- A. Incumbents in the class of Assistant Water Plant Operator who have or obtain a Grade 3 license shall be compensated five percent (5%) higher than that to which the employee is normally entitled, provided the incumbent is not in a probationary status and received an overall rating of at least "Achieved" on the most recent performance evaluation. Employees hired by the District after January 1, 2012, are ineligible for this differential.
- B. Incumbents of the classes of Senior Water Plant Operator and Water Plant Operator shall be compensated two and one-half percent (2.5%) higher than that to which they are entitled when they possess a valid Water Treatment Plant Operator Certificate issued by the State Water Resources Control Board, of one (1) or more grades higher than that required by their class.
- C. Incumbents of the classes of Senior Water Plant Operator, Water Plant Operator, Systems Control Operator III, or Systems Control Operator II, shall be compensated five percent (5%) higher than that to which they are entitled when assigned to a "relief" schedule for periods of not less than a twelve (12) week duration.
- D. Incumbents of classes who are assigned to work in the Vegetation Management Unit and who possess, maintain, and use in the regular course of their duties, a Qualified Applicators Certificate (QAC—pesticide spray card), shall be compensated five percent (5%) higher than that to which they are otherwise entitled.
- E. A swing shift differential of seven and one-half percent (7.5%) over the base hourly rate shall be paid to all District employees who work other than the 12-hour shift schedule and at least five-eighths (5/8) of the shift between 3:30 p.m. and 12 a.m. This premium pay shall not be allowed for time spent on vacation, sick leave, or leave with pay.
- F. A grave yard shift differential of ten percent (10%) over the base hourly rate shall be paid to all District employees who work other than the 12-hour shift schedule and of which at

least five-eighths (%) of a shift falls between 12 a.m. and 8:30 a.m. This premium pay shall not be allowed for time spent on vacation, sick leave, or leave with pay.

- G. A night shift differential of fifteen percent (15%) over the base hourly rate shall be paid to all District employees who work on a 12-hour shift schedule for all hours worked between either 5:30 p.m. and 5:30 a.m. or 6:00 p.m. and 6:00 a.m. This premium pay shall not be allowed for time spent on vacation, sick leave, or leave with pay.
- H. Incumbents in the classes of System Control Operator III shall continue receiving their current differential as specified under previous agreements as long as they maintain their T-2 or higher certification. Any pay for such differential shall cease when an incumbent vacates the Systems Control Operator III class for any reason. Appointments made after November 17, 2008 to the Systems Control Operator series are ineligible for T-2 or higher differentials. Incumbents and future appointments to the Systems Control Operator series are ineligible for reimbursement for expenses entailed in taking courses, examinations or annual maintenance fees for Water Treatment Plant Operator certificates.
- I. Incumbents in the classes of Maintenance Worker III and Heavy Equipment Operator who obtain and maintain a valid crane certification shall be compensated five percent (5%) higher than that to which they are normally entitled. Senior Maintenance Workers that carried the crane certification prior to their appointment to that position will also be included for this differential.
 - 1. Within the current District-established staffing guideline of a maximum of 12 crane operators eligible for a crane differential, the District has the option to specifically recruit for crane certification within any of these classes (the class specification would so indicate) and retains discretion to modify the staffing guideline if justified by future business needs and after consultation with the Union.
- J. Incumbents in the classes of Water Measurement Technician II, Water Measurement Technician III, and/or Senior Water Measurement Technician who obtain, maintain, and use in the regular course of their duties a valid certification as a backflow tester shall be compensated at a rate of two and one-half percent (2.5%) higher than that to which they are normally entitled.
 - 1. Within the current District-established guideline of a maximum of three (3) Water Measurement Technicians eligible for backflow certification differential, the District has the option to specifically recruit for backflow certification within the above-mentioned classes and retains discretion to modify the staffing guideline if justified by future business needs and after consultation with the Union.
- K. Upon written approval of the Appointing Authority and the Deputy of Human Resources, an employee in a budgeted position in the class of Program Administrator shall receive a differential of two and one-half percent (2.5%) (i.e., equivalent to one salary range) in base salary when assigned on a continuing basis to provide direct supervision (i.e., develop work plans, complete performance evaluations, take disciplinary action) to one or more full-time equivalent (FTE) employees in budgeted positions. Such assignments and approvals are at management discretion and apply prospectively. The differential

shall be effective the beginning of the first full pay period after all approvals, and shall cease the end of the first full pay period when the required supervision is no longer exercised or approval ceases.

- L. Incumbents in the Plant/Pipeline Maintenance Technologist series shall receive a one-time lump sum bonus equal to two and one-half percent (2.5%) of their annual salary upon obtaining D-2 certification.
- M. Plant/Pipeline Maintenance Technologist II's shall receive a lump sum bonus equal to 2.5% of their annual salary upon obtaining a D-3 certification, Senior Plant/Pipeline Maintenance Technologists shall be compensated at a range of two and one-half percent (2.5%) higher than that to which they are normally entitled for obtaining a D-3 certification. Supervising Plant/Pipeline Maintenance Technologists shall be compensated at a range of five percent (5%) higher than that to which they are normally entitled for obtaining a D-4 certification.
- N. A confidential differential of five percent (5%) of base pay will be paid to employees, assigned by management, pursuant to the Employer/Employee Rules.

O. The parties will discuss the Association's interest in making the Senior Management Analyst classification eligible for supervisory differential pay at the Labor Management Committee (LMC) within six (6) months of the effective date of this MOU.

P. The parties will discuss the Association's interest in increased certification pays at the Labor Management Committee (LMC) within six (6) months of the effective date of this MOU.

Section 6. On Call Pay

- A. Non-exempt employees required to remain On Call during non-working hours shall receive one (1) hour pay for the first 5-8 hours, within a single twenty-four (24) hour period, and one-half (1/2) hour pay for each additional 5-8 hours within the same twenty-four (24) hour period. An employee who is On Call for the entire weekend (i.e., from Friday after their normal shift ends until Monday beginning of their normal shift) shall receive eight (8) hours pay for the entire weekend.
- B. Employees On Call shall be readily accessible by cell phone, pager, landline or other means of communication and will report to duty within a reasonable amount of time as determined in writing by their supervisor/manager, but in no case should an employee be provided with less than 20 minutes to report to work.
- C. Employees who are On Call found not readily accessible, who refuse, or are unable to report to duty within the time frame determined by their manager, upon attempted notification by the District, shall not receive the On Call pay for the period they were supposed to be On Call and may be subject to progressive discipline.
- D. When an employee responds by cell phone, landline or computer and does not return to a District facility, they shall be paid their applicable rate of pay to the nearest quarter hour (i.e., 5 minute phone call—employee can charge 15 minutes) while engaged in this activity.

Section 7. Call Back Pay

- A. Non-exempt employees reporting to work from on-call status or who are called back to work from off-duty hours shall be paid on a portal-to-portal basis. Portal-to-portal means the time from when the employee enters the District facility to which s/he is to report when called back to the time when the employee leaves the District facility.
- B. Non-exempt employees not On Call, who are called back and report to work to a District facility (or alternative place designated) shall be compensated for two (2) hours, or the actual time worked, whichever is greater, at time and one-half the employee's base rate, provided such Call Back duty does not immediately precede or follow their normal shift.

Section 8. Translation Services Pay

- A. Employees who successfully demonstrate the ability to communicate effectively in English and any other language used by a significant portion of the population the District serves may be compensated at the rate of \$75.00 per month for providing occasional use of bilingual skills such as written or oral language translation on behalf of the District. Such translation services may be in addition to the employee's usual duties and responsibilities.
- B. The CEO or designee will determine the need and number of employees allowed to participate in this program. In order to receive translation service pay, the employee must document the time used to provide translation services on a form provided by the District, approved by their supervisor and submitted to payroll each month to receive the differential.

Section 9. Job Site Reporting

- A. Employees shall be eligible for job site reporting pay of ~~seventeen twenty~~ dollars (\$~~2017~~) per day where an employee is, in advance, temporarily assigned by a department manager to perform work on a project or campus other than the employee's regular base of reporting, and the employee must be at the location at the start or end of a shift. Except for Construction Inspectors, temporarily means the assignment does not exceed six (6) months.
- B. When job site conditions warrant, the employee may request or the Deputy may assign an assigned District vehicle for the purpose of job site reporting.
- C. The employee's regular base of reporting is defined as the office campus where the employee would normally report in the absence of the project activity, usually where the employee's supervisory and support staff are located.
- D. No other compensation including overtime shall be paid for any additional commute times or mileage incurred by the employee for reporting to a temporarily assigned job site within any geographic location of the District's jurisdiction.

Section 10. Temporary Promotion Pay

- A. The Appointing Authority may temporarily promote an employee to a class for which he or she is qualified by education, training, and experience, for a period of not to exceed twelve (12) months. Such employee's current position shall be retained, but compensation shall be in the first step of the range of the promoted position or ten percent (10%) above the employee's current salary, whichever is higher, during such service in the promoted position, provided that the salary shall not exceed step 7 of the higher class. The District will notify the Union when making a temporary promotion into classes represented by the Union.
- B. When granting temporary promotions, the District will use reasonable efforts to ensure such temporary promotions occur on a fair and equitable basis and are reserved for qualified employees. The District shall not use a temporary promotion as means of filling a position that requires a regular full-time employee.

Section 11. Out-of-Class Assignment

- A. Out-of-class assignments shall be made for a minimum of five (5) consecutive eight (8) hour work days, four (4) consecutive nine (9) hour work days, four (4) consecutive ten (10) hour work days, or three (3) consecutive twelve (12) hour work days/shifts and shall not exceed 180 consecutive calendar days. In order to be assigned to work out-of-class, the employee must consistently assume a substantial amount of the higher level duties.
- B. Assignments shall be made by the appropriate level manager, on a fair and equitable rotating basis. No out-of-class assignments shall be made that would place the employee above their direct supervisor or manager. Assigned employees shall meet either the education, training, or experience requirements of the minimum qualifications for the position, as determined by the manager making the assignment. Out-of-class assignments are limited to one level above in the unit's business area's hierarchical structure. If no qualified candidate, by either education, training, experience, or level, is available within the unit or business area, the manager shall assign an appropriate person. In assigning an appropriate person, the manager shall consider attributes such as experience, related knowledge and abilities, past performance, and employee work and career plans. All employees who are assigned out-of-class duties must meet any and all licensing requirements for the position, as required by law.
- C. The Union shall be notified of the assignment.
- D. Nothing herein shall prohibit the training of an employee in work of a more advanced nature without additional compensation, as long as full duties are not substantially assumed.
- E. Employees performing work out-of-class shall be compensated within the salary range of the higher class at the first step or 5% greater than their current salary, whichever is greater.
- F. Classified employees assigned to work as designated acting "unclassified staff" shall be compensated seven and one-half percent (7.5%) higher than that to which they are

normally entitled during the period they are designated as acting unclassified staff when such assignment is authorized by the Appointing Authority or Chief Executive Officer.

Section 12. Organizational Performance Incentive

The parties recognize the need to provide incentives to improve organizational performance with the goals of creating a more cost conscious work force; realizing savings bringing increased focus on team and/or organizational rewards; and improving management of expenditures. The District, at its sole discretion, may continue to offer such programs as the On the Spot Awards (FLOW), the Recognition Awards Program and Service Awards.

ARTICLE 4. WORKWEEK/OVERTIME/COMPENSATORY TIME

Section 1. Workweek and Lunch Break

- A. The workweek of unit personnel shall be regular recurring periods of 168 consecutive hours in the form of seven (7) consecutive 24-hour periods, as designated by the District. Eighty (80) hours shall constitute a full pay period of work. The workday and the pay periods shall be designated by the District. Work hours shall be as designated by the District. Employees shall be notified of any change in work hours/days at least five (5) calendar days in advance except in cases of emergency.
- B. Except as noted in paragraph C below, employees who work five (5) hours per day or more, must take an unpaid lunch break of at least one-half (1/2) hour. This lunch break should be taken at or about midway through the workday.
- C. Due to the nature of their work, individuals in the Water Plant Operator series, and System Control Operators series, agree to remain at their assigned work site during their work shift. These individuals are entitled to a 30 minute paid on-duty lunch break during their work shift.
- D. Employees in exempt classes are considered exempt professionals and as such are not required to be compensated for overtime work. Commensurate with the exempt class, employees may be required to work outside of their work schedule and may in consultation with their supervisor, adjust their daily work schedule as they deem appropriate in order to meet the responsibilities of the assigned position.

Section 2. Work Schedules

- A. The District recognizes the importance of work-life balance for employees, in accordance with the District Values Statement.
- B. Work schedules include the 8-9-8 and 5-8 schedules. Upon the recommendation of the Unit Manager and the approval of the CEO or designee, other alternative work schedules may be established, and both 4-10 and 12-hour shift schedules for assigned Continuous Facility Operations employees. Prior to establishing any new schedule, the District shall give notice to the Union and afford the opportunity to meet and confer.
- C. An employee's work hours shall be as designated by the District. Employees shall be notified of any temporary change in designated work hours/days at least five (5) calendar days in advance except in cases of emergency.
- D. The manager may change the regular work schedule of an employee with thirty (30) calendar days' notice. Decisions to change a work schedule, or denial of a request by an employee to change his/her schedule, shall be based on business needs.
- E. Employees accrue vacation, sick and personal leaves according to hours of service. When a holiday falls on an employee's work day, the employee is given holiday pay for the number of hours regularly scheduled in that shift not to exceed nine (9) hours

(12 hours for assigned continuous facility operation employees only). When the holiday falls on an employee's scheduled day off, eight (8) hours shall be added to the employee's vacation balance. Employees will be charged time off based on the number of hours in the work day missed.

Section 3. Overtime/Compensatory Time

- A. An employee must obtain the supervisor's approval prior to working overtime. In exceptional or emergency circumstances where overtime is required and there is not opportunity to obtain supervisory authorization an employee must report the hours worked, purpose, and circumstances to the supervisor during the employee's next scheduled shift.
- B. Overtime is defined as hours worked in excess of 40 hours in a work week or hours worked in excess of those regularly scheduled in a full-time shift, excluding authorized meal periods. Part-time employees will be paid overtime for hours worked in excess of 40 hours in a work week, or hours worked in excess of their regularly scheduled shift or 8 hours in a day, whichever is greater. Except as noted in paragraphs C, D and E below, overtime compensation shall be at one and one-half (1½) of the employee's regular hourly rate of pay including hourly premium and bonus wages.
- C. Employees may request and earn compensatory time off in lieu of paid time. Compensatory time shall be accumulated at the rate of one and one-half (1½) hour accumulation for each hour worked, not to exceed a total accumulation of eighty (80) hours of compensatory time. Accumulated compensatory overtime must be taken before any accumulated vacation time is used and is to be taken under the same terms and conditions as vacation.
- D. Overtime/compensatory time payment shall be as defined above except that continuous overtime worked in excess of 8 hours shall be compensated at two (2) times the regular hourly rate of pay and continuous overtime worked in excess of sixteen (16) hours shall be compensated at two and one-half (2½) times the regular rate.
- E. An employee who is required to work overtime on Sundays or a District holiday will be paid at the rate of two (2) times the regular hourly rate.

Section 4. Overtime Meal Breaks

- A. In addition to regular scheduled breaks, employees will be provided a one-half (½) hour unpaid meal break after eleven (11) continuous hours of work.
- B. After sixteen (16) continuous hours worked, a paid one (1) hour meal break will be provided. After 21 continuous hours worked, an additional one-half (½) hour paid meal break will be provided.
- C. The break is earned at the completion of the 16th and 21st continuous hours worked.

Section 5. Overtime Meal Allowances

- A. Employees earn a meal allowance in accordance with paragraph B below, after completion of three (3) hours of overtime, when such overtime is contiguous with a full day's work. Employees also earn a meal allowance after completion of any eight (8) hours of continuous overtime and an additional allowance will be earned after completion of every four (4) hours of continuous overtime thereafter.
- B. Allowances for meals are determined by when the meal is earned and are limited as follows:
 - 1. A meal allowance earned between the hours of 12:01 a.m. and 8:00 a.m. shall be paid at thirteen dollars (\$13) for breakfast.
 - 2. A meal allowance earned between the hours of 8:01 a.m. and 4:00 p.m. shall be paid at fifteen dollars (\$15) for lunch.
 - 3. A meal allowance earned between the hours of 4:01 p.m. and 12 midnight shall be paid at twenty-five dollars (\$25) for dinner.
- C. Employees are not eligible for an overtime meal allowance if the District provides a meal consistent with the employee's reasonable dietary needs and within reasonable proximity to the time in which the allowance or break would be earned.
- D. Employees shall be reimbursed for actual meal expenses incurred while traveling on District business in accordance with and subject to the limitations of District procedures for travel reimbursements.

Section 6. Rest Period

- A. One (1) paid twenty (20) minute rest break with pay shall be provided to an employee for each four (4) hour period that employee is required to work during the workday. For full time employees, the first twenty (20) minute rest break must be taken during the first half of the workday and the second twenty (20) minute rest break must be taken during the second half of the workday. Supervisors are responsible for scheduling rest periods. It is recognized that many positions have an assignment that requires coverage for a full shift which would not permit the employee to actually leave his/her post. In those cases, it is recognized that the employee can "rest" while the employee physically remains in the geographic location of his/her duty post.
- B. An employee may not accumulate unused rest period nor shall rest periods be authorized for covering an employee's late arrival on duty or early departure from duty.

Section 7. Fatigue Time

- A. If an employee works four (4) or more continuous hours of overtime with less than an eight (8) hour rest period before their next regular scheduled work shift, they ~~may shall~~ receive fatigue time subject to the provisions of this Section. The purpose of fatigue time is to allow an employee an eight (8) hour rest period before requiring them back to work.

The employee will not lose the regular work pay they would otherwise be entitled to. A maximum of eight (8) hours of fatigue time is allowed.

EXAMPLE: An employee whose normal start time is 8 a.m. works four (4) hours continuous overtime from 10 p.m. until 2 a.m. Since there are only six (6) hours between the end of the overtime worked and the start of the normal shift, the employee is eligible for two (2) hours of fatigue time. The employee may arrive at work at 10 a.m. and can code the two (2) hours missed (8:00–10:00) to fatigue time and receive the normal full day's pay.

- B. Employees requesting fatigue time are responsible for providing advanced notification to their supervisor, or person in charge that they will be utilizing fatigue time.
- C. Employees are not eligible for fatigue time if the overtime work begins within four (4) hours of their next regularly scheduled shift.

Section 8. Flextime

- A. In order to efficiently carry out District work and serve the public, managers will establish designated start and end times for their areas of oversight.
- B. Employees are expected to report to work at their designated starting time. On occasions when an employee is not able to report to work on time due to commute difficulties, unanticipated responsibilities, or family care issues, the employee may have up to a fifteen (15) minute grace period provided it does not affect the necessary work and responsibility of the District. This grace period is not to be exercised on an ongoing basis, but is intended for unexpected difficulties. An employee who reports to work late must make up the time by working a corresponding number of minutes at the end of the regularly scheduled shift.
- C. Employees may request flexible time up to two (2) hours before or after the designated start and end times. Flextime may be approved unless, in the sole discretion of the District, the time would significantly affect the necessary work and/or public responsibility of the District.
- D. Each non-exempt employee must complete their full scheduled number of hours required per day. Lunch and/or break times may not be used to complete the number of hours in a shift.

ARTICLE 5. BENEFIT PROGRAMS

Section 1. Maintenance of Benefits

Benefit plans currently in effect will continue during the term of this MOU unless; (1) a benefit plan is canceled by the Plan/Insurer; or (2) a benefit plan is added, deleted, or amended by the District and after consultation with the Union. The District will notify all employees and the Unions of any changes, including, but not limited to, any amendment, deletion, or cancellation of a benefit plan no later than ten (10) working days prior to the effective date of such amendment, deletion, or cancellation.

Section 2. Medical

- A. The District agrees to continue medical coverage at the level provided in this MOU. Employees will pay 15% and the District will pay 85% of the cost of the premium. Coverage will be for all employees and their dependents, including registered domestic partners. During the life of the MOU, any increases or decreases in premium rates will also increase or decrease the total amount paid by the established cost-sharing. Employee paid medical premiums may be paid on a pre-tax basis in accordance with the IRS Section 125 Plan.
- B. The District agrees to provide all regular District employees with medical coverage. District employees may only receive coverage under one plan; either as single coverage or family coverage either as the primary beneficiary or as a dependent under the plan of a spouse or registered domestic partner who is a regular District employee. Also, an employee's eligible dependents will only be covered under one employee's medical plan.
- C. Effective April 1, 2018, the following plan design changes will be implemented:
 - 1. Co-pay for office visits for Kaiser plan will be \$10.00.
 - 2. Co-pay for office visits for Blue Shield HMO plan will be \$10.00.
 - 3. Prescription coverage for Kaiser plan will be \$10.00 generic; \$15.00 name brand; \$30.00 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-payments.
 - 4. Emergency room services for all plans will be \$100.00 per visit in addition to any applicable calendar year deductible. Co-pay will be waived if hospitalized.
- D. Effective April 1, 2019, the following plan design changes will be implemented:
 - 1. Calendar year deductibles for Blue Shield PPO plan will be \$250.00 per person/maximum \$500.00 per family.
 - 2. Out-of-pocket limits for all plans will be \$2,000.00 per person/maximum \$4,000.00 per family.

- E. A District employee who chooses to be covered as a dependent under another District employee's plan rather than opting for coverage as a primary beneficiary, will receive an in-lieu payment equivalent to 50% of the cost of the least expensive single coverage plan which is taxable income.
- F. Such District employees are eligible to enroll in any plan in the event one spouse or partner leaves the District, or a change in their marital/partnership status occurs.
- G. Upon retirement, such employees would have the same rights to medical benefits as other employees.

Section 3. Vision Care

The District agrees to continue the Vision Service Plan vision care coverage for employees and dependents enrolled in the Blue Shield medical plan, and pay the premium thereof, including any increases in the cost of premiums which may occur during the term of this MOU. Employees enrolled in the Kaiser medical plan will receive vision care coverage as part of their medical plan, subject to premium sharing pursuant to Section 2-A above.

Section 4. Dental

- A. The District agrees to continue the Delta Dental Plan of California dental coverage for employees and dependents and pay the premium thereof, including any increases in the cost of premiums which may occur during the term of this MOU.
- B. The benefits of the District-paid Delta Dental Service Plan will have the basic dental coverage benefit of \$2,000 per each eligible employee and each dependent per year, and the lifetime orthodontic benefit of \$1,500 per each eligible employee and each dependent.

Section 5. Life Insurance

The District agrees to furnish life insurance equal to an employee's annual salary up to a maximum benefit of \$100,000. This policy includes AD&D coverage for the employee. Additional life insurance at employee's cost will be available at group rates at 1x, 2x, 3x or 4x annual salary to a maximum benefit of \$500,000.

Section 6. Disability Insurance

- A. The District provides basic Short-Term Disability (STD) and Long-Term Disability (LTD) insurance which provides a benefit of 66 2/3% up to the first \$9,000 in monthly base pay. For STD, benefits start after the 14-day elimination period and are paid on a weekly basis. If necessary, STD may transition into LTD after 180 days of disability and then paid on a monthly basis.
- B. Employees who have a gross salary of more than \$9,000 per month are eligible to purchase supplemental STD/LTD coverage up to a maximum of \$18,000 in monthly salary.

- C. Employees may use their sick leave during the waiting period and to supplement disability payments.

Section 7. Personal Accidental Death and Dismemberment

The District agrees to make personal accidental death and dismemberment group insurance available to employees at no cost to the District.

Section 8. Part-Time Classified Benefits

- A. Regular District employees who have received management approval to work a reduced work week or part-time schedule and who work a minimum of 40 hours per pay period and participate in the Public Employees Retirement System are entitled to receive the following benefits on the same terms as full time regular District employees:
1. Medical
 2. Vision Care
 3. Dental
 4. Life Insurance
 5. Disability Insurance
- B. They may also participate in any classified employee benefit program wholly funded through employee contributions for which they are eligible under the terms of the agreement with the provider (i.e., optional Personal Accidental Death and Dismemberment Insurance).

Section 9. Dependent Care Assistance Program

The District agrees to continue the Dependent Assistance Program as provided by the Internal Revenue Code Section 129. Said program provides that a limited value of child and dependent care costs provided under an employer's non-discriminatory plan is not included in an employee's gross income for income tax purposes.

Section 10. Health Care Reimbursement Program

The District agrees to continue the Health Care Reimbursement Program as provided by the Internal Revenue code (IRC) 125. In accordance with the Program, a limited value of un-reimbursed medical costs provided under an employer's non-discriminatory plan is not included in an employee's gross income for income tax purposes.

Section 11. Employee Assistance Program

The District will continue the Employee Assistance Program providing employees access to confidential assistance in the solving of personal problems. Such program will be operated primarily by personnel outside of the District. Maintenance of confidentiality and anonymity will be considered a primary goal of the program.

Section 12. Benefits Handbook

The District's Benefits Handbook, describing the employee benefit plans, will be made available to employees.

Section 13. Benefits Collaboration

The District will continue a dialogue with the Union in an effort to control costs and optimize the value of the employee benefits programs and to facilitate the approval of meet and confer items related to those programs.

ARTICLE 6. PENSION BENEFITS

Section 1. PERS Pension

- A. The District will continue to participate in the Public Employees' Retirement System (PERS) with benefits as currently provided at the 2.5% @ 55 Formula Benefit Level for employees hired prior to March 19, 2012. Employees hired March 19, 2012 or thereafter, will participate in the Public Employees' Retirement System (PERS) with benefits provided in the contract with PERS at the 2% @ 60 formula Benefit Level. Employees hired January 1, 2013 or thereafter who qualify as new members will be placed in the PEPRAs PERS formula of 2.0% @ 62 (2.5% @ 67). All pension benefits are subject to the provisions of the contract with PERS, as amended from time to time, the terms of which are incorporated by reference as if fully set forth herein.
- B. Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay ~~11% the following contributions~~ towards their pension benefits which includes the employee required contribution as well as an additional amount ~~3.0% for PERS 2.5% @ 55 formula and 4.0% for PERS 2.0% @ 60 formula~~ towards the employer's contribution. These deductions will be pre-tax to the extent allowable by law:

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective the first full pay period in July of 2018	9.5%
Effective the first full pay period in July of 2019	10.0%
Effective the first full pay period in July of 2020	10.5%
Effective the first full pay period in July of 2021	11.0%

~~Effective the first full pay period in July of 2022, employees participating in the PERS 2.5% @ 55 formula will contribute only the 8.0% employee contribution rate and will no longer contribute any additional amount toward the employer contribution. Effective the first full pay period in July of 2022, employees participating in the PERS 2.0% @ 60 formula will contribute only the 7.0% employee contribution rate and will no longer contribute any additional amount toward the employer contribution. These deductions will be pre-tax to the extent allowed by law.~~

- C. Employees participating in the formula of 2.0% @ 62 (2.5% @ 67) (PEPRA) will pay ~~50% of the total normal cost as determined by CalPERS plus an additional 2.0% the following contributions~~ toward their pension benefits. ~~Effective the first full pay period in July of 2022, employees participating in the 2.0% @ 62 (2.5% @ 67) will only be required to pay 50% of the total normal cost as determined by CalPERS toward their pension benefits.~~ These deductions will be pre-tax to the extent allowable by law:

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Effective Date of Employee Contributions	PEPRA Employee Contribution Rate
Effective the first full pay period in July of 2018	50% of total normal cost as determined by CalPERS plus an additional 0.50%
Effective the first full pay period in July of 2019	50% of total normal cost as determined by CalPERS plus an additional 1.0%
Effective the first full pay period in July of 2020	50% of total normal cost as determined by CalPERS plus an additional 1.50%
Effective the first full pay period in July of 2021	50% of total normal cost as determined by CalPERS plus an additional 2.0%

- D. The District will continue to include an option in the retirement contract which allows retirement credit for military service under the terms and conditions as specified by PERS.
- E. The PERS Retirement Plan will include Post Retirement Survivor Continuance and Retirement Credit for Unused Sick Leave for the 2.5% @ 55 plan.
- F. The employee survivor benefits will be Level 4 as specified in the 1959 Survivor Benefits Report of the California Public Employees Retirement System for the 2.5% @ 55 plan.
- G. The PERS Retirement Plan Final Compensation will be calculated by using the average monthly rate over the highest consecutive 12 month period for the 2.5% @ 55 plan. The PERS Retirement Plan Final Compensation for the 2% @ 60 plan will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period. The PERS Retirement Plan Final Compensation for the PEPRA PERS plan of 2.0% @ 62 (2.5% @ 67) will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period.
- H. The District will continue implementing the provisions of Internal Revenue Code 4140(h) (2) which allows the employee's salary to be reduced by the amount of the employee's retirement contribution only for the purposes of computing Federal and State income tax. The employee PERS contribution will be taken against the actual base salary prior to reduction for taxation purposes.

Section 2. Retiree Health Benefits

- A. This section does not apply to those District employees who retired from the District prior to July 1, 1988.

B. Eligibility requirements for retiree medical coverage are as follows:

1. Eligible retirees hired prior to March 1, 2007:
 - a. Eligible retirees with a minimum of ten (10) years (20,800 hours) of continuous District service will receive medical coverage.
 - b. Eligible retirees with a minimum of fifteen (15) years (31,200 hours) of continuous District service will receive medical coverage for the employee plus one eligible dependent.
2. Eligible retirees hired on or after March 1, 2007:
 - a. Eligible retirees with fifteen (15) years (31,200 hours) of continuous service will receive medical coverage.
 - b. Eligible retirees with twenty (20) years (41,600 hours) or more years of continuous service will receive medical coverage for the employee plus one eligible dependent.

3. Eligible retirees – service credit for prior public agency employment:

- a. For purposes of satisfying the continuous District service requirement in Section 2(B)(1)-(2) above, District employees employed or hired during any portion of the term of this Memorandum of Understanding shall be credited up to ten (10) years (20,800 hours) for any prior employment at the State of California or any political subdivision thereof, including any city, county or special district.
- b. This provision shall not apply retroactively to former District employees who left District employment prior to the effective date of this Memorandum of Understanding.
- c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at the District prior to the date of retirement with CalPERS. For employees hired during the term of this Memorandum of Understanding, completion of the aforementioned five-year (10,400 hours) requirement following expiration of this Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below.
- d. Eligibility for the service credit under this subsection is further conditioned upon employees' full cooperation with the District in any reasonable efforts to obtain records or other proof of employees' prior public agency service.
- e. Service credit awarded during the term of this Memorandum of Understanding pursuant to this Section 2(B)(3) shall survive expiration of this Memorandum of Understanding. However, nothing in this Section 2(B)(3) is intended to create any other duties or obligations of the District

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for future employees hired after the expiration of this Memorandum of Understanding.

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- C. A retired employee has the option to continue coverage for additional eligible dependents by paying the premium to the District.
- D. Retirees who live outside the Kaiser service area will not be permitted to enroll in the Kaiser plan.
- E. The District will include this assumption in conducting an actuarial analysis to estimate the impact on reducing the unfunded liability.
- F. During periods when an eligible retiree has medical coverage from another employer, that coverage will be primary and the District's coverage will become secondary.
- G. Upon the retiree's death, the District will continue medical coverage for the retiree's surviving eligible dependent. District-paid continuation of a second eligible dependent will cease upon the retiree's death.
- H. Any other surviving eligible dependents that were on the plan at the time of the retiree's death have the option to continue coverage by paying the premium to the District. New or additional dependents cannot be added after the retiree's death.
 - 1. An eligible District retiree is defined as:
 - a. An employee who retired from the District on and after July 1, 1988, and is eligible for California Public Employees' Retirement System (CalPERS) service retirement (age fifty (50) or over with a minimum of five (5) years of CalPERS service credit); and
 - b. ~~Subject to~~ section 2(B)(3) above. An employee with a minimum of ten (10) years (20,800 hours) of continuous District service; or
 - c. An employee with a minimum of five (5) years (10,400 hours) of continuous District service who is eligible for CalPERS disability retirement.
- I. It is understood that by entering into this MOU, neither party waives any legal rights, including the Union's or an employee's right to assert that retiree health benefits are vested, or what the vested benefit constitutes, as to employees working or who retired at any point between December 30, 2006, and December 31, 2011.
- J. The retiree health benefits provided to eligible District retirees will be the same health benefits that the District provides its active regular full time employees. Except as noted below, retiree premium sharing will be based on the premium sharing percentage required of active employees on the same premium amounts that apply to the medical plans for active employees, or retiree rates, whichever is less. Retiree premium sharing shall not apply to employees hired by the District prior to December 30, 2006.

Section 3. Medicare Enrollment

As of August 1, 2007, all current retirees not yet 65 years of age and Medicare eligible and all future retirees who are Medicare eligible, must enroll themselves in Medicare when they reach the eligibility date for Medicare (presently at age 65). Their Medicare eligible dependents, who are enrolled in the District's health plan, must also enroll in Medicare upon their eligibility date. Failure to enroll in Medicare Part B will result in termination of retiree medical benefits. The District will reimburse the ongoing Medicare Part B cost incurred by the retiree and/or dependent. The method of reimbursement shall be developed by the District, but reimbursements shall be made no less frequent than quarterly. The District will also include this assumption in conducting its actuarial analysis to estimate the impact on reducing the unfunded liability.

Section 4. Deferred Compensation

- A. The District agrees to continue to make available reasonable deferred compensation programs.
- B. The Union will have the right to representation on the District's deferred compensation committee.
- C. For the term of this contract, which expires on December 31, 202~~5~~⁴, the District agrees to match up to the amount outlined in the Engineers Society MOU or one thousand ~~two~~ eight hundred (\$1,~~82~~⁰⁰) dollars, whichever amount is greater, per calendar year. The match payments will be contributed to the employee's 401(a) account.
- ~~C-D.~~ The current maximum deferred compensation amount allowed by law for the 401a plan is \$58,000 and the current maximum amount of deferred compensation allowed by law for the 457 b plan is \$19,500 for those under 50 and \$27,000 for those over 50. Both plans are ~~but is~~ subject to change per IRS rules.
- ~~D.~~ This District will amend the current 401(a) plan to allow employees in this bargaining unit to participate, consistent with the plan requirements.

ARTICLE 7. PAID LEAVES

Section 1. Holidays

A. Employees will have the following paid holidays:

Holiday	Observed
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Cesar Chavez Day	March 31
Memorial Day	Last Monday in May
<u>Juneteenth</u>	<u>June 19</u>
Independence Day	July 4
Labor Day	First Monday in September
<u>Columbus-Indigenous Peoples' Day</u>	Second Monday in October
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	The Friday after Thanksgiving
Christmas Day	December 25

- B. Every day, subject to prior approval by the District Board of Directors, appointed by the President of the United States or the Governor of California for a public fast, Thanksgiving, or holiday.
- C. Holidays falling on Saturday are observed on the preceding Friday. Holidays falling on Sunday are observed on the following Monday. Holidays falling during periods of paid leave, such as vacation or sick leave shall not be deducted from the accumulated leave time. Holidays falling on an employee's scheduled day off shall be added to the employee's vacation balance.
- D. Continuous operations shift employees who work on a Saturday or Sunday on which a holiday would normally fall, will be paid at the holiday rate. The Friday preceding or Monday following shall not be considered a holiday for continuous operations shift employees.
- E. A continuous shift operator who works four (4) hours or less on a shift falling on a holiday shall be compensated by adding eight (8) hours to their accumulated vacation leave balance instead of holiday pay.
- F. When work is required on a holiday, such time shall be compensated at the rate of two (2) times the regular rate of pay including premium pay for shift differential, or any other pay differentials, plus the regular holiday pay to which the employee is entitled.
- G. An employee in a leave without pay status immediately preceding and following the holiday will not be eligible to be compensated for the holiday.

- H. When the holiday falls on an employee's regular day off, the employee will have eight (8) hours of vacation added to his/her vacation balance. Regardless of the employee's scheduled work hours for that regular day off (i.e., 9 hours or 10 hours), only eight (8) hours of vacation is added to the existing vacation balance.

Section 2. Absence Notification

- A. Employees must obtain advance approval for use of vacation, personal leave, compensatory time off or sick leave for cases other than an unanticipated disabling illness or injury or for the need to care for a family member who becomes ill or injured.
- B. In circumstances where it is not possible to anticipate an absence and secure prior approval, the employee should notify his/her supervisor in a timely manner to report the absence. In most circumstances, the call should be made within one (1) hour of the scheduled starting time. Non-emergency medical appointments, sick leave, vacation, compensatory time off and personal leave are to be scheduled and approved sufficiently ahead of time so as to minimize the impact on unit operations.
- C. The District shall not require an employee to give a reason as a condition for approving the use of vacation, compensatory time, or personal leave provided prior approval is requested.
- D. Any unauthorized absence by an employee shall be deemed to be an absence without pay and will be grounds for disciplinary action by the appointing authority. Any employee who is absent for three (3) consecutive days or more without authorized leave shall be deemed to have resigned.

Section 3. Vacation

Years of Service	Rate of Annual Accumulation
Through 1st year	80 hours/year
Beginning with the 2nd year	96 hours/year
Beginning with the 5th year	128 hours/year
Beginning with the 10th year	144 hours/year
Beginning with the 15th year	168 hours/year
Beginning with the 20th year	176 hours/year

- A. Vacation may be accumulated not to exceed three (3) times the annual entitlement except when the employee:
1. Is absent on full salary due to a work-related injury or illness; or
 2. Is earning vacation while using sick leave due to an illness or injury; or
 3. Is unable to take vacation because he or she as an employee of the District is responding to extreme emergencies such as fire, flood, or similar disaster.
- B. The monetary value of accumulated vacation time will be paid to an employee whose employment is terminated with the District. In the event of termination due to death, the value of accumulated vacation time will be paid to an employee's beneficiary.

- C. Whenever operationally practical, vacations will be scheduled for the time requested by the employee. In order to avoid undue disruption of work activities or to minimize conflicts with other employees' vacations, the unit manager may place seasonal or other restrictions on the use of vacation.
- D. Supervisors may prepare a schedule of available vacation periods for each class in their organizational unit in relation to estimated workload. Each employee shall indicate, by order of preference, the vacation period desired. Supervisors shall review vacation requests and resolve any conflicts in favor of the employee with the most District seniority, provided, however, if an employee requests his/her vacation be taken in two or more non-continuous vacation periods, such employee may exercise his/her seniority only for the first period of vacation.
- E. An employee on vacation who becomes ill may request a conversion of vacation time used while ill to sick leave if such illness is supported by a written statement from a medical provider or if the employee was hospitalized for the illness or injury.
- F. If an employee's requested vacation must be denied or cancelled due to operational reasons and for that reason the employee reaches the vacation accrual maximum, an exception of time will be granted before the vacation accrual maximum is enforced.

Section 4. Vacation Cash Out

An employee may cash out his or her accrued vacation hours not to exceed 80 hours or the number of hours equal to 75% of his or her vacation annual accrual rate whichever is greater. The cash out timelines must be in accordance with District policy. The MOU is the superseding document concerning the hours and percentage of cash out.

Section 5. Personal Leave

- A. Effective the first pay period of each fiscal year, employees in active status shall be credited twenty-four (24) hours of personal leave. Employees beginning District employment or returning from unpaid leave after that date shall have a prorated amount of personal leave credited to them, computed on a twenty-six (26) pay period basis.
- B. Personal leave must be approved for use in advance by the employee's supervisor.
- C. Personal leave shall not be accumulated from one (1) year to the next. Any personal leave remaining to the employee's credit at the end of the pay period prior to that pay period when the next year's personal leave is credited shall be lost.

Section 6. Sick Leave

- A. Sick leave with pay will be accrued at the rate of 3.693 hours per pay period (96 hours/year). Unused sick leave may be accumulated without limit. The District may require substantiation of any sick leave when the employee has a demonstrable pattern of sick leave abuse or the supervisor has good reason to believe the absence was for an unauthorized reason. Sick leave for three shifts in a row must be substantiated to the

District with a note from an accredited attending physician or medical provider. Eligible uses of sick leave are:

1. The employee's illness or injury;
 2. Medical or dental appointments for employees;
 3. Providing care for a spouse, registered domestic partner, child, parent or other legal dependent of the employee pursuant to the District's FMLA/CFRA/PDL Policy (such care could include medical or dental appointments);
 4. Extending the term of an employee's bereavement leave for up to 10 consecutive working days per Section 9 of this Article 7; or
 5. An employee on vacation who becomes ill may request a conversion of vacation time to sick leave if the illness is supported by a statement from an accredited physician or if such employee is hospitalized for any period due to accident or illness.
- B. Upon death of the employee, sick leave balance will be paid at 100% of cash value.
- C. Upon retirement from the District, there are three options for payout/conversion of sick leave balances, provided that the employee has filed for a CalPERS Retirement.
1. Option 1: Cash out up to 480 hours of sick leave at 50%. If applicable, remaining balance is converted to CalPERS for additional service credit.
 2. Option 2: Convert all hours to CalPERS for additional service credit (e.g., balance is 600 hours which equates to an additional 75 days of CalPERS service time).
 3. Option 3: Convert up to 480 hours of sick leave at 50% to Deferred Compensation. If applicable, remaining balance is converted to CalPERS for additional service credit.
- D. Upon resignation with ten or more years of service, or upon separation by layoff regardless of service, up to 480 hours of accrued sick leave shall be paid off at the rate of 25% of the cash value.
- E. Other than as provided in paragraphs B, C, and D above, all rights to sick leave shall be cancelled upon separation, provided, however that:
1. If an employee resigns and is not entitled to a sick leave payoff and is reinstated or re-employed within one year from the date of resignation, the employee shall have their former sick leave balances restored.
 2. Employees receiving a sick leave payoff shall, if reinstated or employed within six months, be required to repay the full amount of the sick leave payoff received and have their former sick leave balances restored. A written agreement for repayment in full must be made before reinstatement or re-employment.

Section 7. Sick Leave Conservation Program

- A. The Union and the District, in an effort to provide employees with an incentive to conserve sick leave, have agreed to the following:
1. ***Payoff Provision***
 - a. At the end of Pay Period No. 26 of each year, all employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) hours (exclusive of non-deductible bereavement leave) of sick leave during the preceding twelve (12) month period may convert up to twenty-four (24) additional hours of accumulated sick leave in eight (8) hour increments, to cash equal to the number of sick leave hours converted, multiplied by the employee's normal hourly rate. Employees in a part time status or on leave of absence during the eligibility period will have their hours pro-rated.
 - b. The employee must have been in paid status for the full twelve (12) month period.
 - c. Any sick leave used for bereavement purposes shall not be charged against the employee's sick leave conservation hours.
 - d. Payment shall be made in Pay Period 06, following the eligibility period.

Section 8. Sick Leave Donation Program

- A. ***Donor***
1. An employee shall be allowed to donate his or her sick leave to other employees in accordance with District Policy.
 2. Sick leave donations will be on an "hour for hour" basis.
 3. The number of sick leave hours donated by an employee will not be considered when determining the employee's eligibility for cashing out sick leave under the District's Sick Leave Conservation Program.
- B. ***Recipient***
1. Must exhaust all of their own paid time off before donated time can be used.
 2. Must be on an approved medical leave of absence lasting more than twenty-five (25) calendar days.
 3. No lifetime max on the number of donated hours that an employee can receive.
 4. Employees on medical leave of absence who have received vacation/sick donation hours will not be considered in an unpaid status until complete exhaustion of their accrued time and all donated hours.

Section 9. Bereavement Leave

In the event of death in an employee's immediate family (parent including in-law, grandparent, spouse, child including grandchild, sibling including in-law or other permanent member of the employee's immediate household or any person sharing a comparable relationship resulting from marriage or a registered domestic partner relationship), the employee shall be granted bereavement leave not to exceed three (3) days. Additional time may be charged to sick leave for a total leave (i.e., bereavement plus sick leave), not to exceed ten (10) consecutive working days. The non-working days are not charged to any leave.

Section 10. Jury/Witness Leave

- A. Any employee who is subpoenaed as a witness is entitled to or his or her regular pay while serving as a subpoenaed witness provided that any fees the employee receives for being a witness are deposited into District funds. Such leave will be unpaid if the employee is the plaintiff or defendant or if the court appearance is for domestic relations matters. Appropriate leave time accruals may be used to cover such time.
- B. Any employee summoned to appear for jury service is entitled to his or her regular pay while on jury duty. The employee must sign the Juror Fee Waiver Form per the California Code of Civil Procedure, Section 215, which states that a juror who is employed by a government entity and receives regular salary and benefits while on jury duty must waive the daily juror fee.
- C. Employees working evening or night shifts shall be entitled to release time from their own work schedule for the number of hours spent on jury duty during the day.

Section 11. Military Leave

The District shall grant military leave in accordance with the California Military and Veterans Code, unless District policies are more generous.

Section 12. Industrial Injury Leave

- A. When an employee is unable to perform assigned duties by reason of sickness or disability, as defined in the Worker's Compensation Act of the State of California, the employee is eligible to receive the regular salary for eighty (80) hours of such disability, conditioned upon the use of a District-designated medical provider for the duration of the services needed for the care of the employee, without loss of sick leave and/or vacation benefits. This benefit may be referred to in this section as "Code 30" benefits.
 - 1. If the employee uses a District-designated medical provider, the industrial accident leave compensation is a maximum of eighty (80) hours.
 - 2. If the employee uses their own medical provider, such provider must be pre-designated prior to the injury meeting the requirements of the workers' compensation statute and the industrial accident compensation is a maximum of forty (40) hours.

3. If the employee starts treatment with the District–designated medical provider and after thirty (30) days chooses to treat with an out–of–network physician, the maximum compensation will be forty (40) hours. Any excess hours used beyond forty (40) hours will be reimbursed to the District.
4. The eighty (80) or forty (40) hours must only be used for time off related to the industrial injury for which the hours are assigned. Examples of legitimate use include: doctor’s appointments, physical therapy appointments, meetings with investigators, and Temporary Total Disability. Time off that is not authorized by a physician will not be eligible for this benefit.
5. At the end of this leave (depletion of 40 or 80 hours), and if unable to return to work, the employee will elect whether to receive payment of any accumulated sick, vacation, or other earned leave benefits, or to receive workers’ compensation Temporary Disability Payments (TTD).
6. If the employee elects to receive payment of any accumulated sick, vacation or their earned leave benefits, any TTD for this period is assigned to the District.
7. Code 30 benefits will be in effect for six (6) months from date of injury regardless of the number of hours actually used.
8. Alternatively, up to ten (10) hours of Code 30 benefits may be authorized for a “first aid only” work related injury contingent upon an objective medical evaluation to determine whether the incident is industrial in causation. Must be “As a Result of Employment” (AOE) or “In the Course of Employment” (COE) to qualify as industrial. Use of this time will be at the discretion of the unit manager, in consultation with the first level Deputy and the Worker’s Compensation Administrator.
9. The employee is responsible to ensure that s/he does not exceed the hours expressed in this section. Excess payments resulting from Code 30 benefits and regular payroll must be reimbursed by the employee to the District on a dollar per dollar basis.
10. If for any reason the claim is denied, these benefits cease.

Section 13. Part Time Classified Employee Paid Leaves

- A. The following paid leave benefits are accrued on a prorated basis: Holidays, Vacation, Sick Leave, and Personal Leave.
- B. Proration of paid leave benefits will be based on the established percentage of a full 80 hour per pay period the employee is approved to work (i.e., employee normally works 20 hours a week = half time, so employee receives 50% of the paid leave benefits). In order to ensure that the prorated formula is appropriate, an employee must either work the scheduled hours per pay period or use accrued leave balances to make up the difference. The sole exception to this formula shall be in the case of holidays for which the employee shall not be required to use accrued leave balances to meet his/her established reduced hour schedule as long as a minimum of 40 hours has been met for

the pay period. The actual number of hours worked in any given pay period, regardless of the employee's regular schedule, shall be recorded and credited for purposes of service accrual (i.e., determining eligibility for rate of annual accumulation of vacation, seniority, etc.) up to 40 hours per week.

C. The following paid leave benefits are provided on a prorated basis as follows:

1. Jury/Witness leave—employees will be compensated for those hours that fall within their regular specified work hours, provided that the fees for such service are deposited into District funds.
2. Bereavement leave—employees will be compensated for those hours that fall within their regular specified work hours.
3. Military leave—will be as provided for in the California Military and Veteran's Code.

ARTICLE 8. LEAVES OF ABSENCE

Section 1. General Provisions

- A. The District will provide leave of absence as required by law under the Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA) and Pregnancy Disability Leave (PDL).
- B. A leave of absence starts on the first scheduled work day on which the employee is absent from work.
- C. A leave of absence may be revoked upon evidence that the cause for granting it was misrepresented or has ceased to exist.
- D. Leave of absence without pay will not be considered as service time in determining eligibility for vacation, sick leave, salary increases, or other circumstances where service is a factor unless expressly required by law.
- E. Leave of absence without pay shall not be credited toward the completion of the employee's probationary period.
- F. Persons responsible for approving leaves of absence shall approve such leaves in a consistent and equitable manner.
- G. District contributions toward insurance premiums will continue for up to twelve (12) months of a leave of absence, or as otherwise required by FMLA, ACA, ADA and/or CFRA. Employees on a leave of absence lasting longer than twelve (12) months may have their coverage extended as required by law.

Section 2. Medical Leave of Absence

- A. A medical leave of absence for an employee's own medical condition not to exceed six (6) months may be granted by the employee's first level manager. An extension not to exceed six (6) months may be approved by the Deputy or designee. An additional extension not to exceed six (6) months may be approved by the Chief.
- B. Appropriate medical documentation must be provided.
- C. All or a portion of a medical leave of absence will be designated as FMLA and/or CFRA as applicable.
- D. An employee is required to utilize all available sick leave for the duration of the medical leave of absence or until exhausted. Use of other accrued time may be used at the employee's option.
- E. Employees on medical leave of absence who have received vacation/sick leave donation hours will not be considered in an unpaid status until complete exhaustion of their accrued time and all donated hours.

- F. Employees taking a medical leave of absence must provide a District approved medical provider's release upon return to work.
- G. Intermittent medical leave of absence will be granted up to the equivalent of FMLA or CFRA requirement.
- H. Upon return to work, an employee on medical leave shall be reinstated to his/her former or comparable level position.

Section 3. Family Care Leave of Absence

- A. A family care leave of absence to care for an immediate family member (spouse/registered domestic partner, child, parent) not to exceed six (6) months may be granted by the employee's first level manager. An extension not to exceed six (6) months may be approved by the Deputy or designee. An additional extension not to exceed six (6) months may be approved by the Chief.
- B. Appropriate medical documentation must be provided.
- C. All or a portion of a family care leave of absence may be designated as FMLA and/or CFRA as applicable.
- D. An employee is required to utilize all available sick leave for the duration of the family care leave or until exhausted. Use of other accrued time may be used at the employee's option.
- E. Intermittent family care leave of absence will be granted up to the equivalent of FMLA and/or CFRA requirement.
- F. Upon return to work, an employee on family care leave shall be reinstated to his/her former or a comparable level position.

Section 4. Parental Leave

- A. Upon employee request, a parental leave of absence not to exceed six (6) months (or as required by law) may be granted by the employee's first level manager for disability related to the birth of the employee's child; for the employee to bond with his/her newborn child; or for the placement of a child with an employee for adoption or foster care of the child.
- B. All or a portion of parental leave of absence will be designated as FMLA, CFRA and/or PDL as applicable.
- C. An employee is required to utilize all available sick leave during the period of disability of the parental leave of absence. Use of other accrued time for parental leave, or use of sick leave for parental leave subsequent to the period of parental disability. may be used at the employee's option.
- D. Upon return to work, an employee on parental leave shall be reinstated to his/her former or a comparable level position.

Section 5. Personal Leave of Absence

- A. A personal leave of absence, not to exceed six (6) months may be granted by an employee's Deputy or designee for urgent or substantial personal reasons. Personal leave of absence may be extended by a Chief for a further period of not to exceed six (6) months for exceptional circumstances.
- B. Employees on a personal leave of absence are required to exhaust accrued time per applicable MOU provisions. Sick leave cannot be utilized during a personal leave of absence.

Section 6. Educational Leave of Absence

- A. A three (3) month leave of absence may be granted for educational or training purposes when the Chief determines that such training or education is of obvious and direct benefit to the District, is not locally available during the employee's non-working hours, and it can be shown that the employee's absence will not unduly affect the work of that employee's unit of assignment. Such leave may be extended for additional three (3) month intervals not to exceed an aggregate leave of one (1) year.
- B. Employees on an educational leave of absence are required to exhaust accrued time per applicable MOU provisions. Sick leave cannot be utilized during an educational leave of absence.

Section 7. Union Leave

- A. The Union may request up to a three (3) month leave of absence for a Union Officer, Steward, or Chief Steward. The District may, in its sole discretion, approve the request. Union leave which is granted will be subject to the following conditions:
 - 1. Upon termination of the Union leave, the employee will return to their position.
 - 2. The District may terminate the leave early in the event of emergency or changed circumstances.
 - 3. Employees on Union leave will not suffer any loss of compensation or benefits. The Union will reimburse the District for the full amount of the employee's salary and benefits during the leave.
 - 4. All time spent on Union leave will be counted as service credit by the District.

ARTICLE 9. REIMBURSEMENTS

Section 1. Uniforms

- A. The District will provide a uniform allowance of \$335 per fiscal year in accordance with the District's *Warehouse Material Request Instructions Including Uniforms* work instruction document W-741023. Classifications eligible for this allowance are listed below. It is understood that receipt of a uniform allowance requires that the employee must wear the uniform at all times when they are in the field, including a shirt that identifies the District. The maximum allowable dollar amount for an individual pair of work pants shall be ~~\$667~~5.00.

Associate Real Estate Agent
Biologist (Ast I/II, Asc, Sr)
Carpenter
Chemist (I/II/III, Sr)
Construction Inspector (I/II, Chief, Resident)
Engineering Technician (I/II/III, Sr)
Environmental Health and Safety Technician
Environmental Planner (Ast I/II, Asc, Sr)
Equipment Mechanic (I/II, Sr)
Facilities Maintenance Administrator
Facilities Maintenance Technician (I/II/III)
Field Construction Supervisor
Field Operations Administrator
Heavy Equipment Operator
HVACR Mechanic (Supv)
Hydrographer (I/II, Sr, Supv)
Industrial Coating Specialist (I/II)
Industrial Electrician (I/II, Sr, Supv)
Instrumentation and Controls Technician (I/II, Sr, Supv)
Inventory Control Technician (I/II, Sr, Supv)
Laboratory Technician (I/II)
Maintenance Worker (I/II/III, Sr)
Microbiologist (I/II/III, Sr)
Plant/Pipeline Maintenance Technician~~ologist~~ (I/II, Sr, Supv)
Public Information Rep (I/II/III)
Recycled Water Facility Supervisor
Senior Corrosion Control Technician
Surveyor (Ast I/II/III, Sr, Chief)
Systems Control Operator (I/II/III, Supv)
Vegetation Program Specialist (I/II)
Water Conservation Specialist (I/II/III, Sr)
Water Measurement Technician (I/II/III, Sr, Supv)
Water Plant Operator (Ast I/II, Sr, Supv)
Water Resources Technician (I/II, Sr, Supv)
Welder (I/II)
Well Ordinance Compliance Inspector (I/II, Supv)

Section 2. Safety Shoes/Glasses

- A. All safety equipment provided by the District must meet CAL/OSHA standards where a CAL/OSHA standard has been adopted. The District Process "Personal Protective Equipment" will be applied during the term of this agreement.
- B. All employees are required to wear footwear appropriate to duties of their class. Employees whose job duties require safety shoes will be reimbursed for up to two hundred ~~and twenty five~~ dollars (\$~~200~~~~225~~.00) of the cost of safety shoes once yearly (calculated from the date of purchase), provided the shoes meet safety standards which are approved by the District and are purchased pursuant to the Personal Protective Equipment Policy and Procedure. In addition, safety shoes for which the District has reimbursed the employee must be worn on the job. The District shall reimburse ~~one hundred eighty five~~~~two hundred and ten~~ dollars (\$~~185~~~~210~~.00) contribution for prescription safety glasses for those employees whose job duties are found to require such equipment. Prescription glasses must be purchased pursuant to the Personal Protective Equipment Policy and Procedure.

Section 3. Travel and Subsistence Policy

District policies regarding travel and subsistence, will be applied during the term of this agreement.

ARTICLE 10. HIRING/EMPLOYMENT

Section 1. Hiring Process Policy and Procedures

It is District policy that there shall be appointed to District service those persons competent to carry out the District's public responsibility. Appointments to District positions shall be made on an objective basis considering merit, qualifications, competency, and ability to perform the essential functions of the position, pursuant to District policy. It is also District policy of equal employment opportunity to all employees and applicants for employment, regardless of any individual's sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, religious creed (including religious dress and grooming practices), gender, national origin (including language use restrictions), ancestry, marital status, veteran status, sexual orientation, gender identity, gender expression, color, age (over 40), medical condition, parental status, pregnancy, the exercise of family and medical care leave rights, the exercise of pregnancy disability leave, political affiliation, physical disability (including HIV and AIDS), mental disability, or the request, exercise, or need for reasonable accommodation.

Section 2. Physical Examinations

- A. Prior to the appointment or within a reasonable period following appointment to a different class as a result of promotion, demotion, transfer or reclassification, the appointee may be required by the District, at the expense of the District, to undergo a medical examination to determine the employee's medical fitness for the position.
- B. The District may require an employee to undergo a physical examination, at the expense of the District, to determine the employee's fitness for the currently assigned position.
- C. The common understanding of physical examination includes both physical and psychological examinations/assessments in determining an employee's fitness for duty. The District will notify the employee and the union that a physical examination will be required to determine the employee's fitness for duty.

Section 3. Administrative Reassignment

- A. The District may administratively reassign employees.
- B. Administrative reassignments may be implemented at the request of an employee or District Management and at the sole discretion of the appropriate Appointing Authority under the following conditions:
 - 1. An employee may request a reassignment at any time. The District may, at its sole discretion, grant a reassignment provided a position is available;
 - 2. Employee requesting administrative reassignment must have completed their probationary period;
 - 3. Employee requested administrative reassignment shall not be permitted more than once in a two-year period; and

- 4. The employee(s) meet the minimum qualifications of the class to which the employee is transferred.
- C. District shall notify Union of employee requested administrative reassignment.

ARTICLE 11. WORKFORCE DEVELOPMENT

Section 1. Tuition Reimbursement

- A. The Union and the District agree that it is in the best interest of both, for not only the employee to initiate but the District to provide, training and other opportunities to further facilitate an employee's career development.
- B. In accordance with District policy, employees with six (6) or more months of continuous service may be reimbursed for tuition or expense payments incurred in taking courses outside of normal working hours related to District employment. All such requests for reimbursement must be approved by the District prior to taking the course. The course content must have some direct relationship to the work of the District. Courses that are required as a part of an employee's general qualifications for his/her class are not within the scope of this program.
- C. Upon approval of a course and completion with a passing grade of C or better (Pass in the cases where only Pass/Fail is given) the employee will be reimbursed the cost of the tuition and other costs such as laboratory fees and assigned textbooks. Total tuition reimbursement shall not exceed ~~two three~~ thousand, five hundred dollars (\$~~32,500~~) in a fiscal year. No unpaid balances over the maximum will be carried forward to the next fiscal year.
- D. Courses must be given by an accredited institution.

Section 2. Certification and Professional Memberships and Materials and License Reimbursement

- A. EA classifications are eligible for professional reimbursement in the amount of three hundred dollars (\$300) per ~~fiscal~~ year. To receive payment, the employee must provide an original receipt for reimbursement. To qualify for reimbursement, the money must be spent on professional associations, conferences, subscriptions, professional licenses not covered under Section 2-B below, meetings or other reference materials related to the employee's area of responsibility or development goals consistent with work performed at the District and included in the employee's annual Goal Setting online form, approved by their manager. Requests will not be unreasonably denied.
- B. During the course of this MOU, if the District or legal requirements require licenses or certificates or if any course work is required to renew such licenses or certificates, fees for the licenses, certificates, and/or course work will be paid by the District.

Section 3. Rotation

An eligible employee may, upon approval of the appropriate Appointing Authority(ies), rotate into another unit in the District. The purpose of the rotation is for orientation and learning purposes and employee career development. During rotation, employee will be compensated at his/her current level. Upon completion of the rotation, the employee will return to his/her originally assigned position.

- A. Eligible employee is defined as an employee who has:
 - 1. Successfully completed probation, and;
 - 2. Has a development plan on file in their Employee Development Performance Program.
- B. Rotations shall not exceed twelve (12) months and shall occur no more than once in a three-year period.

Section 4. Education Records

Employees may have placed in their personnel file any records of the satisfactory completion of an educational program given outside the District which is found to be directly related to their duties.

ARTICLE 12. EMPLOYEE PERFORMANCE/EVALUATION

Section 1. Personnel Records

- A. The District may maintain such personnel records of an individual employee as is deemed necessary. Personnel records may be viewed by the employee's Appointing Authority, potential Appointing Authority, performance evaluation rater and reviewers, and Human Resources Division staff only. Further, an employee, or the employee's authorized representative, may view the employee's personnel record at any time with written consent by the employee.
- B. Material placed in a personnel file which affects an employee's work record negatively may be removed by the District upon petition from the employee and upon evidence that the incident or cause outlined in the material has not recurred and has been on file for a period of not less than two (2) years, except an employee who has received a notice of disciplinary action which was appealed successfully shall have the notice removed from his/her file immediately after the successful appeal and upon request of the employee.
- C. Evaluations shall not be removed from an employee's file.

Section 2. Employee Performance Evaluations

- A. General: An employee's performance shall be evaluated based on criteria as set forth in the Employee Development and Performance Program (EDPP).
- B. Mid-year and annual evaluations shall be considered in matters of transfer, promotion, salary increase, demotion, dismissal, and other personnel actions. Evaluations shall be placed in the employee's personnel record. In the event the employee's performance falls below acceptable standards, the employee shall be notified in writing including suggestions for corrective action. The union will be notified when an employee is going to be placed on a Performance Improvement Plan (PIP) prior to the meeting with the employee to present the PIP.
- C. Denial of Step Increase: An overall annual evaluation rating of "Needs Improvement" or "Unsatisfactory" will result in the denial of a step increase until the employee's overall performance is rated at least "Achieved" in a future evaluation period.
- D. Appeals Process: Evaluations are not subject to the grievance procedure. Employees may attach a response to their evaluation, which will be placed in their personnel file. Only evaluations that receive an overall rating of "Needs Improvement" or "Unsatisfactory" may be appealed.
 - 1. To appeal an evaluation, including a decision that denies a step increase, the following process will be used:
 - a. Employee completes an Appeals form which can be accessed on the District's Labor Relations Intranet site.

- b. Employee files the completed Appeals Form with their First Level Unclassified Manager (or one level above if the rater is an Unclassified Manager) within 15 working days from receipt of the evaluation.
- c. Submit a copy of the completed Appeals Form with the Labor Relations Unit also within 15 working days from receipt of the evaluation.
- d. After submitting an appeal, a meeting with the Unclassified Manager to discuss the evaluation will be scheduled.
- e. The Unclassified Manager will either affirm or revise the rating. The decision by the Unclassified Manager regarding the appeal shall generally be made in writing within fifteen (15) working days from the Unclassified Manager's receipt of the appeal, depending on the complexity and detail level of the case.
- f. Evaluations that are revised as a result of an appeal are not appealable. Evaluations are not subject to the grievance procedure. Decisions by the Unclassified Manager are final.

Section 3. Probation

- A. It is the policy of the District that all new hires, promotions, reclassifications and administrative transfers shall have a probationary period, except as noted below.
- B. The standard probationary period for all classified positions is twelve (12) months or 2,080 hours. Prior to the expiration of the 2,080 hour probationary period, an initial probationary employee may be released from District service at any time. Such rejection is not a disciplinary action and may not be grieved.
- C. An employee who has already passed their initial probationary period and is appointed, promoted, or demoted to another classification (excluding flexibly staffed classes) must satisfactorily complete a probationary period of six (6) months or 1,040 hours. An employee serving a promotional probationary period may be returned to their former classification if it is determined by the Appointing Authority that the employee is not passing their probationary period. Such rejection is not a disciplinary action and may not be grieved.
- D. Employees who have already passed their initial probationary period and are reclassified to a new class who are found by the District to have been performing the duties of the new class for at least twelve (12) months or 2,080 hours will not be placed in probationary status.
- E. In addition, an employee who is administratively transferred or competitively promotes from a position in one class to another position in the same class does not need to complete a probationary period unless the initial probationary period has not been concluded or it is requested by the Appointing Authority. In cases where the administrative transfer is management initiated, the employee will not need to complete a probationary period.

F. New Hires or Initial Probationary Employees shall have all rights under this MOU except in cases of suspension, demotion, or termination, or as specifically excluded.

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ARTICLE 13. CLASSIFICATION

Section 1. Overview

- A. The Union and the District recognize the need to conduct classification studies due to changes in business needs and/or workforce strategy, and the need to conduct periodic maintenance of the classification system.
- B. The Union recognizes the right of the District to establish new job class(as) and job descriptions and to amend existing class specifications and job descriptions to reflect changes in assigned duties and responsibilities. In the event a substantial change is made in the specification or job description of a class represented by the Union, the District will provide the Union with notice of such changes and the salary for the class. The Union will have fifteen (15) working days of such notice to request a meeting to consult with the District on said class changes. If requested by the Union, the parties shall meet and confer on the salary for the class as soon as practicable after the request is received. Establishment of the salary is not subject to the grievance process as contained in this contract.
- C. At the request of the District, the parties agree to meet and confer over District proposed changes to this section.

Section 2. Reclassifications

- A. When a manager determines that the body of work for a position(s) in the unit is significantly different, he/she may request a reclassification study. A reclassification study is a study of the body of work of one or several individual existing positions to determine the appropriate classification.
- B. Every effort should be made by the manager to have a reclassification study done on the body of work before assigning work to staff. Management will work with the Classification Unit to determine whether the body of work in question will require a higher or different class.
- C. Should the reclassification study determine the body of work to require a higher or different class, the manager can then determine the staffing mechanism to fulfill this work which may include out of class pay, allocating duties within the unit, or submitting the position to the unmet needs process, and reassignment.
- D. Reassignments may require reclassification to an appropriate class of comparable level.

ARTICLE 14. DISCIPLINE PROCESS

The following procedure is established as a result of a mutual interest on the part of the District and the Union to resolve disciplinary matters. The District will issue no discipline without just cause.

Section 1. Right to Representation

If a situation arises where an employee will be formally disciplined by an applicable manager, the employee will be notified that she/he has the right to have Union representation. Any employee who reasonably believes that a meeting with their manager/supervisor may result in disciplinary action against them may request to have a representative in the meeting. If a Union representative is not available at the time of the meeting, the applicable manager will arrange an alternative meeting as soon as possible, but at least within (5) five working days. It is the employee and/or the Union's responsibility to arrange for representation within the five (5) working day requirement.

Section 2. Examples of Employee Misconduct

Examples of employee misconduct include, but are not limited to, chronic absenteeism, incompetence, failure to follow work rules, insubordination, and misstatement of facts on an application or other personnel documents, falsification of work or time records, absence without authorized leave and without just cause.

Section 3. Progressive Discipline

The District shall follow the principles of progressive discipline, as appropriate.

Section 4. Disciplinary Actions

Disciplinary actions should be designed to fit the nature of the issue and may include counseling, oral and written reprimands, suspension, demotion, discharge, or other appropriate action. The particular action imposed shall depend on the severity of the misconduct and the particular factual circumstances involved.

Section 5. Pre-Disciplinary Procedures

- A. An employee who will be investigated for possible misconduct by the Labor Relations Unit shall be notified by management within fifteen (15) working days of the start of the formal disciplinary investigation by the Labor Relations Unit. Management shall make every effort to complete the investigation within sixty (60) days. If the investigation will take longer to complete, management shall update the employee and the Union every thirty (30) days until the investigation is completed. The time limits identified in this section are not grievable.
- B. Following the completion of the employer's formal disciplinary investigation where formal discipline (demotion, suspension or termination) is being recommended, the appropriate authority shall prepare a Written Notice of Recommended Disciplinary action to be served on the employee in person or by registered mail. A copy will be sent to the Union

and Labor Relations Unit. No Written Notice of Recommended Disciplinary action shall be required for informal discipline (counseling, oral and written reprimands).

- C. For matters of formal discipline (demotion, suspension, or termination), the appropriate level of authority for preparing such recommended discipline shall be the Appointing Authority or designee in consultation with the Labor Relations Unit. For all informal disciplinary matters (counseling, oral and written reprimands), the appropriate level of authority for preparing such recommended discipline shall be the applicable manager in consultation with the Labor Relations Unit.
- D. The Written Notice of Recommended Disciplinary action shall state the specific grounds and facts upon which the action is based and will be provided to the employee, Union, and the Labor Relations Unit.
- E. Copies of any known materials, reports, or other documents upon which the intended action is based shall be served with the Written Notice of Recommended Disciplinary action to the employee, and copies shall be provided to the Union and the Labor Relations Unit.
- F. Employee shall be accorded the right to respond in writing to the Written Notice of Recommended Disciplinary action, and any such written response shall be served by employee within fifteen (15) working days from the District's service of the Written Notice of Recommended Disciplinary action. A copy of any such written response will be provided to the Union.
- G. For matters of formal discipline, (suspension, demotion, termination), within fifteen (15) working days of receipt of the Written Notice of Recommended Disciplinary action, employee shall be accorded the right to request a Skelly Hearing with the Appointing Authority. The Appointing Authority shall designate a Skelly Hearing Officer who has the authority to recommend to uphold, modify or revoke the recommended disciplinary action. A copy of the Skelly hearing notice will be provided to the Union and the Labor Relations Unit. The Skelly Hearing will be scheduled and held as soon as practicable after receipt of the request.
- H. Following the Skelly hearing, the appropriate Appointing Authority shall issue the Notice of Final Disciplinary action, including the effective date of any discipline to be imposed. The notice is to include the Hearing Officer decision as an attachment.
- I. At any time in the discipline process the failure of the Union to adhere to the time limits set forth in the MOU shall cause forfeiture for their case.
- J. Adverse entries on the employee record more than three (3) years old shall not be admitted into evidence or considered to support the charges at any level of the grievance or arbitration procedures. The three (3) year limitation will not apply to previous disciplinary actions related to egregious conduct such as harassment (including sexual harassment), retaliation, potential criminal activity, violence, willful destruction of property, or potential injury to the employee or others.

Section 6. Counseling

- A. Managers/supervisors shall advise an employee as early as possible when it is determined that their performance or conduct is approaching an unacceptable level.
- B. Counseling should be done by the employee's manager/supervisor. The counseling session should be an open, two-way conversation, keeping in mind that the main objective is to improve the employee's performance and/or conduct.
- C. During these sessions, a problem-solving discussion should be held between the employee and the manager/supervisor and may include the Union with the employee being given an opportunity to state any circumstances which have affected their performance record. While such circumstances may not excuse the performance problems, the parties may find ways to eliminate them in the future.
- D. Specific details and examples should be developed for an action plan. Follow-up and follow-through timelines should also be established if applicable.
- E. The manager/supervisor must establish and maintain appropriate documentation.

Section 7. Oral Reprimand

- A. The manager/supervisor should advise the employee what specific behavior is unacceptable, what is expected and what will happen if improvement does not occur or if conduct continues. At this stage the employee is being put on notice that a failure to correct the problem will lead to further progressive disciplinary action. The manager/supervisor must fully document the oral reprimand including the matter discussed and any agreed on remedial measures.
- B. Specific details and examples should be developed for an action plan and follow-up and follow-through timelines should be established if applicable.
- C. The manager/supervisor must establish and maintain appropriate documentation.

Section 8. Written Reprimand

- A. If the employee has previously been counseled or orally reprimanded, or if the situation warrants this as a first level discipline, a written reprimand must be completed.
- B. The written reprimand should refer to any previous counseling and/or oral reprimand and should include a statement that will put the employee on notice that a failure to correct the problem will lead to further progressive disciplinary action. A copy of the written reprimand will be given to the employee and a copy will be placed in the employee's personnel file. A copy will also be provided to the Union and the Labor Relations Unit.
- C. The written reprimand will include a statement indicating that the employee has received a copy and that the employee has the right to attach a written response. The written response must be submitted to the Labor Relations office within twenty (20) working days from receipt of the written reprimand. The employee may also file an appeal of a

written reprimand with their first level Unclassified manager. The appeal must be submitted within twenty (20) working days from receipt of the written reprimand.

Section 9. Administrative Leave

- A. **Notification**—If the District elects to place an employee on Paid Administrative Leave, the District shall notify both the employee and the Union. Paid Administrative Leave shall normally not exceed forty-five (45) working days. The notification shall include:
1. The reason why the employee was placed on Paid Administrative Leave.
 2. The steps to be taken during the time the employee is on Paid Administrative Leave.
- B. **Leave Extension**—If Paid Administrative Leave needs to be extended beyond forty-five (45) working days, the District shall notify the employee and the Union in writing of the reasons for the change.
- C. Within fifteen (15) working days after commencement of Paid Administrative Leave, both the employee and the Union will be notified in writing of the status of the case.

Section 10. Compulsory Leave

Criminal Charges: The District may require an employee who has been charged in a court of competent jurisdiction with a commission of a felony, or a misdemeanor involving moral turpitude, provided the crime as charged is related to the employee's employment status, to take a leave of absence without pay pending termination by a way of a plea, finding or verdict at the trial court level as to the guilt or innocence of such employee. Upon a finding of not guilty, the employee may be reinstated to the regularly assigned position with return of all benefits, including salary, that were due for the period of such leave; subject, however, to appropriate disciplinary action if warranted. Any disciplinary action shall be imposed effective as of the commencement date of such leave. If the determination is one of guilt, the District may take appropriate disciplinary action effective as of the commencement date of such leave.

Section 11. Arbitration

- A. Appeal of Final Disciplinary Action resulting in suspension, demotion, or discharge shall be through Arbitration, but only with concurrence of the employee's Union.
- B. For matters of arbitration, the District and the Union agree to select an arbitrator from the following list of nine (9):

Norm Brand
Margie Brogan
Andrea Dooley
Matt Goldberg
Catherine Harris
Ron Hoh
John Kagel
David S. Weinberg
Barry Winograd

Section 12. Arbitration Procedure

- A. A written request to proceed to arbitration must be filed by the Union with the Deputy of Human Resources within fifteen (15) working days of the date of the Notice of Final Disciplinary Action. A copy of the written request for arbitration will be provided to the Union and the Labor Relations Unit.
- B. Within five (5) working days following the receipt of the request for arbitration, the parties shall confer to select the Arbitrator from the agreed upon permanent panel of arbitrators. The obligation to strike the first name shall be determined by lot, and the parties shall alternately strike one name from the list until only one name remains, and that person shall be the Arbitrator.
- C. The hearing shall be scheduled as soon as possible, consistent with the arbitrator's schedule. A copy of the hearing notice will be provided to the Union, Deputy of Human Resources and the Labor Relations Unit.
- D. It is recommended that the Arbitrator render their decision within sixty (60) working days of the conclusion of the aforementioned hearing. The decision shall be in writing, and copies shall be directed to the Deputy of Human Resources or designee, the Union and the Labor Relations Unit.
- E. The fees and expenses of the Arbitrator shall be shared equally by the District and the Union, it being understood and agreed that all other expenses including, but not limited to, fees for non-District employee witnesses, transcripts, and similar costs incurred by the parties during the arbitration, will be the responsibility of the individual party involved.
- F. The arbitration shall be informal and the rules of evidence prescribed for duly constituted courts shall not apply.
- G. Subject to the above, hearings shall be conducted in accordance with any additional rules and procedures adopted or specified by the Arbitrator, unless the parties hereto mutually agree to other rules or procedures for the conduct of such hearings.
- H. The decision of the Arbitrator may sustain, modify or revoke the recommended disciplinary action and shall be final and binding on the parties.

Section 13. Probationary Employees

Initial probationary employees may be subject to release from District service and are not subject to review under any provisions of this agreement.

ARTICLE 15. GRIEVANCE PROCEDURE

The following procedure is established as a result of a mutual interest on the part of the District and the Union to settle grievances quickly and fairly. Employees and/or their representative shall not be discriminated against, coerced, or interfered with in any way as a result of filing a grievance. An employee may request representation by the Union at any stage of the grievance procedure. At any point in the grievance process the parties may agree to extend the timelines. The party's request for an extension must be in writing and will not be unreasonably denied by either party.

Section 1. Grievance Defined

- A. A grievance is any dispute between the District and an employee or the Union concerning the interpretation or application of this Agreement; or rules or regulations governing personnel practices or working conditions within the scope of representation.
- B. Matters excluded from the grievance process include, counseling, oral and written reprimands, performance improvement plans, evaluation process, release of an employee during their initial probationary period, hiring decisions, and items requiring capital expenditure. Written reprimands and performance evaluations are appealable to the next higher level of supervision.
- C. Employees are entitled to representation during the grievance process. Employees shall have the right to represent their own grievance or do so through a Union representative. If an employee chooses to take the grievance on their own, it shall be at the employee's expense.

Section 2. Informal Grievance Procedure

Employees are encouraged to act promptly to attempt to resolve disputes with their manager/supervisor through an informal procedure. A meeting between the manager/supervisor and the employee should take place whenever requested by either party to assist, to clarify or resolve the grievance. The employee may be accompanied by his/her Union representative at the informal meeting. Any resolution reached at the informal step must be in accordance with the provisions of this agreement, or other rule or ordinance and shall not set precedent.

Section 3. Formal Grievance Procedure

- A. *Step 1.* Within twenty (20) working days of the occurrence or discovery of an alleged grievance, the formal grievance procedure may be initiated by employee or Union filing an appropriate Notice of Grievance form with the Deputy of Human Resources or designee. A copy shall be provided to the Labor Relations Unit and the Union.
 - 1. A meeting with the employee, Union, Labor Relations Unit, the applicable manager and other parties shall take place for the purpose of attempting to resolve and/or clarify the issues of the grievance within fifteen (15) working days of receipt of the formal grievance.

2. The Deputy of Human Resources or his/her designated representative shall issue a decision in writing within fifteen (15) working days of the formal grievance meeting. A copy shall be directed to the Union, grievant, applicable Manager and Labor Relations Unit.
3. All steps of the grievance procedure shall be utilized unless the parties mutually agree to waive one or more steps. If the employee or the Union fails to process a grievance within the specified time limits, the grievance shall be deemed concluded on the basis of the last decision reached. If the District fails to respond within the specified time limits, the grievant may appeal to the next step, within the specified time limits. Time limits in this article may be extended if mutually agreed upon by the parties in writing.

B. **Step 2.** Within fifteen (15) working days from the Step 1 decision and with concurrence of the Union, the formal grievance may be submitted to the Chief Operating Officer of Administrative Services (COOAS).

1. If agreed to by the parties involved, a meeting with the COOAS, Union, Labor Relations Unit, applicable Manager and parties shall take place for the purpose of attempting to resolve and/or clarify the issues of the grievance. The COOAS or their designated representative shall issue a decision within fifteen (15) working days after the termination of Step 2.

2. ***Decision/Recommendation***

If the Union is not satisfied with the decision of the COOAS or their designated representative, the Union may, within fifteen (15) working days after receipt of the Step 2 decision, request in writing that the grievance be referred to an impartial arbitrator.

Section 4. Arbitration

A. If arbitration is requested, an arbitrator shall be selected from a permanent panel of arbitrators, as listed below:

Norm Brand
 Margie Brogan
 Andrea Dooley
 Matt Goldberg
 Catherine Harris
 Ron Hoh
 John Kagel
 David S. Weinberg
 Barry Winograd

B. Management and the Union shall alternately strike one (1) name from the list until one name remains. The remaining name shall be the Arbitrator.

C. The arbitrator's decision shall be binding upon both parties. Arbitration shall be scheduled during normal District office hours, if possible. The grievant may attend the

entire hearing during their regular working hours without loss of compensation. In the event of a grievance involving a group of employees, one representative designated by the Union involved shall be authorized to attend the entire hearing without loss of compensation. Witnesses called by either party will be authorized to attend the hearing when active participation is required without loss of compensation. Any disputes concerning the definition of the grievance (Section 1) shall be resolved by the arbitrator.

Section 5. Duty of Arbitrator

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and thereafter make written findings of fact and a disposition of the grievance, which shall be binding. The decision of the arbitrator shall not add to, subtract from or otherwise modify the terms and conditions of this MOU.

ARTICLE 16. LAYOFF

Section 1. Reason for Layoff

An employee may be separated from District employment by reduction in force due to lack of work, retrenchment, or lack of funds.

Section 2. Definitions

A. For the purposes of this Article, the following definitions are used:

1. *Class* means a position or group of positions, having duties and responsibilities sufficiently similar that (i) the same job title is used, (ii) the same qualifications may be required, and (iii) the same schedule of compensation is used.
2. *Lack of Funds* means the District has a current or projected deficiency of funding to maintain its current or sustain projected levels of staffing and operations.
3. *Layoff* means terminating a classified employee for non-disciplinary reasons due to lack of work, retrenchment, or lack of funds.
4. *Probationary Employee* means a District employee in a budgeted classified position who has not successfully completed his or her initial probationary period.
5. *Regular Employee* means a District employee in a budgeted classified position who has successfully completed his or her probationary period.
6. *Reinstatement* means the reemployment of an employee who was laid off.
7. *Retrenchment* means the situation where the District deems that it has an excess of employees because of changed operational or economic circumstances.
8. *Series* means closely related Classes (for example: Office Specialist 1, Office Specialist 2, and Senior Office Specialist).
9. *Seniority*:
 - a. Seniority means continuous regular total District service time (not just by Class but by total service time at the District) in hours.
 - b. Calculation of service time will exclude Leaves Without Pay. Seniority will be retained but will not accrue during any period of leave without pay except authorized military leave.
10. Individuals in temporary assignments include: temporary workers, intermittent workers, graduate student interns, undergraduate student interns, student trainees and unpaid student interns.

Section 3. Order of Layoff

- A. The District will review and prioritize the vacant budgeted positions and the existing filled positions. All non–priority, vacant budgeted positions shall be eliminated prior to layoffs. Priority, vacant budgeted positions do not need to be filled prior to beginning layoffs.
- B. Layoffs in a given Class will be from all positions within that impacted Class in a particular work unit/division, based on total seniority.
- C. Layoffs will affect positions in the following order:
 - 1. Temporary Employees (Individuals in temporary assignments);
 - 2. Initial Probationary Employees; and
 - 3. Regular Employees
- D. Prior to a Layoff, the COOAS or designee will calculate the Seniority of each Regular Employee occupying the Class(es) impacted by the Layoff. A list that identifies the Regular Employees included in the Class(es) impacted by the Layoff and their associated Seniority level will be prepared by the District and posted on the District Intranet. The District will work with the Union to ensure the accuracy of this list.
- E. In the event a tie exists between two or more Regular Employees having the same level of Seniority, the Regular Employee that worked the most hours as a temporary employee at the District will be deemed the more senior Regular Employee.
- F. The COOAS in conjunction with the CEO and Chiefs will determine the class(es) and work unit/division(s) impacted by the Layoff.
- G. In the event there are two or more Regular Employees in the class impacted by the Layoff, those Regular Employees having the lowest level of Seniority will be laid off first.

Section 4. Notice

- A. When the District determines that a Layoff is necessary, it will notify in writing the affected Regular Employees and Unions at least 45 calendar days in advance of the effective date of Layoff. The District will offer to meet with the Union at least 30 calendar days prior to the effective date of Layoff.
- B. The notice of Layoff will include:
 - 1. A statement that the Regular Employee's position is being eliminated due to the Layoff or he/she is being laid off due to another Regular Employee's exercise of his/her displacement rights.
 - 2. The effective date of the Layoff.
 - 3. The Seniority level of the Regular Employee as of the date of the notification.
 - 4. A description of the Regular Employee's displacement rights.

5. A description of the Regular Employee's reinstatement rights.
6. A description of the Regular Employee's severance rights.
7. A description of the Regular Employee's right to receive assistance in pursuing outside employment opportunities by requesting a referral to an out-placement service firm for up to five days of out-placement coaching and counseling service.

Section 5. Displacement (Bumping) Rights

- A. A Regular Employee who will lose his or her position due to a Layoff may elect to:
 1. Displace an employee in the same class with less seniority; or
 2. Bump to a lower class within the employee's current class series; or
 3. To a class within a series (not higher) in which the employee previously occupied and has more seniority than a regular employee in the class.
- B. Because displacement by Seniority is a sequential operation, it is anticipated that the notices of Layoff will be furnished to Regular Employees at different times. Under no circumstances will the maximum salary level for the new position of Regular Employees bumping into a lower Class exceed the maximum salary level for the position they held before exercising their bumping rights.

Section 6. Reinstatement

- A. Regular Employees who have been laid off from the District pursuant to this provision will have their name placed on a recall list in order of their Seniority for a period of twenty four (24) months. In the event a budgeted vacant position becomes available, the Regular Employee who is still on the recall list with the most Seniority will be offered reinstatement into that budgeted vacant position, provided that such budgeted vacant position is in a Class the Regular Employee previously held. The District will provide such offers of reinstatement in writing and send them via certified mail. The offer of reinstatement will expire fourteen (14) calendar days from the date it was sent by the District. Laid off Regular Employees who accept offers of reinstatement must report to work within fourteen (14) calendar days following the date of their acceptance. Failure to comply with these requirements will be deemed a rejection of the offer of reinstatement and result in the Regular Employee's name being removed from the recall list. All laid off Regular Employees are responsible for keeping the District's Human Resources office advised of their current mailing address.
- B. Each Regular Employee who is reinstated will:
 1. Be rehired at his or her last previously held pay step or in the case of a previously held position, the step closest to the step the employee held when laid off;
 2. Have his or her accrued sick leave that was not cashed out, reinstated; and

3. Have the same vacation accrual rate that he or she had when laid off from the District, provided that the vacation accrual rate was not lowered for all Regular Employees during the period the Regular Employee was laid off.

Section 7. Reassignment or Voluntary Demotion in Lieu of Layoff

- A. The Union and District will meet at least thirty (30) days prior to the effective date of the Layoffs. Reasonable steps (including training) will be taken to assist Regular Employees to locate and apply for other budgeted vacant positions through the District's hiring process in lieu of Layoffs, provided that this will not restrict the District's authority to reduce its force due to Lack of Work, Retrenchment, or Lack of Funds.
- B. The District may post a position through the District's Hiring process allowing a Regular Employee subject to Layoff, to apply for a budgeted vacant position.
- C. Any laid off Employee will be considered for any funded temporary position in his/her Class. The pay rate for the particular temporary position will be the same pay rate of the Regular Employee's former salary so long as that pay rate is within the maximum range for that temporary position.

Section 8. Severance Pay

- A. Each Regular Employee with a minimum of five (5) continuous years of Seniority who is laid off due to a Layoff will receive severance compensation of: (i) five (5) workdays for each full year of Seniority; and (ii) 5/12 of a workday per month for a partial year of Seniority. For example, if a Regular Employee has 5 years and 6 months of Seniority, that Regular Employee would receive severance compensation equal to 27.5 workdays of pay (i.e., 25 workdays for the full 5 years of Seniority, and 2.5 workdays for the 6 full months of Seniority).
- B. Each workday of severance pay is equal to the Regular Employee's daily base pay at the time of Layoff, which will be exclusive of any premium pay, overtime pay, compensation time, differential pay, or on-call pay.

Section 9. Appeal

- A. A dispute raised by a Regular Employee or the Union as to the application or interpretation of this procedure will be heard by an Appeal Board consisting of one (1) District management representative chosen by the District, one (1) representative from the Union chosen by the Regular Employee, and a third person agreed to by the District and the Union.
- B. The notice of appeal will be in writing and filed with the District within ten (10) days of notification of Layoff. The Appeal Board will hear the appeal and render a majority opinion within ten (10) days of the hearing. The majority finding of the Appeal Board will be final and binding. Proceedings of the Appeal Board will be open to the Regular Employee, the Regular Employee's representative, the District's representative, and witnesses during the period of testimony. Any costs of the third member of the Appeal Board will be shared by the Union and the District.

- C. It is the responsibility of the District to ensure and maintain a recordkeeping system necessary to accurately implement a Layoff should it be necessary.

ARTICLE 17. COLLABORATIVE EFFORTS

- A. The parties have established various collaborative committees and councils. Union representation will continue including, but not limited to, the following:
1. *Labor Management Committee (LMC)*: The Committee shall meet at least quarterly, or upon the written request of either party, for the purpose of discussing matters of mutual concern. Grievances and adverse actions shall not be discussed at such meetings. Matters subject to the duty to bargain and not appropriately discussed in another forum such as the Safety Committee, may be discussed. However, the LMC shall not have the authority to add to, amend or modify this MOU.
 2. *Safety Committee*: The District Employee Safety Committee (Safety Committee) reviews, discusses, and recommends action on safety issues that have not been resolved at the work site level, as well as safety issues that are broad in scope or complex in nature. This committee proactively looks for and eliminates safety hazards and responds to safety concerns that are brought forward by employees.
 3. *Deferred Compensation Committee*: The District will continue the practice of including one union member on the District's Deferred Compensation Committee in accordance with the District's Human Resources Management Deferred Compensation Plan Work Instruction W-621-003.

ARTICLE 18. PRACTICES, POLICIES, AND PROCEDURES

The District will continue the practice of including the Union in the review cycle for the issuance of new procedures or for making changes to existing procedures that impact terms and conditions of employment. The District shall provide the Union with reasonable written notice and an opportunity to bargain prior to implementing any change in policy that is within the scope of representation as defined by the Meyers-Milius-Brown Act. Where the District's proposed change in policy is not within the scope of representation but will have a foreseeable effect on matters within the scope of representation, the District shall also provide such reasonable notice. In cases of emergency, where the District has determined that an ordinance, rule, resolution, or regulation must be adopted immediately without prior notice to the Union, the District shall provide notice to the Union and an opportunity to meet at the earliest practicable time following the adoption of the ordinance, rule, resolution or regulation.

ARTICLE 19. NON-DISCRIMINATION/HARASSMENT (GENERAL)

The Union and the District agree that there shall be no discrimination (except as allowed by law) against an employee because of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, religious creed including religious dress and grooming practices), gender, national origin (including language use restrictions), ancestry, marital status, veteran status, sexual orientation, gender identity, gender expression, color, age (over 40), medical condition, parental status, pregnancy, the exercise of family and medical care leave rights, the exercise of pregnancy disability leave, political affiliation, physical disability (including HIV and AIDS), mental disability or the request, exercise, or need for reasonable accommodation. Sexual harassment is a form of prohibited discrimination. Complaints of discrimination are encouraged to be brought to the attention of the Ethics and Equal Opportunity Program Administrator, supervisor or other manager.

ARTICLE 20. ACCOMMODATION OF DISABLED EMPLOYEES

The District has a lawful obligation under the Americans with Disabilities Act and the California Fair Employment and Housing Act to make reasonable accommodations for qualified individuals with disabilities. Any accommodation will be on a case-by-case basis and will not be precedential nor will constitute a past practice for anyone other than a qualified individual with disabilities.

ARTICLE 21. DRUG FREE WORKPLACE

To be administered in accordance with District Policies and Procedures.

**ARTICLE 22. DEPARTMENT OF
TRANSPORTATION (DOT) DRUG TESTING PROGRAM**

To be administered in accordance with District Policies and Procedures.

ARTICLE 23. CONFLICT OF INTEREST

- A. No District employee shall engage in compensated employment outside of employment with the District if such employment is found to interfere with the performance of District duties, or to be detrimental to the general interests of the District, or to create a conflict of interest with employment by the District.
- B. Employees intending to engage in outside employment must submit a written notification to their immediate supervisor and appointing authority, stating the type of employment and the amount of time that will be spent on such employment. If employment continues, the notification must be resubmitted annually, by the anniversary date of the initial notification for review.

ARTICLE 24. POLITICAL RIGHTS

During working hours, District employees shall not take an active part in opposing or supporting any ballot proposition or candidate for political office nor, during working hours, shall an employee solicit or seek from any fellow employee or other person, any assessment, subscription or contribution for the support of or opposition to any ballot proposition or political candidate.

ARTICLE 25. CONTRACTING OUT

The right to contract and subcontract are vested exclusively in the District provided; however, if such contracting or subcontracting work would result in the layoff of an employee, the District will follow the provisions of Article 16, Layoff.

ARTICLE 26. MISCELLANEOUS

Section 1. Full Agreement

It is understood that this MOU represents a complete and final understanding on all negotiable issues between the District and the Union. This MOU supersedes all previous MOUs, Side Letters or Letters of Agreement between the District and the Union except as specifically referred to in this MOU. This MOU shall have precedence over all ordinances or rules covering any practice, subject or matter specifically referred to in this MOU to the extent they conflict with this MOU. All ordinances or rules covering any practice, subject or matter not specifically referred to in this MOU shall not be superseded, modified, or repealed by implication or otherwise by the provisions hereof. The parties, for the term of this MOU, voluntarily and unqualifiedly agree to waive the obligation to negotiate with respect to any practice, subject or matter not specifically referred to or covered in this MOU even though such practice, subject or matter may not have been within the knowledge or contemplation of the parties at the time this MOU was negotiated and signed. In the event any new practice, subject or matter arises during the term of this MOU and an action is proposed by the District, the Union shall be afforded all possible notice and shall have the right to meet and confer upon request. In the absence of agreement on such a proposed action, the District reserves the right to take action by Management direction.

Section 2. Savings Clause

If any provision of this Agreement should be held invalid by operation of law, or by any court of competent jurisdiction, or if compliance with, or enforcement of any provision should be restrained by any tribunal, the remainder of this Agreement shall not be affected thereby, and the parties shall enter into negotiations when requested by either party, for the sole purpose of arriving at a mutually satisfactory replacement for such provision.

ARTICLE 27. TERM

This MOU shall become effective January 1, ~~2018-2022~~ and shall remain in effect through December 31, ~~2024-2025~~ and from year-to-year thereafter unless either party serves written notice on the other of its desire to terminate this MOU or amend any provision thereof at least one hundred twenty (120) days prior to December 31, ~~2024-2025~~, or one hundred twenty (120) days prior to December 31 of any successive year.

REPRESENTING THE UNION

REPRESENTING THE DISTRICT

Liz BottoncourtDerek Tanguay Date

Norma CamachoRick Callender Date

Ingrid BellaRobert Ewing Date

Michael BaratzBryant Welch Date

Don DuranGlenna Brambill Date

Sam Bogale Date

Benjamin Gonzalez Date

Angelica CruzIngrid Bella Date

Michelo KeefhaverLidya Tesfaye Date

Chad Grande Date

Jan OrtizCynthia Eaton Date

Laura Harbert Date

Katie VigilThomas Drinkard Date

Emily Meeks Date

John TuckerCarol McEwan Date
AFSCME

Edward L. Kreisberg -Date
Sloan Sakai Young and WongKreisberg
Law Firm

Memorandum of Understanding

Between

Santa Clara Valley Water District

and

Engineers Society

(IFPTE—Local 21)

~~2018-2022~~ – ~~2021-2025~~

**(January 1, ~~2018~~2022, through December 31,
~~2021~~2025)**

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[APPENDIX A – SIDE LETTERS \(5\)](#)

ARTICLE 1. RECOGNITION

Section 1. Recognition

The District formally recognizes the Engineers Society ("Society") as the majority representative of those classes of employees and units listed in Attachment I, hereto.

Section 2. Union Security (Dues Check-Off)

- A. Upon receipt of an employee's signed membership or other authorization form, the Santa Clara Valley Water District will deduct the appropriate dues or fees from the employee's pay, as established and as may be changed by IFPTE Local 21 according to its bylaws, and remit such dues or fees to IFPTE Local 21. Deductions will continue unless the employee mails a written revocation to IFPTE Local 21 in accordance with the terms of the authorization form, or, absent any such terms, by mailing a written revocation to the Union that is postmarked during the 30-day period immediately prior to the annual anniversary of the date on which the employee signed an authorization form.
- B. The Society/IFPTE Local 21 agrees to indemnify, defend, and hold the District harmless from any and all claims, demands, suits, or other action arising from the provisions of this Section or from compliance with employee cancellations of check-off authorizations.

Section 3. Time Off for Representation

- A. The District will notify the Society when Society members' participation as volunteers in District directed committees/projects is desired. When requesting Society member participation, District management will provide the Society a description of skills/expertise needed, number of hours anticipated, and duration of service needed, and budget code.
- B. Society representatives will, unless otherwise noted, be given specified release time for the following:
 - 1. **Meet and Confer/Consult**—Up to three (3) designated Society members are allowed time off without loss of compensation for purposes of meeting and conferring or meeting and consulting with District representatives on matters within the scope of representation.
 - 2. **Board Meeting Attendance**—One (1) designated Society representative is allowed time off without loss of compensation to hear items before the Board of Directors within the scope of representation. A Society representative must notify the Labor Relations Officer before using release time to attend Board meetings.
 - 3. **Meetings of District Authorized Committees**—Up to three (3) Society representatives are allowed time off without loss of compensation to attend meetings of District-authorized committees when representatives are serving on such committees as a representative of the Society.

4. **Grievances**—One (1) designated Society representative is allowed time off without loss of compensation for purposes of representing an employee in a meeting with District representatives relative to an employee grievance.
 - a. One (1) designated Society representative is allowed time off without loss of compensation for the purpose of discussing or investigating a grievance with an employee; provided that the District finds there is no undue interruption of the work of either the Society representative or the grievant and both the Society representative and the grievant have notified their respective unit manager of such time off.
 - b. An employee has the right to discuss a grievance with a Society representative during working hours provided there is no disruption of the workload and the employee has notified and received authorization from their unit manager.
5. **Representation**—The Society President and/or a designee will have release time without loss of compensation for the purpose of conducting Society business as specified below. Compensated release time shall be limited to formal meetings with District Management personnel and the investigation and presentation of grievances. Release time must be scheduled in advance with the President's or designee's supervisor.
6. **Negotiations**—The District will provide release time for up to four (4) designated Society members for purposes of meeting and conferring on a successor MOU.
7. **Release Time**—Society representatives shall notify his/her unit manager of his/her intention to be on release time as far in advance as reasonably possible, but no later than the end of normal business hours the day before such meeting except in the case of emergency situations. Society representatives will record the appropriate release time project number on their timesheet in order to qualify for compensated release time. Society will provide the District a list of all officers, stewards, and representatives/alternative representatives. Permission to perform Society functions shall not be unreasonably denied.

Section 4. Access to Work Locations

The Society shall have reasonable access to work locations for purposes of processing grievances or concerning matters within the scope of representation provided that the manager of such work location is notified prior to entry. Such access shall not interfere with the work process, safety, or security of the work location.

Section 5. Mail/Bulletin Boards

- A. The Society may utilize existing bulletin boards in accordance with existing District procedures, provided posted information relates solely to Society activities and services. The bulletin board shall not be used to post material which endorses or supports political candidates or positions in elections.
- B. Further, the Society may use District mail, facsimile, intranet and electronic mail for the distribution of information in accordance with existing District procedures.

Section 6. District Facilities

The Society has reasonable use of District facilities and equipment for meetings in accordance with District policies and procedures.

Section 7. Access to Information

The Society has access to such non-confidential information pertaining to employee relations that is subject to disclosure under the California Public Records Act.

Section 8. Written Notice

- A. Written notice of any ordinance, rule, regulation or resolution relating to matters within the scope of representation proposed to be adopted by the Board of Directors or otherwise implemented shall be given to the Society reasonably prior to such action to solicit Society response and to afford an opportunity to meet with the District regarding the issue. In the case of an emergency, when reasonable prior notice is not possible, the District shall provide such notice as soon as possible and an opportunity to meet at the earliest practical time to discuss the issue.
- B. Any communication in accordance with Section 8(A) above shall be submitted to the President of the Society by the District through its Labor Relations Unit.

Section 9. New Hire Information

The Society shall be notified of the name, class, unit, and work location of all new hires into coded positions in the classes listed in Attachment I within the first pay period following the new employee's starting date.

Section 10. Orientation

- A. The District will provide the union, on an annual basis, the new hire orientation schedule. If it is later determined that the schedule must be amended, an updated copy will be provided.
- B. The District will provide the union written notice of the employee name, employee number, scheduled start date, position title, position code, unit name, unit number and supervisor within two business days of the completion of the recruitment process. This written notice will be sent via email.
- C. The union will be provided with 20 minutes during the new employee orientation meeting to meet with the newly hired employee(s). The union will have from 8:00 a.m. until 8:20 a.m. on the day of orientation to meet with the employee(s). Under no circumstances will the union continue the meeting with the newly hired employee(s) past 8:30 a.m. If for some reason the union cannot attend the orientation, the Employee Benefits and Recruitment Unit will be notified no later than 8:00 a.m. on the orientation day.
- D. The District agrees to provide the union with employee contact information for all employees in the bargaining unit by the 10th calendar day of each month. The information that will be provided is as follows:

1. Employee name
2. Employee job title
3. Unit name or department
4. Work location
5. Home address
6. Work phone extension
7. Home or cell phone number (whichever is provided to the District by the employee)

Personal email addresses are not collected or retained by the District therefore, none are available to provide to the union.

ARTICLE 2. DISTRICT/EMPLOYEE RIGHTS

Section 1. Employee Rights

Employees of the District shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer–employee relations including, but not limited to, wages, hours, and other terms and conditions of employment. Employees of the District also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or by any employee organization because of his exercise of these rights.

Section 2. District Rights

- A. The rights of the District include, but are not limited to those listed herein, except where such rights are limited by clear and explicit language of this MOU:
1. The right to determine the mission of the District, including without limitation, the District's departments, divisions, institutions, boards and commissions;
 2. The right of full and exclusive control of the management of the District; supervision of all operations; determinations of methods, means, location and assignments of performing all work; and the composition, assignment, direction, location and determination of the size and mission of the workforce;
 3. The right to determine the work to be done by employees, including establishment of service levels, appropriate staffing and the allocation of funds for any position(s) within the District;
 4. The right to review and inspect, without notice, all District owned facilities and equipment, including without limitation desktop computers, work areas and desks, email, computer storage drives, voicemail systems, vehicles, and filing cabinets and systems;
 5. The right to change or introduce different, new or improved operations, technologies, methods or means regarding any District work, and to contract out for work;
 6. The right to establish and modify qualifications for employment, including the content of any job class, job description or job announcement, and to determine whether minimum qualifications are met;
 7. The right to maintain and modify the District's job classes;
 8. The right to establish and enforce employee performance standards;
 9. The right to schedule and assign work, make reassignments, and assign overtime work;

10. The right to hire, fire, promote, reassign, transfer, release, discipline, layoff, terminate, demote, suspend or reduce in step or grade, all employees;
11. The rights to establish and modify bargaining units; to assign new or amended classes to particular bargaining units; and to designate any position confidential, management or otherwise for bargaining unit assignments pursuant to the Meyers–Milius Brown Act;
12. The right to inquire and investigate regarding complaints or concerns about employee performance deficiencies or misconduct of any sort, including the right to require employees to appear, respond truthfully and cooperate in good faith regarding any District investigation;
13. The right to maintain orderly, effective, and efficient operations; and
14. The right to take any appropriate lawful measure to ensure the best delivery of services to the public in response to any work stoppage, including without limitation; (a) altering work schedules or locations to ensure coverage; and (b) investigating absences to ensure no violation of District policies.

Section 3. Non-strike/Lockout Provision

- A. During the term of this MOU, the District agrees to not lock out employees, and the Society agrees to not engage in any concerted work stoppage. Violation of this article by the Society shall result in cancellation of dues check off.

ARTICLE 3. COMPENSATION

Section 1. Salaries

- A. Across the board Cost of Living Adjustments will be made as follows:

Pay Period 14 Year 2018 2022	Pay Period 14 Year 2019 2023	Pay Period 14 Year 2020 2024	Pay Period 14 Year 2021 2025
34.0%	34.0%	34.0%	34.0%

All employees covered by the 2.0% @ 62 (2.5% @ 67) PEPRA retirement formula shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

All employees whose position mandated that they report to work on-site (i.e. did not telework) at least 50% of the time during March 1, 2020 to May 30, 2021 of the COVID-19 pandemic shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022

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- B. Payday shall be by the Thursday following the last day of the pay period for which the pay was earned. In the event a regularly scheduled payday falls on a holiday, the workday immediately preceding the holiday will be observed as the official payday.
- C. Employees will be notified by email at the end of each pay period when direct deposit paycheck stubs are available for web-friendly viewing and printing. Employees who receive paper paychecks can continue to pick-up their paycheck from the Payroll department on the designated payday.
- D. The District shall continue to offer direct deposit to all eligible employees, as available.

Section 2. Step Placement

- A. Employees will be compensated on a salary range consisting of seven (7) steps. The salary percentage differential for the seven (7) steps is as follows:
- Between Steps 1 and 2, the salary assigned to Step 2 is approximately 5% greater than the salary assigned to Step 1.
 - Between Steps 2 and 3, the salary assigned to Step 3 is approximately 5% greater than the salary assigned to Step 2.
 - Between Steps 3 and 4, the salary assigned to Step 4 is approximately 5% greater than the salary assigned to Step 3.
 - Between Steps 4 and 5, the salary assigned to Step 5 is approximately 5% greater than the salary assigned to Step 4.

5. Between Steps 5 and 6, the salary assigned to Step 6 is approximately 2.5% greater than the salary assigned to Step 5.
 6. Between Steps 6 and 7, the salary assigned to Step 7 is approximately 2.5% greater than the salary assigned to Step 6.
- B. The first step is the minimum rate and shall be the usual hiring rate for all classes. In cases where it is difficult to secure qualified personnel, or a person of unusual qualifications is employed, the District may authorize appointment at a rate other than the first step. An overall annual review rating of "Needs Improvement" or "Unsatisfactory" will result in the denial of a step increase until the employee's overall performance is rated at least "Achieved" in a future evaluation period.
- C. An employee shall be eligible for advancement to:
1. The second step after completion of 2,080 hours (typically 12 months) of competent service in the first step and approval of the District.
 2. The third, fourth, or fifth steps after completion of 2,080 hours of competent service in the preceding step and approval of the District.
 3. The sixth and seventh steps after completion of 5,200 hours (typically thirty (30) months) of competent service in the preceding step and approval of the District.
- D. Approved salary adjustments will be made retroactive to the first pay period of eligibility, unless the adjustment is withheld due to less than satisfactory performance.

Section 3. Step Placement Upon Promotion, Demotion, Lateral Transfer, Reassignment or Reclassification

- A. For informational purposes, each salary range is approximately 2.5% above the next lower salary range.
- B. All appointments to a class shall be to a step within the salary range for that class.
- C. Upon promotion or reclass, an employee's salary shall be adjusted as follows:
1. For a promotion or reclass where the seventh step salary of the higher class is less than 10% above the seventh step of the present class, the employee shall be placed at the same step in the present class that they are at in the present class (e.g., if the employee is at the third step of the current class, he/she will be placed at the third step of the higher class; if the employee is at the sixth step in the present class, he/she will be placed at the sixth step in the higher class).
 2. For a promotion or reclass where the seventh step salary of the higher class is 10% or more above the seventh step salary of the present class, the employee shall be placed in the first step in the new range or the step in the new range which provides for a 10% increase, whichever is greater.

3. For a demotion, including a voluntary demotion, the employee shall be placed at the highest step in the lower range which does not provide an increase in salary.

- D. For a lateral transfer or reassignment within the same class or to a comparable class, the employee's salary shall remain unchanged.

Section 4. Salary Adjustment and Service Time

- A. An employee placed in the first step of a new range or receiving a 10% or more increase as a result of promotion or reclass, shall receive a new salary anniversary date as of the date of promotion or reclass for purposes of determining future step increases.
- B. In all other cases of promotion, demotion, lateral transfer, reassignment or reclassification, employees shall not lose the time served in their former salary step. The time served in the former step shall be included when computing the required months of service needed to be eligible for their next step increase.

Section 5. Pay Differentials

- ~~A. A.~~ Incumbents in the class series of Engineer, Engineering Geologist and Water Resources Specialist (excluding Senior Engineer) who obtain and possess Professional Engineer (PE) license or a Professional Geologist (PG) license issued by the State of California will receive a 2.5% pay differential.

- B. An employee assigned on a continuing, on-going and non-temporary basis to directly supervise (i.e. develop work plans, complete performance evaluations, take disciplinary action) two or more full-time equivalent employees in budgeted positions shall receive supervisory differential pay of 2.5% of the employee's base rate of pay during the period of assignment. Such assignments and approvals are at management discretion and apply prospectively. The differential shall be effective the beginning of the first full pay period after all approvals and shall cease the end of the first full pay period when the required supervision is no longer exercised or approval ceases. For employees satisfying the requirements of this paragraph for supervisory differential pay, such pay will be effective the first full pay period in January 2022.

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Section 6. On Call Pay

- A. An employee required to remain On Call during non-working hours shall receive one (1) hour pay for the first five to eight (5–8) hours, within a single twenty-four (24) hour period, and one-half (1/2) hour pay for each additional 5–8 hours within the same twenty-four (24) hour period. An employee who is On Call for the entire weekend, (e.g., from Friday after their normal shift ends until Monday beginning of their normal shift) shall receive eight (8) hours pay for the entire weekend.
- B. An employee On Call shall be readily accessible by cell phone, pager, landline or other means of communication and will report to duty within a reasonable amount of time as determined in writing by their supervisor/manager, but in no case should an employee be provided with less than 20 minutes to report to work.

- C. An employee who is On Call who is found not readily accessible, refuse, or are unable to report to duty within the time frame determined by their manager, upon attempted notification by the District, shall not receive the On Call pay for the period they were supposed to be On Call and may be subject to progressive discipline.
- D. When an employee responds by cell phone, landline or computer and does not return to a District facility, they shall be paid their applicable rate of pay to the nearest quarter hour (e.g., 5 minute phone call employee can charge 15 minutes) while engaged in this activity.

Section 7. Call Back Pay

- A. Non-exempt employees not on call, who are called back to work by management, following the completion of the employee's workday/workweek, and departure from the employee's worksite, shall receive a minimum of two (2) hours or the actual time worked, whichever is greater.
- B. Work that immediately precedes or follows the regularly assigned shift will be considered as an extension of the workday/workweek and no minimum will apply.

Section 8. Translation Services Pay

- A. Employees who successfully demonstrate the ability to communicate effectively in English and any other language used by a significant portion of the population the District serves may be compensated at the rate of seventy-five dollars (\$75.00) per month for providing occasional use of bilingual skills such as written or oral language translation on behalf of the District. Such translation services may be in addition to the employee's usual duties and responsibilities.
- B. The Chief Executive Officer (CEO) or designee will determine the need and number of employees allowed to participate in this program. In order to receive translation service pay, the employee must document the time used to provide translation services on a form provided by the District, approved by their supervisor, and submitted to payroll each month to receive the differential.

Section 9. Temporary Promotion Pay

- A. The Appointing Authority may temporarily promote an employee to a class for which he/she is qualified by education, training, and experience, for a period of not to exceed twelve (12) months. All employees who are assigned a temporary promotion must meet any and all licensing requirements for the position, as required by law. Such employee's current position shall be retained but compensation shall be in the first step of the range of the promoted position or 10% above the employee's current salary, whichever is higher, during such service in the promoted position, provided that the salary shall not exceed step seven of the higher class. The District will notify the Society when making a temporary promotion into classes represented by the Society.
- B. When granting temporary promotions, the District will use reasonable efforts to ensure such temporary promotions occur on a fair and equitable basis and are reserved for

qualified employees. The District shall not use a temporary promotion as means of filling a position that requires a regular full-time employee.

Section 10. Out-of-Class Assignment

- A. Out-of-class assignments shall be made for a minimum of ten (10) consecutive work days/shifts or two (2) weeks of regular shifts (8/9/8), and shall not exceed 180 consecutive work days. In order to be assigned to work out-of-class, the employee must consistently assume a substantial amount of the higher level duties.
- B. The District shall make reasonable efforts to distribute work out-of-class on an equal and rotational basis for qualified employees. By use of this section, the District shall not attempt to avoid the District's hiring process for the filling of regular full-time employees.
- C. Assignments shall be made by the appropriate level manager, on a fair and equitable rotating basis. No out-of-class assignments shall be made that would place the employee above their direct supervisor or manager. Assigned employees shall meet either the education, training, or experience requirements of the minimum qualifications for the position as determined by the manager making the assignment. Out-of-class assignments are limited to one (1) level above in the unit's business area's hierarchical structure. If no qualified candidate, by either education, training, experience, or level, is available within the unit or business area, the manager shall assign an appropriate person. In assigning an appropriate person, the manager shall consider attributes such as experience, related knowledge and abilities, past performance, and employee work and career plans. All employees who are assigned out-of-class duties must meet any and all licensing requirements for the position, as required by law.
- D. The Society shall be notified of the assignment. Nothing herein shall prohibit the training of an employee in work of a more advanced nature without additional compensation, as long as full duties are not substantially assumed.
- E. Employees performing work out-of-class shall be compensated within the salary range of the higher class at the first step or 5% greater than their current salary, whichever is greater.

ARTICLE 4. WORKWEEK/OVERTIME/COMPENSATORY TIME

Section 1. Workweek and Lunch Break

- A. The workweek of unit personnel shall be regular recurring periods of 168 consecutive hours in the form of seven (7) consecutive twenty-four (24) hour periods, as designated by the District. Eighty (80) hours shall constitute a full pay period of work. Work hours shall be as designated by the District. Employees shall be notified of any change in designated work hours/days at least five (5) calendar days in advance, except in cases of emergency. The workday and the pay periods shall be designated by the District.
- B. Employees who work five (5) hours per day or more must take an unpaid lunch break of at least one-half (1/2) hour. This lunch break should be taken at or about midway through the workday.

Section 2. Compressed Workweek

- ~~A.~~ Current standard work schedules include the 8–9–8 and 5–8 schedules. Upon the recommendation of the Unit Manager and approval of the CEO, other alternate work schedules may be established. Prior to establishing any new alternate schedule, the District shall give notice to the Society and afford the opportunity to meet and confer.

- ~~A-B.~~ Workweek schedules are at the discretion of management. If/when management intends to take away a compressed workweek schedule, management will alert the affected employee(s) before making the change and, if requested by the affected employee(s), the manager and labor relations shall meet with the affected employee(s) and the union prior to making the change.

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- ~~B-C.~~ Employees accrue vacation, sick and personal leaves according to hours of service. When a holiday falls on an employee's work day, the employee is given holiday pay for the number of hours regularly scheduled in that shift not to exceed nine (9) hours. When the holiday falls on an employee's scheduled day off, eight (8) hours shall be added to the employee's vacation balance. Employees will be charged time off based on the number of hours in the work day missed.

Section 3. Overtime Meal Breaks

- A. In addition to regular scheduled breaks, employees will be provided a one-half (½) hour unpaid meal break after eleven (11) continuous hours of work.
- B. After sixteen (16) continuous hours worked, a paid one (1) hour meal break will be provided. After twenty-one (21) continuous hours worked, an additional one-half (½) hour paid meal break will be provided.
- C. The break is earned at the completion of the 16th and 21st continuous hours worked.

Section 4. Overtime Meal Allowances

- A. Employees earn a meal allowance in accordance with paragraph B below, after completion of three (3) hours of overtime, when such overtime is contiguous with a full day's work. Employees also earn a meal allowance after completion of any eight (8) hours of continuous overtime and an additional allowance will be earned after completion of every four (4) hours of continuous overtime thereafter.
- B. Overtime meal allowances for meals are determined by when the meal is earned and are limited as follows:
 - 1. A meal allowance earned between the hours of 12:01 a.m. and 8:00 a.m. shall be paid at eight dollars (\$8) for breakfast.
 - 2. A meal allowance earned between the hours of 8:01 a.m. and 4:00 p.m. shall be paid at ten dollars (\$10) for lunch.
 - 3. A meal allowance earned between the hours of 4:01 p.m. and 12 midnight shall be paid at twenty dollars (\$20) for dinner.
- C. Employees are not eligible for an overtime meal allowance if the District provides a meal consistent with the employee's reasonable dietary needs and within reasonable proximity to the time in which the allowance or break would be earned.
- D. Employees shall be reimbursed for actual meal expenses incurred while traveling on District business in accordance with and subject to the limitations of District procedures for travel reimbursements.

Section 5. Rest Period

- A. One (1) paid twenty (20) minute rest break with pay shall be provided to an employee for each four (4) hour period that employee is required to work during the workday. For full-time employees, the first twenty (20) minute rest break must be taken during the first half (½) of the workday and the second twenty (20) minute rest break must be taken during the second half (½) of the workday.
- B. Supervisors are responsible for scheduling rest periods. It is recognized that many positions have an assignment that requires coverage for a full shift which would not permit the employee to actually leave his/her post. In those cases, it is recognized that the employee can "rest" while the employee physically remains in the geographic location of his/her duty post.
- C. An employee may not accumulate unused rest periods nor shall rest periods be authorized for covering an employee's late arrival on duty or early departure from duty.
- D. The District will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk. This break time will, if possible, run concurrently with the employee's break time already scheduled. If it is not possible for the break time for expressing milk to run concurrently with the break time that is already provided, the break time for expressing milk will be unpaid.

Section 6. Overtime/Compensatory Time

- A. Employees in exempt classes are considered exempt professionals and as such are not required to be compensated for overtime worked. Commensurate with the exempt class, employees may be required to work outside of their work schedule and may in consultation with their supervisor adjust their daily work schedule as they deem appropriate in order to meet the responsibilities of the assigned position.
- B. An employee must obtain the supervisor's approval prior to working overtime. In exceptional or emergency circumstances where overtime is required and there is not opportunity to obtain supervisory authorization an employee must report the hours worked, purpose, and circumstances to the supervisor during the employee's next scheduled shift.
- C. Overtime is defined as hours worked in excess of forty (40) hours in a work week or hours worked in excess of those regularly scheduled in a full-time shift, excluding authorized meal periods. Part-time employees will be paid overtime for hours worked in excess of forty (40) hours in a work week, or hours worked in excess of their regularly scheduled shift or eight (8) hours in a day, whichever is greater. Except as noted in paragraphs D, E and F below, overtime compensation shall be at one and one-half (1½) of the employee's regular hourly rate of pay including hourly premium and bonus wages.
- D. An employee may request and earn compensatory time off in lieu of paid time. Compensatory time shall be accumulated at the rate of one and one-half (1½) hour accumulation for each hour worked, not to exceed a total accumulation of eighty (80) hours of compensatory time. Accumulated compensatory overtime must be taken before any accumulated vacation time is used and is to be taken under the same terms and conditions as vacation.
- E. Overtime/compensatory time payment shall be as defined above except that continuous overtime worked in excess of eight (8) hours shall be compensated at two (2) times the regular hourly rate of pay and continuous overtime worked in excess of sixteen (16) hours shall be compensated at two and one-half (2½) times the regular rate.
- F. An employee who is required to work overtime on Sundays or a District holiday will be paid at the rate of two (2) times the regular hourly rate.

Section 7. Fatigue Time

- A. If an employee works four (4) or more continuous hours of overtime with less than an eight (8) hour rest period before their next regular scheduled work shift, they may receive fatigue time. The purpose of fatigue time is to allow an employee an eight (8) hour rest period before requiring them back to work. The employee will not lose the regular work pay they would otherwise be entitled to. A maximum of eight (8) hours of fatigue time is allowed.

EXAMPLE: An employee whose normal start time is 8 a.m. works four (4) hours continuous overtime from 10 p.m. until 2 a.m. Since there are only six (6) hours between the end of the overtime worked and the start of the normal shift, the employee is eligible for two (2) hours of fatigue time. The employee may arrive

at work at 10 a.m. and can code the two (2) hours missed (8:00–10:00) to fatigue time and receive the normal full day's pay.

- B. Employees requesting fatigue time are responsible for providing advanced notification to their supervisor, or person in charge that they will be utilizing fatigue time.
- C. Employees are not eligible for fatigue time if the overtime work begins within four (4) hours of their next regularly scheduled shift.

Section 8. Flextime

- A. In order to efficiently carry out District work and serve the public, managers in conjunction with the unit managers will establish a designated start and end time for their areas of oversight.
- B. Employees are expected to report to work at their designated starting time. On occasions when an employee is not able to report to work on time due to commute difficulties, unanticipated responsibilities, or family care issues, the employee may have up to a fifteen (15) minute grace period provided it does not affect the necessary work and responsibility of the District. This grace period is not to be exercised on an ongoing basis, but is intended for unexpected difficulties. An employee who reports to work late must make up the time by working a corresponding number of minutes at the end of the regularly scheduled shift. For employees in job classes that are exempt from overtime, the daily work schedule may be adjusted in consultation with the supervisor as provided in Section 6, immediately above.
- C. Employees may request flexible time up to two (2) hours before or after the designated start and end times. Flextime may be approved unless, in the sole discretion of the District, the time would significantly affect the necessary work and/or public responsibility of the District.
- D. Each non-exempt employee must complete their full scheduled number of hours required per day. Lunch and/or break times may not be used to complete the number of hours in a shift.

ARTICLE 5. BENEFIT PROGRAMS

Section 1. Maintenance of Benefits

Benefit plans currently in effect will continue during the term of this MOU unless; (1) a benefit plan is cancelled by the Plan/Insurer; or (2) a benefit plan is added, deleted, or amended by the District and after consultation with the Society. The District will notify all employees and the Society of any changes, including, but not limited to, any amendment, deletion, or cancellation of a benefit plan no later than ten (10) working days prior to the effective date of such amendment, deletion, or cancellation.

Section 2. Medical

- A. The District agrees to continue medical coverage at the level provided in this MOU. Employees will pay 15% of the cost of the premium for medical coverage and the District will pay 85% of the cost of the premium for all employees and their dependents, including registered domestic partners. During the life of the MOU, any increases or decreases in premium rates will also increase or decrease the total amount paid by the established cost-sharing. Employee paid medical premiums may be paid on a pre-tax basis in accordance with the IRS Section 125 Plan.
- B. The District agrees to provide all regular District employees with medical coverage. District employees may only receive coverage under one plan; either as single coverage or family coverage either as the primary beneficiary or as a dependent under the plan of a spouse or registered domestic partner who is a regular District employee. Also, an employee's eligible dependents will only be covered under one (1) employee's medical plan.
- C. Effective April 1, 2018, the following plan design changes will be implemented.
 - 1. Co-pay for office visits for Kaiser plan will be \$10.00.
 - 2. Co-pay for office visits for Blue Shield HMO plan will be \$10.00.
 - 3. Prescription coverage for Kaiser plan will be \$10.00 generic; \$15.00 name brand; \$30.00 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-payments.
 - 4. Emergency room services for all plans will be \$100.00 per visit in addition to any applicable calendar year deductible. Co-pay will be waived if hospitalized.
- D. Effective April 1, 2019, the following plan design changes will be implemented.
 - 1. Calendar year deductibles for Blue Shield PPO plan will be \$250.00 per person/maximum \$500.00 per family.
 - 2. Out of pocket limits for all plans will be \$2,000 per person/maximum \$4,000 per family.

- E. A District employee who chooses to be covered as a dependent under another District employee's plan rather than opting for coverage as a primary beneficiary, will receive an in-lieu payment equivalent to 50% of the cost of the least expensive single coverage plan, which is taxable income.
- F. Such District employees are eligible to enroll in any plan in the event one (1) spouse or partner leaves the District, or a change in their marital/partnership status occurs.
- G. Upon retirement, such employees would have the same rights to medical benefits as other employees.

Section 3. Vision Care

The District agrees to continue the Vision Service Plan vision care coverage for employees and dependents enrolled in the Blue Shield medical plan, and pay the premium thereof, including any increases in the cost of premiums which may occur during the term of this MOU. Employees enrolled in the Kaiser medical plan will receive vision care coverage as part of their medical plan, subject to premium sharing pursuant to Section 2 A above.

Section 4. Dental

- A. The District agrees to continue the Delta Dental Plan of California dental coverage for employees and dependents enrolled in the Blue Shield medical plan and pay the premium thereof, including any increases in the cost of premiums which may occur during the terms of this MOU. Employees enrolled in the Kaiser medical plan will receive vision care coverage as part of their medical plan, subject to premium sharing pursuant to Section 2 A above.
- B. The benefits of the District-paid Delta Dental Plan of California will have the basic dental coverage benefit of \$2,000 per each eligible employee and each dependent per year, and the lifetime orthodontic benefit of \$1,500 per each eligible employee and each dependent.

Section 5. Life Insurance

The District agrees to furnish life insurance equal to an employee's annual salary up to a maximum benefit of \$100,000. This policy includes Accidental Death and Dismemberment (AD&D) coverage for the employee. Additional life insurance at employee's cost will be available at group rates at 1x, 2x, 3x or 4x annual salary to a maximum benefit of \$500,000.

Section 6. Disability Insurance

- A. The District provides basic Short-Term Disability (STD) and Long-Term Disability (LTD) insurance which provides a benefit of 66 2/3% up to the first \$9,000 in monthly base pay. For STD, benefits start after the fourteen (14) day elimination period and are paid on a weekly basis. If necessary, STD may transition into LTD after 180 days of disability and then paid on a monthly basis.

- B. Employees who have a gross salary of more than \$9,000 per month are eligible to purchase supplemental STD/LTD coverage up to a maximum of \$18,000 in monthly salary.

Section 7. Personal Accidental Death and Dismemberment

The District agrees to make AD&D group insurance available to employees at no cost to the District.

Section 8. Part-Time Classified Employee Benefits

Regular District employees who have received management approval to work a reduced work week or part-time schedule and who work a minimum of forty (40) hours per pay period, and participate in the California Public Employees' Retirement System (PERS) are entitled to receive the following benefits on the same terms as full time regular District employees: medical, vision care, dental, life insurance, and disability insurance. They may also participate in any classified employee benefit program wholly funded through employee contributions for which they are eligible under the terms of the agreement with the provider (e.g., optional personal AD&D insurance).

Section 9. Dependent Care Assistance Program

The District agrees to continue the Dependent Assistance Program as provided by the Internal Revenue Code Section 129. Said program provides that a limited value of child and dependent care costs provided under an employer's non-discriminatory plan is not included in an employee's gross income for income tax purposes.

Section 10. Employee Assistance Program

The District will continue the Employee Assistance Program providing employees access to confidential assistance in the solving of personal problems. Such program will be operated primarily by personnel outside of the District. Maintenance of confidentiality and anonymity will be considered a primary goal of the program.

ARTICLE 6. PENSION BENEFITS

Section 1. PERS Pension

- A. The District will continue to participate in the California Public Employees' Retirement System (PERS) with benefits as currently provided at the 2.5% @ 55 Formula Benefit Level for employees hired prior to March 19, 2012. Employees hired March 19, 2012 or thereafter, will participate in PERS with benefits provided in the contract with PERS at the 2% @ 60 Formula Benefit Level. Employees hired January 1, 2013 or thereafter who qualify as new members of PERS will be placed in the PEPRA PERS formula of 2.0% @ 62 (2.5% @ 67). All pension benefits are subject to the provisions of the contract with PERS, as amended from time to time, the terms of which are incorporated by reference as if fully set forth herein.
- B. Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay ~~11% the following contributions~~ towards their pension benefits. These deductions will be pre-tax to the extent allowable by law:

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective the first full pay period in July of 2018	9.5%
Effective the first full pay period in July of 2019	10.0%
Effective the first full pay period in July of 2020	10.5%
Effective the first full pay period in July of 2021	11.0%

~~Effective the first full pay period in July of 2022, employees participating in the PERS 2.5% @ 55 formula will contribute only the 8.0% employee contribution rate and will no longer contribute any additional amount to the employer contribution. Effective the first full pay period in July of 2022, employees participating in the PERS 2.0% @ 60 formula will contribute only the 7.0% employee contribution rate and will no longer contribute any additional amount toward the employer contribution rate. These deductions will be pre-tax to the extent allowed by law.~~

- C. Employees participating in the PEPRA PERS formula of 2.0% @ 62 (2.5% @ 67) will pay ~~50% of total normal cost as determined by CalPERS plus an additional 2.0% the following contributions~~ toward their pension benefits. ~~Effective the first full pay period in July of 2022, employees participating in the 2.0% @ 62 (2.5% @ 67) formula will only be required to pay 50% of the total normal cost as determined by CalPERS toward their pension benefits.~~ These deductions will be pre-tax to the extent allowable by law:

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Effective Date of Employee Contributions	PEPRA Employee Contribution Rate
Effective the first full pay period in July of 2018	50% of total normal cost as determined by CalPERS plus an additional 0.5%.
Effective the first full pay period in July of 2019	50% of total normal cost as determined by CalPERS plus an additional 1.0%.
Effective the first full pay period in July of 2020	50% of total normal cost as determined by CalPERS plus an additional 1.5%.
Effective the first full pay period in July of 2021	50% of total normal cost as determined by CalPERS plus an additional 2.0%.

- D. The District will continue to include an option in the retirement contract which allows retirement credit for military service under the terms and conditions as specified by PERS.
- E. The PERS Retirement Plan will include Post Retirement Survivor Continuance and Retirement Credit for Unused Sick Leave for the 2.5% @ 55 plan.
- F. The employee survivor benefits will be Level 4 as specified in the 1959 Survivor Benefits Report of the PERS for the 2.5% @ 55 plan.
- G. The PERS Retirement Plan Final Compensation will be calculated by using the average monthly rate over the highest consecutive twelve (12) month period for the 2.5% @ 55 plan. The PERS Retirement Plan Final Compensation for the 2% @ 60 plan will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period. The PERS Retirement Plan Final Compensation for the PEPRA PERS plan of 2.0% @ 62 (2.5% @ 67) will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period.
- H. The District will continue implementing the provisions of Internal Revenue Code 414(h) (2) which allows the employee's salary to be reduced by the amount of the employee's retirement contribution only for the purposes of computing Federal and State income tax. The employee PERS contribution will be taken against the actual base salary prior to reduction for taxation purposes.

Section 2. Retiree Health Benefits

- A. This section does not apply to those District employees who retired from the District prior to July 1, 1988.

B. Eligibility requirements for retiree medical coverage are as follows:

1. Eligible retirees hired prior to March 1, 2007:

- a. Eligible retirees with a minimum of ten (10) years (20,800 hours) of continuous District service will receive medical coverage.
- b. Eligible retirees with a minimum of fifteen (15) years (31,200 hours) of continuous District service will receive medical coverage for the employee plus one eligible dependent.

2. Eligible retirees hired on or after March 1, 2007:

- a. An employee retiring with fifteen (15) years (31,200 hours) of continuous service will receive medical coverage.
- b. An employee retiring with twenty (20) years (41,600 hours) or more years of continuous service will receive medical coverage for the employee plus one eligible dependent.

3. Eligible retirees – service credit for prior public agency employment:

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a. For purposes of satisfying the continuous District service requirement in Section 2(B)(1)-(2) above, District employees employed or hired during any portion of the term of this Memorandum of Understanding shall be credited for any prior employment at the State of California or any political subdivision thereof, including any city, county or special district (Service Credit).

b. This provision shall not apply retroactively to former District employees who left District employment prior to the effective date of this Memorandum of Understanding.

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c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at the District prior to the date of retirement with CalPERS. For employees hired during the term of this Memorandum of Understanding, completion of the aforementioned five-year (10,400 hours) requirement following expiration of this Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below.

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d. Eligibility for the Service Credit under this subsection is further conditioned upon employees' full cooperation with the District in any reasonable efforts to obtain records or other proof of employees' prior public agency service.

e. Service Credit awarded during the term of this Memorandum of Understanding pursuant to this Section 2(B)(3) shall survive expiration of

this Memorandum of Understanding. However, nothing in this Section 2(B)(3) is intended to create any other duties or obligations of the District for future employees hired after the expiration of this Memorandum of Understanding.

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- G.D. A retired employee has the option to continue coverage for additional eligible dependents by paying the premium to the District.
- D.E. Retirees who live outside the Kaiser service area will not be permitted to enroll in the Kaiser plan.
- E.F. The District will include this assumption in conducting an actuarial analysis to estimate the impact on reducing the unfunded liability.
- F.G. During periods when an eligible retiree has medical coverage from another employer, that coverage will be primary and the District's coverage will become secondary.
- G.H. Upon the retiree's death, the District will continue medical coverage for the retiree's surviving eligible dependent. District paid continuation of a second eligible dependent will cease upon the retiree's death.
- H.I. Any other surviving eligible dependents that were on the plan at the time of the retiree's death have the option to continue coverage by paying the premium to the District. New or additional dependents cannot be added after the retiree's death.
1. An eligible District retiree is defined as:
 - a. An employee who retired from the District on and after July 1, 1988 and is eligible for PERS service retirement (age fifty (50) or over with a minimum of five (5) years of PERS service credit); and
 - b. Subject to Section 2(B)(3) above, an An-employee with a minimum of ten (10) years (20,800 hours) of continuous District service; or
 - c. An employee with a minimum of five (5) years (10,400 hours) of continuous District service who is eligible for PERS disability retirement.
- I.J. It is understood that, by entering into this MOU, neither party waives any legal rights, including the Society's or an employee's right to assert that retiree health benefits are vested, or what the vested benefit constitutes, as to employees working or who retired at any point between 12/30/2006 and 12/31/2011.
- J.K. The retiree health benefits provided to eligible District retirees will be the same health benefits that the District provides its active regular full time employees. Except as noted below, retiree premium sharing will be based on the premium sharing percentage required of active employees on the same premium amounts that apply to the medical plans for active employees, or retiree rates, whichever is less. Retiree premium sharing shall not apply to employees hired by the District prior to December 30, 2006.

Section 3. Medicare Enrollment

As of August 1, 2007, all current retirees not yet sixty-five (65) years of age and Medicare eligible and all future retirees who are Medicare eligible, must enroll themselves in Medicare when they reach the eligibility date for Medicare (presently at age 65). Their Medicare eligible dependents, who are enrolled in the District's health plan, must also enroll in Medicare upon their eligibility date. Failure to enroll in Medicare Part B will result in termination of retiree medical benefits. The District will reimburse the on-going Medicare Part B cost incurred by the retiree and/or dependent. The method of reimbursement shall be developed by the District, but reimbursements shall be made no less frequently than quarterly. The District will also include this assumption in conducting its actuarial analysis to estimate the impact on reducing the unfunded liability.

Section 4. Deferred Compensation

- A. The District agrees to continue to make available reasonable deferred compensation programs.
- B. The Society will have the right to representation on the District's deferred compensation committee.

C. The District agrees to match up to the first ~~twelve~~ Eighteen hundred (\$1,~~82~~00) dollars contributed in a calendar year by an employee to a District approved deferred compensation plan. The match payments will be contributed to the employee's 401(a) account.

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~~C.~~ D. The current maximum deferred compensation amount allowed by law for the 401(a) plan is \$58,000 and the current maximum amount of deferred compensation allowed by law for the 457(b) plan is \$19,500 for those under 50 and \$27,000 for those over 50. Both plans are subject to change per IRS rules.

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~~D. The District will amend the current 401(a) plan to allow employees in this bargaining unit to participate, consistent with the plan requirements.~~

ARTICLE 7. PAID LEAVES

Section 1. Holidays

A.C. Employees will have the following paid holidays:

Holiday	Observed
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Cesar Chavez Day	March 31
Memorial Day	Last Monday in May
<u>Juneteenth</u>	<u>June 19</u>
Independence Day	July 4
Labor Day	First Monday in September
<u>Indigenous People's' Columbus Day</u>	Second Monday in October
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	The Friday after Thanksgiving
Christmas Day	December 25

B.D. In addition to Section 1A above, any~~Every day~~ Every day, subject to prior approval by the District Board of Directors, appointed by the President of the United States or the Governor of California for a public fast, thanksgiving, or holiday.

C.E. Holidays falling on Saturday are observed on the preceding Friday. Holidays falling on Sunday are observed on the following Monday. Holidays falling during periods of paid leave, such as vacation or sick leave shall not be deducted from the accumulated leave time. Holidays falling on an employee's scheduled day off shall be added to the employee's vacation balance.

D.F. When work is required on a holiday, such time shall be compensated at the rate of two (2) times the regular rate of pay including premium pay for shift differential, or any other pay differentials, plus the regular holiday pay to which the employee is entitled.

E.G. An employee must work or be on pre-authorized leave with pay the day immediately preceding and immediately following the holiday in order to be compensated for the holiday.

F.H. When the holiday falls on an employee's regular day off, the employee will have eight (8) hours of vacation added to his/her vacation balance. Regardless of the employee's scheduled work hours for that regular day off (e.g., 9 hours or 10 hours), only eight (8) hours of vacation is added to the existing vacation balance.

Section 2. Absence Notification

- A. Employees must obtain advance approval for use of vacation, personal leave, compensatory time off or sick leave for cases other than an unanticipated disabling illness or injury or for the need to care for a family member who becomes ill or injured.
- B. In circumstances where it is not possible to anticipate an absence and secure prior approval, the employee should notify his/her supervisor in a timely manner to report the absence. In most circumstances, the call should be made within one (1) hour of the scheduled starting time. Non-emergency medical appointments, sick leave, vacation, compensatory time off and personal leave are to be scheduled and approved sufficiently ahead of time so as to minimize the impact on unit operations.
- C. The District shall not require an employee to give a reason as a condition for approving the use of vacation, compensatory time, or personal leave provided prior approval is requested.
- D. Any unauthorized absence by an employee shall be deemed to be an absence without pay and will be grounds for disciplinary action by the Appointing Authority. Any employee who is absent for three (3) consecutive days or more without authorized leave shall be deemed to have resigned.

Section 3. Vacation

Years of Service	Rate of Annual Accumulation
Through 1st year	80 hours/year
Beginning with the 2nd year	96 hours/year
Beginning with the 5th year	128 hours/year
Beginning with the 10th year	144 hours/year
Beginning with the 15th year	168 hours/year
Beginning with the 20 th year	176 hours/year

- A. Vacation may be accumulated not to exceed three (3) times the annual entitlement except when the employee:
 - 1. Is absent on full salary due to a work-related injury or illness; or
 - 2. Is earning vacation while using sick leave due to an illness or injury; or
 - 3. Is unable to take vacation because he/she as an employee of the District is responding to extreme emergencies such as fire, flood, or similar disaster.

- B. The monetary value of accumulated vacation time will be paid to an employee whose employment is terminated with the District. In the event of termination due to death, the value of accumulated vacation time will be paid to an employee's beneficiary.
- C. Whenever operationally practical, vacations will be scheduled for the time requested by the employee. In order to avoid undue disruption of work activities or to minimize conflicts with other employees' vacations, the unit manager may place seasonal or other restrictions on the use of vacation.
- D. Supervisors may prepare a schedule of available vacation periods for each class in their organizational unit in relation to estimated workload. Each employee shall indicate, by order of preference, the vacation period desired. Supervisors shall review vacation requests and resolve any conflicts in favor of the employee with the most District seniority, provided, however, if an employee requests his/her vacation be taken in two (2) or more non-continuous vacation periods, such employee may exercise his/her seniority only for the first period of vacation.
- E. An employee on vacation who becomes ill may request a conversion of vacation time used while ill to sick leave if such illness is supported by a written statement from a medical provider or if the employee was hospitalized for the illness or injury.
- F. If an employee's requested vacation must be denied or cancelled due to operational reasons and for that reason the employee reaches the vacation accrual maximum, an exception of time will be granted before the vacation accrual maximum is enforced.

Section 4. Vacation Cash Out

An employee may cash out his or her accrued vacation hours not to exceed eighty (80) hours or the number of hours equal to 75% of his/her vacation annual accrual rate whichever is greater. The cash out must be in accordance with District policy.

Section 5. Personal Leave

- A. Effective the first pay period of each fiscal year, employees in active status shall be credited twenty-four (24) hours of personal leave. Employees beginning District employment or returning from unpaid leave after that date shall have a prorated amount of personal leave credited to them, computed on a twenty-six (26) pay period basis.
- B. Personal leave must be approved for use in advance by the employee's supervisor.
- C. Personal leave shall not be accumulated from one (1) year to the next. Any personal leave remaining to the employee's credit at the end of the pay period prior to that pay period when the next year's personal leave is credited shall be lost.

Section 6. Sick Leave

- A. Sick leave with pay will be accrued at the rate of 3.693 hours per pay period (96 hours/year). Unused sick leave may be accumulated without limit. The District may require substantiation of any sick leave when the employee has a demonstrable pattern of sick leave abuse or the supervisor has good reason to believe the absence was for an

unauthorized reason. Sick leave for three (3) shifts in a row must be substantiated to the District with a note from an accredited attending physician or medical provider. Eligible uses of sick leave are:

1. The employee's illness or injury;
 2. Medical or dental appointments for employees;
 3. Providing care for a spouse, registered domestic partner, child, parent or other legal dependent of the employee pursuant to District Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA) and Pregnancy Disability Leave (PDL) (such care could include medical or dental appointments); or
 4. Extending the term of an employee's bereavement leave for up to fourteen (14) consecutive calendar days per Section 10 of this Article 7.
- B. The portion of sick leave that may be used to care for a child, parent, spouse, or registered domestic partner may not exceed eighty (80) hours in a calendar year. Upon approval from an employee's Deputy, the duration of sick leave used may be extended up to the employee's current accrued sick leave balance.
- C. An employee on vacation who becomes ill may request a conversion of vacation time to sick leave if the illness is supported by a statement from an accredited physician or if such employee is hospitalized for any period due to accident or illness.
- D. Upon death of the employee, any sick leave balance will be paid at 100% of cash value.
- E. Upon retirement from the District, there are three options for payout/conversion of sick leave balances, provided that the employee has filed for a CalPERS retirement.
1. Option 1: Cash out up to 480 hours of sick leave at 50%. If applicable, remaining balance is converted to CalPERS for additional service credit.
 2. Option 2: Convert all hours to CalPERS for additional service credit (e.g., balance is 600 hours which equates to an additional 75 days of CalPERS service time).
 3. Option 3: Convert up to 480 hours of sick leave at 50% to Deferred Compensation. If applicable, remaining balance is converted to CalPERS for additional service credit.
- F. Upon resignation with ten (10) or more years of service, or upon separation by layoff regardless of service, up to 480 hours of accrued sick leave shall be paid off at the rate of 25% of the cash value.
- G. Other than as provided in E and F, above, all rights to sick leave shall be cancelled upon separation; provided however that:

1. If an employee resigns and is not entitled to a sick leave payoff and is reinstated or re-employed within one (1) year from the date of resignation, the employee shall have their former sick leave balances restored.
2. Employees receiving a sick leave payoff shall, if reinstated or employed within six (6) months, be required to repay the full amount of the sick leave payoff received and have their former sick leave balances restored. A written agreement for repayment in full must be made before reinstatement of re-employment.

Section 7. Sick Leave Conservation Program

- A. The Society and the District, in an effort to provide employees with an incentive to conserve sick leave have agreed to the following:

1. ***Payoff Provision***

- a. At the end of Pay Period 26 of each year, all employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) hours (exclusive of nondeductible bereavement leave) of sick leave during the preceding twelve (12) month period may convert up to twenty-four (24) additional hours of accumulated sick leave in eight (8) hour increments, to cash equal to the number of sick leave hours converted, multiplied by the employee's normal hourly rate. Employees in a part time status or on leave of absence during the eligibility period will have their hours pro-rated.
- b. The employee must have been in paid status for the full twelve (12) month period.
- c. Payment shall be made in Pay Period 06, following the eligibility period.

Section 8. Sick Leave Donation Program

A. ***Donor***

1. An employee shall be allowed to donate up to 200 hours of his/her sick leave to other employees in accordance with District Policy.
2. Sick leave donations will be on an "hour for hour" basis.
3. The number of sick leave hours donated by an employee will not be considered when determining the employee's eligibility for cashing out sick leave under the District's Sick Leave Conservation Program.

B. ***Recipient***

1. Must exhaust all of their own paid time off before donated time can be used.
2. Must be on an approved medical leave of absence lasting more than thirty (30) calendar days.

3. No lifetime maximum on the number of donated hours that an employee can receive.
4. Employees on medical leave of absence who have received vacation/sick donation hours will not be considered in an unpaid status until complete exhaustion of their accrued time and all donated hours.

Section 9. Bereavement Leave

In the event of death in an employee's immediate family (parent including in-law, grandparent, spouse, child including grandchild, sibling including in-law or other permanent member of the employee's immediate household or any person sharing a comparable relationship resulting from marriage or a registered domestic partner relationship), the employee shall be granted bereavement leave not to exceed three (3) days. Additional time may be charged to sick leave for a total leave (i.e., bereavement plus sick leave), not to exceed fourteen (14) consecutive calendar days. For example, an employee takes the maximum total leave period of fourteen (14) consecutive calendar days. Of those fourteen (14) consecutive calendar days, nine (9) are working days and five (5) are non-working days. The first three (3) of the nine working days will be charged as bereavement leave, while the fourth (4th), fifth (5th), sixth (6th), seventh (7th), eighth (8th) and ninth (9th) working days will be charged as sick leave. The non-working days are not charged to any leave.

Section 10. Jury/Witness Leave

- A. Any employee who is subpoenaed as a witness is entitled to his/her regular pay while serving as a subpoenaed witness, where the underlying action is one in which the District or a District employee (in his or her official capacity) is a party, or where the witness is being called regarding an event or transaction in which he or she perceived or investigated in the course of his or her duties. The employee shall provide the District with any funds received for said appearance from the party issuing the subpoena.
- B. Any employee summoned to appear for jury service is entitled to his/her regular pay while on jury duty. The employee must sign the Juror Fee Waiver Form per the California Code of Civil Procedure, Section 215, which states that a juror who is employed by a government entity and receives regular salary and benefits while on jury duty must waive the daily juror fee.
- C. Employees working evening or night shifts shall be entitled to release time from their own work schedule for the number of hours spent on jury duty during the day.

Section 11. Military Leave

The District will grant military leave in accordance with the California Military and Veterans Code.

Section 12. Industrial Injury Leave

- A. When an employee is unable to perform assigned duties by reason of sickness or disability, as defined in the Workers' Compensation Act of the State of California, the employee is eligible to receive the regular salary for eighty (80) hours of such disability,

conditioned upon the use of a District–designated medical provider for the duration of the services needed for the care of the employee, without loss of sick leave and/or vacation benefits. This benefit may be referred to in this section as “Code 30” benefits.

1. If the employee uses a District–designated medical provider, the industrial accident leave compensation is a maximum of eighty (80) hours.
2. If the employee uses their own medical provider, such provider must be pre-designated prior to the injury meeting the requirements of the workers’ compensation statute, and the industrial accident compensation is a maximum of forty (40) hours.
3. If the employee starts treatment with the District–designated medical provider and after thirty (30) days chooses to treat with an out–of–network physician, the maximum compensation will be forty (40) hours. Any excess hours used beyond forty (40) hours will be reimbursed to the District.
4. The eighty (80) or forty (40) hours must only be used for time off related to the industrial injury for which the hours are assigned. Examples of legitimate use include, doctor’s appointments, physical therapy appointments, meetings with investigators, and Temporary Total Disability (TTD). Time off that is not authorized by a physician will not be eligible for this benefit.
5. At the end of this leave (depletion of 40 or 80 hours) and if unable to return to work, the employee will elect whether to receive payment of any accumulated sick, vacation, or other earned leave benefits, or to receive workers’ compensation temporary disability payments.
6. If the employee elects to receive payment of any accumulated sick, vacation or their earned leave benefits, any TTD for this period is assigned to the District.
7. Code 30 benefits will be in effect for six (6) months from date of injury regardless of the number of hours actually used.
8. Alternatively, up to ten (10) hours of Code 30 benefits may be authorized for a “first aid only” work related injury contingent upon an objective medical evaluation to determine whether the incident is industrial in causation. Must be “As a Result of Employment” or “In the Course of Employment” to qualify as industrial. Use of this time will be at the discretion of the unit manager, in consultation with the first level Deputy and the workers’ compensation administrator.
9. The employee is responsible to ensure that he/she does not exceed the hours expressed in this section. Excess payments resulting from Code 30 benefits and regular payroll must be reimbursed by the employee to the District on a dollar per dollar basis.
10. If for any reason the claim is denied, these benefits cease.

Section 13. Part Time Classified Employee Paid Leaves

- A. The following paid leave benefits are accrued on a prorated basis: Holidays, Vacation, Sick Leave, and Personal Leave.
- B. Proration of paid leave benefits will be based on the established percentage of a full eighty (80) hour per pay period the employee is approved to work (e.g., employee normally works 20 hours a week = half time, so employee receives 50% of the paid leave benefits) In order to ensure that the prorated formula is appropriate, an employee must either work the scheduled hours per pay period or use accrued leave balances to make up the difference. The sole exception to this formula shall be in the case of holidays for which the employee shall not be required to use accrued leave balances to meet his/her established reduced hourly schedule as long as a minimum of forty (40) hours has been met for the pay period. The actual number of hours worked in any given pay period, regardless of the employee's regular schedule, shall be recorded and credited for purposes of service accrual (i.e., determining eligibility for rate of annual accumulation of vacation, seniority, etc.) up to forty (40) hours per week.
- C. The following paid leave benefits are provided on a prorated basis as follows:
 - 1. Jury/Witness leave—employees will be compensated for those hours that fall within their regular specified work hours, provided that the fees for such service are deposited into District funds.
 - 2. Bereavement leave—employees will be compensated for those hours that fall within their regular specified work hours.
 - 3. Military leave—will be as provided for in the California Military and Veteran's Code.

Section 14. Exempt Leave

Exempt leave of 20 hours annually shall be credited to each exempt employee of the Engineers Society, effective the first pay period in July of each year.

ARTICLE 8. LEAVES OF ABSENCE

Section 1. General Provisions

- A. The District will provide leave of absence as required by law under the Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), and Pregnancy Disability Leave (PDL).
- B. A leave of absence starts on the first scheduled work day on which the employee is absent from work.
- C. A leave of absence may be revoked upon evidence that the cause for granting it was misrepresented or has ceased to exist.
- D. Leave of absence without pay will not be considered as service time in determining eligibility for vacation, sick leave, salary increases, or other circumstances where service is a factor unless expressly required by law.
- E. Leave of absence without pay shall not be credited toward the completion of the employee's probationary period.
- F. Person(s) responsible for approving leaves of absence shall approve such leaves in a consistent and equitable manner.
- G. District contributions toward insurance premiums will continue for the first twelve (12) months of a leave of absence, or as otherwise required by FMLA, ACA, ADA and/or CFRA. Employees on a leave of absence lasting longer than twelve (12) months may have their coverage extended, as required by law.
- H. Once an employee is no longer eligible to receive the District's contributions to their insurance premium, the District shall offer COBRA for continuation of benefits at the employee's expense.

Section 2. Medical Leave of Absence

- A. All medical leave of absence for an employee's own medical condition not to exceed six (6) months may be granted by the employee's first level manager. An extension not to exceed six (6) months may be approved by the Deputy or designee. An additional extension not to exceed six (6) months may be approved by the Chief.
- B. Appropriate medical documentation must be provided.
- C. All or a portion of a medical leave of absence will be designated as FMLA and/or CFRA as applicable.
- D. An employee is required to utilize all available sick leave for the duration of the medical leave of absence or until exhausted. Use of other accrued time may be used at the employee's option.

- E. An employee on medical leave of absence who has received vacation/sick leave donation hours will not be considered in an unpaid status until complete exhaustion of their accrued time and all donated hours.
- F. An employee taking a medical leave of absence must provide a District approved medical provider's release upon return to work.
- G. Intermittent medical leave of absence will be granted up to the equivalent of FMLA or CFRA requirement.
- H. Upon return to work, an employee on medical leave shall be reinstated to his/her former or a comparable level position.

Section 3. Family Care Leave of Absence

- A. A family care leave of absence to care for an immediate family member (spouse/registered domestic partner, child or parent) not to exceed six (6) months may be granted by the employee's first level manager. An extension not to exceed six (6) months may be approved by the Deputy or designee. An additional extension not to exceed six (6) months may be approved by the Chief.
- B. Appropriate medical documentation must be provided.
- C. All or a portion of a family care leave of absence may be designated as FMLA and/or CFRA as applicable.
- D. An employee is required to utilize all available sick leave for the duration of the family care leave or until exhausted. Use of other accrued time may be used at the employee's option.
- E. Intermittent family care leave of absence will be granted up to the equivalent of FMLA and/or CFRA requirement.
- F. Upon return to work, an employee on family care leave shall be reinstated to his/her former or a comparable position.

Section 4. Parental Leave

- A. An employee may be granted a parental leave of absence not to exceed six (6) months (or as required by law) by the employee's first level manager for disability related to the birth of the employee's child, for the employee to bond with his/her newborn child; or for the placement of a child with an employee for adoption or foster care of a child.
- B. All or a portion of parental leave of absence will be designated as FMLA, CFRA and/or PDL as applicable.
- C. An employee is required to utilize all available sick leave during the period of disability of the parental leave of absence. Use of other accrued time for parental leave, or use of sick leave for parental leave subsequent to the period of parental disability, may be used at the employee's option.

- D. Upon return to work, an employee on parental leave shall be reinstated to his/her former or a comparable level position.

Section 5. Personal Leave of Absence

- A. A personal leave of absence not to exceed six (6) months may be granted by an employee's Deputy or designee for urgent or substantial personal reasons. Personal leave of absence may be extended by the Chief for a further period of not to exceed six (6) months for exceptional circumstances.
- B. An employee on a personal leave of absence are required to exhaust accrued time per applicable MOU provisions. Sick leave cannot be utilized during a personal leave of absence.

Section 6. Educational Leave of Absence

- A. A three (3) month leave of absence may be granted for educational or training purposes when the Chief determines that such training or education is of obvious and direct benefit to the District, is not locally available during the employee's non-working hours, and it can be shown that the employee's absence will not unduly affect the work of that employee's unit of assignment. Such leave may be extended for additional three (3) month intervals not to exceed an aggregate leave of one (1) year.
- B. An employee on an educational leave of absence is required to exhaust accrued time per applicable MOU provisions. Sick leave cannot be utilized during an educational leave of absence.

ARTICLE 9. REIMBURSEMENTS

Section 1. Tuition Reimbursement

- A. The Society and the District agree that it is in the best interest of both, for not only the employee to initiate but the District to provide, training and other opportunities to further facilitate an employee's career development.
- B. In accordance with District policy, an employee with six (6) or more months of continuous service may be reimbursed for tuition or expense payments incurred in taking courses outside of normal working hours related to District employment. All such requests for reimbursement must be approved by the District prior to taking the course. The course content must have some direct relationship to the work of the District.
- C. Upon approval of a course, and completion with a passing grade of C or better (Pass in the cases where only Pass/Fail is given) the employee will be reimbursed the cost of the tuition and other costs such as laboratory fees and assigned textbooks. Total tuition reimbursement shall not exceed \$23,500 in a fiscal year. No unpaid balances over the maximum will be carried forward to the next fiscal year.
- D. Courses must be given by an accredited institution.

Section 2. Certification and Professional Memberships and Materials and License Reimbursement

- A. ES classifications are eligible for professional reimbursement in the amount of \$600.00 per year. To receive payment, the employee must provide a receipt for reimbursement. The money must be spent on professional associations, conferences, subscriptions, professional licenses not covered under Section 2 B below, meetings, or other reference materials relating to the employee's area of responsibility and approved by their manager. Requests will not be unreasonably denied.
- B. For all Society members, the District will reimburse the fees for one (1) required professional license or certificate.
- C. During the course of this MOU, if the District or legal requirements require the employee to hold licenses, or certificates, or if any course work is required to renew such licenses or certificates, fees for the licenses, certificates, and/or course work will be paid by the District.

Section 3. Education Records

Employees may have placed in their personnel file any records of the satisfactory completion of an educational program given outside the District which is found to be directly related to their duties.

Section 4. Safety Shoes/Glasses

- A. All safety equipment provided by the District must meet CAL/OSHA standards where a CAL/OSHA standard has been adopted. The District procedure "Personal Protective Equipment" will be applied during the term of this MOU.
- B. All employees are required to wear footwear appropriate to duties of their class. Employees whose job duties require safety shoes, will be reimbursed up to ~~one hundred eighty-one dollars and zero cents~~ two hundred and twenty-five dollars (~~\$181~~225.00) of the cost of safety shoes once yearly (calculated from the date of purchase), provided the shoes meet safety standards which are approved by the District and are purchased pursuant to the "Personal Protective Equipment" procedure. In addition, safety shoes for which the District has reimbursed the employee must be worn on the job.
- C. The District shall reimburse up to ~~one hundred sixty-eight dollars and zero cents~~ two hundred and ten dollars (~~\$168~~210.00) ~~contribution~~ for prescription safety glasses for those employees whose job duties are found to require such equipment. Prescription glasses must be purchased pursuant to the "Personal Protective Equipment" procedure.

Section 5. Travel and Subsistence Policy

District policies regarding travel and subsistence will be applied during the term of this MOU.

ARTICLE 10. HIRING/EMPLOYMENT

Section 1. Hiring Process Policy and Procedures

It is District policy that there shall be appointed to District service those persons competent to carry out the District's public responsibility. Appointments to District positions shall be made on an objective basis considering merit, qualifications, competency, and ability to perform the essential functions of the position, pursuant to District policy. It is also District policy of equal employment opportunity to all employees and applicants for employment, regardless of any individual's race, religion, sex, national origin, age, disability, or any other protected class.

Section 2. Physical Examination

- A. Prior to the appointment or within a reasonable period following appointment to a different class as a result of promotion, demotion, transfer or reclass, the appointee may be required by the District, at the expense of the District, to undergo a medical examination to determine the employee's medical fitness for the position.
- B. The District may require an employee to undergo a physical examination, at the expense of the District, to determine the employee's fitness for the currently assigned position.
- C. The common understanding of physical examination includes both physical and psychological examinations/assessments in determining an employee's fitness for duty. The District will notify the employee and the bargaining unit that a physical examination will be required to determine the employee's fitness for duty.

Section 3. Rotation

- A. Any employee may, upon approval of the appropriate Appointing Authority(s), rotate into another unit in the District. The purpose of the rotation is for orientation and learning purposes, and employee career development. During rotation, employee will be compensated at his/her current level. Upon completion of the rotation, the employee will return to his/her originally assigned position.
- B. Rotation is mandatory for employees appointed at the Assistant I classes. The rotation, for the Assistant I class, should occur after completion of probation and before attainment of Assistant II class.

Section 4. Administrative Reassignment

- A. The District may administratively reassign employees.
- B. The District and Society have agreed that administrative reassignments may be implemented at the request of an employee or District management and at the sole discretion of the appropriate Appointing Authority under the following conditions:
 - 1. An employee may request a reassignment at any time. The District may, at its sole discretion, grant a reassignment provided a position is available;

2. Employee requesting administrative reassignment must have completed their probationary period;
3. Employee requested administrative reassignment shall not be permitted more than once in a two (2) year period;
4. The employee(s) meet the minimum qualifications of the class to which the employee is transferred or will be provided appropriate training; and
5. The employee will be compensated at the new administrative reassigned class, upon meeting the minimum qualifications except for employees reassigned to a class with a lower salary range, in which the employee's salary will be frozen at the former rate.

ARTICLE 11. EMPLOYEE PERFORMANCE/EVALUATION

Section 1. Personnel Records

- A. The District may maintain such personnel records of an individual employee as is deemed necessary. Personnel records may be viewed by the employee's Appointing Authority, potential Appointing Authority, performance evaluation rater, and reviewers and Human Resources Division staff only. Further, an employee, or the employee's authorized representative, may view the employee's personnel record at any time with written consent by the employee.
- B. Documents relating to an employee's performance or evaluations placed in his/her personnel file shall be provided to the affected employee. Material placed in a personnel file which affects an employee's work record negatively may be removed by the District upon petition from the employee and upon evidence that the incident or cause outlined in the material has not recurred and has been on file for a period of not less than two (2) years, except an employee who has received a notice of disciplinary action which was appealed successfully shall have the notice removed from his/her file immediately after the successful appeal and upon request of the employee.
- C. Evaluations shall not be removed from an employee's file.

Section 2. Employee Performance Evaluations

- A. General: An employee's performance shall be evaluated based on criteria as set forth in the Employee Development and Performance Program (EDPP).
- B. Mid-year and annual evaluations shall be considered in matters of transfer, promotion, salary increase, demotion, dismissal, and other personnel actions. Evaluations shall be placed in the employee's personnel record. In the event the employee's performance falls below acceptable standards, the employee shall be notified in writing including suggestions for corrective action. The union will be notified when an employee is going to be placed on a Performance Improvement Plan (PIP) prior to the meeting with the employee to present the PIP.
- C. Denial of Step Increase: An overall annual evaluation rating of "Needs Improvement" will result in the denial of a step increase until the employee's overall performance is rated at least "Achieved" in a future evaluation.
- D. Appeals Process: Evaluations are not grievable through the grievance procedure. An employee may attach a response to their evaluation, which will be placed in their personnel file. Only evaluations that receive an overall rating of "Needs Improvement" or "Unsatisfactory" may be appealed.
 - 1. To appeal an evaluation, including a decision that denies a step increase, the following process will be used:
 - a. Employee completes an Appeals form which can be accessed on the District's Labor Relations Intranet site.

- b. Employee files the completed Appeals Form with their First Level Unclassified Manager (or one level above if the rater is an Unclassified Manager) within 15 working days from receipt of the evaluation.
- c. Submit a copy of the completed Appeals Form with the Labor Relations Unit also within 15 working days from receipt of the evaluation.
- d. After submitting an appeal, a meeting with the Unclassified Manager to discuss the evaluation will be scheduled.
- e. The Unclassified Manager will either affirm or revise the rating. The decision by the Unclassified Manager regarding the appeal shall generally be made in writing within fifteen (15) working days from the Unclassified Manager's receipt of the appeal, depending on the complexity and detail level of the case.
- f. Evaluations that are revised as a result of an appeal are not appealable. Evaluations are not subject to the grievance procedure. Decisions by the Unclassified Manager are final.

Section 3. Probation

- A. It is the policy of the District that all new hires, promotions, reclassifications and administrative transfers shall have a probationary period, except as noted below.
- B. The standard probationary period for all classified positions is twelve (12) months or 2,080 hours. Prior to the expiration of the 2,080 hour probationary period, an initial probationary employee may be released from District service at any time. Such rejection is not a disciplinary action and may not be grieved.
- C. An employee who has already passed their initial probationary period and is appointed, promoted, or demoted to another classification (excluding flexibly staffed classes), must satisfactorily complete a probationary period of twelve (12) months or 2,080 hours. An employee serving a promotional probationary period may be returned to their former classification if it is determined by the Appointing Authority that the employee is not passing their probationary period. Such rejection is not a disciplinary action and may not be grieved.
- D. Employees who have already passed their initial probationary period and are reclassified to a new class who are found by the District to have been performing the duties of the new class for at least twelve (12) months or 2,080 hours, will not be placed in a probationary status.
- E. In addition, an employee who is administratively transferred or competitively promotes from a position in one class to another position in the same class does not need to complete a probationary period unless the initial probationary period has not been concluded or it is requested by the Appointing Authority. In cases where the administrative transfer is management initiated, the employee will not need to complete a probationary period.

- F. New Hires or Initial Probationary Employees shall have all rights under this MOU, except in cases of suspension, demotion, or termination, or as specifically excluded.

ARTICLE 12. CLASSIFICATION

Section 1. Overview

- A. The Society and the District recognize the need to conduct class studies due to changes in business needs and/or workforce strategy, and the need to conduct periodic maintenance of the class system.
- B. The Society recognizes the right of the District to establish new job classes and job descriptions and to amend existing class specifications and job descriptions to reflect changes in assigned duties and responsibilities. In the event a substantial change is made in the specification or job description of a class represented by the Society, the District will provide the Society with notice of such changes and the salary for the class. The Society will have fifteen (15) working days from such notice to request a meeting to consult with the District on said changes. If requested by the Society, the parties shall meet and confer on the salary for the class as soon as practicable after the request is received. Establishment of the salary is not subject to the grievance process as contained in this contract.
- C. At the request of the District, the parties agree to meet and confer over District proposed changes to this article.

Section 2. Maintenance of the Classification Process

- A. Desk audits may be required as a result of business need changes or as a result of a reassignment. In these cases, management may initiate a desk audit of the change in business or reassignment conditions.
- B. Every effort should be made by the manager to review the body of work before assigning the work to staff. Management will work with the Classification Unit to determine whether the body of work will require a higher or different class.
- C. If the body of work is determined to be a higher or different class through the body of work review, the manager can determine staffing mechanisms (e.g., out-of-class, remove the duties, unmet needs allocation, etc.).

ARTICLE 13. DISCIPLINE PROCESS

The following procedure is established as a result of a mutual interest on the part of the District and the Society to resolve disciplinary matters. The District will issue no discipline without just cause.

Section 1. Right to Representation

If a situation arises where an employee will be formally disciplined by an applicable manager the employee will be notified that he/she has the right to have Society representation. Any employee who reasonably believes that a meeting with their manager/supervisor may result in disciplinary action against them may request to have a representative in the meeting. If a Society representative is not available at the time of the meeting, the applicable manager will arrange an alternative meeting as soon as possible, but at least within five (5) working days. It is the employee and/or the Society's responsibility to arrange for representation within the five (5) working day requirement.

Section 2. Examples of Employee Misconduct

Examples of employee misconduct include, but are not limited to: chronic absenteeism, incompetence, failure to follow work rules, insubordination, misstatement of facts on an application or other personnel documents, falsification of work or time records, absence without authorized leave and without just cause.

Section 3. Progressive Discipline

The District shall follow the principles of progressive discipline as appropriate.

Section 4. Disciplinary Actions

Disciplinary actions should be designed to fit the nature of the issue and may include counseling, oral and written reprimands, suspension, demotion, discharge or other appropriate action. The particular action imposed shall depend on the severity of the misconduct and the particular factual circumstances involved.

Section 5. Pre-Disciplinary Procedure

- A. An employee who will be investigated for possible misconduct by the Labor Relations Unit shall be notified by management within fifteen (15) working days of the start of the formal disciplinary investigation by the Labor Relations Unit. Management shall make every effort to complete the investigation within sixty (60) working days. If the investigation will take longer to complete, management shall update the employee and the Society every thirty (30) calendar days until the investigation is completed. The time limits identified in this section are not grievable.
- B. Following the completion of the employer's formal disciplinary investigation where formal discipline (demotion, suspension, or termination) is being recommended, the appropriate authority shall prepare a written Notice of Recommended Disciplinary Action to be served on the employee in person or by registered mail. A copy will be sent to the

Society and Labor Relations Unit. No written Notice of Recommended Disciplinary Action shall be required for informal discipline (counseling, oral and written reprimands).

- C. For matters of formal discipline (demotion, suspension, or termination), the appropriate level of authority for preparing such recommended discipline shall be the Appointing Authority or designee in consultation with the Labor Relations Unit. For all informal disciplinary matters (counseling, oral and written reprimands), the appropriate level of authority for preparing such recommended discipline shall be the applicable manager in consultation with the Labor Relations Unit.
- D. The written Notice of Recommended Disciplinary Action shall state the specific grounds and facts upon which the action is based and will be provided to the employee, Society, and the Labor Relations Unit.
- E. Copies of any known materials, reports, or other documents upon which the intended action is based shall be served with the written Notice of Recommended Disciplinary Action and copies shall be provided to the employee, Society, and the Labor Relations Unit.
- F. Employee shall be accorded the right to respond in writing to the written Notice of Recommended Disciplinary Action, and any such written response shall be served by employee within fifteen (15) working days from the District's service of the Written Notice of Recommended Disciplinary Action. A copy of any such written response will be provided to the Society.
- G. For matters of formal discipline (suspension, demotion, termination), within fifteen (15) working days of receipt of the written Notice of Recommended Disciplinary Action, employee shall be accorded the right to request a Skelly Hearing with the Appointing Authority. The Appointing Authority shall designate a Skelly Hearing Officer who has the authority to recommend to uphold, modify or revoke the recommended disciplinary action. A copy of the Skelly Hearing notice will be provided to the Society and the Labor Relations Unit. The Skelly Hearing will be scheduled and held as soon as practicable after receipt of the request.
- H. Following the Skelly Hearing, the appropriate Appointing Authority shall issue the notice of Final Disciplinary Action, including the effective date of any discipline to be imposed. The notice is to include the Hearing Officers' decision as an attachment.
- I. At any time in the discipline process the failure of the Society to adhere to the time limits set forth in the MOU shall cause forfeiture for their case.
- J. Adverse entries in the employee's record more than three (3) years old shall not be admitted into evidence or considered to support the charges at any level of the grievance or arbitration procedures. The three (3) year limitation will not apply to previous disciplinary actions related to egregious conduct such as harassment (including sexual harassment), retaliation, potential criminal activity, violence, willful destruction of property, or potential injury to the employee or others.

Section 6. Counseling

- A. Manager/supervisor shall advise an employee as early as possible when it is determined that their performance or conduct is approaching an unacceptable level.
- B. Counseling should be done by the employee's manager/supervisor. The counseling session should be an open, two-way conversation, keeping in mind that the main objective is to improve the employee's performance and/or conduct.
- C. During these sessions, a problem solving discussion should be held between the employee and the manager/supervisor and may include the Society with the employee being given an opportunity to state any circumstances which have affected their performance record. While such circumstances may not excuse the performance problems, the parties may find ways to eliminate them in the future.
- D. Specific details and examples should be developed for an action plan. Follow-up and follow-through timelines should also be established if applicable.
- E. The manager/supervisor must establish and maintain appropriate documentation.

Section 7. Oral Reprimand

- A. The manager/supervisor should advise the employee what specific behavior is unacceptable, what is expected and what will happen if improvement does not occur or if conduct continues. At this stage, the employee is being put on notice that a failure to correct the problem will lead to further progressive disciplinary action. The manager/supervisor must fully document the oral reprimand including the matter discussed and any agreed upon remedial measures.
- B. Specific details and examples should be developed for an action plan and follow-up and follow-through timelines should be established if applicable.
- C. The manager/supervisor must establish and maintain appropriate documentation.

Section 8. Written Reprimand

- A. If the employee has previously been counseled or orally reprimanded, or if the situation warrants this as a first level discipline, a written reprimand must be completed.
- B. The written reprimand should refer to any previous counseling and/or oral reprimand and should include a statement that will put the employee on notice that a failure to correct the problem will lead to further progressive disciplinary action. A copy of the written reprimand will be given to the employee and a copy will be placed in the employee's personnel file. A copy will also be provided to the Society and the Labor Relations Unit.
- C. The written reprimand will include a statement indicating that the employee has received a copy and that the employee has the right to attach a written response. The written response must be submitted to the Labor Relations office within fifteen (15) working days from receipt of the written reprimand. The employee may also file an appeal of a

written reprimand with their first level Unclassified manager. The appeal must be submitted within fifteen (15) working days from receipt of the written reprimand.

Section 9. Administrative Leave

- A. **Notification**—If the District elects to place an employee on Paid Administrative Leave, the District shall notify both the employee and the Society. Paid Administrative Leave shall normally not exceed forty-five (45) working days. The notification shall include:
1. The reason why the employee was placed on Paid Administrative Leave.
 2. The steps to be taken during the time the employee is on Paid Administrative Leave.
- B. **Leave Extension**—If Paid Administrative Leave needs to be extended beyond forty-five (45) working days, the District shall notify the employee and the Society in writing of the reasons for the change.
- C. Within fifteen (15) working days after commencement of Paid Administrative Leave, both the employee and the Society will be notified in writing of the status of the case.

Section 10. Compulsory Leave

Criminal Charges: The District may require an employee who has been charged in a court of competent jurisdiction with a commission of a felony, or a misdemeanor involving moral turpitude, provided the crime as charged is related to the employee's employment status, to take a leave of absence without pay pending termination by a way of a plea, finding or verdict at the trial court level as to the guilt or innocence of such employee. Upon a finding of not guilty, the employee may be reinstated to the regularly assigned position with return of all benefits, including salary, that were due for the period of such leave; subject however, to appropriate disciplinary action if warranted. Any disciplinary action shall be imposed effective as of the commencement date of such leave. If the determination is one of guilt, the District may take appropriate disciplinary action effective as of the commencement date of such leave.

Section 11. Arbitration

- A. Appeal of Final Disciplinary Action resulting in suspension, demotion, or discharge shall be through arbitration, but only with concurrence of the Society.
- B. For matters of arbitration, the District and the Society agree to select an arbitrator from the following list:

Norm Brand
Andrea Dooley
Matt Goldberg
Catherine Harris
Ron Hoh
John Kagel

Carol Vendrillo
David S. Weinberg
Barry Winograd

Section 12. Arbitration Procedure

- A. A written request to proceed to arbitration must be filed by the Society with the Deputy of Human Resources within fifteen (15) working days of the date of the notice of Final Disciplinary Action. A copy of the written request for arbitration will be provided to the Society and the Labor Relations Unit.
- B. Within five (5) working days following the receipt of the request for arbitration, the parties shall confer to select the arbitrator from the agreed upon permanent panel of arbitrators. The obligation to strike the first name shall be determined by lot, and the parties shall alternately strike one name from the list until only one name remains, and that person shall be the arbitrator.
- C. The hearing shall be scheduled as soon as possible, consistent with the arbitrator's schedule. A copy of the hearing notice will be provided to the Society, Deputy of Human Resources and the Labor Relations Unit.
- D. It is recommended that the arbitrator render their decision within sixty (60) working days of the conclusion of the aforementioned hearing. The decision shall be in writing, and copies shall be directed to the Deputy of Human Resources or designee, the Society and the Labor Relations Unit.
- E. The fees and expenses of the arbitrator shall be shared equally by the District and the Society, it being understood and agreed that all other expenses including, but not limited to, fees for non-District employee witnesses, transcripts, and similar costs incurred by the parties during the arbitration, will be the responsibility of the individual party involved.
- F. The arbitration shall be informal and the rules of evidence prescribed for duly constituted courts shall not apply.
- G. Subject to the above, hearings shall be conducted in accordance with any additional rules and procedures adopted or specified by the Arbitrator, unless the parties hereto mutually agree to other rules or procedures for the conduct of such hearings.
- H. The decision of the arbitrator may sustain, modify or revoke the recommended disciplinary action and shall be final and binding on the parties.

Section 13. Probationary Employees

New employees hired to the District who are in the initial probationary period may be subject to release from District service and are not subject to review under any provisions of this MOU.

ARTICLE 14. GRIEVANCE PROCEDURE

The following procedure is established as a result of a mutual interest on the part of the District and the Society to settle grievances quickly and fairly. An employee and/or their representative shall not be discriminated against, coerced, or interfered with in any way as a result of filing a grievance. An employee may request representation by the Society at any stage of the grievance procedure. At any point in the grievance process, the parties may agree to extend the timelines. The party's request for an extension must be in writing and will not be unreasonably denied by either party.

Section 1. Grievance Defined

- A. A grievance is any dispute between the District and an employee or the Society concerning the interpretation or application of this MOU or rules or regulations governing personnel practices or working conditions within the scope of representation.
- B. Matters excluded from the grievance process include, counseling, oral and written reprimands, performance improvement plans, evaluation process, release of an employee during their initial probationary period, hiring decisions, and items requiring capital expenditure. Written reprimands and performance evaluations are appealable to the next higher level of supervision.
- C. An employee is entitled to representation during the grievance process. An employee shall have the right to represent their own grievance or do so through a Society representative. If an employee chooses to take the grievance on their own, it shall be at the employee's expense.

Section 2. Informal Grievance Procedure

An employee is encouraged to act promptly to attempt to resolve disputes with their manager/supervisor through an informal procedure. A meeting between the manager/supervisor and the employee should take place whenever requested by either party to assist to clarify or resolve the grievance. The employee may be accompanied by his/her Society representative at the informal meeting. Any resolution reached at the informal step must be in accordance with the provisions of this MOU, or other rule or ordinance and shall not set precedent. A copy of the resolution will be provided to the Labor Relations Unit and the Society.

Section 3. Formal Grievance Procedure

- A. *Step 1.* Within twenty (20) working days of the occurrence or discovery of an alleged grievance, the formal grievance procedure may be initiated by an employee or the Society filing an appropriate Notice of Grievance form with the Deputy of Human Resources or designee. A copy shall be provided to the Labor Relations Unit and the Society.
 - 1. A meeting with the employee, Society, Labor Relations Unit, applicable manager and other parties shall take place for the purpose of attempting to resolve and/or

clarify the issues of the grievance within fifteen (15) working days of receipt of the formal grievance.

2. The Deputy of Human Resources or designee shall issue a decision in writing within fifteen (15) working days of the formal grievance meeting. A copy shall be directed to the Society, grievant, applicable manager and Labor Relations Unit.
3. All steps of the grievance procedure shall be utilized unless the parties mutually agree to waive one or more steps. If the employee or the Society fails to process a grievance within the specified time limits, the grievance shall be deemed concluded on the basis of the last decision reached. If the District fails to respond within the specified time limits, the grievant may move to the next step, within the specified time limits. Time limits in this article may be extended if mutually agreed upon by the parties in writing.

B. **Step 2.** Within fifteen (15) working days of the Step 1 decision, the formal grievance procedure may be submitted to the Chief Operating Officer of Administrative Services (COOAS).

1. If agreed to by the parties involved, a meeting with the COOAS, Society and/or grievant, Labor Relations Unit, applicable manager and parties shall take place for the purpose of attempting to resolve and/or clarify the issues of the grievance. The COOAS or designee shall issue a decision within fifteen (15) working days after the termination of Step 2.
2. **Decision/Recommendation:**
 - a. If the Society is not satisfied with the decision of the COOAS or their designee, the Society may within fifteen (15) working days after receipt of the Step 2 decision, request in writing that the grievance be referred to an impartial arbitrator.

Section 4. Arbitration

If arbitration is requested, an arbitrator shall be selected from a permanent panel of arbitrators, as listed below:

Norm Brand
Andrea Dooley
Matt Goldberg
Catherine Harris
Ron Hoh
John Kagel
Carol Vendrillo
David S. Weinberg
Barry Winograd

Section 5. Arbitration Procedure

- A. Within five (5) working days following the receipt of the request for arbitration, the parties shall confer to select the arbitrator from the agreed upon permanent panel of arbitrators. The obligation to strike the first name shall be determined by lot, and the parties shall alternately strike one (1) name from the list until only one (1) name remains, and that person shall be the arbitrator.
- B. The hearing shall be scheduled as soon as possible, consistent with the arbitrator's schedule. A copy of the hearing notice will be provided to the Society, Deputy of Human Resources and the Labor Relations Unit.
- C. It is recommended that the arbitrator render their decision within sixty (60) working days of the conclusion of the aforementioned hearing. The decision shall be in writing, and copies shall be directed to the Deputy of Human Resources or designee, the Society and the Labor Relations Unit.
- D. The fees and expenses of the arbitrator shall be shared equally by the District and the Society, it being understood and agreed that all other expenses including, but not limited to, fees for non-District employee witnesses, transcripts, and similar costs incurred by the parties during the arbitration, will be the responsibility of the individual party involved.
- E. The arbitration shall be informal and the rules of evidence prescribed for duly constituted courts shall not apply.
- F. Subject to the above, hearings shall be conducted in accordance with any additional rules and procedures adopted or specified by the arbitrator, unless the parties hereto mutually agree to other rules or procedures for the conduct of such hearings.
- G. Arbitration shall be scheduled during normal District office hours, if possible. The grievant may attend the entire hearing during their regular working hours without loss of compensation. In the event of a grievance involving a group of employees, one (1) representative designated by the Society shall be authorized to attend the entire hearing without loss of compensation. Witnesses called by either party will be authorized to attend the hearing when active participation is required without loss of compensation. Any disputes concerning the definition of the grievance (Section 1) shall be resolved by the arbitrator.

Section 6. Duty of Arbitrator

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and thereafter make written findings of fact and a disposition of the grievance which shall be binding. The decision of the arbitrator shall not add to, subtract from, or otherwise modify the terms and conditions of this MOU.

ARTICLE 15. LAYOFF

Section 1. Reason for Layoff

An employee may be separated from District employment by reduction in force due to lack of work, retrenchment, or lack of funds.

Section 2. Definitions

A. For the purposes of this Article, the following definitions will apply:

1. *Class* means a position or group of positions, having duties and responsibilities sufficiently similar that (i) the same job title is used, (ii) the same qualifications may be required, and (iii) the same schedule of compensation is used.
2. *Lack of Funds* means the District has a current or projected deficiency of funding to maintain its current or sustain projected levels of staffing and operations.
3. *Layoff* means terminating a classified employee for non-disciplinary reasons due to lack of work, Retrenchment, or Lack of Funds.
4. *Probationary Employee* means a District employee in a funded classified position who has not successfully completed his/her probationary period.
5. *Regular Employee* means a District employee in a funded classified position who has successfully completed his or her probationary period.
6. *Reinstatement* means the reemployment of an employee who was laid off.
7. *Retrenchment* means the situation where the District deems that it has an excess of employees because of changed operational or economic circumstances.
8. *Series* means closely related Classes (for example: Office Specialist I, Office Specialist II, & Senior Office Specialist).
9. *Seniority* means continuous regular total District service time (not just by Class but by total service time at the District) in hours.
 - a. Calculation of service time will exclude Leaves without Pay. Seniority will be retained but will not accrue during any period of leave without pay except authorized military leave.
10. Individuals in temporary assignments include: Temporary Workers, Intermittent Workers, Graduate Student Interns, Undergraduate Student Interns, Student Trainees and Unpaid Student Interns.

Section 3. Order of Layoff

- A. The District will review and prioritize the vacant budgeted positions and the existing filled positions. All non–priority, vacant budgeted positions shall be eliminated prior to layoffs. Priority, vacant budgeted positions do not need to be filled prior to beginning layoffs.
- B. Layoffs in a given class will be from all positions within that impacted Class or Classes in a particular work unit/division, based on total District Seniority.
- C. Layoffs will affect positions in the following order:
 - 1. Temporary Employees (individuals in temporary assignments)
 - 2. Initial Probationary Employees
 - 3. Regular Employees
- D. Prior to a Layoff, the COOAS or designee will calculate the Seniority of each Regular Employee occupying the Class or Classes impacted by the Layoff. A list that identifies the Regular Employees included in Class or Classes impacted by the Layoff and their associated Seniority level will be prepared by the District and posted on the District Intranet. The District will work with the Society to ensure the accuracy of this list.
- E. In the event a tie exists between two (2) or more Regular Employees having the same level of Seniority, the Regular Employee that worked the most hours as a temporary employee at the District will be deemed the more senior Regular Employee.
- F. The COOAS in conjunction with the CEO and Chiefs will determine the Class or Classes and work unit/division(s) impacted by the Layoff.
- G. In the event there are two (2) or more Regular Employees in the Class impacted by the Layoff, those Regular Employees having the lowest level of Seniority will be laid off first.

Section 4. Notice

- A. When the District determines that a Layoff is necessary, it will notify in writing the affected Regular Employees and the Society at least forty–five (45) calendar days in advance of the effective date of Layoff. The District will offer to meet with the Society at least thirty (30) calendar days prior to the effective date of Layoff.
- B. The notice of Layoff will include:
 - 1. A statement that the Regular Employee's position is being eliminated due to the Layoff or he/she is being laid off due to another Regular Employee's exercise of his/her displacement rights.
 - 2. The effective date of the Layoff.
 - 3. The Seniority level of the Regular Employee as of the date of the notification.
 - 4. A description of the Regular Employee's displacement rights.
 - 5. A description of the Regular Employee's reinstatement rights.

6. A description of the Regular Employee's severance rights.
7. A description of the Regular Employee's right to receive assistance in pursuing outside employment opportunities by requesting a referral to an out-placement service firm for up to five (5) days of out-placement coaching and counseling service.

Section 5. Displacement (Bumping) Rights

- A. A Regular Employee who will lose his/her position due to a layoff may elect to:
 1. Displace an employee in the same class with less seniority; or
 2. Bump to a lower class within the employee's current class series; or
 3. Bump to a class within a series (not higher) in which the employee previously occupied and has more seniority than a Regular Employee in the class.
- B. Because displacement by Seniority is a sequential operation, it is anticipated that the notices of Layoff will be furnished to Regular Employees at different times. Under no circumstances will the maximum salary level for the new position of Regular Employees bumping into a lower Class exceed the maximum salary level for the position they held before exercising their bumping rights.

Section 6. Reinstatement

- A. Regular Employees who have been laid off from the District pursuant to this provision will have their name placed on a recall list in order of their Seniority for a period of twenty-four (24) months. In the event a budgeted vacant position becomes available, the Regular Employee who is still on the recall list with the most Seniority will be offered reinstatement into that budgeted vacant position, provided that such budgeted vacant position is in a Class the employee previously held and is qualified, as determined by management. The District will provide such offers of reinstatement in writing and send them via certified mail. The offer of reinstatement will expire fourteen (14) calendar days from the date it was sent by the District. Laid off Regular Employees who accept offers of reinstatement must report to work within fourteen (14) calendar days following the date of their acceptance. Failure to comply with these requirements will be deemed a rejection of the offer of reinstatement and result in the Regular Employee's name being removed from the recall list. All laid off Regular Employees are responsible for keeping the District's Human Resources office advised of their current mailing address.
- B. Each Regular Employee who is reinstated will:
 1. Be rehired at his/her last previously held pay step or in the case of a previously held position, the step closest to the step the employee held when laid off.
 2. Have his/her accrued sick leave that was not cashed out, reinstated.

3. Have the same vacation accrual rate that he/she had when laid off from the District, provided that the vacation accrual rate was not lowered for all Regular Employees during the period the Regular Employee was laid off.

Section 7. Reassignment or Voluntary Demotion in Lieu of Layoff

- A. The Society and District will meet at least thirty (30) days prior to the effective date of the Layoffs. Reasonable steps (including training) will be taken to assist Regular Employees to locate and apply for other budgeted vacant positions through the District hiring process in lieu of Layoffs, provided that this will not restrict the District's authority to reduce its force due to lack of work, Retrenchment, or Lack of Funds.
- B. The District may post a position through the District Hiring process allowing a Regular Employee subject to Layoff, to apply for a budgeted vacant position.
- C. Any laid off Employee will be considered for any funded temporary position in his/her Class. The pay rate for the particular temporary position will be the same pay rate of the Regular Employee's former salary so long as that pay rate is within the maximum range for that temporary position.

Section 8. Severance Pay

- A. Each Regular Employee with a minimum of five (5) continuous years of Seniority who is laid off due to a Layoff will receive severance compensation of: (i) five (5) workdays for each full year of Seniority; and (ii) 5/12th of a workday per month for a partial year of Seniority. For example, if a Regular Employee has five (5) years and six (6) months of Seniority, that Regular employee would receive severance compensation equal to 27.5 workdays of pay (i.e., 25 workdays for the full 5 years of Seniority, and 2.5 workdays for the 6 full months of Seniority).
- B. Each workday of severance pay is equal to the Regular Employee's daily base pay at the time of Layoff, which will be exclusive of any premium pay, overtime pay, compensation time, differential pay, or on-call pay.

Section 9. Appeal

- A. A dispute raised by a Regular Employee or the Society as to the application or interpretation of this procedure will be heard by an Appeal Board consisting of one (1) District management representative chosen by the District, one (1) representative from the Society chosen by the Regular Employee, and a third person agreed to by the District and the Society.
- B. The notice of appeal will be in writing and filed with the District within ten (10) days of notification of Layoff. The Appeal Board will hear the appeal and render a majority opinion within ten (10) days of the hearing. The majority finding of the Appeal Board will be final and binding. Proceedings of the Appeal Board will be open to the Regular Employee, the Regular Employee's representative, the District's representative, and witnesses during the period of testimony. Any costs of the third member of the Appeal Board will be shared by the Society and the District.

- C. It is the responsibility of the District to ensure and maintain a recordkeeping system necessary to accurately implement a Layoff should it be necessary.

ARTICLE 16. COLLABORATIVE EFFORTS

- A. The parties have established various collaborative committees and councils. Society representation will continue including, but not limited to, the following:
1. Labor Management Committee (LMC): The Committee shall meet at least quarterly, or upon the written request of either party, for the purpose of discussing matters of mutual concern. Grievances and adverse actions shall not be discussed at such meetings. Matters subject to the duty to bargain and not appropriately discussed in another forum such as the Safety Committee, may be discussed. However, the LMC shall not have the authority to add to, amend or modify this MOU.
 2. Safety Committee: The District Employee Safety Committee reviews, discusses, and recommends action on safety issues that have not been resolved at the work site level, as well as safety issues that are broad in scope or complex in nature. This committee proactively looks for and eliminates safety hazards and responds to safety concerns that are brought forward by employees.

ARTICLE 17. PRACTICES, POLICIES, PROCEDURES

The District will continue the practice of including the Society in the review cycle for the issuance of new procedures or for making changes to existing procedures. For changes that impact the terms and conditions of employment of Society members, the District will meet and confer or meet and consult as appropriate with the Society.

ARTICLE 18. NON-DISCRIMINATION/HARASSMENT (GENERAL)

The Society and the District agree that there shall be no discrimination (except as allowed by law) against an employee because of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, religious creed (including religious dress and grooming practices), gender, national origin (including language use restrictions), ancestry, marital status, veteran status, sexual orientation, gender identity, gender expression, color, age (over 40), medical condition, parental status, pregnancy, the exercise of family and medical care leave rights, the exercise of pregnancy disability leave, political affiliation, physical disability (including HIV and AIDS), mental disability, or the request, exercise, or need for reasonable accommodation. Sexual harassment is a form of prohibited discrimination. Complaints of discrimination are encouraged to be brought to the attention of the Ethics and Equal Opportunity Program Administrator, supervisor or other manager.

ARTICLE 19. ACCOMMODATION OF DISABLED EMPLOYEES

The District has a lawful obligation under the Americans with Disabilities Act and the California Fair Employment and Housing Act to make reasonable accommodations for qualified individuals with disabilities. Any accommodation will be on a case-by-case basis and will not be precedential nor will constitute a past practice for anyone other than a qualified individual with disabilities.

ARTICLE 20. DRUG FREE WORKPLACE

To be administered in accordance with District Policies and Procedures.

ARTICLE 21. CONFLICT OF INTEREST

- A. No District employee shall engage in compensated employment outside of employment with the District if such employment is found to interfere with the performance of District duties, or to be detrimental to the general interests of the District, or to create a conflict of interest with employment by the District.
- B. Employees intending to engage in outside employment must submit a written notification to their immediate supervisor and appointing authority, stating the type of employment and the amount of time that will be spent on such employment. If employment continues, the notification must be resubmitted annually, by the anniversary date of the initial notification for review.

ARTICLE 22. POLITICAL RIGHTS

During working hours, District employees shall not take an active part in opposing or supporting any ballot proposition or candidate for political office nor, during working hours, shall an employee solicit or seek from any fellow employee or other person, any assessment, subscription or contribution for the support of or opposition to any ballot proposition or political candidate.

ARTICLE 23. CONTRACTING OUT

Section 1. Sectional Privatization

The right to contract and subcontract are vested exclusively in the District; provided, however, if such contracting or subcontracting work would result in the layoff of an employee, the District shall give written notice to the Society and will meet within ten (10) working days of such notice to discuss alternatives to layoff proposed by the Society, if any.

ARTICLE 24. MISCELLANEOUS

Section 1. Full Agreement

It is understood this MOU represents a complete and final understanding on all negotiable issues between the District and the Society. This MOU supersedes all previous memoranda of understanding, Side Letters or Letters of Agreement between the District and the Society except as specifically referred to in this MOU. This MOU shall have precedence over all ordinances or rules covering any practice, subject or matter specifically referred to in this MOU to the extent they conflict with this MOU. All ordinances or rules covering any practice, subject or matter not specifically referred to in this MOU shall not be superseded, modified, or repealed by implication or otherwise by the provisions hereof. The parties, for the term of this MOU, voluntarily and unqualifiedly agree to waive the obligation to negotiate with respect to any practice, subject or matter not specifically referred to or covered in this MOU even though such practice, subject or matter may not have been within the knowledge or contemplation of the parties at the time this MOU was negotiated and signed. In the event of any new practice, subject or matter arises during the term of this MOU and an action is proposed by the District, the Society shall be afforded all possible notice and shall have the right to meet and confer upon request. In the absence of agreement on such a proposed action, the District reserves the right to take action by Management direction.

Section 2. Savings Clause

If any provision of this MOU should be held invalid by operation of law, or by any court of competent jurisdiction, or if compliance with, or enforcement of any provision should be restrained by any tribunal, the remainder of this MOU shall not be affected thereby, and the parties shall enter into negotiations when requested by either party, for the sole purpose of arriving at a mutually satisfactory replacement for such provision.

ARTICLE 25. TERM

- A. This MOU shall become effective January 1, ~~2018~~2022, and shall remain in effect through December 31, ~~2024~~2025, and from year to year thereafter unless either party serves written notice on the other of its desire to terminate this MOU or amend any provision thereof at least one hundred twenty (120) days prior to December 31st of any successive year.

REPRESENTING THE UNION

REPRESENTING THE DISTRICT

~~George Cook~~[Marisela Garcia](#) Date

~~Norma Camacho~~[Rick Callender](#) Date

~~Debra Butler~~[Samantha Green](#) Date

~~Michael Baratz~~[Bryant Welch](#) Date

[Marisela Garcia](#) Date

[Christopher Hakes](#)[Metra Richert](#) Date

~~Tracy Hommeter~~ Date

~~Laura Harbert~~ Date

Stanley Young, IFPTE, Local 21 Date

Emily Meeks Date

~~Dania Torres-Wong~~[Edward L. Kreisberg](#)
Date
~~Sloan Sakai Young and Wong~~[Kreisberg](#)
[Law Firm](#)

Memorandum of Understanding

Between

Santa Clara Valley Water District

and

Professional Managers Association

(IFPTE—Local 21)

~~2018-2022~~ – ~~2021-2025~~

**(January 1, ~~2018~~2022, through December 31,
~~2021~~2025)**

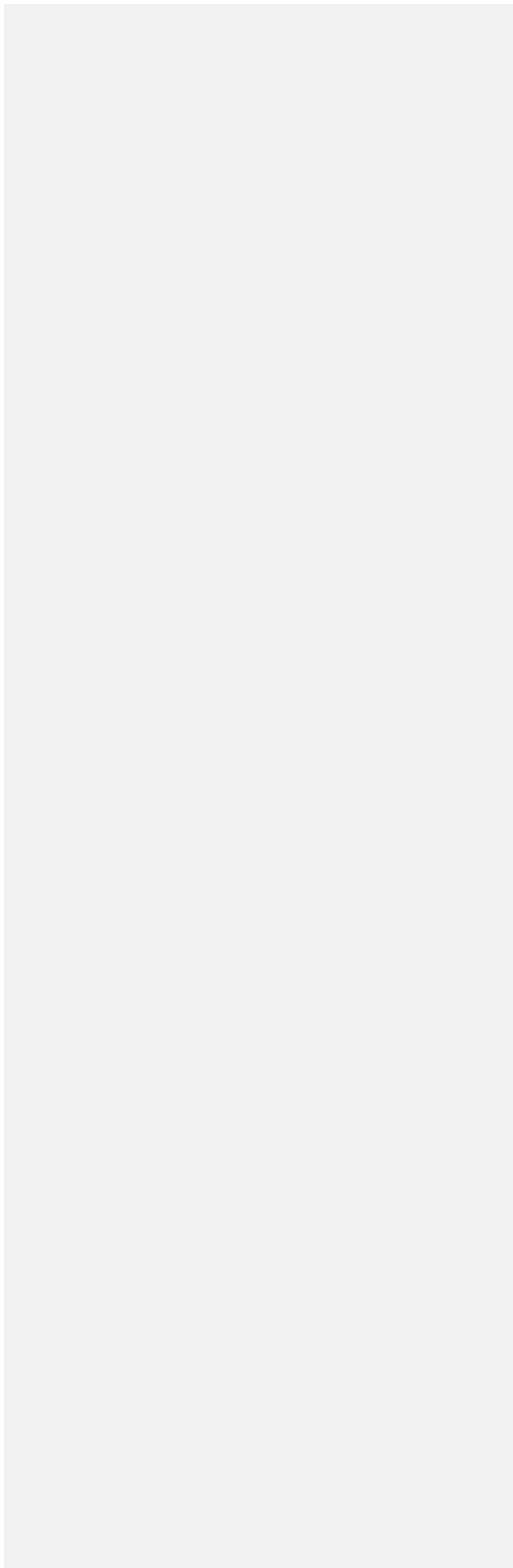


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[APPENDIX A – SIDE LETTERS \(4\)](#)

ARTICLE 1. RECOGNITION

Section 1. Recognition

The District formally recognizes the Professional Managers Association (PMA) as the majority representative of those classes of employees and units listed in Attachment I, hereto.

Section 2. Dues Check-Off

- A. Upon receipt of an employee's signed membership or other authorization form, the Santa Clara Valley Water District will deduct the appropriate dues or fees from the employee's pay, as established and as may be changed by IFPTE Local 21 according to its bylaws, and remit such dues or fees to IFPTE Local 21. Deductions will continue unless the employee mails a written revocation to IFPTE Local 21 in accordance with the terms of the authorization form, or absent any such terms, by mailing a written revocation to the Union that is postmarked during the 30-day period immediately prior to the annual anniversary of the date on which the employee signed an authorization form.
- B. PMA/IFPTE Local 21 agrees to indemnify, defend, and hold the District harmless from any and all claims, demands, suits, or other action arising from the provisions of this Section or from compliance with employee cancellations of check off authorizations.

Section 3. Time Off for Representation

- A. The District will notify PMA when members' participation as volunteers in District directed committees/projects is desired. When requesting PMA member participation, District management will provide PMA with a description of skills/expertise needed, number of hours anticipated, and duration of service needed, and budget code.
- B. PMA representatives will, unless otherwise noted, be given specified release time for the following:
 - 1. **Meet and Confer/Consult**—Up to two (2) designated PMA members are allowed time off without loss of compensation for purposes of meeting and conferring or meeting and consulting with District representatives on matters within the scope of representation.
 - 2. **Board Meeting Attendance**—One (1) designated PMA representative is allowed time off without loss of compensation to hear items before the Board of Directors within the scope of representation. A PMA representative must notify the Labor Relations Officer before using release time to attend Board meetings.
 - 3. **Meetings of District-Authorized Committees**—Up to two (2) PMA representatives are allowed time off without loss of compensation to attend meetings of District-authorized committees when representatives are serving on such committees as a representative of the PMA.

4. **Grievances**—One (1) designated PMA representative is allowed time off without loss of compensation for purposes of representing an employee in a meeting with District representatives relative to an employee grievance.
 - a. One (1) designated PMA representative is allowed time off without loss of compensation for the purpose of discussing or investigating a grievance with an employee; provided that the District finds there is no undue interruption of the work of either the PMA representative or the grievant and both the PMA representative and the grievant have notified their respective manager of such time off.
 - b. An employee has the right to discuss a grievance with a PMA representative during working hours provided there is no disruption of the workload and the employee has notified and received authorization from their manager.
5. **Representation**—The PMA President and/or a designee will have release time without loss of compensation for the purpose of conducting PMA business as specified below. Compensated release time shall be limited to formal meetings with District management personnel and the investigation and presentation of grievances. Release time must be scheduled in advance with the President's or designee's manager.
6. **Negotiations**—The District will provide release time for up to three (3) designated Union members for purposes of meeting and conferring on a successor MOU.
7. **Release Time**—PMA representative shall notify his/her manager of his/her intention to be on release time as far in advance as reasonably possible, but no later than the end of normal business hours the day before such meeting except in the case of emergency situations. PMA representatives will record the appropriate release time project number on their timesheet in order to qualify for compensated release time. PMA will provide the District a list of all officers, stewards, and representatives/alternative representatives. Permission to perform union functions shall not be unreasonably denied.

Section 4. Access to Work Locations

PMA shall have reasonable access to work locations for purposes of processing grievances or concerning matters within the scope of representation provided that the manager of such work location is notified prior to entry. Such access shall not interfere with the work process, safety, or security of the work location.

Section 5. Mail/Bulletin Boards

- A. PMA may utilize existing bulletin boards in accordance with existing District procedures, provided posted information relates solely to PMA activities and services. The bulletin board shall not be used to post material which endorses or supports political candidates or positions in elections.

- B. Further, PMA may use District mail, facsimile, intranet and electronic mail for the distribution of information in accordance with existing District procedures.

Section 6. District Facilities

PMA has reasonable use of District facilities and equipment for meetings in accordance with District policies and procedures.

Section 7. Access to Information

PMA has access to such non-confidential information pertaining to employee relations that is subject to disclosure under the California Public Records Act.

Section 8. Written Notice

- A. Written notice of any ordinance, rule, regulation or resolution relating to matters within the scope of representation proposed to be adopted by the Board of Directors or otherwise implemented shall be given to PMA reasonably prior to such action to solicit PMA response and to afford an opportunity to meet with the District regarding the issue. In the case of an emergency, when reasonable prior notice is not possible, the District shall provide such notice as soon as possible and an opportunity to meet at the earliest practical time to discuss the issue.
- B. Any communication in accordance with Section 8(A) above shall be submitted to the President of PMA and to the Local Union's office by the District through its Labor Relations Unit.

Section 9. New Hire Information

PMA shall be notified of the name, class, unit, and work location of all new hires into coded positions in the classes represented by PMA within the first pay period following the new employee's starting date.

Section 10. Orientation

- A. The District will provide the Union, on an annual basis, the new hire orientation schedule. If it is later determined that the schedule must be amended, an updated copy will be provided.
- B. The District will provide the Union, written notice of the employee name, employee number, scheduled start date, position title, position code, unit name, unit number and supervisor within two business days of the completion of the recruitment process. This written notice will be sent via email.
- C. The Union will be provided with 20 minutes during the new employee orientation meeting to meet with the newly hired employee(s). The Union will have from 8:00 a.m. until 8:20 a.m. on the day of orientation to meet with the employee(s). Under no circumstances will the Union continue the meeting with the newly hired employee(s) past 8:30 a.m. If for some reason the Union cannot attend the orientation, the Employee Benefits and Recruitment Unit will be notified no later than 8:00 a.m. on the orientation day.

D. The District agrees to provide the Union with employee contact information for all employees in the bargaining unit by the 10th calendar day of each month. The information that will be provided is as follows:

1. Employee name
2. Employee job title
3. Unit name and/or department
4. Work location
5. Home address
6. Work phone extension
7. Home or cell phone number (whichever is provided to the District by the employee)

Personal email addresses are not collected or retained by the District therefore, none are available to provide to the Union.

ARTICLE 2. DISTRICT/EMPLOYEE RIGHTS

Section 1. Employee Rights

Employees of the District shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of Employer–Employee Relations Rules including, but not limited to, wages, hours, and other terms and conditions of employment. Employees of the District also shall have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or by any employee organization because of his/her exercise of these rights.

Section 2. District Rights

- A. The rights of the District include, but are not limited to those listed herein, except where such rights are limited by clear and explicit language of this MOU:
1. The right to determine the mission of the District, including without limitation, the District's departments, divisions, institutions, boards and commissions;
 2. The right of full and exclusive control of the management of the District; supervision of all operations; determinations of methods, means, location and assignments of performing all work; and the composition, assignment, direction, location and determination of the size and mission of the workforce;
 3. The right to determine the work to be done by employees, including establishment of service levels, appropriate staffing and the allocation of funds for any position(s) within the District;
 4. The right to review and inspect, without notice, all District–owned facilities and equipment, including without limitation desktop computers, work areas and desks, email, computer storage drives, voicemail systems, vehicles, and filing cabinets and systems; the right to change or introduce different, new or improved operations, technologies, methods or means regarding any District work, and to contract out for work;
 5. The right to establish and modify qualifications for employment, including the content of any job class, job description or job announcement, and to determine whether minimum qualifications are met;
 6. The right to maintain and modify the District's job classes;
 7. The right to establish and enforce employee performance standards;
 8. The right to schedule and assign work, make reassignments, and assign overtime work;

9. The right to hire, fire, promote, reassign, transfer, release, discipline, layoff, terminate, demote, suspend or reduce in step or grade, all employees;
10. The right to establish and modify bargaining units; to assign new or amended classes to particular bargaining units; and to designate any position confidential, management or otherwise for bargaining unit assignments pursuant to the Meyers–Milius–Brown Act (MMBA);
11. The right to inquire and investigate regarding complaints or concerns about employee performance deficiencies or misconduct of any sort, including the right to require employees to appear, respond truthfully and cooperate in good faith regarding any District investigation;
12. The right to maintain orderly, effective, and efficient operations; and
13. The right to take any appropriate lawful measure to ensure the best delivery of services to the public in response to any work stoppage, including without limitation; (a) altering work schedules or locations to ensure coverage; and (b) investigating absences to ensure no violation of District policies.

Section 3. Nonstrike/Lockout Provision

During the term of this MOU, the District agrees to not lock out employees, and PMA, agrees to not engage in any concerted work stoppage. Violation of this article by PMA shall result in cancellation of dues check off.

ARTICLE 3. COMPENSATION

Section 1. Salaries

- A. Across the board Cost of Living Adjustments will be made as follows:

Pay Period 14 Year <u>2018 2022</u>	Pay Period 14 Year <u>2019 2023</u>	Pay Period 14 Year <u>2020 2024</u>	Pay Period 14 Year <u>2021 2025</u>
<u>34.0%</u>	<u>34.0%</u>	<u>34.0%</u>	<u>34.0%</u>

All employees covered by the 2.0% @ 62 (2.5% @ 67) PEPRA retirement formula shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

All employees whose position mandated that they report to work on-site (i.e. did not telework) at least 50% of the time during March 1, 2020 to May 30, 2021 of the COVID-19 pandemic shall receive a one-time lump sum and non-PERSable payment of \$1,000 the first full pay period in January 2022.

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- B. Payday shall be by the Thursday following the last day of the pay period for which the pay was earned. In the event a regularly scheduled payday falls on a holiday, the workday immediately preceding the holiday will be observed as the official payday.
- C. Employees will be notified by email at the end of each pay period, when direct deposit paycheck stubs are available for web-friendly viewing and printing. Employees who receive paper paychecks can continue to pick-up their paycheck from the Payroll department on the designated payday.
- D. The District shall continue to offer direct deposit to all eligible employees, as available.

Section 2. Step Placement

- A. Employees will be compensated on a salary range consisting of seven (7) steps. The salary percentage differential for the seven (7) steps is as follows:
- Between Steps 1 and 2, the salary assigned to Step 2 is approximately 5% greater than the salary assigned to Step 1.
 - Between Steps 2 and 3, the salary assigned to Step 3 is approximately 5% greater than the salary assigned to Step 2.
 - Between Steps 3 and 4, the salary assigned to Step 4 is approximately 5% greater than the salary assigned to Step 3.
 - Between Steps 4 and 5, the salary assigned to Step 5 is approximately 5% greater than the salary assigned to Step 4.

5. Between Steps 5 and 6, the salary assigned to Step 6 is approximately 2.5% greater than the salary assigned to Step 5.
 6. Between Steps 6 and 7, the salary assigned to Step 7 is approximately 2.5% greater than the salary assigned to Step 6.
- B. The first step is the minimum rate and shall be the usual hiring rate for all classes. In cases where it is difficult to secure qualified personnel, or a person of unusual qualifications is employed, the District may authorize appointment at a rate other than the first step. An overall annual review rating of "Needs Improvement" or "Unsatisfactory" will result in the denial of a step increase until the employee's overall performance is rated at least "Achieved" in a future evaluation period.
- C. An employee shall be eligible for advancement to:
1. The second step after completion of 2,080 hours (typically twelve (12) months) of competent service in the first step and approval of the District.
 2. The third, fourth, or fifth steps after completion of 2,080 hours (typically twelve (12) months) of competent service in the preceding step and approval of the District.
 3. The sixth and seventh steps after completion of 5,200 hours (typically thirty (30) months) of competent service in the preceding step and approval of the District.
- D. Approved salary adjustments will be made retroactive to the first pay period of eligibility, unless the adjustment is withheld due to less than satisfactory performance.

Section 3. Step Placement Upon Promotion, Demotion, Lateral Transfer, Reassignment or Reclassification

- A. For informational purposes, each salary range is approximately 2.5% above the next lower salary range.
- B. All appointments to a class shall be to a step within the salary range for that class.
- C. Upon promotion or reclass, an employee's salary shall be adjusted as follows:
1. For a promotion or reclass where the seventh step salary of the higher class is less than 10% above the seventh step salary of the present class, the employee shall be placed at the same step in the higher class that they are at in the present class (e.g., if the employee is at the third step in the present class, he/she will be placed at the third step in the higher class; if the employee is at the sixth step in the present class, he/she will be placed at the sixth step in the higher class).
 2. For a promotion or reclass where the seventh step salary of the higher class is 10% or more above the seventh step salary of the present class, the employee shall be placed in the first step in the new range or the step in the new range which provides for a 10% increase, whichever is greater.

3. For a demotion, including a voluntary demotion, the employee shall be placed at the highest step in the lower range which does not provide an increase in salary.
4. For a lateral transfer or reassignment within the same class or to a comparable class, the employee's salary shall remain unchanged.

Section 4. Salary Adjustment and Service Time

- A. An employee placed in the first step of a new range or receiving a 10% or more increase as a result of promotion or reclass shall receive a new salary anniversary date as of the date of promotion or reclass for purposes of determining future step increases.
- B. In all other cases of promotion, demotion, lateral transfer, reassignment or reclassification, employees shall not lose the time served in their former salary step. The time served in the former step shall be included when computing the required months of service needed to be eligible for their next step increase.

Section 5. Temporary Promotion Pay

- A. The Appointing Authority may temporarily promote an employee to a class for which he/she is qualified by education, training, and experience, for a period not to exceed twelve (12) months. Such employee's current position shall be retained but compensation shall be in the first step of the range of the promoted position or 10% above the employee's current salary, whichever is higher, during such service in the promoted position, provided that the salary shall not exceed step 7 of the higher class. The District will notify PMA when making a temporary promotion into classes represented by PMA.
- B. When granting temporary promotions, the District will use reasonable efforts to ensure such temporary promotions occur on a fair and equitable basis, and are reserved for qualified employees. The District shall not use a temporary promotion as means of filling a position that requires a regular full-time employee.

Section 6. Out-of-Class Assignment

- A. When an Unclassified manager will be absent for an extended period of time, he/she has the discretion to either have another manager cover the position or make an out-of-class assignment.
- B. Out-of-class assignments shall be made for a minimum of ten (10) consecutive work days/shifts and shall not exceed 180 consecutive calendar days. In order to be assigned to work out-of-class, the employee shall assume a substantial amount of the higher level duties.
- C. Assigned employees shall meet either the education, training, or experience requirements of the minimum qualifications for the position, as determined by the Unclassified manager making the assignment. All employees who are assigned out-of-class duties must meet any and all licensing requirements for the position, as required by law.

- D. The PMA shall be notified of the assignment.
- E. PMA managers performing work out-of-class shall be compensated within the salary range of the higher class at the first step of the higher level class or 5% greater than their current salary step, whichever is greater.

Section 7. Overtime

All unit classes are exempt from overtime.

ARTICLE 4. WORKWEEK

Section 1. Workweek

- A. The workweek of unit personnel shall be regular recurring periods of 168 consecutive hours in the form of seven (7) consecutive twenty-four (24) hour periods, as designated by the District. Eighty (80) hours shall constitute a full pay period of work. Work hours shall be as designated by the District. Employees shall be notified of any change in designated work hours/days at least five (5) calendar days in advance, except in cases of emergency. The workday and the pay periods shall be designated by the District.
- B. Workweek schedules for mid-managers include the five to eight (5–8) (Monday through Friday, schedule type E) and compressed eight–nine–eight (8–9–8) (every other Monday or Friday off as determined by the schedule type—A, B, C, D) schedules. Mid-managers on a compressed workweek schedule may, at their discretion, designate an appropriate person for coverage during the manager's scheduled day off.
- C. Workweek schedules are at the discretion of management. If/when management intends to take away a compressed workweek schedule, management will alert the affected employee(s) before making the change and, if requested by the affected employee(s), the manager and labor relations shall meet with the affected employee(s) and the union prior to making the change.

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ARTICLE 5. BENEFIT PROGRAMS

Section 1. Maintenance of Benefits

Benefit plans currently in effect will continue during the term of this MOU unless; (1) a benefit plan is cancelled by the Plan/Insurer; or (2) a benefit plan is added, deleted, or amended by the District and after consultation with the PMA. The District will notify all employees and PMA of any changes, including, but not limited to, any amendment, deletion, or cancellation of a benefit plan no later than ten (10) working days prior to the effective date of such amendment, deletion, or cancellation.

Section 2. Medical

- A. The District agrees to continue medical coverage at the level provided in this MOU. Employees will pay 15% of the cost of the premium for medical coverage and the District will pay 85% of the cost of the premium for all employees and their dependents, including registered domestic partners. During the life of the MOU, any increases or decreases in premium rates will also increase or decrease the total amount paid by the established cost-sharing. Employee paid medical premiums may be paid on a pre-tax basis in accordance with the IRS Section 125 Plan.
- B. The District agrees to provide all regular District employees with medical coverage. District employees may only receive coverage under one (1) plan; either as single coverage or family coverage either as the primary beneficiary or as a dependent under the plan of a spouse or registered domestic partner who is a regular District employee. Also, an employee's eligible dependents will only be covered under one (1) employee's medical plan.
- C. Effective April 1, 2018, the following plan design changes will be implemented:
 - 1. Co-pay for office visits for Kaiser plan will be \$10.00
 - 2. Co-pay for office visits for Blue Shield HMO plan will be \$10.00
 - 3. Prescription coverage for Kaiser plan will be \$10.00 generic; \$15.00 name brand; \$30.00 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-payments.
 - 4. Emergency room (ER) (Hospital) services for all plans will be \$100.00 per visit in addition to any applicable calendar year deductible. Co-pay will be waived if hospitalized.
- D. Effective April 1, 2019, the following plan design changes will be implemented:
 - 1. Calendar year deductibles for the Blue Shield PPO plan will be \$250.00 per person/maximum, \$500.00 per family.
 - 2. Out of pocket limits for all plans will be \$2,000.00 per person/maximum, \$4,000.00 per family.

- E. A District employee who chooses to be covered as a dependent under another District employee's plan rather than opting for coverage as a primary beneficiary, will receive an in-lieu payment equivalent to 50% of the cost of the least expensive single coverage plan, which is taxable income.
- F. Such District employees are eligible to enroll in any plan in the event one (1) spouse or partner leaves the District, or a change in their marital/partnership status occurs.
- G. Upon retirement, such employees would have the same rights to medical benefits as other employees.

Section 3. Vision Care

The District agrees to continue the Vision Service Plan vision care coverage for employees and dependents enrolled in the Blue Shield medical plan, and pay the premium thereof, including any increases in the cost of premiums which may occur during the terms of this MOU. Employees enrolled in the Kaiser medical plan will receive vision care coverage as part of their Kaiser medical plan, subject to premium sharing pursuant to Section 2-A above.

Section 4. Dental

- A. The District agrees to continue the Delta Dental Plan of California dental coverage for employees and dependents and pay the premium thereof, including any increases in the cost of premiums which may occur during the terms of this MOU.
- B. The benefits of the District-paid Delta Dental Plan of California will have the basic dental coverage benefit of \$2,000 per each eligible employee and each dependent per year, and the lifetime orthodontic benefit of \$1,500 per each eligible employee and each dependent.

Section 5. Life Insurance

The District agrees to furnish life insurance equal to an employee's annual salary up to a maximum benefit of \$100,000. This policy includes Accidental Death & Dismemberment (AD&D) coverage for the employee. Additional life insurance at employee's cost will be available at group rates at 1x, 2x, 3x or 4x annual salary to a maximum benefit of \$500,000.

Section 6. Disability Insurance

- A. The District provides basic Short-Term Disability (STD) and Long-Term Disability (LTD) insurance which provides a benefit of 66 2/3% up to the first \$9,000 in monthly base pay. For STD, benefits start after the fourteen (14) calendar day elimination period and are paid on a weekly basis. If necessary, STD may transition into LTD after 180 days of disability and then paid on a monthly basis.
- B. Employees who have a gross salary of more than \$9,000 per month are eligible to purchase supplemental STD/LTD coverage up to a maximum of \$18,000 in monthly salary.

Section 7. Personal Accidental Death and Dismemberment

The District agrees to make personal AD&D group insurance available to employees at no cost to the District.

Section 8. Dependent Care Assistance Program

The District agrees to continue the Dependent Assistance Program as provided by the Internal Revenue Code Section 129. Said program provides that a limited value of child and dependent care costs provided under an employer's non-discriminatory plan is not included in an employee's gross income for income tax purposes.

Section 9. Employee Assistance Program

The District will continue the Employee Assistance Program providing employees access to confidential assistance in the solving of personal problems. Such program will be operated primarily by personnel outside of the District. Maintenance of confidentiality and anonymity will be considered a primary goal of the program.

ARTICLE 6. PENSION BENEFITS

Section 1. PERS Pension

- A. The District will continue to participate in the California Public Employees' Retirement System (PERS) with benefits as currently provided at the 2.5% @ 55 Formula Benefit Level for employees hired prior to March 19, 2012. Employees hired March 19, 2012 or thereafter will participate in PERS with benefits provided in the contract with PERS at the 2% @ 60 Formula Benefit Level. Employees hired January 1, 2013 or thereafter who qualify as new members of PERS will be placed in the PEPRAs PERS formula of 2.0% @ 62 (2.5% @ 67). All pension benefits are subject to the provisions of the contract with PERS, as amended from time to time, the terms of which are incorporated by reference as if fully set forth herein.
- B. Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay ~~11% the following contributions~~ towards their pension benefits. These deductions will be pre-tax to the extent allowable by law:

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective first full pay period in July of 2018	9.5%
Effective first full pay period in July of 2019	10%
Effective first full pay period in July of 2020	10.5%
Effective first full pay period in July of 2024	11%

Effective the first full pay period in July of 2022, employees participating in the PERS 2.5% @ 55 formula will contribute only the 8.0% employee contribution rate and will no longer contribute any additional amount to the employer contribution. Effective the first full pay period in July of 2022, employees participating in the PERS 2.0% @ 60 formula will contribute only the 7.0% employee contribution rate and will no longer contribute any additional amount toward the employer contribution rate. These deductions will be pre-tax to the extent allowed by law.

- C. Employees participating in the PEPRAs PERS formula of 2.0% @ 62 (2.5% @ 67) will pay ~~50% of total normal cost as determined by CalPERS plus an additional 2.0% the following contributions~~ towards their pension benefits. Effective the first full pay period in July of 2022, employees participating in the 2.0% @ 62 (2.5% @ 67) formula will only be required to pay 50% of the total normal cost as determined by CalPERS toward their pension benefits. These deductions will be pre-tax to the extent allowable by law:

Effective Date of Employee Contributions	PEPRA Employee Contribution Rate
-----------------------------------------------------	---------------------------------------------

Effective first full pay period in July of 2018	50% of total normal cost as determined by CalPERS plus an additional .50%
Effective first full pay period in July of 2019	50% of total normal cost as determined by CalPERS plus an additional 1.0%
Effective first full pay period in July of 2020	50% of total normal cost as determined by CalPERS plus an additional 1.5%
Effective first full pay period in July of 2021	50% of total normal cost as determined by CalPERS plus an additional 2.0%

- D. The District will continue to include an option in the retirement contract which allows retirement credit for military service under the terms and conditions as specified by PERS.
- E. The PERS Retirement Plan will include Post Retirement Survivor Continuance and Retirement Credit for Unused Sick Leave for the 2.5% @ 55 plan.
- F. The employee survivor benefits will be Level 4 as specified in the 1959 Survivor Benefits Report for the 2.5% @ 55 plan.
- G. The PERS Retirement Plan Final Compensation will be calculated by using the average monthly rate over the highest consecutive twelve (12) month period for the 2.5% @ 55 plan. The PERS Retirement Plan Final Compensation for the 2% @ 60 plan will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period. The PERS Retirement Plan Final Compensation for the PEPR PERS plan of 2.0% @ 62 (2.5% @ 67) will be calculated by using the average monthly rate over the highest consecutive thirty-six (36) month period.
- H. The District will continue implementing the provisions of Internal Revenue Code 414(h) (2) which allows the employee's salary to be reduced by the amount of the employee's retirement contribution only for the purposes of computing Federal and State income tax. The employee PERS contribution will be taken against the actual base salary prior to reduction for taxation purposes.

Section 2. Retiree Health Benefits

- A. This section does not apply to those District employees who retired from the District prior to July 1, 1988.

B. Eligibility requirements for retiree medical coverage are as follows:

1. Eligible retirees hired prior to March 1, 2007:
 - a. Eligible retirees with a minimum of ten (10) years (20,800 hours) of continuous District service will receive medical coverage.
 - b. Eligible retirees with a minimum of fifteen (15) years (31,200 hours) of continuous District service will receive medical coverage for the employee plus one eligible dependent.
2. Eligible retirees hired on or after March 1, 2007:
 - a. An employee retiring with fifteen (15) years (31,200 hours) of continuous service will receive medical coverage.
 - b. An employee retiring with twenty (20) years (41,600 hours) or more years of continuous service will receive medical coverage for the employee plus one eligible dependent.

3. Eligible retirees – service credit for prior public agency employment:

a. For purposes of satisfying the continuous District service requirement in Section 2(B)(1)-(2) above, District Water employees employed or hired during any portion of the term of this Memorandum of Understanding shall be credited for any prior employment at the State of California or any political subdivision thereof, including any city, county or special district (Service Credit).

b. This provision shall not apply retroactively to former District employees who left District employment prior to the effective date of this Memorandum of Understanding.

c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at the District prior to the date of retirement with CalPERS. For employees hired during the term of this Memorandum of Understanding, completion of the aforementioned five-year (10,400 hours) requirement following expiration of this Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below.

d. Eligibility for the Service Credit under this subsection is further conditioned upon employees' full cooperation with the District in any reasonable efforts to obtain records or other proof of employees' prior public agency service.

e. Service Credit awarded during the term of this Memorandum of Understanding pursuant to this Section 2(B)(3) shall survive expiration of this Memorandum of Understanding. However, nothing in this Section 2(B)(3) is intended to create any other duties or obligations of the District for future employees hired after the expiration of this Memorandum of Understanding.

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3. 4. A retired employee has the option to continue coverage for additional eligible dependents by paying the premium to the District.

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- C. Retirees who live outside the Kaiser service area will not be permitted to enroll in the Kaiser plan.
- D. The District will include this assumption in conducting an actuarial analysis to estimate the impact on reducing the unfunded liability.
- E. During periods when an eligible retiree has medical coverage from another employer, that coverage will be primary and the District's coverage will become secondary.
- F. Upon the retiree's death, the District will continue medical coverage for the retiree's surviving eligible dependent. District paid continuation of a second eligible dependent will cease upon the retiree's death.
- G. Any other surviving eligible dependents that were on the plan at the time of the retiree's death have the option to continue coverage by paying the premium to the District. New or additional dependents cannot be added after the retiree's death.
 - 1. An eligible District retiree is defined as:
 - a. An employee who retired from the District on and after July 1, 1988 and is eligible for PERS service retirement (age fifty (50) or over with a minimum of five (5) years of PERS service credit); and
 - b. ~~Subject to Section 2(B)(3) above, a~~An An-employee with a minimum of ten (10) years (20,800 hours) of continuous District service; or
 - c. An employee with a minimum of five (5) years (10,400 hours) of continuous District service who is eligible for PERS disability retirement.
- H. It is understood that, by entering into this MOU, neither party waives any legal rights, including the PMA's or an employee's right to assert that retiree health benefits are vested, or what the vested benefit constitutes, as to employees working or who retired at any point between 12/30/2006 and 12/31/2011.
- I. The retiree health benefits will be the same health benefits that the District provides its active regular full time employees. Except as noted below, retiree premium sharing will be based on the premium sharing percentage required of active employees on the same premium amounts that apply to the medical plans for active employees, or retiree rates, whichever is less. Retiree premium sharing shall not apply to employees hired by the District prior to December 30, 2006.

Section 3. Medicare Enrollment

As of August 1, 2007, all current retirees not yet sixty-five (65) years of age and Medicare eligible and all future retirees who are Medicare eligible, must enroll themselves in Medicare when they reach the eligibility date for Medicare (presently at age 65). Their Medicare eligible dependents, who are enrolled in the District's health plan, must also enroll in Medicare upon

their eligibility date. Failure to enroll in Medicare Part B will result in termination of retiree medical benefits. The District will reimburse the on-going Medicare Part B cost incurred by the retiree and/or dependent. The method of reimbursement shall be developed by the District, but reimbursements shall be made no less frequently than quarterly. The District will also include this assumption in conducting its actuarial analysis to estimate the impact on reducing the unfunded liability.

Section 4. Deferred Compensation

- A. The District agrees to continue to make available reasonable deferred compensation programs.
- B. The PMA will have the right to non-voting representation on the District's deferred compensation committee.

C. The District agrees to match up to the first ~~two~~three-thousand (\$~~32~~,000) dollars contributed in a calendar year by an employee to a District approved deferred compensation plan. The match payments will be contributed to the employee's 401(a) account.

D. The current maximum deferred compensation amount allowed by law for the 401(a) plan is \$58,000 and the current maximum amount of deferred compensation allowed by law for the 457(b) plan is \$19,500 for those under 50 and \$27,000 for those over 50. Both plans are subject to change per IRS rules.

~~G.~~

~~D. The District will amend the current 401(a) plan to allow employees in this bargaining unit to participate, consistent with the plan requirements.~~

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ARTICLE 7. PAID LEAVES

Section 1. Holidays

A. Employees will have the following paid holidays:

Holiday	Observed
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Cesar Chavez Day	March 31
Memorial Day	Last Monday in May
Juneteenth	June 19th
Independence Day	July 4
Labor Day	First Monday in September
Indigenous People's' Columbus Day	Second Monday in October
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	The Friday after Thanksgiving
Christmas Day	December 25

B. ~~In addition to Section 1A above, any~~~~Every~~ day, subject to prior approval by the District Board of Directors, appointed by the President of the United States or the Governor of California for a public fast, thanksgiving, or holiday.

C. Holidays falling on Saturday are observed on the preceding Friday. Holidays falling on Sunday are observed on the following Monday. Holidays falling during periods of paid leave, such as vacation or sick leave shall not be deducted from the accumulated leave time. Holidays falling on an employee's scheduled day off shall be added to the employee's vacation balance.

D. When the holiday falls on an employee's regular day off, the employee will have eight (8) hours of vacation added to his/her vacation balance. Regardless of the employee's scheduled work hours for that regular day off (e.g., 9 hours or 10 hours) only eight (8) hours of vacation is added to the existing vacation balance.

Section 2. Absence Notification

A. Employees must obtain advance approval for use of vacation, personal leave, management leave or sick leave for cases other than an unanticipated disabling illness or injury or for the need to care for a family member who becomes ill or injured.

B. In circumstances where it is not possible to anticipate an absence and secure prior approval, the employee should notify his/her manager in a timely manner to report the absence. In most circumstances, the call should be made within one (1) hour of the scheduled starting time. Non-emergency medical appointments, sick leave, vacation, management leave and personal leave are to be scheduled and approved sufficiently ahead of time so as to minimize the impact on unit operations.

- C. The District shall not require an employee to give a reason as a condition for approving the use of vacation, management leave, or personal leave provided prior approval is requested.
- D. Any unauthorized absence by an employee shall be deemed to be an absence without pay and will be grounds for disciplinary action by the Appointing Authority. Any employee who is absent for three (3) consecutive days or more without authorized leave shall be deemed to have resigned.

Section 3. Vacation

Years of Service	Rate of Annual Accumulation
Through 1st year	80 hours/year
Beginning with the 2nd year	96 hours/year
Beginning with the 5th year	128 hours/year
Beginning with the 10th year	144 hours/year
Beginning with the 15th year	168 hours/year
Beginning with the 20th year	176 hours/year

- A. Vacation may be accumulated not to exceed three (3) times the annual entitlement except when the employee:
 - 1. Is absent on full salary due to a work-related injury or illness; or
 - 2. Is earning vacation while using sick leave due to an illness or injury; or
 - 3. Is unable to take vacation because he or she, as an employee of the District, is responding to extreme emergencies such as fire, flood, or similar disaster.
- B. The monetary value of accumulated vacation time will be paid to an employee whose employment is terminated with the District. In the event of termination due to death, the value of accumulated vacation time will be paid to an employee's beneficiary.
- C. Whenever operationally practical, vacations will be scheduled for the time requested by the employee. In order to avoid undue disruption of work activities or to minimize conflicts with other employees' vacations, the unit manager may place seasonal or other restrictions on the use of vacation.
- D. An employee on vacation who becomes ill may request a conversion of vacation time used while ill to sick leave if such illness is supported by a written statement from a medical provider or if the employee was hospitalized for the illness or injury.
- E. If an employee's requested vacation must be denied or cancelled due to operational reasons and for that reason the employee reaches the vacation accrual maximum, an exception of time will be granted before the vacation accrual maximum is enforced.

Section 4. Vacation Cash Out

An employee may cash out his/her accrued vacation hours not to exceed eighty (80) hours or the number of hours equal to 75% of his/her vacation annual accrual rate, whichever is greater. The cash out must be in accordance with District policy.

Section 5. Personal Leave

- A. Effective the first pay period of each fiscal year, employees in active status shall be credited twenty-four (24) hours of personal leave. Employees beginning District employment or returning from unpaid leave after that date shall have a prorated amount of personal leave credited to them, computed on a twenty-six (26) pay period basis.
- B. Personal leave must be approved for use in advance by the employee's manager.
- C. Personal leave shall not be accumulated from one (1) year to the next. Any personal leave remaining to the employee's credit at the end of the pay period prior to that pay period when the next year's personal leave is credited shall be lost.

Section 6. Management Leave

- A. Management leave of thirty-two (32) hours per year will be credited at the beginning of Pay Period 14.
- B. Management leave must be approved for use in advance by the employee's manager.
- C. Employees beginning District employment or returning from unpaid leave after that date shall have a prorated amount of management leave credited to them, computed on a twenty-six (26) pay period basis.
- D. Management leave shall not be accumulated from one (1) year to the next. Any management leave remaining to the employee's credit at the end of the pay period prior to that pay period when the next year's management leave is credited shall be lost.

Section 7. Sick Leave

- A. Sick leave with pay will be accrued at the rate of 3.693 hours per pay period (96 hours/year). Unused sick leave may be accumulated without limit. The District may require substantiation of any sick leave when the employee has a demonstrable pattern of sick leave abuse or the manager has good reason to believe the absence was for an unauthorized reason. Sick leave for three (3) shifts in a row must be substantiated to the District with a note from an accredited attending physician or medical provider. Eligible uses of sick leave are:
 - 1. The employee's illness or injury;
 - 2. Medical or dental appointments for employees;
 - 3. Providing care for a spouse, registered domestic partner, child, parent or other legal dependent of the employee pursuant to the Family and Medical Leave Act

(FMLA), California Family Rights Act (CFRA), and Pregnancy Disability Leave (PDL) (such care could include medical or dental appointments); or

4. Extending the term of an employee's bereavement leave for up to fourteen (14) consecutive calendar days per Section 11 of this Article 7.
- B. The portion of sick leave that may be used to care for a child, parent, spouse, or registered domestic partner may not exceed eighty (80) hours in a calendar year. However, upon approval from an employee's Deputy, the duration of sick leave used may be extended up to the employee's current accrued sick leave balance.
- C. An employee on vacation who becomes ill may request a conversion of vacation time to sick leave if the illness is supported by a statement from an accredited physician or if such employee is hospitalized for any period due to accident or illness.
- D. Upon death of the employee, all sick leave balance will be paid at 100% of cash value.
- E. Upon retirement from the District, there are three options for payout/conversion of sick leave balances, provided that the employee has filed for a CalPERS Retirement.
 1. Option 1: Cash out up to 480 hours of sick leave at 50%. If applicable, remaining balance is converted to CalPERS or additional service credit.
 2. Option 2: Convert all hours to CalPERS for additional service credit (e.g., balance is 600 hours which equates to an additional 75 days of CalPERS service time).
 3. Option 3: Convert up to 480 hours of sick leave at 50% to Deferred Compensation. If applicable, remaining balance is converted to CalPERS for additional service credit.
- F. Upon resignation with ten (10) or more years of service, or upon separation by layoff regardless of service, up to 480 hours of accrued sick leave shall be paid off at the rate of 25% of the cash value.
- G. Other than as provided in E and F above, all rights to sick leave shall be cancelled upon separation; provided however that:
 1. If an employee resigns and is not entitled to a sick leave payoff and is reinstated or re-employed within one (1) year from the date of resignation, the employee shall have their former sick leave balances restored.
 2. Employees receiving a sick leave payoff shall, if reinstated or re-employed within six (6) months, be required to repay the full amount of the sick leave payoff received and have their former sick leave balances restored. A written agreement for repayment in full must be made before reinstatement or re-employment.

Section 8. Sick Leave Conservation Program

- A. PMA and the District, in an effort to provide employees with an incentive to conserve sick leave, have agreed to the following:

1. **Payoff Provision**

- a. At the end of Pay Period 26 of each year, all employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) hours (exclusive of nondeductible bereavement leave) of sick leave during the preceding twelve (12) month period may convert up to twenty-four (24) additional hours of accumulated sick leave in eight (8) hour increments, to cash equal to the number of sick leave hours converted, multiplied by the employee's normal hourly rate. Employees in a part time status or on leave of absence during the eligibility period will have their hours pro-rated.
- b. The employee must have been in paid status for the full twelve (12) month period.
- c. Payment shall be made in Pay Period 06, following the eligibility period.

Section 9. Sick Leave Donation Program

A. **Donor**

1. An employee shall be allowed to donate up to two hundred (200) hours of his/her sick leave to other employees in accordance with District Policy.
2. Sick leave donations will be on an "hour for hour" basis.
3. The number of sick leave hours donated by an employee will not be considered when determining the employee's eligibility for cashing out sick leave under the District's Sick Leave Conservation Program.

B. **Recipient**

1. Must exhaust all of their own paid time off before donated time can be used.
2. Must be on an approved medical leave of absence lasting more than thirty (30) calendar days.
3. No lifetime maximum on the number of donated hours that an employee can receive.
4. Employees on medical leave of absence who have received vacation/sick donation hours will not be considered in an unpaid status until complete exhaustion of their accrued time and all donated hours.

Section 10. Bereavement Leave

In the event of death in an employee's immediate family (parent including in-law, grandparent, spouse, child including grandchild, sibling including in-law or other permanent member of the employee's immediate household or any person sharing a comparable relationship resulting from marriage or a registered domestic partner relationship), the employee shall be granted bereavement leave not to exceed three (3) days. Additional time may be charged to sick leave

for a total leave (i.e., bereavement plus sick leave), not to exceed fourteen (14) consecutive calendar days. For example, an employee takes the maximum total leave period of fourteen (14) consecutive calendar days. Of those fourteen (14) consecutive calendar days, nine (9) are working days and five (5) are non-working days. The first three (3) of the nine (9) working days will be charged to bereavement leave, while the fourth (4th), fifth (5th), sixth (6th), seventh (7th), eighth (8th) and ninth (9th) working days will be charged as sick leave. The non-working days are not charged to any leave.

Section 11. Jury/Witness Leave

- A. Any employee who is subpoenaed as a witness is entitled to his/her regular pay while serving as a subpoenaed witness, where the underlying action is one in which the District or a District employee (in his or her official capacity) is a party, or where the witness is being called regarding an event or transaction in which he or she perceived or investigated in the course of his or her duties. The employee shall provide the District with any funds received for said appearance from the party issuing the subpoena.
- B. Any employee summoned to appear for jury service is entitled to his/her regular pay while on jury duty. The employee must sign the Juror Fee Waiver Form per the California Code of Civil Procedure, Section 215, which states that a juror who is employed by a government entity and receives regular salary and benefits while on jury duty must waive the daily juror fee.
- C. Employees working evening or night shifts shall be entitled to release time from their own work schedule for the number of hours spent on jury duty during the day.

Section 12. Military Leave

The District will grant military leave in accordance with the California Military and Veterans Code.

Section 13. Industrial Injury Leave

- A. When an employee is unable to perform assigned duties by reason of sickness or disability, as defined in the Workers' Compensation Act of the State of California, the employee is eligible to receive the regular salary for eighty (80) hours of such disability, conditioned upon the use of a District designated medical provider for the duration of the services needed for the care of the employee, without loss of sick leave and/or vacation benefits. This benefit may be referred to in this section as "Code 30" benefits.
 - 1. If the employee uses a District-designated medical provider, the industrial accident leave compensation is a maximum of eighty (80) hours.
 - 2. If the employee uses their own medical provider, such provider must be pre-designated prior to the injury meeting the requirements of the workers' compensation statute, and the industrial accident compensation is a maximum of forty (40) hours.
 - 3. If the employee starts treatment with the District designated medical provider and after thirty (30) days chooses to treat with an out-of-network physician, the

maximum compensation will be forty (40) hours. Any excess hours used beyond forty (40) hours will be reimbursed by the District.

4. The eighty (80) or forty (40) hours must only be used for time off related to the industrial injury for which the hours are assigned. Examples of legitimate use include: doctor's appointments, physical therapy appointments, meetings with investigators, and Temporary Total Disability (TTD). Time off that is not authorized by a physician will not be eligible for this benefit.
5. At the end of this leave (depletion of 40 or 80 hours), and if unable to return to work, the employee will elect whether to receive payment of any accumulated sick, vacation, or other earned leave benefits, or to receive workers' compensation temporary disability payments.
6. If the employee elects to receive payment of any accumulated sick, vacation or their earned leave benefits, any TTD for this period is assigned to the District.
7. Code 30 benefits will be in effect for six (6) months from date of injury regardless of the number of hours actually used.
8. Alternatively, up to ten (10) hours of Code 30 benefits may be authorized for a "first aid only" work related injury contingent upon an objective medical evaluation to determine whether the incident is industrial in causation. Must be "As a Result of Employment" or "In the Course of Employment" to qualify as industrial. Use of this time will be at the discretion of the unit manager, in consultation with the first level deputy and the Workers' Compensation Administrator.
9. The employee is responsible to ensure that he/she does not exceed the hours expressed in this section. Excess payments resulting from Code 30 benefits and regular payroll must be reimbursed by the employee to the District on a dollar per dollar basis.
10. If for any reason the claim is denied, these benefits cease.

ARTICLE 8. LEAVES OF ABSENCE

Section 1. General Provisions

- A. The District will provide leave of absence as required by law under the Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), and Pregnancy Disability Leave (PDL).
- B. A leave of absence starts on the first scheduled work day on which the employee is absent from work.
- C. A leave of absence may be revoked upon evidence that the cause for granting it was misrepresented or has ceased to exist.
- D. Leave of absence without pay will not be considered as service time in determining eligibility for vacation, sick leave, salary increases, or other circumstances where service is a factor unless expressly required by law.
- E. Leave of absence without pay granted shall not be credited toward the completion of the employee's probationary period.
- F. Person(s) responsible for approving leaves of absence shall approve such leaves in a consistent and equitable manner.
- G. District contributions toward insurance premiums will continue for the first twelve (12) months of a leave of absence, or as otherwise required by FMLA, ACA, ADA and/or CFRA. Employees on a leave of absence lasting longer than twelve (12) months may have their coverage extended, as required by law.
- H. Once an employee is no longer eligible to receive the District's contributions to their insurance premium, the District shall offer COBRA for continuation of benefits at the employee's expense.

Section 2. Medical Leave of Absence

- A. A medical leave of absence for an employee's own medical condition not to exceed six (6) months may be granted by the employee's first level manager. An extension not to exceed six (6) months may be approved by the Deputy or designee. An additional extension not to exceed six (6) months may be approved by the Chief.
- B. Appropriate medical documentation must be provided.
- C. All or a portion of a medical leave of absence will be designated as FMLA and/or CFRA as applicable.
- D. An employee is required to utilize all available sick leave for the duration of the medical leave of absence or until exhausted. Use of other accrued time may be used at the employee's option.

- E. An employee on medical leave of absence who has received vacation/sick leave donation hours will not be considered in an unpaid status until complete exhaustion of their accrued time and all donated hours.
- F. An employee taking a medical leave of absence must provide a District approved medical provider's release upon return to work.
- G. Intermittent medical leave of absence will be granted up to the equivalent of FMLA or CFRA requirement.
- H. Upon return to work, an employee on medical leave shall be reinstated to his/her former or a comparable level position.

Section 3. Family Care Leave of Absence

- A. A family care leave of absence to care for an immediate family member (spouse/registered domestic partner, child, parent) not to exceed six (6) months may be granted by the employee's first level manager. An extension not to exceed six (6) months may be approved by the Deputy or designee. An additional extension not to exceed six (6) months may be approved by the Chief.
- B. Appropriate medical documentation must be provided.
- C. All or a portion of a family care leave of absence may be designated as FMLA and/or CFRA as applicable.
- D. An employee is required to utilize all available sick leave for the duration of the family care leave or until exhausted. Use of other accrued time may be used at the employee's option.
- E. Intermittent family care leave of absence will be granted up to the equivalent of FMLA and/or CFRA requirement.
- F. Upon return to work, an employee on family care leave shall be reinstated to his/her former or a comparable level position.

Section 4. Parental Leave

- A. An employee may be granted a parental leave of absence not to exceed six (6) months (or as required by law) by the employee's first level manager for disability related to the birth of the employee's child, for the employee to bond with his/her newborn child; or for the placement of a child with an employee for adoption or foster care of a child.
- B. All or a portion of parental leave of absence will be designated as FMLA, CFRA and/or PDL as applicable.
- C. An employee is required to utilize all available sick leave during the period of disability of the parental leave of absence. Use of other accrued time [for parental leave, or use of sick leave for parental leave subsequent to the period of parental disability](#), may be used at the employee's option.

- D. Upon return to work, an employee on parental leave shall be reinstated to his/her former or a comparable level position.

Section 5. Personal Leave of Absence

- A. A personal leave of absence not to exceed six (6) months may be granted by an employee's Deputy or designee for urgent or substantial personal reasons. Personal leave of absence may be extended by the Chief for a further period of not to exceed six (6) months for exceptional circumstances.
- B. An employee on a personal leave of absence is required to exhaust accrued time per applicable MOU provisions. Sick leave cannot be utilized during a personal leave of absence.

Section 6. Educational Leave of Absence

- A. A three (3) month leave of absence may be granted for educational or training purposes when the Chief determines that such training or education is of obvious and direct benefit to the District, is not locally available during the employee's non-working hours, and it can be shown that the employee's absence will not unduly affect the work of that employee's unit of assignment. Such leave may be extended for additional three (3) month intervals not to exceed an aggregate leave of one (1) year.
- B. An employee on an educational leave of absence is required to exhaust accrued time per applicable MOU provisions. Sick leave cannot be utilized during an educational leave of absence.

ARTICLE 9. REIMBURSEMENTS

Section 1. Tuition Reimbursement

- A. The PMA and the District agree that it is in the best interest of both, for not only the employee to initiate but the District to provide, training and other opportunities to further facilitate an employee's career development.
- B. In accordance with District Policy, an employee with six (6) or more months of continuous service may be reimbursed for tuition or expense payments incurred in taking courses outside of normal working hours related to District employment. All such requests for reimbursement must be approved by the District prior to taking the course. The course content must have some direct relationship to the work of the District. Courses that are required as a part of an employee's general qualifications for his/her class are not within the scope of this program.
- C. Upon approval of a course, and completion with a passing grade of C or better (Pass in the cases where only Pass/Fail is given) the employee will be reimbursed the cost of the tuition and other costs such as laboratory fees and assigned textbooks. Total tuition reimbursement shall not exceed \$32,500 in a fiscal year. No unpaid balances over the maximum will be carried forward to the next fiscal year.
- D. Courses must be given by an accredited institution.

Section 2. Professional License Reimbursement

- A. The District will reimburse the fees for one (1) professional license or certificate.
- B. During the course of this MOU, if the District or legal requirements require the manager to hold licenses or certificates, or if any course work is required to renew such licenses or certificates, fees for the licenses, certificates, and/or course work will be paid by the District.

Section 3. Professional Reimbursement

PMA classifications are eligible for professional reimbursement in the amount of \$350 per year. To receive payment, the employee must provide a receipt for reimbursement. To qualify for reimbursement, the money must be spent on professional associations, conferences, subscriptions, professional licenses not covered under Section 2 above, meetings or other reference materials relating to the manager's area of responsibility and approved by their first level Unclassified manager. Requests will not be unreasonably denied.

Section 4. Safety Shoes/Glasses

- A. All safety equipment provided by the District must meet CAL/OSHA standards where a CAL/OSHA standard has been adopted. The District procedure "Personal Protective Equipment" will be applied during the term of this MOU.

- B. All employees are required to wear footwear appropriate to the duties of their class. Employees whose job duties require safety shoes, will be reimbursed for up to ~~one hundred eighty-one dollars and zero cents~~ two hundred and twenty-five dollars (~~\$181~~225.00) of the cost of safety shoes once yearly (calculated from the date of purchase), provided the shoes meet safety standards which are approved by the District and are purchased pursuant to the "Personal Protective Equipment" procedure. In addition, safety shoes for which the District has reimbursed the employee must be worn on the job.
- C. The District shall reimburse ~~one hundred sixty-eight dollars and zero cents~~ up to two hundred and ten dollars (~~\$168~~210.00) ~~contribution~~ for prescription safety glasses for those employees whose job duties are found to require such equipment. Prescription glasses must be purchased pursuant to the "Personal Protective Equipment" procedure.

Section 5. Travel and Subsistence Policy

District policies regarding travel and subsistence will be applied during the term of this MOU.

ARTICLE 10. HIRING/EMPLOYMENT

Section 1. Hiring Process Policy and Procedures

It is District policy that there shall be appointed to District service, those persons competent to carry out the District's public responsibility. Appointments to District positions shall be made on an objective basis considering merit, qualifications, competency, and ability to perform the essential functions of the position, pursuant to District policy. It is also District policy of equal employment opportunity to all employees and applicants for employment, regardless of any individual's race, religion, sex, national origin, age, disability, or any other protected class.

Section 2. Physical Examinations

- A. Prior to the appointment or within a reasonable period following appointment to a different class as a result of promotion, demotion, transfer or reclass, the appointee may be required by the District, at the expense of the District, to undergo a medical examination to determine the employee's medical fitness for the position.
- B. The District may require an employee to undergo a physical examination, at the expense of the District, to determine the employee's fitness for the currently assigned position.

Section 3. Administrative Reassignment

- A. The District may administratively reassign employees.
- B. The District and PMA have agreed that administrative reassignments may be implemented at the request of an employee or District management and at the sole discretion of the appropriate Appointing Authority under the following conditions:
 - 1. An employee may request a reassignment at any time. The District may, at its sole discretion, grant a reassignment provided a position is available;
 - 2. An Employee requesting administrative reassignment must have completed their probationary period;
 - 3. An Employee requested administrative reassignment shall not be permitted more than once in a two (2) year period;
 - 4. The employee meets the minimum qualifications of the class to which the employee is transferred, or will be provided appropriate training; and
 - 5. The employee will be compensated at the new administrative reassigned class, upon meeting the minimum qualifications, except when reassigned to a class with a lower salary range, in which the employee's salary will be frozen at the former rate.

ARTICLE 11. EMPLOYEE PERFORMANCE/EVALUATION

Section 1. Personnel Records

- A. The District may maintain such personnel records of an individual employee as is deemed necessary. Personnel records may only be viewed by the employee's Appointing Authority, potential Appointing Authority, performance evaluation rater, reviewers, and Human Resources Division staff. Further, an employee, or the employee's authorized representative, may view the employee's personnel record at any time with written consent by the employee.
- B. Documents relating to an employee's performance or evaluations, placed in his/her personnel file shall be provided to the affected employee. Material placed in a personnel file which affects an employee's work record negatively may be removed by the District upon petition from the employee and upon evidence that the incident or cause outlined in the material has not recurred and has been on file for a period of not less than two (2) years, except an employee who has received a notice of disciplinary action which was appealed successfully shall have the notice removed from his/her file immediately after the successful appeal and upon request of the employee.
- C. Evaluations shall not be removed from an employee's file.

Section 2. Employee Performance Evaluations

- A. General: An employee's performance shall be evaluated based on criteria as set forth in the Employee Development and Performance Program (EDPP).

Mid-year and annual evaluations shall be considered in matters of transfer, promotion, salary increase, demotion, dismissal, and other personnel actions. A copy of this document shall be placed in the employee's personnel record. In the event the employee's performance falls below acceptable standards, the employee shall be notified in writing including suggestions for corrective action.
- B. Denial of Step Increase: An overall annual evaluation EDPP rating of "Needs Improvement" or "Unsatisfactory" will result in the denial of a step increase until the employee's overall performance is rated at least "Achieved" in a future evaluation.
- C. Appeals Process: Evaluations are not subject to the grievance procedure. An employee may attach a response to their evaluation, which will be placed in their personnel file. Only evaluations that receive an overall rating of "Needs Improvement" or "Unsatisfactory" may be appealed.
 - 1. To appeal an evaluation, including a decision that denies a step increase, the following process will be used:
 - a. Employee completes an Appeals form which can be accessed on the District's Labor Relations Intranet site.

- b. Employee files the completed Appeals Form with their First Level Unclassified Manager (or one level above if the rater is an Unclassified Manager) within 15 working days from receipt of the evaluation.
- c. Submit a copy of the completed Appeals Form with the Labor Relations Unit also within 15 working days from receipt of the evaluation.
- d. After submitting an appeal, a meeting with the Unclassified Manager to discuss the evaluation will be scheduled.
- e. The Unclassified Manager will either affirm or revise the rating. The decision by the Unclassified Manager regarding the appeal shall generally be made in writing within fifteen (15) working days from the Unclassified Manager's receipt of the appeal, depending on the complexity and detail level of the case.
- f. Evaluations that are revised as a result of an appeal are not appealable. Evaluations are not subject to the grievance procedure. Decisions by the Unclassified Manager are final.

Section 3. Probation

- E. It is the policy of the District that all new hires, promotions, reclassifications and administrative transfers shall have a probationary period, except as noted below.
- F. The standard probationary period for all classified positions is twelve (12) months or 2,080 hours. Prior to the expiration of the 2,080 hour probationary period, an initial probationary employee may be released from District service at any time. Such rejection is not a disciplinary action and may not be grieved.
- G. An employee who has already passed their initial probationary period and is appointed, promoted, or demoted to another classification (excluding flexibly staffed classes), must satisfactorily complete a probationary period of twelve (12) months or 2,080 hours. An employee serving a promotional probationary period may be returned to their former classification if it is determined by the Appointing Authority that the employee is not passing their probationary period. Such rejection is not a disciplinary action and may not be grieved.
- H. Employees who have already passed their initial probationary period and are reclassified to a new class who are found by the District to have been performing the duties of the new class for at least twelve (12) months or 2,080 hours will not be placed in a probationary status.
- I. In addition, an employee who is administratively transferred or competitively promotes from a position in one class to another position in the same class does not need to complete a probationary period unless the initial probationary period has not been concluded or it is requested by the Appointing Authority. In cases where the administrative transfer is management initiated, the employee will not need to complete a probationary period.

- J. New Hires or Initial Probationary Employees shall have all rights under this MOU except in cases of suspension, demotion, or termination or as specifically excluded.

ARTICLE 12. CLASSIFICATION

Section 1. Overview

- A. PMA and the District recognize the need to conduct class studies due to changes in business needs and/or workforce strategy, and the need to conduct periodic maintenance of the class system.
- B. PMA recognizes the right of the District to establish new job classes and job descriptions and to amend existing class specifications and job descriptions to reflect changes in assigned duties and responsibilities. In the event a substantial change is made in the specification or job description of a class represented by PMA, the District will provide PMA with notice of such changes and the salary for the class. PMA will have fifteen (15) working days from such notice to request a meeting to consult with the District on said changes. If requested by PMA, the parties shall meet and confer on the salary for the class as soon as practicable after the request is received. Establishment of the salary is not subject to the grievance process as contained in this contract.
- C. At the request of the District, the parties agree to meet and confer over District proposed changes to this section.

Section 2. Maintenance of the Classification Process

- A. Desk audits may be required as a result of business need changes or as a result of a reassignment. In these cases, management may initiate a desk audit of the change in business or reassignment conditions.
- B. Every effort should be made by the manager to review the body of work before assigning the work to staff. Management will work with the Classification Unit to determine whether the body of work will require a higher or different class.
- C. If the body of work is determined to be a higher or different class through the body of work review, the manager can determine staffing mechanisms (e.g., out-of-class, remove the duties or unmet needs allocation, etc.).

ARTICLE 13. DISCIPLINE PROCESS

The following procedure is established as a result of a mutual interest on the part of the District and the PMA to resolve disciplinary matters. The District will issue no discipline without just cause.

Section 1. Right to Representation

If a situation arises where an employee will be formally disciplined by an applicable manager the employee will be notified that he/she has the right to have PMA representation. Any employee who reasonably believes that a meeting with their manager may result in disciplinary action against them may request to have a representative in the meeting. If a representative is not available at the time of the meeting, the applicable manager will arrange an alternative meeting as soon as possible, but at least within (5) five working days. It is the employee and/or PMA's responsibility to arrange for representation within the five (5) working day requirement.

Section 2. Examples of Employee Misconduct

Examples of employee misconduct include, but are not limited to: chronic absenteeism, incompetence, failure to follow work rules, insubordination, misstatement of facts on an application or other personnel documents, falsification of work or time records, absence without authorized leave and without just cause.

Section 3. Progressive Discipline

The District shall follow the principles of progressive discipline as appropriate.

Section 4. Disciplinary Actions

Disciplinary actions should be designed to fit the nature of the issue and may include counseling, oral and written reprimands, suspension, demotion, discharge, or other appropriate action. The particular action imposed shall depend on the severity of the misconduct and the particular factual circumstances involved.

Section 5. Pre-Disciplinary Procedure:

- A. An employee who will be investigated for possible misconduct by the Labor Relations Unit shall be notified by management within fifteen (15) working days of the start of the formal disciplinary investigation by the Labor Relations Unit. Management shall make every effort to complete the investigation within sixty (60) working days. If the investigation will take longer to complete, management shall update the employee and PMA every thirty (30) calendar days until the investigation is completed. The time limits identified in this section are not grievable.
- B. Following the completion of the employer's formal disciplinary investigation, where formal discipline (demotion, suspension or termination) is being recommended, the appropriate authority shall prepare a Written Notice of Recommended Disciplinary Action to be served on the employee in person or by registered mail. A copy will be sent to

PMA and Labor Relations Unit. No Written Notice of Recommended Disciplinary Action shall be required for informal discipline (counseling, oral and written reprimands).

- C. For matters of formal discipline (demotion, suspension, or termination), the appropriate level of authority for preparing such recommended discipline shall be the Appointing Authority or Unclassified designee in consultation with the Labor Relations Unit. For all informal disciplinary matters (counseling, oral and written reprimands), the appropriate level of authority for preparing such recommended discipline shall be the applicable manager in consultation with the Labor Relations Unit.
- D. The Written Notice of Recommended Disciplinary Action shall state the specific grounds and facts upon which the action is based and will be provided to the employee, PMA and the Labor Relations Unit.
- E. Copies of any known materials, reports, or other documents upon which the intended action is based shall be served with the Written Notice of Recommended Disciplinary Action to the employee, and copies shall be provided to PMA and the Labor Relations Unit.
- F. Employee shall be accorded the right to respond in writing to the Written Notice of Recommended Disciplinary Action, and any such written response shall be served by the employee within fifteen (15) working days from the District's service of the Written Notice of Recommended Disciplinary Action. A copy of any such written response will be provided to the PMA.
- G. For matters of formal discipline (suspension, demotion, termination), within fifteen (15) working days of receipt of the Written Notice of Recommended Disciplinary Action, the employee shall be accorded the right to request a Skelly Hearing with the Appointing Authority. The Appointing Authority shall designate a Skelly Hearing Officer who has the authority to recommend to uphold, modify, or revoke the recommended disciplinary action. A copy of the Skelly Hearing notice will be provided to the PMA and the Labor Relations Unit. The Skelly Hearing will be scheduled and held as soon as practicable after receipt of the request.
- H. Following the Skelly Hearing, the appropriate Appointing Authority shall issue the Notice of Final Disciplinary Action, including the effective date of any discipline to be imposed. The notice is to include the Hearing Officer decision as an attachment.
- I. At any time in the discipline process, the failure of PMA to adhere to the time limits set forth in the MOU shall cause forfeiture for their case.
- J. Adverse entries in the employee's record more than three (3) years old shall not be admitted into evidence or considered to support the charges at any level of the grievance or arbitration procedures. The three (3) year limitation will not apply to previous disciplinary actions related to egregious conduct such as harassment (including sexual harassment), retaliation, potential criminal activity, violence, willful destruction of property, or potential injury to the employee or others.

Section 6. Counseling

- A. Unclassified managers shall advise an employee as early as possible when it is determined that their performance or conduct is approaching an unacceptable level.
- B. Counseling should be done by the employee's Unclassified manager. The counseling session should be an open, two-way conversation, keeping in mind that the main objective is to improve the employee's performance and/or conduct.
- C. During these sessions, a problem solving discussion should be held between the employee and the Unclassified manager with the employee being given an opportunity to state any circumstances which have affected their performance record. While such circumstances may not excuse the performance problems, the parties may find ways to eliminate them in the future.
- D. Specific details and examples should be developed for an action plan. Follow-up and follow-through timelines should also be established if applicable.
- E. The Unclassified manager must establish and maintain appropriate documentation.

Section 7. Oral Reprimand

- A. The Unclassified manager should advise the employee what specific behavior is unacceptable, what is expected and what will happen if improvement does not occur or if conduct continues. At this stage the employee is being put on notice that a failure to correct the problem will lead to further progressive disciplinary action. The Unclassified manager must fully document the oral reprimand including the matter discussed and any agreed upon remedial measures.
- B. Specific details and examples should be developed for an action plan and follow-up and follow-through timelines should be established if applicable.
- C. The Unclassified manager must establish and maintain appropriate documentation.

Section 8. Written Reprimand

- A. If the employee has previously been counseled or orally reprimanded, or if the situation warrants this as a first level discipline, a written reprimand must be completed.
- B. The written reprimand should refer to any previous counseling and/or oral reprimand and should include a statement that will put the employee on notice that a failure to correct the problem will lead to further progressive disciplinary action. A copy of the written reprimand will be given to the employee and a copy will be placed in the employee's personnel file. A copy will also be provided to PMA and the Labor Relations Unit.
- C. The written reprimand will include a statement indicating that the employee has received a copy and that the employee has the right to attach a written response. The written response must be submitted to the Labor Relations office within fifteen (15) working days from receipt of the written reprimand. The employee may also file an appeal of a

written reprimand with their next level Unclassified manager. The appeal must be submitted within fifteen (15) working days from receipt of the written reprimand.

Section 9. Administrative Leave

- A. **Notification**—If the District elects to place an employee on Paid Administrative Leave, the District shall notify both the employee and the PMA. Paid Administrative Leave shall normally not exceed forty-five (45) working days. The notification shall include:
1. The reason why the employee was placed on Paid Administrative Leave.
 2. The steps to be taken during the time the employee is on Paid Administrative Leave.
- B. **Leave Extension**—If Paid Administrative Leave needs to be extended beyond forty-five (45) working days, the District shall notify the employee and PMA in writing of the reasons for the change.
- C. Within fifteen (15) working days after commencement of Paid Administrative Leave, both the employee and PMA will be notified in writing of the status of the case.

Section 10. Compulsory Leave

Criminal Charges: The District may require an employee who has been charged in a court of competent jurisdiction with a commission of a felony, or a misdemeanor involving moral turpitude, provided the crime as charged is related to the employee's employment status, to take a leave of absence without pay pending termination by a way of a plea, finding or verdict at the trial court level as to the guilt or innocence of such employee. Upon a finding of not guilty, the employee may be reinstated to the regularly assigned position with return of all benefits, including salary, that were due for the period of such leave; subject, however, to appropriate disciplinary action if warranted. Any disciplinary action shall be imposed effective as of the commencement date of such leave. If the determination is one of guilt, the District may take appropriate disciplinary action effective as of the commencement date of such leave.

Section 11. Arbitration

- A. Appeal of Final Disciplinary Action resulting in suspension, demotion, or discharge shall be through arbitration, but only with concurrence of the PMA.
- B. For matters of arbitration, the District and PMA agree to select an arbitrator from the following list:

Norm Brand
Andrea Dooley
Matt Goldberg
Catherine Harris
Ron Hoh
John Kagel
Carol Vendrillo
David S. Weinberg
Barry Winograd

Section 12. Arbitration Procedure

- A. A written request to proceed to arbitration must be filed by PMA with the Deputy of Human Resources within fifteen (15) working days of the date of the notice of Final Disciplinary Action. A copy of the written request for arbitration will be provided to PMA and the Labor Relations Unit.
- B. Within five (5) working days following the receipt of the request for arbitration, the parties shall confer to select the arbitrator from the agreed upon permanent panel of arbitrators. The obligation to strike the first name shall be determined by lot, and the parties shall alternately strike one name from the list until only one name remains, and that person shall be the arbitrator.
- C. The hearing shall be scheduled as soon as possible, consistent with the arbitrator's schedule. A copy of the hearing notice will be provided to PMA, Deputy of Human Resources and the Labor Relations Unit.
- D. It is recommended that the arbitrator render their decision within sixty (60) working days of the conclusion of the aforementioned hearing. The decision shall be in writing, and copies shall be directed to the Deputy of Human Resources or designee, PMA and the Labor Relations Unit.
- E. The fees and expenses of the arbitrator shall be shared equally by the District and PMA, it being understood and agreed that all other expenses including, but not limited to, fees for non-District employee witnesses, transcripts, and similar costs incurred by the parties during the arbitration, will be the responsibility of the individual party involved.
- F. The arbitration shall be informal and the rules of evidence prescribed for duly constituted courts shall not apply.
- G. Subject to the above, hearings shall be conducted in accordance with any additional rules and procedures adopted or specified by the arbitrator, unless the parties hereto mutually agree to other rules or procedures for the conduct of such hearings.
- H. The decision of the arbitrator may sustain, modify or revoke the recommended disciplinary action and shall be final and binding on the parties.

Section 13. Probationary Employee

New employees hired to the District who are in the initial probationary period may be subject to release from District service and are not subject to review under any provisions of this agreement.

ARTICLE 14. GRIEVANCE PROCEDURE

The following procedure is established as a result of a mutual interest on the part of the District and PMA to settle grievances quickly and fairly. An employee and/or their representative shall not be discriminated against, coerced, or interfered with in any way as a result of filing a grievance. An employee may request representation by the PMA at any stage of the grievance procedure. At any point in the grievance process the parties may agree to extend the timelines. The party's request for an extension must be in writing and will not be unreasonably denied by either party.

Section 1. Grievance Defined

A grievance is any dispute between the District and an employee or the PMA concerning the interpretation of application of this MOU; or rules or regulations governing personnel practices or working conditions within the scope of representation. Matters excluded from the grievance process include, counseling, oral and written reprimands, performance improvement plans, evaluation process, release of an employee during their initial probationary period, hiring decisions, and items requiring capital expenditure. Written reprimands and performance evaluations are appealable to the next higher level of supervision. An employee is entitled to representation during the grievance process. An employee shall have the right to represent their own grievance or do so through a PMA representative. If an employee chooses to take the grievance on their own, it shall be at the employee's expense.

Section 2. Informal Grievance Procedure

An employee is encouraged to act promptly to attempt to resolve disputes with their manager through an informal procedure. A meeting between the manager and the employee should take place whenever requested by either party to assist to clarify or resolve the grievance. The employee may be accompanied by his/her PMA representative at the informal meeting. Any resolution reached at the informal step must be in accordance with the provisions of this MOU, or other rule or ordinance and shall not set precedent.

Section 3. Formal Grievance Procedure

- A. **Step 1.** Within twenty (20) working days of the occurrence, or discovery of an alleged grievance, the formal grievance procedure may be initiated by an employee or PMA filing an appropriate Notice of Grievance form with the Deputy of Human Resources or designee. A copy shall be provided to the Labor Relations Unit and PMA.
 - 1. A meeting with the employee, PMA, Labor Relations Unit, the applicable manager and other parties shall take place for the purpose of attempting to resolve and/or clarify the issues of the grievance within fifteen (15) working days of receipt of the formal grievance.
 - 2. The Deputy of Human Resources or his/her designee shall issue a decision in writing within fifteen (15) working days of the formal Grievance meeting. A copy shall be directed to PMA, grievant, applicable manager and Labor Relations Unit.

3. All steps of the grievance procedure shall be utilized unless the parties mutually agree to waive one or more steps. If the employee or PMA fail to process a grievance within the specified time limits, the grievance shall be deemed concluded on the basis of the last decision reached. If the District fails to respond within the specified time limits, the grievant may appeal to the next step, within the specified time limits. Time limits in this article may be extended if mutually agreed upon by the parties in writing.
- B. **Step 2.** Within fifteen (15) working days of the Step 1 decision and with concurrence of the PMA, the formal grievance procedure may be submitted to the Chief Operating Officer of Administrative Services (COOAS).
1. If agreed to by the parties involved, a meeting with the COOAS, PMA, Labor Relations Unit, applicable manager and parties shall take place for the purpose of attempting to resolve and/or clarify the issues of the grievance. The COOAS or their designated representative shall issue a decision within fifteen (15) working days after the termination of Step 2.
 2. **Decision/Recommendation**
 - a. If PMA is not satisfied with the decision of the COOAS or their designated representative, PMA within fifteen (15) working days after receipt of the Step 2 decision, request in writing that the grievance be referred to an impartial arbitrator.

Section 4. Arbitration

- A. If arbitration is requested, an arbitrator shall be selected from a permanent panel of arbitrators, as listed below:
- Norm Brand
Andrea Dooley
Matt Goldberg
Catherine Harris
Ron Hoh
John Kagel
Carol Vendrillo
David S. Weinberg
Barry Winograd
- B. Management and PMA shall alternately strike one (1) name from the list until one (1) name remains. The remaining name shall be the arbitrator.
- C. The arbitrator's decision shall be binding upon both parties. Arbitration shall be scheduled during normal District office hours, if possible. The grievant may attend the entire hearing during their regular working hours without loss of compensation. In the event of a grievance involving a group of employees, one (1) representative designated by PMA shall be authorized to attend the entire hearing without loss of compensation. Witnesses called by either party will be authorized to attend the hearing when active

participation is required without loss of compensation. Any disputes concerning the definition of the grievance (Section 1) shall be resolved by the arbitrator.

Section 5. Duty of Arbitrator

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and thereafter make written findings of fact and a disposition of the grievance which shall be binding. The decision of the arbitrator shall not add to, subtract from, or otherwise modify the terms and conditions of this MOU.

ARTICLE 15. LAYOFF

- A. Layoffs in a given class will be based on specific needs for skills in that class, as determined solely by management.
- B. An employee designated for layoff will be given at least forty-five (45) days notice.
- C. An employee subject to layoff will be considered for voluntary demotion to a lower class or for transfer to classes in the same salary level, for which they are qualified, as determined by management, if any vacancies exist anywhere within the District.
- D. Employees laid off will have their names placed on a recall list for twenty-four (24) months. The District will reinstate the first employee based on District seniority who is found to be qualified for any open PMA position at the District. Seniority will be based on total number of years of service to the District. An employee must respond to an offer of reinstatement within fourteen (14) calendar days from date of receipt. A laid off employee who accepts an offer of reinstatement must report within fourteen (14) calendar days, following the date of their acceptance. An employee who is reinstated shall maintain all seniority and benefit rights.
- E. Each regular employee with a minimum of five (5) continuous years of seniority who is laid off, will receive severance compensation of: (i) five (5) workdays for each full year of seniority; and (ii) 5/12th of a workday per month for a partial year of seniority. For example, if a regular employee has five (5) years and six (6) months of seniority, that regular employee would receive severance compensation equal to 27.5 workdays of pay (i.e., 25 workdays for the full 5 years of seniority, and 2.5 workdays for the 6 full months of seniority).
- F. Each workday of severance pay is equal to the regular employee's daily base pay at the time of layoff.

ARTICLE 16. COLLABORATIVE EFFORTS

- A. The parties have established various collaborative committees and councils. PMA representation will continue including, but not limited to, the following:
1. Labor Management Committee (LMC): The Committee shall meet at least quarterly, or upon the written request of either party, for the purpose of discussing matters of mutual concern. Grievances and adverse actions shall not be discussed at such meetings. Matters subject to the duty to bargain and not appropriately discussed in another forum such as the Safety Committee, may be discussed. However, the LMC shall not have the authority to add to, amend or modify this MOU.
 2. Safety Committee
 3. Diversity and Inclusion Council

ARTICLE 17. PRACTICES, POLICIES, PROCEDURES

The District will continue the practice of including the PMA in the review cycle for the issuance of new procedures or for making changes to existing procedures. For changes that impact the terms and conditions of employment of PMA members, the District will meet and confer or meet and consult as appropriate, with the PMA.

ARTICLE 18. NON-DISCRIMINATION/HARASSMENT (GENERAL)

PMA and the District agree that there shall be no discrimination (except as allowed by law) against an employee because of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, religious creed (including religious dress and grooming practices), gender, national origin (including language use restrictions), ancestry, marital status, veteran status, sexual orientation, gender identity, gender expression, color, age (over 40), medical condition (cancer), parental status, pregnancy, the exercise of family and medical care leave rights, the exercise of pregnancy disability leave, political affiliation, physical disability (including HIV and AIDS), mental disability, or the request, exercise, or need for reasonable accommodation. Sexual harassment is a form of prohibited discrimination. Complaints of discrimination are encouraged to be brought to the attention of the Ethics and Equal Opportunity Program Administrator, or the employee's manager.

ARTICLE 19. ACCOMMODATION OF DISABLED EMPLOYEES

The District has a lawful obligation under the Americans with Disabilities Act and the California Fair Employment and Housing Act to make reasonable accommodations for qualified individuals with disabilities. Any accommodation will be on a case-by-case basis and will not be precedential nor will constitute a past practice for anyone other than a qualified individual with disabilities.

ARTICLE 20. DRUG FREE WORKPLACE

To be administered in accordance with District Policies and Procedures.

ARTICLE 21. CONFLICT OF INTEREST

- A. No District employee shall engage in compensated employment outside of employment with the District if such employment is found to interfere with the performance of District duties, or to be detrimental to the general interests of the District, or to create a conflict of interest with employment by the District.
- B. Employees intending to engage in outside employment must submit a written notification to their manager and Appointing Authority, stating the type of employment and the amount of time that will be spent on such employment. If employment continues, the notification must be resubmitted annually, by the anniversary date of the initial notification for review.

ARTICLE 22. POLITICAL RIGHTS

During working hours, District employees shall not take an active part in opposing or supporting any ballot proposition or candidate for political office nor, during working hours, shall an employee solicit or seek from any fellow employee or other person, any assessment, subscription or contribution for the support of or opposition to any ballot proposition or political candidate.

ARTICLE 23. MISCELLANEOUS

Section 1. Full Agreement

It is understood that this MOU represents a complete and final understanding on all negotiable issues between the District and the PMA. This MOU supersedes all previous memoranda of understanding, Side Letters or Letters of Agreement between the District and the PMA except as specifically referred to in this MOU. This MOU shall have precedence over all ordinances or rules covering any practice, subject or matter specifically referred to in this MOU to the extent that they conflict with this MOU. All ordinances or rules covering any practice, subject or matter not specifically referred to in this MOU shall not be superseded, modified, or repealed by implication or otherwise by the provisions hereof. The parties, for the term of this MOU, voluntarily and unqualifiedly agree to waive the obligation to negotiate with respect to any practice, subject or matter not specifically referred to or covered in this MOU even though such practice, subject or matter may not have been within the knowledge or contemplation of the parties at the time this MOU was negotiated and signed. In the event any new practice, subject or matter arises during the term of this MOU and an action is proposed by the District, the PMA shall be afforded all possible notice and shall have the right to meet and confer upon request. In the absence of agreement on such a proposed action, the District reserves the right to take action by management direction.

Section 2. Savings Clause

If any provision of this MOU should be held invalid by operation of law, or by any court of competent jurisdiction, or if compliance with, or enforcement of any provision should be restrained by any tribunal, the remainder of this MOU shall not be affected thereby, and the parties shall enter into negotiations when requested by either party, for the sole purpose of arriving at a mutually satisfactory replacement for such provision.

ARTICLE 24. TERM

This MOU shall become effective January 1, ~~2018~~2022, and shall remain in effect through December 31, ~~2024~~2025, and from year-to-year thereafter unless either party serves written notice on the other of its desire to terminate this MOU or amend any provision thereof at least one hundred-twenty (120) days prior to December 31st of any successive year.

REPRESENTING THE UNION

REPRESENTING THE DISTRICT

Gary NagaokaMichael Duffy Date

Norma CamachoRick Callender Date

Jonathan BurgessAngelica Arellano Date

Michael BaratzBryant Welch Date

Cindy KaeVanessa De La Piedra Date

Garth HallLisa Bankosh- Date

Stanley Young,
IFPTE, Local 21 Date

Sue TippetsJennifer Codianne Date

Laura Harbert Date

Emily Meeks Date

Dania Torres-WongEdward L. Kreisberg Date

Sloan Sakai Young and WongKreisberg
Law Firm

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 21-

**APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE
EMPLOYEES ASSOCIATION, AFSCME LOCAL 101, FOR THE
PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025**

WHEREAS, the Santa Clara Valley Water District (Valley Water) and the Employees Association, AFSCME Local 101, previously entered into a Memorandum of Understanding for the period from January 1, 2018 through December 31, 2021; and

WHEREAS, Valley Water and the Employees Association, AFSCME Local 101, have been in negotiations for a successor Memorandum of Understanding; and

WHEREAS, Valley Water and the Employees Association, AFSCME Local 101, have reached a tentative agreement for new terms for the successor Memorandum of Understanding.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District:

1. That the general terms of the Memorandum of Understanding are set out and described in the Supplemental Board Agenda Memo from Interim Deputy Administrative Officer Ingrid Bella, Agenda Item 2.9 for the November 23, 2021 Board Meeting, and its Attachment 2 which are incorporated by reference as if fully set forth in this Resolution; and
2. That the terms of the Memorandum of Understanding between the Santa Clara Valley Water District and the Employees Association, AFSCME Local 101, for the period of January 1, 2022 through December 31, 2025, are hereby approved; and
3. That the Chief Executive Officer is hereby authorized to sign the Memorandum of Understanding in substantially the same form as the draft version as presented on November 23, 2021.

Approving the Terms of the Memorandum of Understanding Between the Santa Clara Valley Water District and the Employees Association, AFSCME Local 101, for the Period of January 1, 2022 Through December 31, 2025

Resolution No. 21-

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on November 23, 2021:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 21-

**APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE
ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF
JANUARY 1, 2022 THROUGH DECEMBER 31, 2025**

WHEREAS, the Santa Clara Valley Water District (Valley Water) and the Engineers Society, IFPTE Local 21, previously entered into a Memorandum of Understanding for the period from January 1, 2018 through December 31, 2021; and

WHEREAS, Valley Water and the Engineers Society, IFPTE Local 21, have been in negotiations for a successor Memorandum of Understanding; and

WHEREAS, Valley Water and the Engineers Society, IFPTE Local 21, have reached a tentative agreement for new terms for the successor Memorandum of Understanding.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District:

1. That the general terms of the Memorandum of Understanding are set out and described in the Supplemental Board Agenda Memo from Interim Deputy Administrative Officer Ingrid Bella, Agenda Item 2.9 for the November 23, 2021 Board Meeting, and its Attachment 3 which are incorporated by reference as if fully set forth in this Resolution; and
2. That the terms of the Memorandum of Understanding between the Santa Clara Valley Water District and the Engineers Society, IFPTE Local 21, for the period of January 1, 2022 through December 31, 2025, are hereby approved; and
3. That the Chief Executive Officer is hereby authorized to sign the Memorandum of Understanding in substantially the same form as the draft version as presented on November 23, 2021.

Approving the Terms of the Memorandum of Understanding Between the Santa Clara Valley Water District and the Engineers Society, IFPTE Local 21, for the Period of January 1, 2022 Through December 31, 2025

Resolution No. 21-

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on November 23, 2021:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 21-

**APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE
PROFESSIONAL MANAGERS ASSOCIATION, IFPTE LOCAL 21, FOR
THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025**

WHEREAS, the Santa Clara Valley Water District (Valley Water) and the Professional Managers Association, IFPTE Local 21, previously entered into a Memorandum of Understanding for the period from January 1, 2018 through December 31, 2021; and

WHEREAS, Valley Water and the Professional Managers Association, IFPTE Local 21, have been in negotiations for a successor Memorandum of Understanding; and

WHEREAS, Valley Water and the Professional Managers Association, IFPTE Local 21, have reached a tentative agreement for new terms for the successor Memorandum of Understanding.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District:

1. That the general terms of the Memorandum of Understanding are set out and described in the Supplemental Board Agenda Memo from Interim Deputy Administrative Officer Ingrid Bella, Agenda Item 2.9 for the November 23, 2021 Board Meeting, and its Attachment 4 which are incorporated by reference as if fully set forth in this Resolution; and
2. That the terms of the Memorandum of Understanding between the Santa Clara Valley Water District and the Professional Managers Association, IFPTE Local 21, for the period of January 1, 2022 through December 31, 2025, are hereby approved; and
3. That the Chief Executive Officer is hereby authorized to sign the Memorandum of Understanding in substantially the same form as the draft version as presented on November 23, 2021.

Approving the Terms of the Memorandum of Understanding Between the Santa Clara Valley Water District and the Professional Managers Association, IFPTE Local 21, for the Period of January 1, 2022 Through December 31, 2025

Resolution No. 21-

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on November 23, 2021:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 21-

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA CLARA VALLEY WATER DISTRICT APPROVING AMENDED
COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE
EXECUTIVE SERVICE (JANUARY 1, 2022, THROUGH DECEMBER 31, 2025)**

WHEREAS, California Code Regulations (CCR), Title 2, Section 570. 5, was adopted by CalPERS to provide specific requirements on how public agencies should document pay rates for public employees; and

WHEREAS, at its regular meeting on November 23, 2021, the Board approved the terms of Memoranda of Understanding between the Santa Clara Valley Water District (Valley Water) and each of its three bargaining units (Employees Association AFSCME Local 101, Engineers Society – IFPTE Local 21, and Professional Managers Association – IFPTE Local 21), all for the period of January 1, 2022, through December 31, 2025 (MOUs); and

WHEREAS, each of the three MOUs set forth salary ranges for the represented classifications and included a 3% salary increase for each year of the MOUs starting the first full pay period in July 2022; and

WHEREAS, each of the three MOUs set forth the terms of employment benefits to be received by the represented classifications including, but not limited to, medical plan, vision care, dental, life and disability insurance, pension, retiree health benefits, deferred compensation, and paid leave; and

WHEREAS, on May 22, 2018, through Resolution 18-25-1, the Board approved a Compensation Plan for Unrepresented Employees in the Executive Service (July 1, 2018, through June 30, 2022), which sets forth employment benefits for these Executive employees, and set salary ranges effectively the first full pay period in July 2018, to minimize compaction issues; and

WHEREAS, on September 22, 2020, through Resolution 20-80, the Board approved an amendment to the Compensation Plan for Unrepresented Employees in the Executive Service (July 1, 2018, through June 30, 2022).

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District:

1. Does hereby approve and adopt the Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022, through December 31, 2025), attached hereto as Exhibit "A." This Amended Compensation Plan shall take effect on January 1, 2022, and the previously amended Compensation Plan (Resolution 20-80) shall remain in effect until that time. Valley Water reserves the right to modify the terms of this newly Amended Compensation Plan during its term through further resolution; and
2. Does hereby intend that Valley Water explore the feasibility with CalPERS of enhancing the Tier 2 pension formula from 2.0%@60 to 2.5%@55 and enhancing the final

A Resolution of the Board of Directors of the Santa Clara Valley Water District Approving
Amended Compensation Plan for Unrepresented Employees in the Executive Service
(January 1, 2022, Through December 31, 2025) Resolution No. 21-

compensation for Tier 2 employees from the highest 36 months to the highest 12 months. Any such change would require future Board approval of an amended contract with CalPERS.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on November 23, 2021:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

EXHIBIT A COVERSHEET

SANTA CLARA VALLEY WATER DISTRICT COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (JANUARY 1, 2022, THROUGH DECEMBER 31, 2025)

No. of Pages: 10

Exhibit Attachments: None

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SANTA CLARA VALLEY WATER DISTRICT

**COMPENSATION PLAN FOR UNREPRESENTED
EMPLOYEES IN THE EXECUTIVE SERVICE**

(JANUARY 1, 2022, THROUGH DECEMBER 31, 2025)

INTRODUCTION

In addition to classified employees represented by three bargaining groups, the Santa Clara Valley Water District (Valley Water) currently employs unrepresented employees in the Unclassified Service of Valley Water pursuant to District Personnel Ordinance 2000-01, section 2.6 ("Executive Employees"). Valley Water also has three Board Appointed Officers ("BAOs") which consist of the Chief Executive Officer, the District Counsel, and the Clerk of the Board. Executive Employees and BAOs are collectively referred to as "Employees" and the terms "Executive Employees" and "BAOs" shall be utilized where there is a distinction in the application of this plan. Except where expressly noted, this document sets forth the terms for compensation and conditions of employment for Employees for the period from January 1, 2022, through December 31, 2025 ("Compensation Plan"). The terms of this Compensation Plan do not constitute a contract and are not intended to create a contract with Employees. The terms of this Compensation Plan are not intended to create any vested right to retirement health benefits set forth herein. The terms of this Compensation Plan may be amended or modified at any time during the effective period through a resolution passed by Valley Water's Board of Directors.

The terms in this Compensation Plan apply to the BAOs except where specifically excluded herein and except where the BAO's respective written employment agreements with Valley Water provide otherwise.

I. SALARY AND COMPENSATION

It is the goal of the Board of Directors to try to achieve a total compensation package for all Executive Employees that are competitive compared to agencies that compete with Valley Water for talent. The Board's goal is to attract and retain the most qualified Executive Employees in accordance with Valley Water's ability to pay.

Total Compensation for survey purposes shall be defined as: Top step salary plus other compensation factors which will be calculated with the same methodology used for Valley Water's three bargaining groups.

II. INSURANCE

A. Health Insurance

1. *Health Insurance for Active Employees*

Medical, Dental, Vision Care, and EAP benefits are provided by Valley Water. Employees pay 15% towards Valley Water's monthly premium cost for medical coverage. Dental and Vision Care is provided by Valley Water with no monthly premium cost to the Employee.

Medical, Dental, Vision Care, and EAP benefits are provided to all regular employees and their eligible dependents including domestic partners, who meet the eligibility criteria. Domestic partner coverage is taxable income for federal and state income tax purposes (as applicable).

Employees may only receive coverage under one plan; either as single coverage or family coverage and either as the primary subscriber or as a dependent under the plan of a spouse or registered domestic partner who is a regular Valley Water employee. Eligible dependents will only be covered under one employee's medical plan.

Medical Insurance

Valley Water currently provides the choice between three medical plans:

Kaiser Permanente HMO – Requires enrolled members and their dependents to utilize Kaiser Permanente physicians and facilities for all their medical services.

Blue Shield HMO – Requires enrolled members and their dependents to choose a Primary Care Physician (PCP) within a specified medical group, which will coordinate and direct all their medical services. The assigned PCP can refer the members to Specialty Physicians within the medical group.

Blue Shield PPO – Enrolled members and their dependents can choose any physician or facility for their medical services. If a Blue Shield participating physician, hospital, or other participating provider is utilized, the out-of-pocket expenses could be reduced. These providers have agreed to accept Blue Shield's payment plus any applicable deductibles and co-pays.

While Valley Water provides the three medical plans as of the start date of this Compensation Plan, they may be changed at the sole discretion of Valley Water upon prior notice to Employees.

Dental Insurance

All Employees and their dependents are to enroll in the Delta Dental plan with no monthly premium cost to Employees. Valley Water's Delta Dental PPO/Premier Plan is an incentive plan that encourages the members to maintain their dental health by seeing a dentist regularly. Provided the members see a dentist at least once each calendar year for diagnostic and preventive services, the coverage will increase by 10% each year until 100% coverage for most services is obtained. The first year of coverage starts at 70%, second year would increase to 80%, the third year would increase to 90%, and the fourth year, the coverage will remain at 100%. If regular dental screenings are not maintained, Delta Dental has the option to reduce your level of coverage.

Vision Plan

Vision coverage is based on medical plan the Employee chooses. If Kaiser is the selected medical plan, vision coverage is provided through Kaiser's Vision Care Services. There is no extra cost associated with Kaiser's vision coverage – it is built into the medical plan premium. Vision Service Plan (VSP) is offered to those Employees enrolled in the Blue Shield HMO or

PPO plans. The premiums are 100% paid by Valley Water. Both the Kaiser plan and the VSP plan are standard vision coverage plans, which offer annual eye exams, frame, and lenses allowances. Employees who choose to waive medical insurance are ineligible for vision coverage.

2. *Health Insurance for Retirees*

Retirement Health Benefits for Employees Hired Prior to 12/30/2006

Medical coverage is provided for retired Employees with 10 years of continuous Valley Water service.

Medical, Dental, and Vision coverage is provided for retired Employees and one eligible dependent with 15 or more years of continuous Valley Water service.

Medical, Dental, and Vision coverage is provided for retired Employees plus two (2) or more eligible dependents with 25 or more years of continuous Valley Water service.

Retirement Health Benefits for Employees Hired On or After 12/30/2006 and Prior to 03/01/2007

Medical coverage is provided for eligible retired Employees with 10 years of continuous Valley Water service. Medical premium cost-sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.

Medical, Dental, and Vision coverage is provided for eligible retired Employees and one eligible dependent with 15 or more years of continuous Valley Water service. Medical premium cost-sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active Employees or retirees, whichever is less.

Medical, Dental, and Vision coverage are provided for eligible retired Employees plus two (2) or more eligible dependents with 25 or more years of continuous Valley Water service. Medical premium cost-sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active Employees or retirees, whichever is less.

Retirement Health Benefits for Employees Hired On or After 03/01/2007

Medical coverage is provided for eligible retired Employees with 15 years of continuous Valley Water service. Medical premium cost-sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active Employees or retirees, whichever is less.

Medical coverage is provided for eligible retired Employees and one eligible dependent with 20 or more years of continuous Valley Water service. Medical premium cost-sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.

Eligible Retirees – Service Credit for Prior Public Agency Employment

- a. For purposes of satisfying the continuous Valley Water service requirement above, Valley Water employees employed or hired during any portion of the January 1, 2022–December 31, 2025, term of this amended Compensation Plan shall be credited up to ten (10) years (20,800 hours) for any prior employment at the State of California or any political subdivision thereof, including any city, county, or special district.
- b. This provision shall not apply retroactively to former Valley Water employees who left Valley Water employment prior to the effective date of this amended Compensation Plan.
- c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at Valley Water prior to the date of retirement with CalPERS. For employees hired during the term of this amended Compensation Plan, completion of the aforementioned five-year (10,400 hours) requirement following the expiration of this amended Compensation Plan Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below.
- d. Eligibility for the service credit under this subsection is further conditioned upon employees' full cooperation with Valley Water in any reasonable efforts to obtain records or other proof of employees' prior public agency service.
- e. Service credit awarded during the term of this amended Compensation Plan pursuant to this section shall survive the expiration of this amended Compensation Plan. However, nothing in this section is intended to create any other duties or obligations of Valley Water for future employees hired after the expiration of this amended Compensation Plan.

B. Life Insurance

Valley Water provides life insurance benefits equal to the Employee's annual salary up to a maximum benefit of \$100,000 with a five-year phase-out in declining increments of \$10,000 per year starting with \$50,000 coverage upon retirement. The premium attributable to life insurance benefit exceeding \$50,000 is considered "imputed income" and must be reported as taxable earnings on the W-2 statement each year, as required by the IRS.

Optional supplemental life insurance available in amounts equal to 1-, 2-, 3-, or 4-times annual salary to a maximum benefit of \$750,000 is available at Employee cost.

C. Disability Insurance

Valley Water provides Short Term Disability (STD) equal to 66 2/3% of salary to a maximum weekly benefit of \$3,500 with a 14-day waiting period. STD may transition into Long Term Disability (LTD) after 180 days of disability and then provide 66 2/3% of salary to a maximum monthly benefit of \$15,000.

III. RETIREMENT

Valley Water will continue to participate in the California Public Employees' Retirement System (CalPERS) with benefits as currently provided at the 2.5% @ 55 Formula Benefit Level for Employees hired prior to March 19, 2012. Employees hired March 19, 2012, or thereafter, will participate in the California Public Employees' Retirement System (CalPERS) with benefits provided in the contract with CalPERS at the 2% @ 60 formula Benefit Level. Employees hired January 1, 2013, or thereafter who qualify as "New Members" under the California Public Employees' Pension Reform Act of 2013 (PEPRA) will be placed in the CalPERS formula of 2.0% @ 62 (2.5% @ 67). All pension benefits are subject to the provisions of Valley Water's contract with CalPERS, as amended from time to time, the items of which are incorporated by reference as if fully set forth herein.

A. Classic Members Hired Prior to 03/19/2012

California Public Employees Retirement System (CalPERS) **2.5% at 55** retirement plan with final compensation of highest 12 consecutive months. Employees are required to pay the following contributions towards their pension benefits. These deductions will be pre-tax to the extent allowable by law.

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective the first full pay period in July 2022	8%

B. Classic Members Hired On or After 03/19/2012

California Public Employees Retirement System (CalPERS) **2.0% at 60** retirement plan with final compensation of highest 36 consecutive months. Employees are required to pay the following contributions towards their pension benefits. These deductions will be pre-tax to the extent allowable by law.

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective the first full pay period in July 2022	7%

C. New Members Hired On or After 01/01/2013

California Public Employees Retirement System (CalPERS) **2.0% at 62** retirement plan with final compensation of highest 36 consecutive months. Employees are required to pay the following contributions towards their pension benefits. These deductions will be pre-tax to the extent allowable by law.

Effective Date of Employee Contributions	Employee Contribution Rate
Effective the first full pay period in July 2022	50% of total normal costs determined by CalPERS

IV. LEAVES OF ABSENCE**A. Sick Leave**

Sick leave is accrued at the rate of 1 day per month (96 hours per year) with unlimited accumulation.

Upon resignation, with 10 or more years of Valley Water service, up to 480 hours of accrued sick leave shall be paid at 25% of the equivalent cash value.

Upon retirement (filed for CalPERS retirement), regardless of Valley Water years of service, sick leave may be paid out as follows:

- Sick leave balance *up to* 480 hours is paid out at 50% of the equivalent cash value. Any remaining balance above 480 hours may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out.
- Entire accrued sick leave balance may be converted into additional CalPERS service credit. No sick leave hours will be paid out.

Upon death, all accrued, unused sick leave will be paid at 100% of the cash value.

Any other payout of accrued sick leave upon separation of employment must be approved by the Chief Executive Officer. Any such approved payout shall not exceed 480 hours of accrued sick leave and shall be at the rate of 25% of the equivalent cash value.

Sick Leave Conservation Program

Employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) sick leave hours during the preceding twelve (12)-month period may convert up to twenty-four (24) hours to cash, additional vacation time, or a combination of both. Elections to cash out sick leave must be made in the calendar year prior to the cash-out.

B. Vacation Leave

Newly hired employees receive 224 hours (28 days/year) of prorated vacation based on date of hire. The prorated amount is vested immediately for the remainder of the fiscal year and is available for use upon approval of the Employee's Appointing Authority. Starting the following fiscal year, vacation shall accrue as set forth below for current Employees.

Beginning each fiscal year, current Employees receive 224 hours (28 days/year) of vacation, which is vested immediately for the entire fiscal year and may be accumulated up to 4 times entitlement.

Employees may elect either a cash pay-off for up to 28 days (224 hours) or have all or a portion of the cash value transferred to a Deferred Compensation Plan once each year. Elections to cash out vacation must be made in the calendar year prior to the cash-out.

In recognition of Employees' exempt status under FLSA, time off for vacation leave purposes shall not be deducted from his or her vacation accrual unless her or she is absent for four hours or more of the full workday.

C. Executive/Personal Leave

24 hours of executive leave and 32 hours of prorated personal leave provided upon hire and annually thereafter. Leave may be converted to cash or credited to a deferred compensation plan at any time during the fiscal year. Automatically paid-out if no election is made.

D. Parental Leave

Employees may use sick leave (in addition to current vacation, comp time and/or personal leave) for *all* qualifying parental leave rather than just for pregnancy disability leave. Employees can use this sick leave for bonding (or for the placement of a child with an employee for adoption or foster care). The duration of such parental or bonding leave shall be subject to Valley Water policy.

E. Holidays

13 designated days per calendar year.

F. Bereavement Leave

3 days of bereavement leave for obligations arising from the death of a parent (including in-law), a grandparent, a spouse, a child (including grandchild), a sibling (including in-law), a domestic partner, or any member of the immediate household of the Employee. Additional time may be charged to sick leave for a total leave (3 days of bereavement leave plus sick leave) not to exceed 14 consecutive calendar days.

G. Catastrophic Leave

A leave without pay may be granted by the Employee's Appointing Authority for a period not to exceed six months, and such leave may be extended upon approval of the CEO for a further period not to exceed six months based upon unforeseen, catastrophic events that directly impact the Employee. Considerations for granting such leave shall include, but not be limited to: (1) the length of service rendered by the Employee; (2) the impact on Valley Water operations; and (3) the need for and availability of a temporary replacement.

V. OTHER BENEFITS**A. Deferred Compensation Contribution**

A 457(b) Deferred Compensation plan is available. Annual Valley Water matching contributions are provided when enrolled in Valley Water's 401(a) Defined Contribution Match Plan as follows: Executive Employees will receive a match up to \$8,000 per calendar year. BAOs will receive a match up to \$8000 per calendar year.

B. Flexible Spending Accounts (FSA)

Health Care Spending Account – Maximum contribution up to the maximum amount allowed by law for eligible medical, dental, vision, and prescription expenses.

Dependent Adult or Child Daycare – Maximum contribution as determined by the IRS.

C. Employee Assistance Plan

Valley Water provides an Employee Assistance Program (EAP) to the Employees and their dependents with no monthly premium cost to Employees. This program is available 24 hours a day, 365 days a year and is staffed by licensed credentialed counselors, and provides information, referrals, and short-term counseling for personal issues affecting work or personal life. Supervisors and Managers may also utilize the EAP for assistance with their employee performance concerns.

D. Tuition Assistance Program

Executive Employees with six (6) or more months of continuous service, up to 100% reimbursement of tuition costs upon satisfactory completion of an approved college course(s) to a maximum of \$3,500 per fiscal year.

Upon prior written approval by their respective BAO, Executive Employees may also enroll in and receive full reimbursement for specialized training programs targeted to executives such as the Berkeley Executive Seminar.

E. Memberships and Certifications

Costs related to job-related certifications and memberships in professional organizations will be eligible for reimbursement.

F. Commuter Checks

Pre-tax deductions are allowed up to the IRS maximum for the purchase of Commuter Checks which can be used as payment for any public transportation or to pay for qualified vanpools.

G. Credit Unions

Membership is available at the Santa Clara County Employees Credit Union and the Commonwealth Credit Union.

H. Car Allowance

BAOs are eligible for a monthly care allowance as follows: CEO and District Counsel (\$600); Clerk of the Board (\$450). Mileage is paid for out of county Valley Water business in addition to the monthly car allowance. This section does not apply to Executive Employees.

I. Temporary Upgrade Pay and Special Assignment Pay for Acting and Interim Assignments

Executive Employees may be temporarily assigned to higher classifications in an acting or interim capacity and receive Temporary Upgrade Pay. The Temporary Upgrade Pay received for the Acting or Interim assignment in the higher classification shall be the starting salary in the salary range for the higher classification or ten percent (10%) above the Executive Employee's current salary, whichever is higher, provided that the Temporary Upgrade Pay shall not exceed the top salary in the salary range of the higher classification. Compensation for Temporary Upgrade Pay will be reported to CalPERS as special compensation if the Executive Employee is a Classic CalPERS Member. Employees enrolled in the 2%@62 formula are eligible for Temporary Upgrade Pay, but additional compensation will not be reported to CalPERS.

An Executive Employee may be temporarily assigned to perform higher-level classification work where the regular employee in the higher classification is on vacation or sick leave, is on a leave of absence, or is on a temporary assignment. The Executive Employee must meet the education, training, or experience requirements for the Temporary Assignment as determined by the manager and hold any necessary licenses or certifications. Special Assignment Pay shall be the starting salary within the salary range of the higher classification or 5% above the Executive Employee's current salary, whichever is higher. Special Assignment Pay is not reportable to CalPERS.

VALLEY WATER
Unclassified Employee Benefits
(Effective 1-1-22)

BENEFIT	SUMMARY
Vacation	<ul style="list-style-type: none"> ➤ Newly hired employees receive 224 hours (28 days/year) of prorated vacation based on date of hire. The prorated amount is vested immediately for the remainder of the fiscal year and is available for use upon approval of the employee's Appointing Authority. Starting the following fiscal year, vacation shall accrue as set forth below for current employees. ➤ Beginning each fiscal year, current employees receive 224 hours (28 days/year) of vacation, which is vested immediately for the entire fiscal year, and may be accumulated up to 4 times entitlement. ➤ Employees may elect either a cash pay-off for up to 21 days (168 hours) or have all or a portion of the cash value transferred to the Deferred Compensation Plan once each year. Elections to cash out vacation must be made in the calendar year prior to the cash out.
Sick Leave	<p>Sick leave is accrued at the rate of 1 day per month (96 hours per year) with unlimited accumulation.</p> <ul style="list-style-type: none"> ▪ Upon resignation, with 10 or more years of service with Valley Water, up to 480 hours of accrued sick leave shall be paid at 25% of the equivalent cash value. ▪ Upon retirement (filed for CalPERS retirement), regardless of years of service with Valley Water, sick leave may be paid out as follows: <ul style="list-style-type: none"> ○ Sick leave balance <i>up to</i> 480 hours is paid out at 50% of the equivalent cash value. Any remaining balance above 480 hours may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out. ○ Entire accrued sick leave balance may be converted into additional CalPERS service credit. No sick leave hours will be paid out. ○ Combination of any portion (<i>up to 480 hours</i>) of the sick leave balance is paid out at 50% and any remaining balance may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out. ▪ Upon death, all accrued, unused sick leave will be paid at 100% of the cash value. <p>Any other payout of accrued sick leave upon separation of employment must be approved by the Chief Executive Officer. Any such approved payout shall not exceed 480 hours of accrued sick leave and shall be at the rate of 25% of the equivalent cash value.</p>
Sick Leave Conservation	<p><u>Sick Leave Conservation Program</u> - Employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) sick leave hours during the preceding twelve (12) month period may convert up to twenty-four (24) hours to cash. Elections to cash out sick leave must be made in the calendar year prior to the cash out.</p>
Executive Leave & Personal Leave	<p>24 hours of executive leave and 32 hours of prorated personal leave provided upon hire. Leave may be converted to cash or credited to the deferred compensation plan at any time during the fiscal year. Automatically paid-out if no election is made.</p>
Parental Leave	<p>Employees may use sick leave (in addition to current vacation, comp time and/or personal leave) for <i>all</i> qualifying parental leave rather than just for pregnancy disability leave. Employees can use this sick leave for bonding (or for the placement of a child with an employee for adoption or foster care). The duration of such parental or bonding leave shall be subject to Valley Water policy.</p>
Bereavement Leave	<p>3 days of bereavement leave for obligations arising from the death of a family member as defined in the At-Will Policy for Employees in the Unclassified Service. Additional time may be charged to sick leave for a total leave (3 days of bereavement leave plus sick leave) not to exceed 10 consecutive working days.</p>
Holidays	<p>13 designated days per calendar year.</p>
CalPERS Retirement for Classic Members Hired Prior to 3/19/2012	<p>California Public Employees Retirement System (CalPERS) 2.5% at 55 retirement plan with final compensation of highest 12 consecutive months. Effective the first full pay period in July of 2022, the required employee contribution is 8%. Contributions are pre-tax payroll deductions.</p>
CalPERS Retirement for Classic Members Hired On or After 3/19/2012	<p>California Public Employees Retirement System (CalPERS) 2.0% at 60 retirement plan with final compensation of highest 36 consecutive months. Effective the first full pay period in July of 2022, the required employee contribution is 7%. Contributions are pre-tax payroll deductions.</p>

CalPERS Formula Amendment	Valley Water plans to explore the feasibility with CalPERS of enhancing the Tier 2 pension formula from 2.0%@60 to 2.5%@55 and enhancing the final compensation for Tier 2 employees from the highest 36 months to the highest 12 months.
CalPERS Retirement for New Members <i>Hired On or After 1/1/2013</i>	California Public Employees Retirement System (CalPERS) 2.0% at 62 retirement plan with final compensation of highest 36 consecutive months. Employees are required to pay 50% of the total normal cost as determined by the annual CalPERS valuation and is subject to change each fiscal year. Effective the first full pay period in July of 2022, the current required employee contribution is 6.75% . Contributions are pre-tax payroll deductions.
Retirement Health Benefits for Employees <i>Hired Prior to 12/30/2006</i>	Medical coverage is provided for retired employees with 10 years of continuous service with Valley Water. Medical, Dental and Vision coverage is provided for retired employees and one eligible dependent with 15 or more years of continuous service with Valley Water. Medical, Dental and Vision coverage is provided for retired employees plus two (2) or more eligible dependents with 25 or more years of continuous service with Valley Water.
Retirement Health Benefits for Employees <i>Hired on or after 12/30/2006 and Prior to 3/1/2007</i>	Medical coverage is provided for retired employees with 10 years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less. Medical, Dental and Vision coverage is provided for retired employees and one eligible dependent with 15 or more years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less. Medical, Dental and Vision coverage is provided for retired employees plus two (2) or more eligible dependents with 25 or more years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.
Retirement Medical Benefits for Employees <i>Hired On or After 3/1/2007</i>	Medical coverage is provided for retired employees with 15 years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less. Medical coverage is provided for retired employees and one eligible dependent with 20 or more years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.
Public Service Credit Towards Retirement Health Benefits	<ul style="list-style-type: none"> a. For purposes of satisfying the continuous Valley Water service requirement above, Valley Water employees employed or hired during any portion of the January 1, 2022 – December 31, 2025 term of this amended Compensation Plan shall be credited up to ten (10) years (20,800 hours) for any prior employment at the State of California or any political subdivision thereof, including any city, county or special district. b. This provision shall not apply retroactively to former Valley Water employees who left Valley Water employment prior to the effective date of this amended Compensation Plan. c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at Valley Water prior to the date of retirement with CalPERS. For employees hired during the term of this amended Compensation Plan, completion of the aforementioned five-year (10,400 hours) requirement following expiration of this amended Compensation Plan Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below. d. Eligibility for the service credit under this subsection is further conditioned upon employees' full cooperation with Valley Water in any reasonable efforts to obtain records or other proof of employees' prior public agency service. e. Service credit awarded during the term of this amended Compensation Plan pursuant to this section shall survive expiration of this amended Compensation Plan. However, nothing in this section is intended to create any other duties or obligations of Valley Water for future employees hired after the expiration of this amended Compensation Plan.
Health Insurance	Medical, Dental, Vision Care and EAP benefits are provided by Valley Water. Employees pay 15% towards Valley Water's monthly premium cost for medical coverage. Dental, Vision Care and EAP coverage is provided by Valley Water with no monthly premium cost to the employee.

	<p>Medical, Dental, Vision Care and EAP benefits are provided to all regular employees and their eligible dependents including domestic partners. Domestic partner coverage is taxable income for federal income tax purposes.</p> <p>Valley Water employees may only receive coverage under one plan; either as single coverage or family coverage and either as the primary subscriber or as a dependent under the plan of a spouse or domestic partner who is a regular Valley Water employee. Eligible dependents will only be covered under one employee's medical plan.</p>
Disability Insurance	Valley Water provides Short Term Disability (STD) equal to 66 2/3% of salary to a maximum weekly benefit of \$3,462 with a 14-day waiting period. STD may transition into Long Term Disability (LTD) after 180 days of disability and then provide 66 2/3% of salary to a maximum monthly benefit of \$15,000.
Life Insurance	<p>Valley Water provides life insurance benefits equal to employee's annual salary up to a maximum benefit of \$100,000 with a five-year phase out in declining increments of \$10,000 per year starting with \$50,000 coverage upon retirement. The premium attributable to life insurance benefit exceeding \$50,000 is considered "imputed income" and must be reported as taxable earnings on the W-2 statement each year, as required by the IRS.</p> <p>Optional supplemental life insurance available in amounts equal to 1, 2, 3 or 4 times annual salary to a maximum benefit of \$750,000 is available at employee cost.</p>
Pet Insurance	Valley Water offers pet insurance through Nationwide. Employees have the option to enroll one or more pets and can choose from three levels of coverage with My Pet Protection.
Other	<p>Board Appointed Officers (BAO) are eligible for a monthly car allowance as follows: CEO & General Counsel = \$600 / Clerk of the Board = \$450. Mileage is paid for out-of-county Valley Water business in addition to monthly car allowance.</p> <p>Valley Water owned communication devices are provided, including cell phones, pagers, two-way radios, tablets, and computers. A monthly stipend for smart phones is provided.</p>
	Tuition Assistance Program – Unclassified employees with six (6) or more months of continuous service, up to 100% reimbursement of tuition costs upon satisfactory completion of an approved course to a maximum of \$3,500 per fiscal year.
	Employee Assistance Program (EAP) – Valley Water provides an EAP to employees and their eligible dependents that is staffed by licensed credentialed counselors and provides information, referral and short-term counseling for personal issues affecting work or personal life.
	Commuter Checks – Pre-tax deductions are allowed up to the IRS maximum for the purchase of Commuter Checks which can be used as payment for any public transportation or to pay for qualified vanpools.
Deferred Compensation	Deferred compensation plan is available at employee's option, with up to \$8,000 in annual matching contributions each calendar year from Valley Water.
Flexible Spending Account (FSA)	<p>➤ Health Care Spending Account – Maximum contribution up to \$2,750 for eligible medical, dental, vision and prescription expenses.</p> <p>➤ Dependent Adult or Child Daycare – Maximum contribution \$5,000 per family or \$2,500 if you file taxes "Married Filing Separately" per calendar year.</p>
<i>This is a summary of benefits only. Official plan documents/agreements govern how a benefit is determined or administered.</i>	

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BOARD OF DIRECTORS SANTA CLARA VALLEY WATER DISTRICT

RESOLUTION NO. 21-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY WATER DISTRICT APPROVING SECOND AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (JANUARY 1, 2022, THROUGH DECEMBER 31, 2025)

WHEREAS, California Code Regulations (CCR), Title 2, Section 570. 5, was adopted by CalPERS to provide specific requirements on how public agencies should document pay rates for public employees; and

WHEREAS, at its regular meeting on November 23, 2021, the Board approved the terms of Memoranda of Understanding between the Santa Clara Valley Water District (Valley Water) and each of its three bargaining units (Employees Association AFSCME Local 101, Engineers Society – IFPTE Local 21, and Professional Managers Association – IFPTE Local 21), all for the period of January 1, 2022, through December 31, 2025 (MOUs); and

WHEREAS, each of the three MOUs set forth salary ranges for the represented classifications and included a 3% salary increase for each year of the MOUs starting the first full pay period in July 2022; and

WHEREAS, each of the three MOUs set forth the terms of employment benefits to be received by the represented classifications including, but not limited to, medical plan, vision care, dental, life and disability insurance, pension, retiree health benefits, deferred compensation, and paid leave; and

WHEREAS, on May 22, 2018, through Resolution 18-25-1, the Board approved a Compensation Plan for Unrepresented Employees in the Executive Service (July 1, 2018, through June 30, 2022), which sets forth employment benefits for these Executive employees, and set salary ranges effectively the first full pay period in July 2018, to minimize compaction issues; and

WHEREAS, on September 22, 2020, through Resolution 20-80, the Board approved an amendment to the Compensation Plan for Unrepresented Employees in the Executive Service (July 1, 2018, through June 30, 2022).

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District:

1. Does hereby approve and adopt the Second Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022, through December 31, 2025), attached hereto as Exhibit "A." This Amended Compensation Plan shall take effect on January 1, 2022, and the previously amended Compensation Plan (Resolution 20-80) shall remain in effect until that time. Valley Water reserves the right to modify the terms of this newly Amended Compensation Plan during its term through further resolution; and
2. Does hereby intend that Valley Water explore the feasibility with CalPERS of enhancing the Tier 2 pension formula from 2.0%@60 to 2.5%@55 and enhancing the final

A Resolution of the Board of Directors of the Santa Clara Valley Water District
Approving Second Amended Compensation Plan for Unrepresented Employees in the
Executive Service (January 1, 2022, Through December 31, 2025)
Resolution No. 21-

compensation for Tier 2 employees from the highest 36 months to the highest 12 months. Any such change would require future Board approval of an amended contract with CalPERS.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on November 23, 2021:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

A Resolution of the Board of Directors of the Santa Clara Valley Water District
Approving Second Amended Compensation Plan for Unrepresented Employees in the
Executive Service (January 1, 2022, Through December 31, 2025)
Resolution No. 21-

EXHIBIT A COVERSHEET

SANTA CLARA VALLEY WATER DISTRICT SECOND AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (JANUARY 1, 2022, THROUGH DECEMBER 31, 2025)

No. of Pages: 10

Exhibit Attachments: None

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REVISED -11/22/21



SANTA CLARA VALLEY WATER DISTRICT
SECOND AMENDED COMPENSATION PLAN
FOR UNREPRESENTED EMPLOYEES IN THE
EXECUTIVE SERVICE
(JANUARY 1, 2022 THROUGH DECEMBER
31, 2025)

INTRODUCTION

In addition to classified employees represented by three bargaining groups, the Santa Clara Valley Water District (Valley Water) currently employs unrepresented employees in the Unclassified Service of Valley Water pursuant to District Personnel Ordinance 2000-01, section 2.6 ("Executive Employees"). Valley Water also has three Board Appointed Officers ("BAOs") which consist of the Chief Executive Officer, the District Counsel, and the Clerk of the Board. Executive Employees and BAOs are collectively referred to as "Employees" and the terms "Executive Employees" and "BAOs" shall be utilized where there is a distinction in the application of this plan. Except where expressly noted, this document sets forth the terms for compensation and conditions of employment for Employees for the period from January 1, 2022 through December 31, 2025 ("Second Amended Compensation Plan"). The terms of this Second Amended Compensation Plan do not constitute a contract and are not intended to create a contract with Employees. The terms of this Second Amended Compensation Plan are not intended to create any vested right to retirement health benefits set forth herein. The terms of this Second Amended Compensation Plan may be amended or modified at any time during the effective period through a resolution passed by Valley Water's Board of Directors.

The terms in this Second Amended Compensation Plan apply to the BAOs except where specifically excluded herein and except where the BAO's respective written employment agreements with Valley Water provide otherwise.

I. SALARY AND COMPENSATION

It is the goal of the Board of Directors to try to achieve a total compensation package for all Executive Employees that is competitive compared to agencies that compete with Valley Water for talent. The Board's goal is to attract and retain the most qualified Executive Employees in accordance with Valley Water's ability to pay.

Total Compensation for survey purposes shall be defined as: Top step salary plus other compensation factors which will be calculated with the same methodology used for Valley Water's three bargaining groups.

II. INSURANCE

A. HEALTH INSURANCE

1) Health Insurance for Active Employees

Medical, Dental, Vision Care, and EAP benefits are provided by Valley Water. Employees pay 15% towards Valley Water's monthly premium cost for medical coverage. Dental, and Vision Care is provided by Valley Water with no monthly premium cost to the Employee.

Medical, Dental, Vision Care and EAP benefits are provided to all regular Employees and their eligible dependents including domestic partners, who meet the eligibility criteria. Domestic partner coverage is taxable income for federal and state income tax purposes (as applicable).

Employees may only receive coverage under one plan; either as single coverage or family coverage and either as the primary subscriber or as a dependent under the plan of a spouse or registered domestic partner who is a regular Valley Water employee. Eligible dependents will only be covered under one employee's medical plan.

MEDICAL INSURANCE

Valley Water currently provides the choice between three medical plans:

Kaiser Permanente HMO – Requires enrolled members and their dependents to utilize Kaiser Permanente physicians and facilities for all their medical services.

Blue Shield HMO - Requires enrolled members and their dependents to choose a Primary Care Physician (PCP) within a specified medical group, which will coordinate and direct all their medical services. The assigned PCP can refer the members to Specialty Physicians within the medical group.

Blue Shield PPO - Enrolled members and their dependents can choose any physician or facility for their medical services. If a Blue Shield participating physician, hospital or other participating provider is utilized, the out-of-pocket expenses could be reduced. These providers have agreed to accept Blue Shield's payment plus any applicable deductibles and co-pays.

While Valley Water provides the three medical plans as of the start date of this ~~Compensation Plan~~Second Amended Compensation Plan, they may be changed at the sole discretion of Valley Water upon prior notice to Employees.

DENTAL INSURANCE

All Employees and their dependents are to enroll in the Delta Dental plan with no monthly premium cost to Employees. Valley Water's Delta Dental PPO/Premier Plan is an incentive plan that encourages the members to maintain their dental health by seeing a dentist regularly. Provided the members see a dentist at least once each calendar year for diagnostic and preventive services, the coverage will increase by 10% each year until 100% coverage for most services is obtained. The first year of coverage starts at 70%, second year would increase to 80%, the third year would increase to 90%, and the fourth year, the coverage will remain at 100%. If regular dental screenings are not maintained, Delta Dental has the option to reduce your level of coverage.

VISION PLAN

Vision coverage is based on medical plan the Employee chooses. If Kaiser is the selected medical plan, vision coverage is provided through Kaiser's Vision Care Services. There is no extra cost associated with Kaiser's vision coverage – it is built into the medical plan premium. Vision Service Plan (VSP) is offered to those Employees enrolled in the Blue Shield HMO or PPO plans. The premiums are 100% paid by Valley Water. Both the Kaiser plan and the VSP plan are standard vision coverage plans, which offer annual eye exams, frame and lenses allowances. Employees who choose to waive medical insurance are ineligible for vision coverage.

2) Health Insurance for Retirees

Retirement Health Benefits for Employees Hired prior to 12/30/2006

Medical coverage is provided for retired Employees with 10 years of continuous Valley Water service.

Medical, Dental and Vision coverage is provided for retired Employees and one eligible dependent with 15 or more years of continuous Valley Water service.

Medical, Dental and Vision coverage is provided for retired Employees plus two (2) or more eligible dependents with 25 or more years of continuous Valley Water service.

Retirement Health Benefits for Employees Hired on or after 12/30/2006 and prior to 3/1/2007

Medical coverage is provided for eligible retired Employees with 10 years of continuous Valley Water service. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.

Medical, Dental and Vision coverage is provided for eligible retired Employees and one eligible dependent with 15 or more years of continuous Valley Water service. Medical premium cost sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active Employees or retirees, whichever is less.

Medical, Dental and Vision coverage is provided for eligible retired Employees plus two (2) or more eligible dependents with 25 or more years of continuous Valley Water service. Medical premium cost sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active Employees or retirees, whichever is less.

Retirement Health Benefits for Employees Hired on or after 3/1/2007

Medical coverage is provided for eligible retired Employees with 15 years of continuous Valley Water service. Medical premium cost sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active Employees or retirees, whichever is less.

Medical coverage is provided for eligible retired Employees and one eligible dependent with 20 or more years of continuous Valley Water service. Medical premium cost sharing is required with the same contribution percentage as active Employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.

Eligible retirees – service credit for prior public agency employment

- a. For purposes of satisfying the continuous Valley Water service requirement above, Valley Water employees employed or hired during any portion of the January 1, 2022 – December 31, 2025 term of this ~~amended Compensation Plan~~Second Amended Compensation Plan shall be credited up to ten (10) years (20,800 hours) for any prior employment at the State of California or any political subdivision thereof, including any city, county, or special district.
- b. This provision shall not apply retroactively to former Valley Water employees who left Valley Water employment prior to the effective date of this ~~amended Compensation Plan~~Second Amended Compensation Plan.
- c. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at Valley Water prior to the date of retirement with CalPERS. For employees hired during the term of this ~~amended Compensation Plan~~Second Amended Compensation Plan, completion of the aforementioned five-year (10,400 hours) requirement following expiration of this ~~amended Compensation Plan~~Second Amended

Compensation Plan Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below.

- d. Eligibility for the service credit under this subsection is further conditioned upon employees' full cooperation with Valley Water in any reasonable efforts to obtain records or other proof of employees' prior public agency service.
- e. Service credit awarded during the term of this ~~amended Compensation Plan~~Second Amended Compensation Plan pursuant to this section shall survive expiration of this ~~amended Compensation Plan~~Second Amended Compensation Plan. However, nothing in this section is intended to create any other duties or obligations of Valley Water for future employees hired after the expiration of this Second Aamended Compensation Plan.

B. LIFE INSURANCE

Valley Water provides life insurance benefits equal to the Employee's annual salary up to a maximum benefit of \$100,000 with a five-year phase out in declining increments of \$10,000 per year starting with \$50,000 coverage upon retirement. The premium attributable to life insurance benefit exceeding \$50,000 is considered "imputed income" and must be reported as taxable earnings on the W-2 statement each year, as required by the IRS.

Optional supplemental life insurance available in amounts equal to 1-, 2-, 3-, or 4-times annual salary to a maximum benefit of \$750,000 is available at Employee cost.

C. DISABILITY INSURANCE

Valley Water provides Short Term Disability (STD) equal to 66 2/3% of salary to a maximum weekly benefit of \$3,500 with a 14-day waiting period. STD may transition into Long Term Disability (LTD) after 180 days of disability and then provide 66 2/3% of salary to a maximum monthly benefit of \$15,000.

III. RETIREMENT

Valley Water will continue to participate in the California Public Employees' Retirement System (CalPERS) with benefits as currently provided at the 2.5% @ 55 Formula Benefit Level for Employees hired prior to March 19, 2012. Employees hired March 19, 2012 or thereafter, will participate in the California Public Employees' Retirement System (CalPERS) with benefits provided in the contract with CalPERS at the 2% @ 60 formula Benefit Level. Employees hired January 1, 2013 or thereafter who qualify as "New Members" under the California Public Employees' Pension Reform Act of 2013 (PEPRA) will be placed in the CalPERS formula of 2.0% @ 62 (2.5% @ 67). All pension benefits are subject to the provisions of Valley Water's contract with CalPERS, as amended from time to time, the items of which are incorporated by reference as if fully set forth herein.

A. CLASSIC MEMBERS HIRED PRIOR TO 3/19/2012

California Public Employees Retirement System (CalPERS) **2.5% at 55** retirement plan with final compensation of highest 12 consecutive months. The current required employee contribution is 11%. Employees are required to pay the following contributions towards their pension benefits. These deductions

will be pre-tax to the extent allowable by law.

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective the first full pay period in July 2022	8%

B. CLASSIC MEMBERS HIRED ON OR AFTER 3/19/2012

California Public Employees Retirement System (CalPERS) **2.0% at 60** retirement plan with final compensation of highest 36 consecutive months. The current required employee contribution is 11%. Employees are required to pay the following contributions towards their pension benefits. These deductions will be pre-tax to the extent allowable by law.

Effective Date of Employee Contributions	Classic Employee Contribution Rate
Effective the first full pay period in July 2022	7%

C. NEW MEMBERS HIRED ON OR AFTER 1/1/2013

California Public Employees Retirement System (CalPERS) **2.0% at 62** retirement plan with final compensation of highest 36 consecutive months. The current required employee contribution is 50% of the total normal cost as determined by the annual CalPERS valuation plus 2%. Employees are required to pay the following contributions towards their pension benefits. These deductions will be pre-tax to the extent allowable by law.

Effective Date of Employee Contributions	Employee Contribution Rate
Effective the first full pay period in July 2022	50% of total normal costs determined by CalPERS

IV. LEAVES OF ABSENCE

A. SICK LEAVE

Sick leave is accrued at the rate of 1 day per month (96 hours per year) with unlimited accumulation.

Upon resignation, with 10 or more years of Valley Water service, up to 480 hours of accrued sick leave shall be paid at 25% of the equivalent cash value.

Upon retirement (filed for CalPERS retirement), regardless of Valley Water years of service, sick leave may be paid out as follows:

- Sick leave balance *up to* 480 hours is paid out at 50% of the equivalent cash value. Any remaining balance above 480 hours may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out.
- Entire accrued sick leave balance may be converted into additional CalPERS service credit. No sick leave hours will be paid out.

Upon death, all accrued, unused sick leave will be paid at 100% of the cash value.

Any other payout of accrued sick leave upon separation of employment must be approved by the Chief Executive Officer. Any such approved payout shall not exceed 480 hours of accrued sick leave and shall be at the rate of 25% of the equivalent cash value.

Sick Leave Conservation Program

Employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) sick leave hours during the preceding twelve (12) month period may convert up to twenty-four (24) hours to cash, additional vacation time or a combination of both. Elections to cash out sick leave must be made in the calendar year prior to the cash out.

B. VACATION LEAVE

Newly hired Employees receive 224 hours (28 days/year) of prorated vacation based on date of hire. The prorated amount is vested immediately for the remainder of the fiscal year and is available for use upon approval of the Employee's Appointing Authority. Starting the following fiscal year, vacation shall accrue as set forth below for current Employees.

Beginning each fiscal year, current Employees receive 224 hours (28 days/year) of vacation, which is vested immediately for the entire fiscal year, and may be accumulated up to 4 times entitlement.

Employees may elect either a cash pay-off for up to 28 days (224 hours) or have all or a portion of the cash value transferred to a Deferred Compensation Plan once each year. Elections to cash out vacation must be made in the calendar year prior to the cash out.

In recognition of Employees' exempt status under FLSA, time off for vacation leave purposes shall not be deducted from his or her vacation accrual unless her or she is absent for four hours or more of the full workday.

C. EXECUTIVE/PERSONAL LEAVE

24 hours of executive leave and 32 hours of prorated personal leave provided upon hire and annually thereafter. Leave may be converted to cash or credited to a deferred compensation plan at any time during the fiscal year. Automatically paid-out if no election is made.

D. PARENTAL LEAVE

Employees may use sick leave (in addition to current vacation, comp time and/or personal leave) for *all* qualifying parental leave rather than just for pregnancy disability leave. Employees can use this sick leave for bonding (or for the placement of a child with an employee for adoption or foster care). The duration of such parental or bonding leave shall be subject to Valley Water policy.

E. HOLIDAYS

13 designated days per calendar year.

F. BEREAVEMENT LEAVE

3 days of bereavement leave for obligations arising from the death of a parent (including in-law), a grandparent, a spouse, a child (including grandchild), a sibling (including in-law), a **registered** domestic partner, or any member of the immediate household of the Employee. Additional time may be charged to sick leave for a total leave (3 days of bereavement leave plus sick leave) not to exceed 14 consecutive calendar days.

G. CATASTROPHIC LEAVE

A leave without pay may be granted by the Employee's Appointing Authority for a period not to exceed six months, and such leave may be extended upon approval of the CEO for a further period not to exceed six months based upon unforeseen, catastrophic events that directly impact the Employee. Considerations for granting such leave shall include, but not be limited to: (1) the length of service rendered by the Employee; (2) the impact on Valley Water operations; and (3) the need for and availability of a temporary replacement.

V. OTHER BENEFITS

A. DEFERRED COMPENSATION CONTRIBUTION

A 457(b) Deferred Compensation plan is available. Annual Valley Water matching contributions is provided when enrolled in Valley Water's 401(a) Defined Contribution Match Plan as follows: Executive Employees will receive a match up to \$8,000 per calendar year. BAOs will receive a match up to \$8000 per calendar year.

B. FLEXIBLE SPENDING ACCOUNTS (FSA)

Health Care Spending Account – Maximum contribution up to the maximum amount allowed by law for eligible medical, dental, vision and prescription expenses.

Dependent Adult or Child Daycare – Maximum contribution as determined by the IRS.

C. EMPLOYEE ASSISTANCE PLAN

Valley Water provides an Employee Assistance Program (EAP) to the Employees and their dependents with no monthly premium cost to Employees. This program is available 24 hours a day, 365 days a year and is staffed by licensed credentialed counselors and provides information, referrals and short-term counseling for personal issues affecting work or personal life. Supervisors and Managers may also utilize the EAP for assistance with their employee performance concerns.

D. TUITION ASSISTANCE PROGRAM

Executive Employees with six (6) or more months of continuous service, up to 100% reimbursement of tuition costs upon satisfactory completion of an approved college course(s) to a maximum of \$3,500 per fiscal year.

Upon prior written approval by their respective BAO, Executive Employees may also enroll in and receive full reimbursement for specialized training programs targeted to executives such as the Berkeley Executive

Seminar.

E. MEMBERSHIPS AND CERTIFICATIONS

Costs related to job related certifications and memberships in professional organizations will be eligible for reimbursement.

F. COMMUTER CHECKS

Pre-tax deductions are allowed up to the IRS maximum for the purchase of Commuter Checks which can be used as payment for any public transportation or to pay for qualified vanpools.

G. CREDIT UNIONS

Membership is available at the Santa Clara County Employees Credit Union and the Commonwealth Credit Union.

H. CAR ALLOWANCE

BAOs are eligible for a monthly care allowance as follows: CEO and District Counsel (\$600); Clerk of the Board (\$450). Mileage is paid for out of county Valley Water business in addition to the monthly car allowance. This section does not apply to Executive Employees.

VI. TEMPORARY UPGRADE PAY AND SPECIAL ASSIGNMENT PAY FOR ACTING AND INTERIM ASSIGNMENTS

Executive Employees may be temporarily assigned to higher classifications in an acting or interim capacity and receive Temporary Upgrade Pay. The Temporary Upgrade Pay received for the Acting or Interim assignment in the higher classification shall be the starting salary in the salary range for the higher classification or ten percent (10%) above the Executive Employee's current salary, whichever is higher, provided that the Temporary Upgrade Pay shall not exceed the top salary in the salary range of the higher classification. Compensation for Temporary Upgrade Pay will be reported to CalPERS as special compensation if the Executive Employee is a Classic CalPERS Member. Employees enrolled in the 2%@62 formula are eligible for Temporary Upgrade Pay, but additional compensation will not be reported to CalPERS.

An Executive Employee may be temporarily assigned to perform higher-level classification work where the regular employee in the higher classification is on vacation or sick leave, is on a leave of absence, or is on a temporary assignment. The Executive Employee must meet the education, training, or experience requirements for the Temporary Assignment as determined by the manager and hold any necessary licenses or certifications. Special Assignment Pay shall be the starting salary within the salary range of the higher classification or 5% above the Executive Employee's current salary, whichever is higher. Special Assignment Pay is not reportable to CalPERS.

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BENEFIT	SUMMARY
Vacation	<ul style="list-style-type: none"> ➤ Newly hired employees receive 224 hours (28 days/year) of prorated vacation based on date of hire. The prorated amount is vested immediately for the remainder of the fiscal year and is available for use upon approval of the employee's Appointing Authority. Starting the following fiscal year, vacation shall accrue as set forth below for current employees. ➤ Beginning each fiscal year, current employees receive 224 hours (28 days/year) of vacation, which is vested immediately for the entire fiscal year, and may be accumulated up to 4 times entitlement. ➤ Employees may elect either a cash pay-off for up to 28 days (224 hours) or have all or a portion of the cash value transferred to the Deferred Compensation Plan once each year. Elections to cash out vacation must be made in the calendar year prior to the cash out.
Sick Leave	<p>Sick leave is accrued at the rate of 1 day per month (96 hours per year) with unlimited accumulation.</p> <ul style="list-style-type: none"> ▪ Upon resignation, with 10 or more years of service with Valley Water, up to 480 hours of accrued sick leave shall be paid at 25% of the equivalent cash value. ▪ Upon retirement (filed for CalPERS retirement), regardless of years of service with Valley Water, sick leave may be paid out as follows: <ul style="list-style-type: none"> ○ Sick leave balance <i>up to</i> 480 hours is paid out at 50% of the equivalent cash value. Any remaining balance above 480 hours may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out. ○ Entire accrued sick leave balance may be converted into additional CalPERS service credit. No sick leave hours will be paid out. ○ Combination of any portion (<i>up to 480 hours</i>) of the sick leave balance is paid out at 50% and any remaining balance may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out. ▪ Upon death, all accrued, unused sick leave will be paid at 100% of the cash value. <p>Any other payout of accrued sick leave upon separation of employment must be approved by the Chief Executive Officer. Any such approved payout shall not exceed 480 hours of accrued sick leave and shall be at the rate of 25% of the equivalent cash value.</p>
Sick Leave Conservation	<p><u>Sick Leave Conservation Program</u> - Employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) sick leave hours during the preceding twelve (12) month period may convert up to twenty-four (24) hours to cash. Elections to cash out sick leave must be made in the calendar year prior to the cash out.</p>
Executive Leave & Personal Leave	<p>24 hours of executive leave and 32 hours of prorated personal leave provided upon hire. Leave may be converted to cash or credited to the deferred compensation plan at any time during the fiscal year. Automatically paid-out if no election is made.</p>
Parental Leave	<p>Employees may use sick leave (in addition to current vacation, comp time and/or personal leave) for <i>all</i> qualifying parental leave rather than just for pregnancy disability leave. Employees can use this sick leave for bonding (or for the placement of a child with an employee for adoption or foster care). The duration of such parental or bonding leave shall be subject to Valley Water policy.</p>
Bereavement Leave	<p>3 days of bereavement leave for obligations arising from the death of a family member as defined in the At-Will Policy for Employees in the Unclassified Service. Additional time may be charged to sick leave for a total leave (3 days of bereavement leave plus sick leave) not to exceed 10 consecutive working days.</p>
Holidays	<p>13 designated days per calendar year.</p>
CalPERS Retirement for Classic Members Hired Prior to 3/19/2012	<p>California Public Employees Retirement System (CalPERS) 2.5% at 55 retirement plan with final compensation of highest 12 consecutive months. The current required employee contribution is 11%. Effective the first full pay period in July of 2022, the required employee contribution is 8%. Contributions are pre-tax payroll deductions.</p>
CalPERS Retirement for Classic Members Hired On or After 3/19/2012	<p>California Public Employees Retirement System (CalPERS) 2.0% at 60 retirement plan with final compensation of highest 36 consecutive months. The current required employee contribution is 11%. Effective the first full pay period in July of 2022, the required employee contribution is 7%. Contributions are pre-tax payroll deductions.</p>

CalPERS Retirement for New Members <i>Hired On or After 1/1/2013</i>	California Public Employees Retirement System (CalPERS) 2.0% at 62 retirement plan with final compensation of highest 36 consecutive months. The current required employee contribution is 50% of the total normal cost as determined by the annual CalPERS valuation plus 2%. Employees are required to pay 50% of the total normal cost as determined by the annual CalPERS valuation and is subject to change each fiscal year. The current required employee contribution is 50% of the total normal cost as determined by the annual CalPERS valuation plus 2%. Effective the first full pay period in July of 2022, the current required employee contribution is 6.75% . Contributions are pre-tax payroll deductions.
Retirement Health Benefits for Employees <i>Hired Prior to 12/30/2006</i>	<p>Medical coverage is provided for retired employees with 10 years of continuous service with Valley Water.</p> <p>Medical, Dental and Vision coverage is provided for retired employees and one eligible dependent with 15 or more years of continuous service with Valley Water.</p> <p>Medical, Dental and Vision coverage is provided for retired employees plus two (2) or more eligible dependents with 25 or more years of continuous service with Valley Water.</p>
Retirement Health Benefits for Employees <i>Hired on or after 12/30/2006 and Prior to 3/1/2007</i>	<p>Medical coverage is provided for retired employees with 10 years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.</p> <p>Medical, Dental and Vision coverage is provided for retired employees and one eligible dependent with 15 or more years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.</p> <p>Medical, Dental and Vision coverage is provided for retired employees plus two (2) or more eligible dependents with 25 or more years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.</p>
Retirement Medical Benefits for Employees <i>Hired On or After 3/1/2007</i>	<p>Medical coverage is provided for retired employees with 15 years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.</p> <p>Medical coverage is provided for retired employees and one eligible dependent with 20 or more years of continuous service with Valley Water. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.</p>
Public Service Credit Towards Retirement Health Benefits	<ol style="list-style-type: none"> For purposes of satisfying the continuous Valley Water service requirement above, Valley Water employees employed or hired during any portion of the January 1, 2022 – December 31, 2025 term of the eis Second Aamended Compensation Plan <u>for Unrepresented Employees in the Executive Service (Second Amended Compensation Plan)</u> shall be credited up to ten (10) years (20,800 hours) for any prior employment at the State of California or any political subdivision thereof, including any city, county or special district. This provision shall not apply retroactively to former Valley Water employees who left Valley Water employment prior to the effective date of the eis Second Aamended Compensation Plan. To be eligible for the Service Credit, employees shall have a minimum of five (5) years (10,400 hours) of actual and continuous employment at Valley Water prior to the date of retirement with CalPERS. For employees hired during the term of the eis Second Aamended Compensation Plan, completion of the aforementioned five-year (10,400 hours) requirement following expiration of the eis Second Aamended Compensation Plan Memorandum of Understanding shall be sufficient to trigger the survival clause in subsection (e) below. Eligibility for the service credit under this subsection is further conditioned upon employees' full cooperation with Valley Water in any reasonable efforts to obtain records or other proof of employees' prior public agency service. Service credit awarded during the term of the eis Second Aamended Compensation Plan pursuant to this section shall survive expiration of the eis Second Aamended Compensation Plan. However, nothing in this section is intended to create any other duties or obligations of Valley Water for future employees hired after the expiration of the eis Second Aamended Compensation Plan.
Health Insurance	<p>Medical, Dental, Vision Care and EAP benefits are provided by Valley Water. Employees pay 15% towards Valley Water's monthly premium cost for medical coverage. Dental, Vision Care and EAP coverage is provided by Valley Water with no monthly premium cost to the employee.</p>

	<p>Medical, Dental, Vision Care and EAP benefits are provided to all regular employees and their eligible dependents including domestic partners. Domestic partner coverage is taxable income for federal income tax purposes.</p> <p>Valley Water employees may only receive coverage under one plan; either as single coverage or family coverage and either as the primary subscriber or as a dependent under the plan of a spouse or domestic partner who is a regular Valley Water employee. Eligible dependents will only be covered under one employee's medical plan.</p>
Disability Insurance	Valley Water provides Short Term Disability (STD) equal to 66 2/3% of salary to a maximum weekly benefit of \$3,462 with a 14-day waiting period. STD may transition into Long Term Disability (LTD) after 180 days of disability and then provide 66 2/3% of salary to a maximum monthly benefit of \$15,000.
Life Insurance	<p>Valley Water provides life insurance benefits equal to employee's annual salary up to a maximum benefit of \$100,000 with a five-year phase out in declining increments of \$10,000 per year starting with \$50,000 coverage upon retirement. The premium attributable to life insurance benefit exceeding \$50,000 is considered "imputed income" and must be reported as taxable earnings on the W-2 statement each year, as required by the IRS.</p> <p>Optional supplemental life insurance available in amounts equal to 1, 2, 3 or 4 times annual salary to a maximum benefit of \$750,000 is available at employee cost.</p>
Pet Insurance	Valley Water offers pet insurance through Nationwide. Employees have the option to enroll one or more pets and can choose from three levels of coverage with My Pet Protection.
Other	<p>Board Appointed Officers (BAO) are eligible for a monthly car allowance as follows: CEO & General Counsel = \$600 / Clerk of the Board = \$450. Mileage is paid for out-of-county Valley Water business in addition to monthly car allowance.</p> <p>Valley Water owned communication devices are provided, including cell phones, pagers, two-way radios, tablets, and computers. A monthly stipend for smart phones is provided.</p>
	Tuition Assistance Program – Unclassified employees with six (6) or more months of continuous service, up to 100% reimbursement of tuition costs upon satisfactory completion of an approved course to a maximum of \$3,500 per fiscal year.
	Employee Assistance Program (EAP) – Valley Water provides an EAP to employees and their eligible dependents that is staffed by licensed credentialed counselors and provides information, referral and short-term counseling for personal issues affecting work or personal life.
	Commuter Checks – Pre-tax deductions are allowed up to the IRS maximum for the purchase of Commuter Checks which can be used as payment for any public transportation or to pay for qualified vanpools.
Deferred Compensation	Deferred compensation plan is available at employee's option, with up to \$8,000 in annual matching contributions each calendar year from Valley Water.
Flexible Spending Account (FSA)	<p>➤ Health Care Spending Account – Maximum contribution up to \$2,750 for eligible medical, dental, vision and prescription expenses.</p> <p>➤ Dependent Adult or Child Daycare – Maximum contribution \$5,000 per family or \$2,500 if you file taxes "Married Filing Separately" per calendar year.</p>
<i>This is a summary of benefits only. Official plan documents/agreements govern how a benefit is determined or administered.</i>	

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Santa Clara Valley Water District

File No.: 21-1127

Agenda Date: 11/23/2021

Item No.: 3.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve the Agreement with Sjoberg Evashenk Consulting, Inc, CAS File 5183 for Board Audit Consultant Services 2021, for a not-to-exceed fee of \$800,000.

RECOMMENDATION:

Approve the Agreement with Sjoberg Evashenk Consulting, Inc, for Board Audit Consultant Services 2021 (Project) for a not-to-exceed fee of \$800,000.

SUMMARY:

With this agreement, the Consultant will serve as advisor to the Board of Directors' Audit Committee (Board Audit Committee) in fulfilling its duties, responsibilities, and functions. Specifically, the Consultant will assess operational risks and advise on potential audits to ensure Santa Clara Valley Water District is in compliance with its policies, procedures and regulations. The recommended audits may or may not be conducted by the Consultant. The Consultant will also assist in preparing an annual program of audits with associated calendars, schedules and budgets and prepare formal and informal reports and presentations to the Board Audit Committee and to the full Board of Directors.

Consultant Selection Process

On April 21, 2021, a Request for Proposal (RFP) for Board Audit Consultant Services 2021 was published on Valley Water's Contract Administration System (CAS). The RFP notification was sent to firms that are registered in CAS, under expertise code FS10 - Auditing Services. Valley Water received proposals from three consultant firms, Baker Tilly US, LLP, Moss Adams LLP, and Sjoberg Evashenk. An Evaluation Committee (EC), consisting of three subject matter experts with audit services of Valley Water, ranked the written proposals. Three firms, Baker Tilly US, Moss Adams LLP, and Sjoberg Evashenk Consulting, Inc. were invited to participate in the subsequent virtual oral interviews conducted on June 29, 2021.

Based on the combined (written and oral) rating scores, the EC recommended staff to proceed with the highest ranked firm, Sjoberg Evashenk Consulting, Inc., for contract negotiations.

FINANCIAL IMPACT:

The Agreement with Sjoberg Evashenk Consulting, Inc. for Board Audit Consultant Services 2021 has a not-to-exceed amount of \$800,000. The duration of this agreement spans multiple budget cycles. Funding for this item is partially included in Fiscal Year 2021-22, and the remainder will be requested by staff in future budget cycles for Fiscal Years 2022-23, 2023-24, and 2024-25 under project 60131014 (Continual Improvement).

CEQA:

The recommended action to approve the Agreement does not constitute a project under the California Environmental Quality Act (CEQA) because it does not have the potential to result in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Agreement

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068



STANDARD CONSULTANT AGREEMENT

(For Administrative (General) Consultant Contracts)
Terms and Conditions Template
Rev. B 5/11/2020-6/30/2021

This agreement (Agreement) is effective once fully executed (Effective Date), by and between SANTA CLARA VALLEY WATER DISTRICT (Valley Water), and SJOBERG EVASHENK CONSULTING, INC., a California corporation (Consultant), individually the Party or collectively the Parties.

WHEREAS, Valley Water desires certain services hereinafter described and Consultant affirms it has the requisite experience and expertise, and desires to provide such services.

NOW, THEREFORE, Valley Water and Consultant, for the consideration and upon the Terms and Conditions specified, agree as follows:

SECTION ONE

SCOPE OF SERVICES

The Scope of Services (Services) to be performed pursuant to this Agreement is described in the Schedule(s), attached hereto and incorporated herein by this reference (Schedule(s)). Services described in each Schedule are considered a Scope of Services that is separate and apart from the Scope of Services described in another Schedule.

SECTION TWO

DUTIES OF CONSULTANT

1. Performance

- A. Each Scope of Services described in an attached Schedule(s) must be performed by Consultant, or at its direction, in a manner sufficient to meet the purposes specified in this Agreement. References to "Consultant" herein include those performing any portion of the Services at its direction such as Subconsultants, vendors, suppliers, subcontractors, and other business entities and individuals. Consultant will collaborate with Valley Water staff in engineering, operations, and maintenance units to be made aware of Valley Water operational constraints, procedures, or preferences relevant to Consultant's performance of the Services described in the attached Schedule(s).
- B. Unless the requirements for the Services described in the attached Schedule(s) are specifically modified in writing, Consultant must perform services and provide all deliverables as required.
- C. Consultant shall not undertake any Services not described in the attached Schedule(s) unless authorized in writing by Valley Water prior to the performance of such Services by issuance of a Task Order or pursuant to an amendment to this Agreement signed by both Parties.

2. Consultant Controlled Areas

Consultant is responsible for the security and safety of the area(s) it controls wherein it is required to perform field operations pursuant to a Scope of Services.

3. Licensing – NOT USED

Services performed by Consultant will be undertaken only by persons appropriately licensed, certified, or registered in California, as applicable to the Services described herein, when required by statutes or regulations, as well as pursuant to the relevant standard of care as described in subsection 11, Standard of Care. Consultant shall make available upon Valley Water's request, documentation of qualifications and licensing of personnel performing Services described herein.

4. Valley Water's Approval of Deliverables

Deliverables prepared by Consultant, notwithstanding acceptance and approval by Valley Water, which Valley Water determines must subsequently be modified due to errors or omissions, will be corrected at no additional cost to Valley Water.

5. Errors and Omissions – NOT USED

The Services may include preparation of deliverables by Consultant to be implemented in a public works construction project. Consultant is responsible for any direct or actual damages incurred by Valley Water which Valley Water determines result from Consultant's errors or omissions in Consultant's deliverables.

6. Valley Water Standardization Requirements

Consultant shall perform the Services utilizing Valley Water nomenclature, standardized forms, software requirements, documented procedures, and best management practices. Consultant shall use Microsoft Office software that is compatible with Valley Water Microsoft Office software used at the time(s) Valley Water issues a Notice-to-Proceed (NTP) pursuant to this Agreement.

7. Consultant Key Staff and Subconsultants

- A. Consultant's Key Staff and firms subcontracted by the Consultant (Subconsultants) assigned to perform the Services are identified in Attachment Three to the Scope of Services, Consultant's Key Staff and Subconsultants.
- B. The Project team organization chart and delegated responsibilities of each team member will be submitted to Valley Water for concurrence.
- C. Consultant may utilize Subconsultants, subcontractors, suppliers, or vendors it deems appropriate to the complexity and nature of the required Services.
 - 1) Consultant must obtain Valley Water's approval of all Subconsultants. Upon Valley Water's request, Consultant must provide copies of all Subconsultant agreements.

- 2) Consultant must require its delegates or Subconsultants to agree, in writing, to adhere to Terms and Conditions of this Agreement.
- D. Any delegation or use of Subconsultants by Consultant will not operate to relieve Consultant of its responsibilities as described in this Agreement.
- E. If any of Consultant's designated key staff persons or Subconsultants fail to perform to the satisfaction of Valley Water, on written notice from Valley Water, Consultant will have 15 calendar days to remove that person from the Project and provide a replacement acceptable to Valley Water.
- F. Consultant will not charge Valley Water for the time it takes Consultant's replacement personnel to obtain Valley Water-specific Project knowledge in the possession of the person(s) being replaced.

G. Consultant's Key Staff

Valley Water Project Manager may approve any revisions to Consultant's list of key staff assigned to the Project as an administrative modification to this Agreement, and such approval will be confirmed in writing.

H. Consultants Subconsultants

- 1) Valley Water Project Manager may approve any revisions to Consultant's list of authorized Subconsultants when the Subconsultant is deleted from the list and the Scope of Services is deleted from the Agreement or such services are assumed by the Consultant; such approval will be confirmed in writing.
- 2) Valley Water's authorized representative may approve any revisions to Consultant's list of authorized Subconsultants when a listed Subconsultant is replaced (to perform the same Scope) or a new Subconsultant is added (to perform new Scope), provided the firm complies with all insurance requirements established by Valley Water for such work; such approval will be confirmed in writing.

8. Compliance with All Laws

- A. Consultant's performance must be in compliance with the most current versions of any and all laws relevant to the Services it performs pursuant to this Agreement, including, but not limited to adherence to: all applicable governmental laws, statutes, ordinances, rules, codes, regulations, orders, and other requirements; governmental requirements applicable to state and federal compliance with the state and federal Endangered Species Act; state and federal water quality laws; and all other state and federal laws or regulations regarding environmental protection and compliance, health, safety, wages, hours, equal employment opportunity, nondiscrimination, working conditions, and transportation. In the event that Valley Water's assistance is necessary to achieve such compliance, Consultant shall promptly notify Valley Water.

- B. Consultant shall provide, at Valley Water's request, documentation demonstrating Consultant's compliance with all laws as described herein. After reasonable notice and according to reasonable conditions, Valley Water has the right to inspect and copy any records of Consultant regarding such compliance.
- C. Consultant represents and warrants that neither Consultant nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal government department or agency.

9. Occupational Safety and Health

- A. Consultant will perform the Services in compliance with the most current versions of all laws, standards, rules, and regulations of the Occupational Safety and Health Act, and all state and federal laws and regulations relating to safety and health standards. Consultant shall perform the Services in compliance with, will furnish only supplies, articles, and equipment that comply with such laws, standards, and regulations.
- B. Consultant shall immediately notify Valley Water in the event of any personal injury accident or occurrence occurring during the performance of the Services. Upon Valley Water's request, Consultant shall provide Valley Water with documentation fully describing the accident and injury and the actions implemented to prevent similar occurrences.

10. Consultant as Independent Contractor

Consultant will perform all services as an independent contractor and not an agent or employee of Valley Water. Consultant represents and warrants that it and its contractors who are performing any of the Services as Subconsultants will perform such services as an independent contractor, and neither Consultant nor Subconsultants nor their employees are the servants, agents or employees of Valley Water. Except as expressly provided in this Agreement, Valley Water exercises no direction, supervision or control over Consultant, its employees, agents, or Subconsultants.

11. Standard of Care

- A. Consultant must possess and maintain during the term of this Agreement, all certifications, licenses, permits, and qualifications to perform the Services and prepare all deliverables. Consultant must perform all services and prepare all deliverables in accordance with those standards and practices of care, skill, and diligence that are generally recognized and customarily observed by competent persons in Consultant's area of specialty in the State of California at the time such services are rendered.
- B. Consultant shall perform the Services and prepare all deliverables without any errors or omissions, and in accordance with Section Two, Duties of Consultant, subsection 8, Compliance with All Laws.
- C. Consultant and its Subconsultants must perform the Services in compliance with all applicable written federal, state and local codes, statutes, laws, regulations, and ordinances, including, but not limited to, environmental, energy conservation, and

disabled access requirements as per the provisions of Section Two, Duties of Consultant, subsection 8, Compliance with All Laws.

- D. Consultant warrants that: all work under this Agreement shall be Consultant's original work and none of the services or inventions or any development, use, production, distribution or exploitation thereof will infringe, misappropriate or violate any intellectual property or other right of any person or entity (including, without limitation, Consultant); and Consultant has the full right to allow it to provide Valley Water with the assignments and rights provided for herein.

SECTION THREE

DUTIES OF VALLEY WATER

1. Available Data

Valley Water will make available to Consultant all data and information in its possession and control and which it deems necessary to the preparation of the deliverables specified in the Schedule(s). Valley Water will actively aid and assist Consultant in obtaining such information from other agencies and individuals as it deems necessary. Valley Water is not responsible for providing data and information that it does not possess.

2. Review of Deliverables

- A. Valley Water will designate a Project Manager (Valley Water Project Manager) for purposes of administering and managing this Agreement.
- B. Consultant's progress in completing the Services will be reviewed by Valley Water's Project Manager at each milestone identified in the Schedule(s) and at such other time(s) at the discretion of Valley Water.
- C. Consultant must notify Valley Water in writing when it completes each deliverable described in the Schedule(s) and provide Valley Water with said deliverable. Deliverables deemed satisfactory and in compliance with this Agreement are subject to approval by Valley Water. Within 30 calendar days of receipt of each deliverable, Valley Water will either (1) notify Consultant that Valley Water accepts the deliverable, or (2) notify the Consultant that the deliverable is not acceptable and must be revised.
- D. If Valley Water advises Consultant that a deliverable must be revised due to errors or omissions by the Consultant, Consultant must correct, at no cost to Valley Water, those deficiencies as soon as possible and shall notify Valley Water upon completion of the revised deliverable and submit to Valley Water.
- E. Valley Water will then review the revised deliverable and within 30 calendar days of receipt, advise the Consultant if the revised deliverable is acceptable. All deficient deliverables will be revised at no cost to Valley Water and this process will continue until Consultant has corrected all deficiencies identified by Valley Water.

- F. None of the proposed changes or revisions or anything else in this Agreement will be construed to relieve the Consultant of professional or legal responsibility for the performance of the services as otherwise required by the Terms and Conditions of this Agreement. Corrections to any deliverable as a result of Consultant's errors or omissions will not result in additional costs or expenses to Valley Water.

3. Access to Valley Water Facilities

Valley Water will facilitate access to Valley Water facilities as required for the Consultant to perform the Services.

SECTION FOUR

FEES AND PAYMENTS

1. Total Not-to-Exceed Fees

- A. Payment for all Services performed by Consultant to the satisfaction of Valley Water, as described in the Schedule(s) will be based on the Total Not-to-Exceed (NTE) Fees stated in Attachment One to the Schedule(s), Fees and Payments, for completion of the associated tasks. Valley Water will make payments to the Consultant according to the terms provided for herein and in Attachment One to the Schedule(s), Fees and Payments. Payments made by Valley Water to the Consultant for Services rendered will be considered full compensation for all personnel, materials, supplies, Subconsultant(s), equipment, reimbursable travel and per diem expenses incurred by the Consultant to perform the services.
- B. Upon the written approval of Valley Water Deputy Operating Officer referenced herein, unused fees from a completed or cancelled task may be re-allocated to a task that has not yet been completed, provided the Agreement Total Not-to-Exceed Fees is not exceeded. Transferring fees from a task not yet completed to a different task is not permitted.
- C. Upon the written approval of Valley Water Deputy Operating Officer referenced herein, the Scope of Services described in a task may be reduced or eliminated. If the Scope of Services of a task is reduced or eliminated, the portion of the fees attributable to that reduced or eliminated task may be allocated to revised existing tasks, or transferred to a Supplemental Services task, if provided for herein.
- D. Any reduction or elimination of tasks and any inter-task transfers will be clearly noted and described in the subsequent monthly progress report to Valley Water.
- E. Services to be performed pursuant to the Supplemental Services task, if provided for herein, will commence only after issuance of a fully executed Task Order.
- F. Automobile travel mileage expenses will be paid at the current IRS rate. Valley Water will not reimburse Consultant nor its Subconsultants for mileage nor travel time to and from Valley Water Headquarters and surrounding campus located at 5700 Almaden Expressway, San Jose, California. However, Valley Water will reimburse Consultant and its Subconsultants for mileage incurred from Valley Water Headquarters or Consultant's and Subconsultants' firm address, whichever is closer to the destination, to Project

site(s) and, if directed or authorized by Valley Water, to meeting locations with regulatory agencies, for community outreach activities and meetings, for partnering meetings, and Dispute Review Board meetings.

2. Consultant Monthly Invoices

- A. Consultant's monthly invoices will be prepared in accordance with the terms of this Agreement, Section Four, Fees and Payments, and represent Services performed and reimbursable costs incurred during the identified billing period. Invoices must be consistent with Scope of Services described in the Schedule(s) attached hereto; and include the following:
- 1) Employee classification and name itemized with all labor charges by Service task,
 - 2) Summary of the amount Consultant has been billed by their Subconsultants and further detailed by Service task,
 - 3) Other direct charges and expenses by Service task,
 - 4) Other direct charges and expenses must reflect actual fees versus the Agreement Not-to-Exceed Fees as stated in Attachment One to Schedule(s), Fees and Payments, and
 - 5) To the extent that the Consultant is adding an administrative, processing, overhead or mark-up fee, Valley Water will not pay for such duplication of costs for both the Consultant and its Subconsultants.
- B. Before submitting monthly invoices, a progress report and draft invoice (in Adobe PDF format) will be provided by the Consultant for preliminary review by Valley Water Project Manager. Upon preliminary approval by Valley Water, the Consultant will mail the complete signed and dated hardcopy invoice, including all supporting documentation. Valley Water's preliminary review of the draft invoice does not represent final approval of the hardcopy invoice, but is intended to reduce potential for re-submittals of hardcopy invoice by Consultant.
- C. Each monthly invoice must include a monthly progress report that documents whether or not the Services are on schedule to be completed in accordance with the Project Schedule in Attachment Two to the Schedule(s), Schedule of Completion, which applies to the specific Scope of Services, and within the Agreement NTE Fees in accordance with Attachment One to the Schedule(s), Fees and Payments. The progress report shall document Services completed; document the execution of the tasks described in this Services; and enable Valley Water to evaluate the Consultant's progress and performance towards completion of the Services.
- 1) The monthly progress report shall include:
 - a. An assessment of actual versus planned progress in completing the Services, including a description of the tasks and deliverables completed to date;

- b. A look-ahead schedule listing deliverables and activities planned for the next two months;
 - c. A statement that progress towards completion of the Services is on schedule and will be completed within the timeline set forth in the Schedule of Completion; or, if completion of the Services is not on schedule, then a statement of the anticipated length of the delay, the cause of the delay, measures proposed or taken to prevent or minimize the delay, and the schedule for implementation of such measures;
 - d. A summary of performed tasks to date, an updated Project work plan including estimate of work required to complete this Agreement, explanation of any major variances in percentage of services to be completed compared to percentage of this Agreement NTE fees remaining, and any anticipated changes to this Agreement that may be necessary to complete the Services;
 - e. For any proposed change to the Scope of Services, provide a summary of the proposed changes, including supporting rationale for such change;
 - f. For each task, the percentage of the fees incurred for the task compared to dollar amount allocated to the task, the percentage of services performed versus the percentage of Agreement NTE fees incurred for such task, and explanation of any significant variances in percentage of services performed compared to percentage of fees incurred;
 - g. A statement that all tasks, as specified in this Agreement, shall be completed within the NTE amount of the Agreement;
 - h. Level of Small Business Enterprise (SBE) participation, if applicable, documenting the level of SBE participation throughout the Project; and
 - i. Any changes in Consultant's key staff or Subconsultants.
- D. Invoices will include a summary of labor expenditures, direct costs, and billed Subconsultant charges. Invoices, transmitted separately from the monthly progress reports, will be organized such that the billing categories correspond with the Services tasks.
- E. Consultant shall send all invoices to:
- 1. Electronic copies to be sent via email: APinvoice5750@valleywater.org;
 - 2. Hard Copies to be sent to:

Santa Clara Valley Water District
 Attention: Accounts Payable
 P.O. Box 20670
 San Jose, CA 95160-0670

- F. In addition to ensuring that each invoice is accompanied with a progress report, Consultant must also ensure that each invoice contains the following information:
- 1) Agreement Number;
 - 2) Full Legal Name of Consultant/Firm;
 - 3) Payment Remit-to Address;
 - 4) Invoice Number;
 - 5) Invoice Date (the date invoice is mailed); and
 - 6) Beginning and end date for billing period that services were provided.
- G. Consultant shall invoice for its performance of the Services on a monthly basis consistent with the task fee breakdown stated in Attachment One to the Schedule(s), Fees and Payments, which applies to the specific Scope of Services.
- H. Valley Water's Project Manager will review Consultant's written invoice within five Valley Water business days of receipt, address any questions with Consultant's Contact-Principal Officer and approve the undisputed amount of the invoice within ten working days of receipt of the invoice. Valley Water will pay undisputed invoice amounts within 30 calendar days from date invoice is received by Valley Water's Project Manager.
- I. If Supplemental services are required, Consultant services will be provided on a time and material basis as described in the Schedule(s), Fees and Payments, will be performed by its staff members and Subconsultants' staff members at the lowest hourly and unit rates commensurate with the complexity of the required services.

3. **Prevailing Wages – NOT USED**

- A. A portion of the Services to be performed pursuant to this Agreement may be considered "Public Works" subject to California Labor Code §1771, et. seq. and the applicable implementing regulations. If Consultant's Services includes such work, Consultant and its Subconsultants must comply with all Labor Codes applicable to prevailing wages.
- B. Labor Code §1720 provides as follows:
- “(a) As used in this chapter, “public works” means all of the following:
- (1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by a public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, “construction” includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction, including, but not limited to, inspection and land surveying work, regardless of whether any further construction work is conducted, and work performed during the postconstruction phases of construction, including, but not limited to, all cleanup work at the jobsite. For purposes of this paragraph, “installation” includes, but is not limited to, the assembly and disassembly of freestanding and affixed modular office systems.”
- C. Consultant and its Subconsultants shall not engage in the performance of public work, as defined in California Labor Code §1771.1, unless currently registered and qualified to perform public work pursuant to California Labor Code §1725.5.

- D. The General Prevailing Wage Rates issued by the California Department of Industrial Relations may be adjusted by the State throughout the term of this Agreement. Notwithstanding any other provision of this Agreement, Consultant will not be entitled to any adjustment in compensation rates in the event there are adjustments to the General Prevailing Wage Rates.
- E. This Agreement is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations. Upon request, the Consultant and Subconsultants must furnish the records specified in Labor Code §1776 directly to the Labor Commissioner, in a format prescribed by the Labor Commissioner.
- F. All records or documents required to be kept verifying statutory compliance with the prevailing wage requirement, such as certified payroll records, must be made available for audit at no cost to Valley Water, in electronic or hard copy format, at Valley Water's discretion, and hard copies made available at any time during regular business hours, upon written request by Valley Water.
- G. **California State Department of Industrial Relations Contractor and Sub-Contractor Registration Requirements**

Prior to Valley Water executing a Task Order for Services involving public works, as defined herein, Consultant, and its Subconsultant(s) performing public works, must provide evidence, in the form required by Valley Water, that Consultant and its Subconsultant(s) are in compliance with the California State Department of Industrial Relations Contractor and Sub-Contractor Registration Requirements.

4. **Retention – NOT USED**

- A. Unless otherwise specified in Attachment One to the Schedule(s), Fees and Payments, when the total compensation payable pursuant to this Agreement exceeds \$20,000, ten percent of each invoice will be withheld by Valley Water and not paid to Consultant until 30 calendar days after the assigned Valley Water representative signs off the final approval for all Services/deliverables as stated in the applicable Schedule, Attachment Two Schedule of Completion, and Section Three, Duties of Valley Water, subsection 2. Review of Deliverables.
- B. Provided that at any time after 50% of the work has been completed, Valley Water may, at its sole discretion, determine that satisfactory progress is being made in the completion of the Agreement, and prospectively make the remaining progress payments in full. The retention previously withheld on the first 50% of the work will continue to be withheld until final agreement close out.

SECTION FIVE

SCHEDULE OF COMPLETION

1. Performance of Tasks

Consultant will commence performing the tasks described in the Scope of Services of the attached Schedule(s) to this Agreement upon receipt of the Notice-to-Proceed (NTP) issued by Valley Water.

2. Project Schedule Table

Consultant will perform and complete the services described in the Scope of Service in accordance with the Project Schedule table (Project Schedule) as stated in Attachment Two to the Schedule(s), Schedule of Completion. Consultant will coordinate services with Valley Water to provide the timeline of all tasks and sub-tasks including the site visits, document review, meetings, and deliverables.

3. Monitoring of Project Schedule

The approved Project Schedule will be monitored monthly. Changes to the schedule for performance of tasks and deliverables are subject to advance written approval by Valley Water.

4. Project Delays

Consultant will make all reasonable efforts to comply with the Project Schedule as stated in the Attachment Two to the Schedule(s), Schedule of Completion. In the event the Project Schedule will be delayed, Consultant will notify Valley Water Project Manager as soon as possible, providing the reason why, the length of the delay, and a description of the actions being taken to address the delay. In the event Consultant is delayed in performance of its services by circumstances beyond its control, District may at its discretion grant, a reasonable adjustment in the Project Schedule.

5. Changes to the Project Schedule

District's Project Manager and Consultant may agree to modify the Project Schedule specified for Consultant's performance as an administrative modification to the Agreement and will confirm such modifications in writing.

SECTION SIX

AGREEMENT MODIFICATIONS

The Parties may agree to modify the Terms and Conditions of this Agreement by executing a written amendment hereto.

SECTION SEVEN

TERM AND TERMINATION

1. Term & Automatic Termination

This Agreement encompasses all Services that Consultant is responsible to perform within the time limits and Not-to-Exceed Fees set forth herein. Consultant will not undertake to

provide Services where it reasonably appears that the Services cannot be provided and expenses cannot be incurred within said total compensation limit and the applicable Not-to-Exceed Fees of any Task Order.

2. Valley Water Rights

- A. Suspension: Valley Water may, by written notice to Consultant, suspend any or all Services pursuant to this Agreement or to any individual Task Order. Valley Water may subsequently terminate this Agreement or any Task Order for convenience, or determine to proceed. If a decision to proceed is not made within 90days from the date of the notice of suspension, any decision to proceed must be conditioned upon execution of a new Notice-to-Proceed or Task Order.
- B. Termination for Convenience: Valley Water may, by written notice to Consultant, terminate all or part of this Agreement or any Task Order at any time for Valley Water's convenience. Upon receipt of such notice, Consultant will immediately cease all work as specified in the notice. If this Agreement or any Task Order is so terminated, Consultant will be compensated as set forth in subsection 3, Consultant's Compensation upon Termination or Suspension.
- C. Termination for Breach: If Consultant violates any of the covenants, agreements or stipulations of this Agreement or a Task Order, or if Consultant fails to fulfill in a timely and proper manner its obligations pursuant to this Agreement or any Task Order, and does not cure such failure or violation within 30 days (or a reasonable extension thereof, if requested, which extension will not be unreasonably withheld) after receipt of written notice from Valley Water specifying such failure or violation, Valley Water will thereupon have the right to terminate this Agreement and any or all uncompleted Task Orders by giving written notice to Consultant of such termination. Such notice will specify the effective date thereof, and Consultant will not be entitled to compensation for services or expenses beyond the specified termination date.
- D. If, after notice of termination for breach of this Agreement or any Task Order, it is determined that Consultant did not breach the Agreement or Task Order, the termination will be deemed to have been effected for Valley Water's convenience, and Consultant will receive payment that is allowed by this Agreement for a termination for convenience.
- E. The rights and remedies provided herein to Valley Water are in addition to any other rights and remedies provided by law, this Agreement, or a Task Order.

3. Consultant's Compensation Upon Termination or Suspension

In the event of termination of this Agreement or any Task Order, or suspension of Services by Valley Water, Consultant shall receive compensation based on satisfactory performance, accepted by Valley Water, as follows:

- A. For Direct Labor: Consultant shall be entitled to receive compensation for all authorized direct labor performed prior to termination or suspension pursuant to the provisions of this Agreement or Task Order and all authorized labor expenses incurred to demobilize from the Project after the date of termination or suspension;

- B. For Other Direct Costs and Expenses: Consultant shall be entitled to receive compensation for all authorized other direct costs and expenses incurred prior to termination or suspension and all authorized expenses incurred to demobilize from the Project after the date of termination or suspension; and
- C. In no event shall the total compensation paid for any item of Service exceed the payment specified in the Agreement or applicable Task Order for that item of Service.

4. Survival

The Terms and Conditions of this Agreement, that by their context and a standard of reasonableness, are intended to survive termination, suspension, completion, and expiration of this Agreement, shall survive, including but not limited to, the following Sections and subsections: Independent Contractor Status, Confidentiality, Indemnification, Insurance Requirements, and Dispute Resolution, as well as any Consultant representations and warranties.

SECTION EIGHT

INDEMNIFICATION

Notwithstanding any other provision of this Agreement, Consultant agrees to indemnify, defend and hold harmless Valley Water, its agents, officers, directors, and employees from and against any and all demands, claims, damages, losses and reasonable expenses, including but not limited to liabilities, obligations, claims, costs, reasonable expenses (including without limitation interest, penalties and reasonable attorney's fees), fines, taxes, levies, imposts, assessment, demands, damages or judgments of any kind or nature, whether in law or equity (including without limitation, death or injury to any person, property damage, administrative and judicial orders and consents, or any other loss) to the extent they arise out of, pertain to, or relate to the Consultant's negligence, recklessness, or willful misconduct. The foregoing does not limit any strict liability imposed onto the Consultant by law. The rights, duties, and obligations of the Parties as set forth above in this Section Eight, Indemnification, survive termination, expiration, completion, and suspension of this Agreement.

SECTION NINE

INSURANCE REQUIREMENTS

Insurance requirements applicable to this Agreement are set forth in the Standard Consultant Agreement, Appendix Four, Insurance Requirements. Consultant must provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, all insurance coverages as detailed in the Standard Consultant Agreement, Appendix Four, Insurance Requirements to the Standard Consultant Agreement, and comply with all provisions stated therein.

SECTION TEN

OWNERSHIP AND REUSE OF DELIVERABLE

1. Valley Water Ownership

All deliverables and other materials prepared by Consultant, including computer programs and media developed by the Consultant, to perform the Services, during the term of this Agreement, will be and remain the property of Valley Water following payment in full to Consultant for each task or portion of a completed task, or in accordance with Section Seven, Term and Termination. In the event the work is not completed, the completed portions thereof will become the property of Valley Water. Consultant will provide Valley Water with such deliverables and material at appropriate times during this Agreement. Consultant may retain a copy for its records. Consultant does not convey, assign, or transfer the intellectual property rights it has so as to limit its ability or right to develop, design, or provide services on other projects of or for its other clients.

2. Reuse of Instruments of Service

If Valley Water desires to reuse the completed plans, specifications, or other deliverables, in total or in part, on project sites associated with this Agreement, or any other site, or to complete any incomplete portion of construction documentation which Valley Water has already paid Consultant, Valley Water will release Consultant from any liability incurred by Valley Water from reusing said deliverables.

3. Copies of Data

Copies of data exchanged by, thru, and between Valley Water and Consultant that may be relied upon are limited to printed copies. Computer-generated files, disks, or tapes of text, data or graphics that are furnished are only for the mutual convenience of the Parties.

4. Computer-Generated Material

Any risk of translation or reliance on information obtained or derived from the computer-generated material will be at the user's sole risk, and no representations are made, either express or implied, as to the long-term performance of data thus transferred.

5. Work for Hire

Any and all original correspondence, memoranda, reports, designs, plans, specifications, data compilations, computer programs, or drawings delivered to Valley Water by Consultant according to the Terms of this Agreement, in or by any medium is deemed to be "work for hire" according to the copyright laws of the United States and the copyright will belong to Valley Water.

6. Copyright Claims

Co-venturers, subcontractors, Subconsultants, suppliers, and vendors to Consultant are likewise bound by these copyright terms. Valley Water makes no copyright claim and requires no release for copyrighted material or trademarked names used incidentally by Consultant.

SECTION ELEVEN

EQUAL OPPORTUNITY

1. Equal Opportunity Employer

The Valley Water is an equal opportunity employer and requires its consultants to have and adhere to a policy of equal opportunity and non-discrimination. In the performance of the Agreement, Consultant will comply with all applicable federal, state, local laws and regulations, and will not discriminate against any subcontractor, employee, or applicant for employment in the recruitment, hiring, employment, utilization, promotion, classification or reclassification, transfer, recruitment advertising, evaluation, treatment, demotion, layoff, termination, rates of pay or other forms of compensation, and selection for professional development training (including apprenticeship), or against any other person, on the basis of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, color, national origin (including language use restrictions), ancestry, religious creed (including religious dress and grooming practices), political affiliation, disability (mental and physical, including HIV or AIDS), medical condition (cancer and genetic characteristics), genetic information, marital status, parental status, gender, age (40 and over), pregnancy, military and veteran status, sexual orientation, gender identity and gender expression, the exercise of family and medical care leave, the exercise of pregnancy disability leave, or the request, exercise, or need for reasonable accommodation.

2. Compliance with Applicable Equal Opportunity Laws

The Consultant's policy must conform with applicable state and federal guidelines including the Federal Equal Opportunity Clause, "Section 60-1.4 of Title 41, Part 60 of the Code of Federal Regulations," Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973 (Sections §503 and §504); the Age Discrimination Act of 1975 (42 U.S.C. §6101 et seq.); the California Fair Employment and Housing Act (Government Code Section 12900 et. seq.); and California Labor Code §1101 and §1102.

3. Investigation of Claims

Consultant must designate a specific position within its organization to be responsible for investigating noncompliance with the anti-discrimination and anti-harassment provisions of this Agreement. Consultant must conduct a fair, prompt, and thorough investigation of all allegations directed to Consultant by Valley Water. In cases where such investigation results in a finding of discrimination, harassment, or hostile work environment, Consultant must take prompt, effective disciplinary action against the offender.

SECTION TWELVE

MISCELLANEOUS PROVISIONS

1. Entire Agreement

This Agreement, which includes the Terms and Conditions, Appendices, the Schedule(s), Attachments to the Schedule(s), and all executed Task Orders, represents the entire understanding between the Parties hereto relating to the Services described in this Agreement and supersedes any and all prior proposals or agreements, whether written or oral, that may exist between the Parties. This Agreement may not be modified or amended except in writing as stated herein. To the extent that any Schedule conflicts with this

Agreement, this Agreement shall control.

2. Formation of Agreement

- A. No agreement between the Parties is formed until all applicable actions have been completed to the satisfaction of Valley Water. Valley Water Project Manager will not issue a Notice to Proceed until all required documents have been submitted and accepted by Valley Water
- B. Formation of an Agreement between the Parties requires accomplishment of the following:
 - 1) Execution of the Agreement by Consultant;
 - 2) Submission by the Consultant, and acceptance by Valley Water, of evidence of all required insurance coverages and documents;
 - 3) Submission by the Consultant, and acceptance by Valley Water, of evidence of all required Form 700 documents, if applicable;
 - 4) Submission by the Consultant, and acceptance by Valley Water, of all required Non-Disclosure Agreements (NDA) documents as provided in Attachment Four to the Schedule(s), Reference Materials, if applicable;
 - 5) Submission by the Consultant, and acceptance by Valley Water, of a Health and Safety Plan, if applicable;
 - 6) Any other requirements that are deemed necessary by Valley Water; and
 - 7) Execution of the Agreement by Valley Water.

3. No Assignment

- A. The expertise and experience of Consultant are material considerations for Valley Water's award and execution of this Agreement. Consultant will not assign or transfer any interest in this Agreement nor the performance of any of Consultant obligations hereunder, without prior written consent of Valley Water in the form of an amendment executed by the Parties, and any attempt to so assign this Agreement, or any rights, duties or obligations arising hereunder, will be void and of no effect. Any assignment of monies due or to become due in accordance with this Agreement, will be to the extent permitted by law, and will be subject to all proper set-offs, deductions, and withholdings in favor of Valley Water.
- B. In no event, shall an assignment of any interest in this Agreement release the Consultant from its duties and responsibilities as described in this Agreement nor shall the Consultant be released from liability created by the provision of Services as described in this Agreement until such assignment takes effect. Any attempted or purported assignment without Valley Water's written consent in the form of an amendment executed by the Parties is null and void.

4. Reasonableness

Discretionary actions or approvals to be performed by the Parties will be exercised in a reasonable manner.

5. Gifts

Consultant hereby acknowledges that Valley Water policy prohibits the acceptance by Valley Water personnel of gifts of any kind from its contractors, consultants, suppliers or vendors. Consultant shall honor this policy by not sending or bringing gifts to Valley Water.

6. Audits

Consultant agrees that Valley Water and its agent(s) have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Consultant agrees to provide Valley Water and its agent(s) with any relevant information requested, in electronic and hard copy format, at Valley Water's discretion, and will permit Valley Water and its agent(s) access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees (alternatively, by phone at Valley Water's discretion) and inspecting or copying books, records, accounts, computerized records, and other materials that may be relevant to the matter under investigation or subject to audit, such as by a government agency providing Valley Water with grant funds to pay for Consultant's services, for the purpose of determining compliance with this Agreement. Consultant further agrees to maintain such records for a period of three years after final payment as provided for in this Agreement.

7. Force Majeure

Neither Party will be held responsible for delays caused by acts beyond its control, such as acts of God or public enemies, utility or communication delays, or failures not caused by such Party's negligence or fault, accidents not caused by such Party's negligence or fault, labor disputes, war, or failure of the other Party to provide data as required pursuant to this Agreement.

8. Binding Effect

This Agreement is binding on the heirs, executors, administrators, successors and assigns of the Parties.

9. Choice of Law and Venue

The Parties agree that this Agreement is to be governed, construed and enforced in accordance with the laws of the State of California. The Parties also agree that the venue of any litigation arising out of or connected with this Agreement will lie exclusively in the state trial court or Federal District Court located in Santa Clara County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

10. Confidentiality

- A. Due to the nature of the services Consultant will provide pursuant to this Agreement, there may be disclosures made to Consultant of detailed information about Valley Water's operations, including on a need-to-know basis information which may be protected from public disclosure by confidentiality laws, the attorney-client privilege, and/or other provisions of law which govern the nature and timing of disclosure of public information.
- B. Consultant understands and acknowledges that Valley Water staff members providing information to the Consultant do so with the understanding that such information will be handled appropriately.
- C. In the event Consultant receives such restricted or confidential information, Consultant will limit access to the information to only those of Consultant's employees, its subcontractors and its Subconsultants authorized by Valley Water to have the information.
- D. Consultant will notify Valley Water immediately of any request by any third party to have access to confidential information, and will not disclose the requested information without first receiving express written authorization from Valley Water.
- E. The requirements stated herein will survive completion, expiration, suspension, and termination of this Agreement.

11. Release of Information Prohibited

Consultant is not permitted to provide any information concerning the Project to the media nor anyone other than authorized Valley Water personnel. Consultant will not release any information pertinent to the Project for publication, public disclosure, or in any other manner without first obtaining clearance and a release in writing from Valley Water. Any media inquiry at any time to Consultant relating to any matter concerning Services provided or requested to be provided pursuant to this Agreement will be referred immediately to Valley Water. Consultant will not communicate with the media regarding any such matter.

12. Conflict of Interest

- A. Consultant represents that there exists no actual or potential conflict of interest concerning the services to be performed pursuant to this Agreement.
- B. Consultant represents that Consultant's performance required as stated in this Agreement does not require the breach of any agreement or obligation to keep in confidence the proprietary information of another party. Consultant will not bring to Valley Water, or use in the performance of Consultant's duties as described in this Agreement, any materials or documents of another party considered confidential or proprietary unless Consultant has obtained written authorization from such party, and the informed consent of Valley Water, for the possession and use of such materials.
- C. Consultant represents and warrants that during the term of the Agreement, Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant shall not act as a Consultant or expert for any party in support of any potential or active claim or legal action against Valley Water by such party.

D. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION STATEMENT OF ECONOMIC INTEREST FORM 700 ("FORM 700"): Upon Valley Water's request, Consultant employees, officers, agents, Subconsultants, and subcontractors shall complete, execute, and submit a Form 700 as follows:

- 1) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, shall file, with Valley Water in a manner prescribed by Valley Water an Assuming Office Statement. The Assuming Office Statement shall be filed:
 - a. Within 30 calendar days of the effective date of this Agreement; and
 - b. Within 30 calendar days of Consultant hiring, adding, or promoting to a designated filer position employees, officers, agents, Subconsultants, and subcontractors to perform services pursuant to this Agreement.
- 2) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement that filed an Assuming Office Statement shall file in a manner prescribed by Valley Water an amendment to their Form 700 anytime there is a change to their disclosure information.
- 3) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement that filed an Assuming Office Statement shall file with Valley Water an Annual Statement in a manner prescribed by Valley Water during Valley Water's annual filing season, as determined by Valley Water.
- 4) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform Services pursuant to this Agreement, that filed an Assuming Office Statement, shall file, in a manner prescribed by Valley Water, a Leaving Office Statement when one of the following occurs:
 - a. Upon termination of this Agreement; and
 - b. Within 30 calendar days of Consultant employees, officers, agents, Subconsultants, and subcontractors vacating a designated filing position (i.e., removed from the Project, promotion, demotion, transfer to non-designated position, end of employment, or as a result of changes in designated filer positions in Valley Water's Conflict of Interest Code).
- 5) Consultant understands and agrees that its employees, officers, agents, Subconsultants, and subcontractors may be disqualified from providing services to Valley Water pursuant to the California Political Reform Act, Government Code (GC) §81000 et. Seq. and GC § 1090. If any of Consultant's employees, officers, agents, Subconsultants, and subcontractors are disqualified from providing services, on written notice from Valley Water's Project Manager, Consultant will have 15 calendar days to remove that employee(s), officer(s), agent(s), Subconsultant(s)', and subcontractor(s)' employee(s) from the Project and provide a replacement acceptable to Valley Water.

- 6) The failure of Consultant's employees, officers, agents, Subconsultants, and subcontractors to file an Assuming Office, Annual, Amended, or Leaving Office Statement within the time prescribed by Valley Water is deemed a material breach and may result in termination of the Agreement for cause.

13. Task Orders

- A. Some tasks and Services will be assigned to the Consultant through issuance of Task Orders. After the tasks and Services are identified and communicated to the Consultant by Valley Water Project Manager, Consultant will prepare a proposed Task Order (see Standard Consultant Agreement, Appendix Three Task Order Template). The proposed Task must identify the following:
 - 1) Description of the supplemental services, including deliverables;
 - 2) The total Not-to-Exceed Fees for Consultant to complete the services, including estimated number of hours per assigned staff to complete the services;
 - 3) Proposed staff that will be assigned to complete the services, including resumes if not previously provided to Valley Water's Project Manager;
 - 4) Estimated cost of each other direct cost and reimbursable expense, including any applicable fees;
 - 5) Schedule for completing the supplemental services; and
 - 6) Copies of applicable state and federal permits required to complete the services, unless previously provided to Valley Water.
- B. Consultant agrees that the Not-to-Exceed Fees specified in a proposed Task Order will be the product of a good faith effort in exercising its professional judgment. After an agreement has been reached on the negotiable items, the finalized Task Order will be signed by both Valley Water's authorized representative referenced in the Standard Consultant Agreement, Appendix One Additional Legal Terms (Appendix One), and Consultant's authorized representative.
- C. Consultant must not commence performance of work or services on a Task Order until it has been approved by Valley Water's authorized representative and Notice to Proceed has been issued by Valley Water Project Manager. No payment will be made for any services performed prior to approval or after the period of performance of the Task Order. The period of performance for Task Orders will be in accordance with dates specified in the Task Order. No Task Order will be written which extends beyond the expiration date of this Agreement. The total amount payable by Valley Water for an individual Task Order will not exceed the amount agreed to in the Task Order.
- D. Prevailing Wage Requirements: The Scope of Services may be considered by Valley Water to be "Public Works" requiring the payment of prevailing wages. See the Standard Consultant Agreement Section Four, Fees and Payments, subsection 3. Prevailing Wages, and Appendix Three, Task Order Template.

14. Good Neighbor

Valley Water always strives to be a good neighbor to the community adjacent to its facilities. Consultant will ensure that disturbance to neighbors is minimized. Consultant, its staff, and Subconsultants will always interact with the members of the public in a polite and professional manner.

15. Governmental Permits and Notifications

Unless otherwise expressly stated herein or in an executed Task Order, Consultant represents and warrants that it has investigated the need for, and has or will procure, at its cost, and in its own name to the extent allowed by law, all governmental permits, notifications, approvals and inspections required for the performance of the Services. Consultant shall promptly notify Valley Water if any such permit or approval lapses, or is modified or revoked. If, pursuant to applicable law, any such permits or approvals must be procured in Valley Water's name, Consultant shall promptly so inform Valley Water and assist Valley Water in obtaining such permits or approvals.

16. Taxes and Benefits

Consultant has full and exclusive liability for the payment of, and Consultant will pay, any and all taxes and contributions for unemployment insurance, retirement benefits, workers' compensation insurance or benefits, life insurance, pensions, annuities and similar benefits and any other employment-related costs, obligations, and duties that may now or hereafter be imposed by law, collective bargaining agreements or otherwise with respect to persons employed by Consultant for the performance of Services pursuant to this Agreement.

17. Nonwaiver of Rights

The failure of either Party to this Agreement to object to or to take affirmative action with respect to any conduct of the other Party that is in violation of the terms of this Agreement will not be construed as a waiver thereof, or as waiver of any future breach or subsequent wrongful conduct.

18. Notices

Unless otherwise specified in this Agreement, all requests for written approval or legal notices must be sent to the representatives below. All notices will be deemed to have been given when made in writing and when delivered or mailed to the representatives of Valley Water and Consultant at their respective addresses as follows:

VALLEY WATER:

Deputy Officer, as listed in Section 1. Representatives, of the attached Schedule(s), Scope of Services

CONSULTANT:

Consultant Principal Officer, as listed in Section 1. Representatives, of the attached Schedule(s), Scope of Services

19. No Third Party Beneficiaries

Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity, other than the Parties hereto, any legal or equitable right, remedy, or claim under or in respect of this Agreement or any covenants, conditions, or provisions contained herein.

20. Severability

If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.

21. Debt Limitation

This Agreement is contingent on the appropriation of sufficient funding by Valley Water for the services described in this Agreement. Valley Water is subject to laws or policies which limit its ability to incur debt in future years. Nothing in this Agreement shall constitute an obligation of future legislative bodies of Valley Water to appropriate funds for purposes of this Agreement.

22. Appendices

The following listed Appendices are incorporated herein by this reference as though set forth in full:

Appendix One - Additional Legal Terms
Appendix Two - Dispute Resolution
Appendix Three - Task Order Template
Appendix Four - Insurance Requirements

23. Schedule(s) and Attachments

Schedule A-GEN, Scope of Services, and the following listed Attachments are incorporated herein by this reference as though set forth in full:

Attachment One - Fees and Payments
Attachment Two - Schedule of Completion
Attachment Three - Consultant's Key Staff and Subconsultants
Attachment Four - Reference Materials

(SIGNATURES FOLLOW ON NEXT PAGE)

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IN WITNESS WHEREOF, THE PARTIES HAVE SET FORTH BELOW THEIR CONSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT THROUGH THE SIGNATURES OF THEIR DULY AUTHORIZED REPRESENTATIVES.

SANTA CLARA VALLEY WATER DISTRICT
Valley Water

SJOBORG EVASHENK CONSULTING, INC.
Consultant

By: _____
Tony Estremera
Chair, Board of Directors

By: _____
George J. Skiles
Chair, Board of Directors

Date: _____

Date: _____

ATTEST:

Consultant's Address:
455 Capitol Mall, Suite 700
Sacramento, CA 95814

Michele L. King, CMC
Clerk, Board of Directors

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**STANDARD CONSULTANT AGREEMENT
APPENDIX ONE
ADDITIONAL LEGAL TERMS**

1. Conflict of Interest for Future Services

Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant shall not submit a proposal:

- A. For any agreement to be awarded for any project that is related to the services provided pursuant to this Agreement; - NOT USED
- B. In response to any request for proposal or Valley Water solicitation developed or prepared by or with the assistance of Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant; or
- C. For any single or sole source products/services related to the Services pursuant to this Agreement or have a financial stake in any single or sole source products/services resulting from this Agreement.

2. Dispute Resolution

If a dispute occurs between the Parties as a result of this Agreement, then the Parties agree to use the Dispute Resolution process outlined in the Standard Consultant Agreement, Appendix Two, Dispute Resolution.

3. Small Business Enterprise (SBE) Participation - NOT USED

4. Task Order Approvals

Task orders will not be issued against this Agreement.

- A. Services to be performed pursuant to a Task Order may only commence once a specific Notice to Proceed for that Task Order has been issued by Valley Water.
- B. Task Orders are subject to approval by Valley Water Chief Financial Officer unless delegated to an Assistant Operating Officer or Unit Manager.
- C. Valley Water Unit Manager(s) is authorized to approve individual Task Orders in an amount not-to-exceed \$ [Authorization Amount]. [NOT USED]
- D. The total not-to-exceed amount for any one Task Order shall not exceed \$ [NOT-TO-EXCEED AMOUNT]. [NOT USED]

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

1. Consultant's Questions and Concerns

Questions regarding the Terms and Conditions, and Services relating to this Agreement will be decided by Valley Water who will furnish the decisions to Consultant in writing within 30 days after receiving a written request from Consultant.

2. Dispute Resolution

A. Alternate Dispute Resolution

Valley Water intends to use Alternate Dispute Resolution (ADR) techniques including partnering and mediation to resolve disputes relating to the Project.

B. Consultant and its Subconsultants are expected to participate in all ADR efforts.

C. The cost of partnering training facilities and facilitator will be borne by Valley Water.

3. Negotiations Before and During Mediation

Negotiations to resolve disputes before and during mediation are initiated for settlement purposes only, are confidential, and are not binding unless otherwise agreed by Valley Water and Consultant.

4. Voluntary Mediation

A. Initiation of Mediation

Any Party to a dispute or claim may initiate mediation by notifying the other Party or Parties in writing.

B. Request for Mediation

A request for mediation must contain a brief written statement of the nature of the dispute or claim, and the names, addresses, and phone numbers of all parties to the dispute or claim, and those who will represent them, if any, in the mediation.

C. Selection of Mediator

- 1) Upon receipt of a written request for mediation, unless otherwise agreed by the Parties, within 14 days, the Parties will confer to select an appropriate mediator agreeable to all Parties.
- 2) If the Parties cannot agree on a mediator, they hereby agree to accept a mediator appointed by a recognized association such as the American Arbitration Association.

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

D. Qualifications of a Mediator

- 1) Any mediator selected must have expertise in the area of the dispute and be knowledgeable in the mediation process.
- 2) No person shall serve as a mediator in any dispute in which that person has any financial or personal interest in the result of the mediation.
- 3) Before accepting an appointment, the prospective mediator must disclose any circumstances likely to create a presumption of bias or prevent a prompt meeting with the Parties. Upon receipt of such information, the Parties will confer and decide whether to select another mediator.

E. Vacancies

If any mediator becomes unwilling or unable to serve, another mediator will be selected unless the Parties agree otherwise.

F. Representation

- 1) Any Party may be represented by person(s) of their choice who must have full authority to negotiate.
- 2) The names and addresses of such person(s) must be communicated in writing to both Parties and to the mediator.

G. Time and Place of Mediation

- 1) The mediator will set the time of each mediation session.
- 2) The mediation will be held at a convenient location agreeable to the mediator and the Parties, as determined by the mediator.
- 3) All reasonable efforts will be made by the Parties and the mediator to schedule the first session within 60 days after selection of the mediator.

H. Identification of Matters in Dispute

- 1) Parties shall comply with the process as required by the mediator with regard to providing the mediator with a memorandum setting forth its position with regard to the issues that need to be resolved. At the discretion of the mediator, or otherwise agreed by the Parties, the Parties may mutually exchange such memoranda.
- 2) At the first session, the Parties will be expected to produce all information reasonably required for the Mediator to understand the issue(s) presented. The mediator may require each Party to supplement such information.

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

I. Authority of Mediator

- 1) The mediator does not have authority to impose a settlement on the Parties but will attempt to assist the Parties in reaching a satisfactory resolution of their dispute.
- 2) The mediator is authorized to conduct joint and separate meetings with the Parties and to make oral and written recommendations for settlement.
- 3) Whenever necessary, the mediator may also obtain expert advice concerning technical aspects of the dispute, provided the Parties agree and assume the expenses of obtaining such advice. Arrangements for obtaining such advice will be made by the mediator or the Parties, as determined by the mediator.
- 4) The mediator is authorized to end the mediation whenever, in the mediator's judgment, further efforts at mediation would not contribute to a resolution of the dispute between the Parties.

J. Privacy

- 1) Mediation sessions are private.
- 2) The Parties and their representatives may attend mediation sessions.
- 3) Other persons may attend only with the permission of the Parties and with the consent of the mediator.

K. Confidentiality

Except as provided by California or federal law or regulation:

- 1) The mediator will not divulge any confidential information disclosed by the Parties or by witnesses in the course of the mediation.
- 2) All records, reports, or other documents received by a mediator while serving as mediator, are confidential.
- 3) The mediator must not be compelled to divulge such records or to testify in regard to the mediation in any adversary proceeding or judicial forum.
- 4) The Parties must maintain the confidentiality of the mediation and must not rely on, or introduce as evidence in any arbitration, judicial or other proceedings:
 - a. Views expressed, or suggestions made by the other Party with respect to a possible settlement of the dispute;
 - b. Statements made by the other Party in the course of the mediation proceedings;
 - c. Proposals made or views expressed by the mediator; and

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

- L. Whether the other Party had or had not indicated willingness to accept a proposal for settlement made by the mediator.
No Stenographic Record

There shall be no stenographic record of the mediation.

M. Termination of Mediation

The mediation shall be terminated:

- 1) By the execution of a Settlement Agreement by the Parties;
- 2) By a written declaration of the mediator to the effect that further efforts at mediation are no longer worthwhile; or
- 3) By a written declaration of a Party or Parties to the effect that the mediation proceedings are terminated.

N. Exclusion of Liability

No mediator shall be a necessary Party in judicial proceedings related to the mediation.

O. Interpretation and Application of These Mediation Provisions

The mediator will interpret and apply these mediation provisions insofar as they relate to the mediator's duties and responsibility.

P. Expenses

- 1) The expenses of witnesses for each Party must be paid by the Party producing the witnesses.
- 2) All other expenses of the mediation, including required travel and other expenses of the mediator, and the expenses of any witness called by the mediator, or the cost of any proofs or expert advice produced at the direct request of the mediator, will be apportioned as the mediator finds appropriate or as otherwise agreed to by the Parties.

5. Compensation for Participation in Mediation

Neither Consultant nor Valley Water is entitled to compensation for time spent in or for negotiations or mediation to resolve questions or disputes between Consultant and Valley Water arising out of this Agreement.

**STANDARD CONSULTANT AGREEMENT
APPENDIX THREE
TASK ORDER TEMPLATE**

Task Order No. _____

Title: _____

Agreement: Standard Consultant Agreement _____ ("Agreement") Between the Santa Clara Valley Water District ("Valley Water") and _____ ("Consultant"), dated _____.

Valley Water: _____

Consultant: _____

Dollar Amount of Task Order: Not-to-Exceed \$ _____

1. Upon full execution of this Task Order No. _____, as set forth in the Standard Consultant Agreement, Section Twelve, Miscellaneous Provisions, subsection 13. Task Orders, and the issuance of a Notice to Proceed by Valley Water Project Manager, the Consultant is hereby authorized to perform the Services described in Attachment A to this Task Order. Any costs incurred, Services performed or expenditures by the Consultant before this Task Order is executed or before the issuance of the Notice to Proceed will be considered outside the contracted Scope of Services and will not be eligible for payment.
2. Both the Scope of Services to be performed and the deliverables to be provided in accordance with this Task Order are described in Attachment A which is attached hereto and incorporated by this reference. Attachment A shall include at a minimum the following:
 - A. The Consultant personnel to be assigned to perform the Services, including resumes if not previously provided to Valley Water;
 - B. The total not-to-exceed fees amount for Consultant to complete the Services, including estimated number of hours required to perform the Services assigned to each Consultant classification;
 - C. Estimated cost of each other direct cost and reimbursable expense, including any applicable fees; and
 - D. Project schedule for completing the Scope of Services.
3. Consultant shall be compensated at fees or at the hourly rates established in Schedule(s), Attachment One, Fees and Payments, of the Agreement. Consultant agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted in the Attachment A.
4. This Task Order becomes effective on the date of full execution by authorized representatives of the Parties and remains in effect until the earlier of: completion of the tasks set forth in Attachment A; or [expected completion date].

**STANDARD CONSULTANT AGREEMENT
APPENDIX THREE
TASK ORDER TEMPLATE**

5. Copies of applicable local, state and federal permits required to perform the Services described in Attachment A are attached to this Task Order, unless the Consultant previously provided the appropriate permits to Valley Water.
6. Consultant shall perform all Services described in Attachment A to this Task Order in accordance with the Terms and Conditions of the Agreement.
7. Prevailing Wage Requirements - NOT USED
8. Signatures:

Signature: _____

NAME OF CONSULTANT FIRM
[PRINT NAME]
[PRINT TITLE]

DATE

Signature: _____

SANTA CLARA VALLEY WATER DISTRICT
[PRINT NAME]
[PRINT TITLE]

DATE

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**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

Please Note: Failure to comply with the instructions below could result in a delay in receiving the Notice to Proceed. The District will not be responsible for time lost or costs incurred due to failure to comply with these requirements. Please note the check-list of documents needed at the end of this Appendix Four Insurance Requirements.

Without limiting the Consultant's indemnification of, or liability to, the Santa Clara Valley Water District ("District" or "Valley Water"), the Consultant must provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions as listed below.

Consultant must provide its insurance broker(s)/agent(s) with a copy of these requirements and warrants that these requirements have been reviewed by Consultant's insurance agent(s) and/or broker(s), who have been instructed by Consultant to procure the insurance coverage required herein.

In addition to certificates, Consultant must furnish District with copies of all original endorsements affecting coverage required by this Appendix Four Insurance Requirements. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. **All endorsements and certificates are to be received and approved by District before the Agreement is executed.** In the event of a claim or dispute, District has the right to require Consultant's insurer to provide complete, certified copies of all required pertinent insurance policies, including endorsements affecting the coverage required by this Appendix Four Insurance Requirements.

If your insurance broker has any questions about the above requirements, please advise him/her to call Mr. David Cahen, District Risk Manager at (408) 630-2213.

Certificates of Insurance

Consultant shall furnish the District with a Certificate of Insurance. The certificates will be issued on a standard ACORD Form.

Consultant shall instruct their insurance broker/agent to submit all insurance certificates and required notices electronically in PDF format to the designated District Contract Administrator and email a copy to: valleywater@ebix.com.

The certificates will:

1. Identify the underwriters, the types of insurance, the insurance limits, the deductibles and the policy term;
2. Include copies of all the actual policy endorsements required herein; and
3. In the "Certificate Holder" box include:

**Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118
Agreement/CAS No.5183**

IMPORTANT: The agreement or CAS number must be included.

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

In the Description of Operations/Locations/Vehicles/Special Items Box:

1. Certificate Holder shall be named as Additional Insured;
2. District agreement or project number shall appear;
3. The list of policies scheduled as underlying on the Umbrella policy shall be listed; and
4. Waiver of Subrogation must be indicated as endorsed to all policies.

If Consultant receives any notice that any of the insurance policies required by this Appendix Four Insurance Requirements may be cancelled or coverage reduced for any reason whatsoever, Consultant or insurer shall immediately provide written notice to the designated District Contract Administrator that such insurance policy required by this Appendix Four Insurance Requirements is canceled or coverage is reduced.

Maintenance of Insurance

If Consultant fails to maintain such insurance as is called for herein, District, at its option, may suspend payment for work performed and/or may order Consultant to suspend all Consultant's work at Consultant's expense until a new policy of insurance is in effect.

Renewal of Insurance

Consultant will provide the District with a current Certificate of Insurance and endorsements within thirty (30) business days from the expiration of insurance.

Consultant shall instruct its insurance broker/agent to:

1. Submit all renewals of insurance certificates and required notices electronically in PDF format to: valleywater@ebix.com
2. Provide the following information in the "Certificate Holder" box:

**Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118
Agreement/CAS No. 5183**

IMPORTANT: The agreement or CAS number must be included.

Consultant must, at its sole cost and expense, procure and maintain during the entire period of this Agreement the following insurance coverage(s).

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

Required Coverages

1. Commercial General/Business Liability Insurance with coverage as indicated:

\$1,000,000 per occurrence / **\$1,000,000** aggregate limits for bodily injury and property damage

General Liability insurance must include:

- a. Coverage at least as broad as found in standard ISO form CG 00 01.
- b. Contractual Liability expressly including liability assumed under this contract.
- c. If Consultant must be working within fifty (50) feet of a railroad or light rail operation, any exclusion as to performance of operations within the vicinity of any railroad bridge, trestle, track, roadbed, tunnel, overpass, underpass, or crossway must be deleted, or a railroad protective policy in the above amounts provided.
- d. Severability of Interest.
- e. Broad Form Property Damage liability.

2. Business Auto Liability Insurance with coverage as indicated:

\$1,000,000 combined single limit for bodily injury and property damage per occurrence, covering all owned, non-owned and hired vehicles.

3. Professional/Errors and Omissions Liability with coverage as indicated:

\$1,000,000 per claim/ **\$1,000,000** aggregate

Professional/Errors and Omission Liability appropriate to the Consultant's profession, and must include:

- a. If coverage contains a deductible, or self-insured retention, it shall not be greater than one hundred thousand dollars (\$100,000) per occurrence/event.
- b. Coverage shall include contractual liability
- c. If coverage is claims-made:
 - i. Certificate of Insurance shall clearly state that the coverage is claims-made.
 - ii. Policy retroactive date must coincide with or precede the Consultant's start of work (including subsequent policies purchased as renewals or replacements).
 - iii. Policy must allow for reporting of circumstances or incidents that might give rise to future claims.
 - iv. Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract of work.

4. Workers' Compensation and Employer's Liability Insurance

Statutory California Workers' Compensation coverage covering all work to be performed for the District.

Employer Liability coverage for not less than \$1,000,000 per occurrence.

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

General Requirements

With respect to all coverages noted above, the following additional requirements apply:

1. **Additional Insured Endorsement(s):** Consultant must provide an additional insured endorsement for Commercial General/Business Liability (for both on-going and completed operations) and Business Automobile liability coverage naming the **Santa Clara Valley Water District, its Directors, officers, employees, and agents, individually and collectively**, as additional insureds, and must provide coverage for acts, omissions, etc. arising out of the named insureds' activities and work. Other public entities may also be added to the additional insured endorsement as applicable and the Consultant will be notified of such requirement(s) by the District. **NOTE:** This section does not apply to the Workers' Compensation and Professional Liability policies.

(**NOTE:** Additional insured language on the Certificate of Insurance is **NOT** acceptable without a separate endorsement such as Form CG 20 10, CG 2033, CG 2037, or CG 2038. Editions dated 07/04 are not acceptable.)
2. **Primacy Clause:** Consultant will provide evidence (either through the Certificate of Insurance, endorsement or language in the insurance contract) that consultant's insurance is primary with respect to any other insurance which may be carried by the District, its Directors, its officers, agents and employees, and the District's coverage must not be called upon to contribute or share in the loss. **NOTE:** This section does not apply to the Workers' Compensation policies.
3. **Cancellation Clause:** Consultant will provide endorsements for all policies stating that the policy will not be cancelled without 30 days prior notification to the District.
4. **Acceptability of Insurers:** All coverages must be issued by companies admitted to conduct business in the State of California, which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the District's Risk Manager. Non-Admitted companies may be substituted on a very limited basis at the Risk Manager's sole discretion.
5. **Self-Insured Retentions or Deductibles:** Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the Entity guaranteeing payment of losses and related investigations, claim administration, and defense expenses. Consultant agrees that in the event of a claim they will pay down any agreed upon SIR in a prompt manner as soon as bills are incurred in order to trigger the insurance related to the SIR.

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

6. **Subconsultants:** The Consultant shall secure and maintain or shall be responsible for ensuring that all subconsultants performing the Contract Services secure and maintain all insurance coverages appropriate to their tier and scope of work in a form and from insurance companies reasonably acceptable to the District.
7. **Amount of Liability not Limited to Amount of Insurance:** The insurance procured by Consultant for the benefit of the District must not be deemed to release or limit any liability of Consultant. Damages recoverable by the District for any liability of Consultant must, in any event, not be limited by the amount of the required insurance coverage.
8. **Coverage to be Occurrence Based:** Except for Professional Liability, all coverage must be occurrence-based coverage. Claims-made coverage is not allowed.
9. **Waiver of Subrogation:** Consultant agrees to waive subrogation against the District to the extent any loss suffered by Consultant is covered by any Commercial General Liability policy, Automobile policy, Workers' Compensation policy described in **Required Coverages** above. Consultant agrees to advise its broker/agent/insurer and agrees to provide evidence (either through the Certificate of Insurance, endorsement or language in the insurance contract) that subrogation has been waived by its insurer.
10. **Non-compliance:** The District reserves the right to withhold payments to the Consultant in the event of material noncompliance with the insurance requirements outlined above.

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

CHECK LIST OF DOCUMENTS NEEDED

General Liability:	A.	Limits (\$1,000,000)	
	B.	Additional Insured (Endorsement)	
	C.	Waiver of Subrogation (COI, Endorsement or policy language)	
	D.	Primacy (COI, Endorsement or policy language)	
	E.	Cancellation Endorsement	
Auto Liability:	A.	Limits (\$1,000,000)	
	B.	Additional Insured (Endorsement)	
	C.	Waiver of Subrogation (COI, Endorsement or policy language)	
	D.	Primacy (COI, Endorsement or policy language)	
	E.	Cancellation Endorsement	
Umbrella:	A.	Limits (\$)	
	B.	Primacy (Endorsement or policy language)	
Workers Comp:	A.	Limits (\$1,000,000)	
	B.	Waiver of Subrogation (Endorsement or policy language)	
	C.	Cancellation Endorsement	
Professional Liability:	A.	Limits (\$1,000,000)	
	B.	Cancellation Endorsement	

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**SCHEDULE A-GEN
SCOPE OF SERVICES**

1. Representatives

- A. Valley Water's representatives are as listed below. Unless otherwise provided in this Agreement, all correspondence to Valley Water must be addressed to Valley Water Project Manager (VWPM).

K. Anthony Mendiola (Valley Water Project Manager)
Program Administrator
Continual Improvement Unit
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: (408) 630-2437

Email: AMendiola@valleywater.org

Darin Taylor (Division Operating Officer)
Chief Financial Officer
Financial Planning & Management Services Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: (408) 630-3068

Email: dtaylor@valleywater.org

- B. Consultant's Project Manager is as listed below. All Valley Water questions pertaining to this Agreement shall be referred to Consultant's Project Manager.

George J. Skiles (Consultant Project Manager)
Sjoberg Evashenk Consulting, Inc.
Chair, Board of Directors
455 Capitol Mall, Suite 700
Sacramento, CA 95814

Phone: (916) 443-1300

Email: george@secteam.com

All Valley Water questions pertaining to this Agreement shall be referred to Consultant's Project Manager. All correspondence to Consultant shall be addressed to the address set forth above.

- C. Consultant's Principal Officer for this Agreement is as listed below. As per the Agreement, Section Twelve, Miscellaneous Provisions, subsection 18. Notices, all notices pertaining to this Agreement must be submitted to Consultant's Principal Officer.

George J. Skiles, Chair (Consultant Principal Officer)
Sjoberg Evashenk Consulting, Inc.
Chair, Board of Directors

SCHEDULE A-GEN SCOPE OF SERVICES

455 Capitol Mall, Suite 700
Sacramento, CA 95814

Phone: (916) 443-1300
Email: george@secteam.com

2. Scope of Services

- A. This Schedule A-GEN, Scope of Services describes the professional services to be performed by Consultant for the Valley Water's **Board Audit Consultant Services 2021** (Project). The Valley Water may, at its discretion, choose to negotiate an amendment to this Agreement with Consultant for additional services.

3. Project Objectives

- A. The Santa Clara Valley Water District (Valley Water) is the wholesale provider of water in Santa Clara County. A Board of Directors elected by the citizens of Santa Clara County, governs Valley Water through a variety of methods ranging from public meetings and workshops to advisory committees and sub-committees. The Board's Audit Committee consists of three members of the Board. The Audit Committee develops a plan and initiates audits to evaluate and review various programs and functions of the District. The Committee also develops a priorities list and provides direction to staff regarding audit prioritization for Board audits. The plan and list are presented to the full Board for its consideration and approval.

4. Project Background

- A. The mission of Valley Water is to provide Silicon Valley safe, clean water for a healthy life, environment, and economy.

Valley Water is a public agency providing water supply, flood protection, and stream stewardship for Santa Clara County. Valley Water manages an integrated water resources system that includes the supply of clean safe water, flood protection and stewardship of streams on behalf of Santa Clara County's 2 million residents. Valley Water effectively manages ten dams and surface water reservoirs, three water treatment plants, a state-of-the-art water quality laboratory, and more than 275 miles of streams. For information about Valley Water, visit www.valleywater.org.

- B. The selected Audit consultant (Consultant) will serve as advisors to the Board of Directors' Audit Committee (Audit Committee) in fulfilling its duties, responsibilities and functions. Specifically, the Consultant will assess operational risks and advise on potential audits to ensure the District is in compliance with its policies, procedures and regulations. The recommended audits may or may not be conducted by the Consultant. The Consultant will also assist in preparing an annual program of audits with associated calendars, schedules and budgets and prepare formal and informal reports and presentations to the Audit Committee and the full Board of Directors.

SCHEDULE A-GEN SCOPE OF SERVICES

5. Assumptions and Requirements

A. General Assumptions and Requirements

- 1) **Manage Scope of services.** Consultant shall manage the Scope of Services such that the work is completed within the Not-to-Exceed Fees limit and in accordance with the Project schedule and ensure that all services and deliverables meet Valley Water and Project objectives and requirements.
- 2) **Deliverable Format.** Consultant shall submit deliverables in both electronic and hardcopy format, if requested. Deliverables shall be submitted in PDF and native (editable) format, including Word documents, Excel spreadsheets, PowerPoint files, AutoCAD files, etc. The hard copy deliverables shall be printed in professional quality presentation and submitted in 5 (five) copies, if requested. Valley Water may require original copies of signed documents and/or scanned (Adobe PDF) versions.
- 3) **Review of Deliverables.** Valley Water will review and comment on all Project deliverables and forward to Consultant for revision and preparation of final versions. As determined by Valley Water, some of the deliverables may also be subject to review and comment from regulatory agencies and stakeholders following Valley Water review process. For each deliverable, Valley Water will collect comments from all Valley Water stakeholders and provide a single set of consolidated comments to Consultant. The comments provided by Valley Water staff during the workshops will be documented by Consultant as meeting minutes and will be included in the next revision of the documents.
- 4) **Valley Water Quality Environmental Management System.** Valley Water maintains a Quality Environmental Management System (QEMS) which has procedures, guidelines, and work instructions for the performance of various Valley Water work. If requested, Consultant will perform the applicable Agreement tasks and/or sub-tasks in accordance with the QEMS framework. In such situations, the VWPM will provide Consultant with the specific QEMS procedure, guideline, and/or work instruction prior to the preparation of such deliverables.
- 5) **Consultant Responsibility.** Consultant, with its expertise in performing the Services described herein, is responsible for making the appropriate assumptions in each task to complete each task's deliverables and to achieve the Project objectives of this Agreement as described in Section 3. Project Objectives.
- 6) **Document Control.** Consultant is responsible for establishing and maintaining its own document control system to execute this Scope of Services. An internal document control system for this Project is maintained by Valley Water.
- 7) **File Exchange Service.** Consultant will provide a file exchange service, accessible to all parties as designated by Valley Water, to facilitate communications; particularly of large files over three megabytes. Difficulties in

SCHEDULE A-GEN SCOPE OF SERVICES

using and transmitting information with this exchange service shall be resolved by Consultant. In the event that transmitting or receiving information does not occur in a timely manner, Valley Water will not be responsible for delays in completing Project work. Consultant may need to coordinate with Valley Water's Information Technology Division to address any firewall issues and/or permissions required to allow for these communications.

B. Project-Specific Assumptions and Requirements

- 1) Auditing Standards to be Followed:** To meet requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. Government Accountability Office's Government Auditing Standards (July 2018 Revision), the provisions of the Single Audit Act Amendments of 1996 and the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.
- 2) Working Paper Retention and Access to Working Papers:**
 - A. All working papers and reports must be retained, at the auditor's expense, for a minimum of three years (3) years from the final termination date of this agreement unless the firm is notified in writing by Valley Water of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designee:
 - i. Valley Water
 - ii. Auditors or entities of which Valley Water is a sub recipient of grants
 - iii. State of California
 - iv. Parties designated by Valley Water as part of an audit quality review process
- 3)** In the required reports on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as "a significant deficiency in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize, and report program and financial data consistent with the assertions of management." Reportable conditions that are also material weaknesses shall be identified as such in the report.
- 4)** Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.
- 5)** Reports on compliance shall include all instances of noncompliance. Auditors shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware to the following parties: Chairperson of

SCHEDULE A-GEN SCOPE OF SERVICES

the Board Audit Committee, District Counsel, Chief Administrative Officer.

- 6) Upon completion of the audit and prior to issuing any audit reports or the management letter, the auditor will participate in an exit conference with the Board Audit Committee. Such exit conference will be scheduled as part of a regular public meeting of the committee. The Board Audit Committee may request additional public presentations on any and all audits.

6. Scope of Services

Task 1 - Project Management

- 1.1 The purpose of this task is for Consultant to manage this Scope of Services such that the work is completed within the not-to-exceed fees limit stated in Schedule A-GEN, Attachment One, Fees and Payments, and in accordance with the Project Schedule stated in Schedule A-GEN, Attachment Two, Schedule of Completion, while ensuring that all services and deliverables by the Consultant meet Valley Water and Project requirements.

1.2 Kickoff Meeting

Consultant will attend kickoff meeting with Valley Water. The purpose of the kickoff meeting is to introduce key Valley Water and Consultant team members to one another, acquaint all participants with the purpose of and expectations for the Project, describe team members' roles and responsibilities, describe Project procedures, and summarize scope and schedule.

- 1.3 **Project Design Work Plan.** Consultant will prepare a Project Design Work Plan in accordance with this Scope of Services.

- 1.3.1 The Project Design Work Plan shall include Project objectives, requirements, constraints, a detailed Project Schedule (showing major tasks and deliverables), a breakdown of Consultant's costs for the major tasks, a list of the Consultant's team members and their roles and responsibilities, communication protocols (internal and external), document control procedures, and other administrative procedures.

- 1.3.2 The Project Design Work Plan shall include a Project Quality Assurance and Quality Control (QA/QC) Plan documenting Consultant's procedures to ensure Consultant's services and deliverables meet Valley Water requirements and accepted practices and standards of the Consultant's profession. Valley Water reserves the right to request and review the Consultant's Project documentation demonstrating its adherence with their own quality assurance procedures.

- 1.4 **Progress Meeting and Workshops.** Valley Water and Consultant key staff and subconsultants, as determined necessary and appropriate by Consultant, subject to VWPM approval, or at Valley Water's direction, will coordinate and attend periodic progress meetings and workshops with Valley Water staff, regulatory and resource agencies, and review boards, as needed, to review, discuss and progress of the work. For each meeting or

SCHEDULE A-GEN SCOPE OF SERVICES

workshop, the Consultant will prepare the meeting agenda and notes and submit them for review by Valley Water.

- 1.5 Weekly One-on-One Meetings with Valley Water.** Consultant Project Manager must provide a brief update of the team's work activities completed within the week, the look-ahead activities, and the issues and actions that require Valley Water's attention. The meeting schedule will be established by Valley Water, weekly/biweekly either in person, or by done, at Valley Water's discretion.
- 1.6 Coordination and Communication with External Agencies.** Consultant will assist the VWPM with coordination and communication with appropriate regulatory or other agencies, as necessary, to execute this Scope of Services. This task includes support in drafting correspondence related to the Consultant's Project design activities as requested by Valley Water.
- 1.7 Public Outreach.** If requested, Consultant will provide support and assistance with Valley Water's public outreach activities. Such assistance may include coordination, preparation, and participation including, preparing presentation materials, attendance at meetings, preparation of newsletters, graphics, updates to the Project website, developing responses to questions, and other tasks as directed by the VWPM.
- 1.8 Project-Specific Sub-Tasks**
 - 1.8.1 Consultant shall recommend convening and attending meetings, workshops and consultations with Valley Water as needed to complete the tasks.

Task 1 - Deliverables

1. Project Design Work Plan including QA/QC Plan (Draft, Draft Final and Final)
2. Meeting agendas, minutes, and presentations
3. Weekly or twice-a-week meetings/conference calls attendance and notes; frequency of meetings and/or calls will be at Valley Water's discretion

Task 2 – General Audit Services

- 2.1** The Consultant shall manage the Scope of Services such that the work is completed within the fixed fee limit stated in a Task Order and in accordance with the schedule and ensure that all services and deliverables meet the Internal Audit Program requirements.
- 2.2** Valley Water maintains a Quality Environmental Management System (QEMS) which has procedures, guidelines, and work instructions for the performance of various Valley Water work. The Consultant shall perform the tasks and/or subtasks in accordance with the QEMS framework. As needed, Valley Water Project Manager will provide the Consultant with the specific QEMS procedure, guideline, and/or work instruction prior to the production of deliverables.
- 2.3** The Consultant will conduct an assessment of the current Audit Program and evaluate the audits and assessments currently underway. The Consultant's project services will

SCHEDULE A-GEN SCOPE OF SERVICES

support the Audit Committee in fulfilling its duties, responsibilities and program objectives as follows:

A. General Audit Committee services

1. Provide advice and recommendations on audits of government programs.
2. Develop an annual audit program, calendar and budget.
3. Conduct audits as directed by the Audit Committee.
4. Prepare and deliver formal and informal audit reports and presentations.
5. Attend Audit Committee and Board meetings.
6. Meet with Valley Water staff as needed.
7. Provide additional staff resources as determined by the Audit Committee.

B. Specific audit services

The Consultant may conduct certain audits as directed by the Board. Following the completion of any audit the auditor shall issue a report that contains at a minimum:

1. An executive summary of the audit.
2. Methodology and data used.
3. The accuracy and fair representation of any financial transactions.
4. Compliance with applicable laws, regulations, voter mandates, and policies.
5. Effectiveness of internal controls governing Valley Water operations and finances.
6. Material strength and weaknesses of programs reviewed by the auditor.
7. Recommended improvements, if any.

Reports will be provided in both a written and an unalterable electronic format for use by Valley Water. All final audit reports are public documents under state and federal law and are to be made available upon any public request.

Task 2 – Deliverables

1. To be determine on a task order issuance basis

Task 3 - Supplemental Services

Valley Water may require, and the Consultant will perform, Supplemental Services on an as-needed basis. Prior to performing any Supplemental Services, Consultant must receive an approved Task Order issued by Valley Water and executed by both Parties. Refer to the Standard Consultant Agreement, Section Twelve, Miscellaneous Provisions, subsection 13. Task Orders, and Appendix Three, Task Order Template.

3.1 Specific examples include:

- 3.1.1 Training
- 3.1.2 Best Practices Research

3.2 Additional Services. Consultant will provide additional quantities of previously identified services as requested by Valley Water. Consultant will provide additional

SCHEDULE A-GEN SCOPE OF SERVICES

services for any quantity of tasks and deliverables beyond those stated in Task 1 through 2 as Task 3 Supplemental Services, to include but not be limited to:

- 3.2.1 Additional meetings;
- 3.2.2 Additional time allotted for meetings;
- 3.2.3 Additional status/progress reports;
- 3.2.4 Additional phone conference calls;
- 3.2.5 Additional pages or copies of technical memoranda, plans, reports, drawings, and specifications; and
- 3.2.6 Additional public outreach visual material

7. Attachments

The following A-Gen Standard Consultant Agreement listed Attachments are incorporated herein by this reference as though set forth in full:

Attachment One - Fees and Payments

Attachment Two - Schedule of Completion

Attachment Three - Consultant's Key Staff and Subconsultants

Attachment Four - Reference Materials

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**SCHEDULE A-GEN
ATTACHMENT ONE
FEES AND PAYMENTS**

1. Total Authorized Funding

Total payment for Services performed, to the satisfaction of Valley Water, as described in the Schedule(s) will not exceed a total amount of **\$800,000** (Not-to-Exceed or NTE). Under no conditions will the total compensation to Consultant exceed NTE Fee payment amount without prior written approval in the form of an amendment to this Agreement executed by Valley Water's Board of Directors (Board), or Chief Executive Officer, or designee, as authorized by the Board.

2. Cost Breakdown

The NTE compensation of this Agreement consists of the following task fee breakdown. No Services will be performed or fees paid by Valley Water to Consultant for Supplemental Services without prior written authorization by Valley Water as stated in this Agreement.

COST BREAKDOWN

Task	Description	Not-to-Exceed Fees For Each Audit
1	Project Management	\$25,000
2	<i>General Audit Services</i>	
	A. General Audit Committee Services	\$20,000
	B. Specific Audit Services	\$80,000
3	Supplemental Services	\$40,000
Total Not-to-Exceed Fees For Each Audit		\$165,000
Total Not-to-Exceed Amount of This Agreement		\$800,000

**SCHEDULE A-GEN
ATTACHMENT ONE
FEES AND PAYMENTS**

3. Terms and Conditions

A. Payments for Services performed, as described in this attached Schedule, which applies to the specific Services, will be based on the following terms:

- 1) Valley Water will pay for Services provided by Consultant according to the schedule of rates for professional, technical, and administrative personnel as well as materials and supplies as listed below in the Hourly/Unit Rate Schedule.
- 2) The stated hourly rates are effective for the term of this Agreement unless otherwise revised as indicated. After 12 months from the date this Agreement is entered into by parties ("anniversary date"), and each 12 months thereafter, these hourly rates may be negotiated by Consultant and Valley Water, provided Consultant submits written notice to Valley Water of Consultant's request to revise the hourly rates 90 calendar days prior to the anniversary date of this Agreement. Both parties will use as a benchmark for negotiations the percent change for the previous 12 months of the "Employment Cost Index (ECI), for total compensation for private industry workers, for the San Francisco-Oakland-San Jose, CA CSA Census region and metropolitan area (not seasonally adjusted)" as published by the U.S. Department of Labor, Bureau of Labor Statistics, or 2.6%, whichever is less. A negative index will result in rates remaining the same. Such rate revisions are subject to written approval by Valley Water's Deputy Operating Officer.

B. Reimbursable Expenses

- 1) All reimbursable expenses not already covered in overhead may include, but are not limited to, mapping, rendering, printouts, leased equipment, mailing and delivery services, printing services, film and processing, plotting, and supplies. These other direct expenses as approved by Valley Water Project Manager will be billed on monthly basis at actual cost.
- 2) Equipment purchased on behalf of Valley Water that costs \$50 or more must receive the prior written approval of Valley Water Project Manager. All equipment purchased on behalf of and paid for by Valley Water shall become the property of Valley Water and be delivered to Valley Water prior to expiration of this Agreement.
- 3) Travel expenses are reimbursed at actual costs. Travel and overnight accommodations, including per diem, required for performance of this Agreement will be paid at reasonable cost not to exceed the U.S. General Services Agency Per Diem Rates for Sunnyvale/Palo Alto/San Jose, California area, provided prior approval has been obtained from Valley Water Project Manager. For air travel, Valley Water will pay the cost of a coach class or equivalent ticket. Where air travel is required, Valley Water will pay the total cost of taxi, rideshare, public transportation, or a rental car, which may include insurance, gas, car fee, and taxes and will be paid at the actual costs incurred. Vehicle rental is limited to a compact or economy model, unless prior approval has been obtained from Valley Water Project Manager for a different type of vehicle.

**SCHEDULE A-GEN
ATTACHMENT ONE
FEES AND PAYMENTS**

- 4) Expenses incurred by the Consultant, including for Subconsultants, subcontractors and vendors, including lab services, will be reimbursed at actual cost. Consultant shall provide invoices for all such services regardless of cost.
- C. For staff with rates exceeding the rate of \$230/hr, the Consultant must obtain written approval from the Valley Water Project Manager as to the number of hours per task prior to that individual working on the Project.
- D. **Prevailing Wage Requirements – NOT USED**

**SCHEDULE A-GEN
ATTACHMENT ONE
FEES AND PAYMENTS**

HOURLY/UNIT RATE SCHEDULE

CLASSIFICATION/STAFF	HOURLY/UNIT RATE
Consultant: Sjoberg Evashenk	
Partner	\$230
Director	\$180
Manager	\$135
Senior Consultant	\$115
Associate Consultant	\$90
Subconsultant(s): NONE	

NOTE: ¹ – Rates listed above apply if services requested are not related to Schedule A-GEN.

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**SCHEDULE A-GEN
ATTACHMENT TWO
SCHEDULE OF COMPLETION**

1. This Agreement commences on the Effective Date, subject to accomplishment of all conditions to formation of an agreement listed in the Agreement at Section Twelve, Miscellaneous Provisions, subsection 2. Formation of Agreement.
2. This Agreement expires **three (3) years** after the Effective Date, unless, prior to its expiration, its term is modified by a written amendment hereto signed by both Parties.
3. Valley Water and Consultant may agree to modify the schedule specified for Consultant's performance as an administrative modification to the Agreement and will confirm such modification in writing.

PROJECT SCHEDULE

Task	Description	Duration From Notice to Proceed (months)
1	Project Management	Duration of Agreement
2	General Audit Services	Duration of Agreement
3	Supplemental Services	Duration of Agreement

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**SCHEDULE A-GEN
ATTACHMENT THREE
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

1. Consultant's key staff assigned to the Project are as follows:

Team Member	Classification	Project Role	Contact Information
George Skiles	Partner	Chief Audit Executive	455 Capitol Mall, Suite 700 Sacramento, CA 95814 george@secteam.com (916) 443-1300
Lynda McCallum	Partner	Project Manager	455 Capitol Mall, Suite 700 Sacramento, CA 95814 lynda@secteam.com (916) 443-1300
Catherine Brady	Partner	Project Manager	455 Capitol Mall, Suite 700 Sacramento, CA 95814 cathy@secteam.com (916) 443-1300
Lien Luu	Director	Project Manager	455 Capitol Mall, Suite 700 Sacramento, CA 95814 lien@secteam.com (916) 443-1300
Nicole Dyer	Director	Project Manager	455 Capitol Mall, Suite 700 Sacramento, CA 95814 nicole@secteam.com (916) 443-1300

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**SCHEDULE A-GEN
ATTACHMENT FOUR
REFERENCE MATERIALS**

Ref No.	Description
1	Santa Clara Valley Water District Non-Disclosure Agreement (NDA) and Personal Non-Disclosure Agreement (PNDA)
2	ISO 9001 and 14001 standards (to be provided after award)
3	Annual Audit Work Plan

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Santa Clara Valley Water District

File No.: 21-1218

Agenda Date: 11/23/2021

Item No.: 3.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approval of Minutes.

RECOMMENDATION:

Approve the minutes.

SUMMARY:

In accordance with the Ralph M. Brown Act, a summary of Board discussions, and details of all actions taken by the Board, during all open and public Board of Directors meetings, is transcribed and submitted to the Board for review and approval.

Upon Board approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Board's meetings.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

- Attachment 1: 100621 Special Meeting Minutes
- Attachment 2: 101221 CS and Regular Minutes
- Attachment 3: 102221 Special Meeting Minutes
- Attachment 4: 102621 CS and Regular Minutes

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711



BOARD OF DIRECTORS MEETING

MINUTES

**SPECIAL JOINT MEETING WITH CITY OF SUNNYVALE
WEDNESDAY, OCTOBER 6, 2021
6:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A Special Joint Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors, and the Sunnyvale City Council, conducted by Zoom Teleconference, was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 6:00 p.m.

1.1 Roll Call.

Valley Water Board members participating by teleconference were Linda J. LeZotte and John L. Varela, with Nai Hsueh, Richard Santos, and Tony Estremera being present in the Boardroom. Valley Water Directors Barbara Keegan and Gary Kremen were excused from attending.

Sunnyvale Council Members participating by teleconference were Mayor Larry Klein, Vice Mayor Glenn Hendricks, Gustav Larsson, Russ Melton, Mason Fong, Alysia Cisneros, and Omar Din.

Valley Water staff in attendance was M. King, Clerk, Board of Directors. Valley Water staff participating by teleconference were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, J. Aranda, A. Baker, R. Blank, S. Bogale, R. Chan, V. Gin, L. Orta, M. Richardson, D. Rocha, K. Struve, D. Taylor, S. Tippetts, B. Yerrapotu, and T. Yoke.

Sunnyvale staff participating by teleconference were K. Steffens, City Manager, T. Silva, Assistant City Manager, J. Nagel, City Attorney, D. Carnahan, City Clerk, S. Barajas, R. Chinnakotla, M. King, M. Nasser, and C. Taylor.

1.2 Pledge of Allegiance/National Anthem.

Valley Water Director Santos led all present in reciting the Pledge of Allegiance.

1.3 Introductions/Opening Comments.

Valley Water Chairperson Estremera and Sunnyvale Mayor Klein participated in introductions and opening comments.

1.4 Time Open for Public Comment on any Item not on the Agenda.

Chairperson Estremera declared Time Open for Public Comment on any Item not on the Agenda.

Mr. Bruce Hahne, Sunnyvale resident, requested Sunnyvale consider offering incentives to encourage installation of individual water meters in condominiums and other multi-family developments, and revising the Utilities Department's policies to allow for individual billing when meters are installed.

2. TIME CERTAIN:

6:00 PM

2.1 Receive an Update on the Water Shortage Emergency Condition and Call for Conservation.

Recommendation: Receive an Update on the Water Shortage Emergency Condition and Call for Conservation.

Mr. Rick Callender, Valley Water Chief Executive Officer, and Mr. Aaron Baker, Valley Water Chief Operating Officer, reviewed the information on this item per the attached Board Agenda Memo, and Ms. Neeta Bijoor, Valley Water Associate Water Resources Specialist, reviewed the corresponding presentation materials contained in Attachment 1.

The Board and Council noted the information, without formal action.

2.2 Update on Valley Water Purified Water Program.

Recommendation: Receive an update on Valley Water's Advance Purified Water efforts.

Ms. Kirsten Struve, Valley Water Assistant Officer, reviewed the information on this item per the attached Board Agenda Memo, and per the corresponding presentation materials contained in Attachment 1.

The Board and Council noted the information, without formal action.

2.3 Receive an Update on the Sunnyvale Clean Water Program.

Recommendation: Receive an update on the Sunnyvale Clean Water Program.

Mr. Ken Steffens, Sunnyvale City Manager, provided a brief introduction of this item and its presenting staff, and Mr. Chip Taylor, Sunnyvale Public Works Director, Mr. Ramana Chinnakotla, Sunnyvale Environmental Services Director, and Mr. Mansour Nasser, Sunnyvale Water and Sewer Systems Division Manager, reviewed the presentation materials contained in Attachment 1.

The Board and Council noted the information, without formal action.

2.4 Sunnyvale East/West Channels Flood Protection Project Update.

Recommendation: Receive an update on the Sunnyvale East/West Channels Flood Protection Project.

Ms. Rechelle Blank, Valley Water Deputy Operating Officer, and Mr. Stephen Ferranti, Valley Water Capital Engineering Manager, reviewed the information on this item per the attached Board Agenda Memo, and per the corresponding presentation materials contained in Attachment 1.

The Board and Council noted the information, without formal action.

2.5 Receive an Update on the Moffett Park Specific Plan.

Recommendation: Receive an update on the Moffett Park Specific Plan.

Ms. Michelle King, Sunnyvale Project Manager, Moffett Park Specific Plan, reviewed the information on this item per the attached Board Agenda Memo, and per the corresponding presentation materials contained in Attachment 1.

The Board and Council noted the information, without formal action.

2.6 Receive an Update on the South San Francisco Bay Shoreline Study.

Recommendation: Receive an update on the South San Francisco Bay Shoreline Study.

Ms. Blank and Ms. Sunshine Julian, Valley Water Capital Engineering Manager, reviewed the information on this item per the attached Board Agenda Memo, and per the corresponding presentation materials contained in Attachment 1.

The Board and Council noted the information, without formal action.

3. ADJOURN:

3.1 Closing Remarks.

Valley Water Chairperson Estremera and Sunnyvale Mayor Klein participated in closing remarks.

3.2 Adjourn to 11:00 a.m. Closed Session and 1:00 p.m. Regular Meeting on October 12, 2021, to be called to order in compliance with the Brown Act as currently in effect and Santa Clara Valley Water District Resolution 21-85, adopted on September 28, 2021, in compliance with the provisions of AB361 (Rivas).

Chairperson Estremera adjourned the meeting at 9:15 p.m., to the 11:00 a.m. Closed Session and 1:00 p.m. Regular Meeting on October 12, 2021, to be called to order in compliance with the Brown Act as currently in effect and Santa Clara Valley Water District Resolution 21-85, adopted on September 28, 2021, in compliance with the provisions of AB361 (Rivas).

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date:



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, OCTOBER 12, 2021
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A Closed Session and Regular Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors, conducted by Zoom Teleconference, was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 11:00 a.m.

1.1 Roll Call.

Board members participating by teleconference were Barbara Keegan, Gary Kremen, and John L. Varela, with Tony Estremera, Nai Hsueh, and Richard Santos being present in the Boardroom, constituting a quorum of the Board.

Director Linda LeZotte joined the meeting by teleconference as noted below.

Staff in attendance was M. King, Clerk, Board of Directors. Staff participating by teleconference were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, J. Aranda, A. Baker, L. Bankosh, R. Blank, S. Bogale, J. Bourgeois, R. Chan, A. Fulcher, R. Gibson, A. Gschwind, B. Hopper, M. Lugo, H. McMahon, L. Orta, M. Richardson, D. Rocha, K. Struve, D. Taylor, S. Tippets, K. Wong, and T. Yoke.

2. TIME CERTAIN:

Chairperson Estremera confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1, 2.2, and 2.3.

11:00 AM

2.1 CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Rick Callender, J. Carlos Orellana, Brian Hopper, Tina Yoke, Edward Kreisberg, Ingrid Bella, Bryant Welch, Laura Harbert, Emily Meeks

Employee Organizations: Employees Association, Engineers Society, Professional Managers

- 2.2 CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL INITIATION OF LITIGATION
Government Code Section 54956.9(d)(4)
One Potential Case
- 2.3 CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Titles: CEO, District Counsel and Clerk of the Board

1:00 PM

Upon return to Open Session, the same Board members, excluding Director LeZotte, and staff were present.

- 2.4 District Counsel Report on Closed Session.

Mr. Carlos Orellana, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members present, excluding Director LeZotte, and gave direction to staff; in regard to Item 2.2, the Board met in Closed Session with all members present, excluding Director LeZotte, and took no reportable action; and in regard to Item 2.3, the Chair confirmed that the Board met in Closed Session with all members present, excluding Director LeZotte, and continued the item to a later meeting.

Director LeZotte joined the meeting by teleconference.

- 2.5 Pledge of Allegiance/National Anthem.

Director Hsueh led all present in reciting the Pledge of Allegiance.

- 2.6 Orders of the Day.

Chairperson Estremera confirmed that there were no changes to the Orders of the Day.

- 2.7 Time Open for Public Comment on any Item not on the Agenda.

Chairperson Estremera declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

- 2.8 Resolution Establishing Policy Criteria for Public Trails on Santa Clara Valley Water District (Valley Water) Lands and Public Hearing to Amend the Water Resources Protection Manual to Include the Policy Criteria and Guidance for Public Trails on Valley Water Land, as Recommended by the Board Policy and Planning Committee during its January 25, 2021 meeting.

Recommendation: A. Consider the January 25, 2021 Board Policy and Planning Committee recommendation to approve the Policy Criteria and Guidance for Public Trails on Valley Water Lands;
 B. Adopt the Resolution ESTABLISHING POLICY CRITERIA FOR PUBLIC TRAILS ON VALLEY WATER LANDS;

- C. Open the Public Hearing to Consider Amendment of the Water Resources Protection Manual to Include the Policy Criteria and Guidance for Public Trails on Valley Water Land;
- D. Close the Public Hearing; and
- E. Adopt the Resolution AMENDING THE WATER RESOURCES PROTECTION MANUAL TO INCLUDE POLICY CRITERIA AND GUIDANCE FOR PUBLIC TRAILS ON VALLEY WATER LANDS.

Ms. Lisa Bankosh, Assistant Officer, reviewed the information on this item, per the attached Board Agenda Memo.

Chairperson Estremera opened the Public Hearing.

Ms. Katja Irvin, Sierra Club Loma Prieta Chapter, expressed enthusiasm regarding the completion of the Resolution Establishing Policy Criteria for Public Trails on Santa Clara Valley Water District (Valley Water) Lands.

The Board continued the Public Hearing to the October 26, 2021 meeting.

2.9 Receive Information on the Downtown San Jose West Mixed-Use Plan (Downtown Google Project).

Recommendation: Receive information on opportunities and challenges related to the Downtown San Jose West Mixed-Use Plan (Downtown Google Project).

Ms. Bankosh reviewed the information on this item, per the attached Board Agenda Memo, and the corresponding presentation materials contained in Handout 2.9-A were reviewed by Ms. Sheela Jivan, Google, and Mr. Wayne Gilmore, Google.

The Board noted that Handout 2.9-A, Page 9, Los Gatos Creek Setbacks and Enhancement Zones, map legend, 30-foot Guadalupe River Riparian Setback should be revised to read 35-foot Guadalupe River Riparian Setback; and the participating Google representatives were advised that a minimum 50-foot riparian setback was required for all new construction.

The Board noted the information, without formal action.

2.10 Monthly Drought Emergency Response and Water Supply Update.

Recommendation: Receive an update on water supply conditions in Santa Clara County and staff's drought response efforts and provide direction to staff, as necessary.

Mr. Aaron Baker, Chief Operating Officer, reviewed the information on this item, per the attached Board Agenda Memo, and Ms. Neeta Bijoor, Senior Water Resource Specialist, reviewed the information contained in Supplemental Attachment 1.

Director Hsueh requested that staff work with the Water Conservation and Demand Management Committee to identify if it is feasible, in the prospective timelines for project developments, to incorporate water wise features into new

developments, such as Cambrian Park Plaza, Vallco Town Center, and the Downtown San Jose West Mixed-Use Plan (Downtown Google Project) (Board Member Request No. 21-0004).

The Board noted the information, without formal action.

3. CONSENT CALENDAR:

The Board considered Consent Calendar Items 3.1 through 3.5, under one motion.

3.1 Approve Federal Funding Requests for Federal Fiscal Years 2022 and 2023.

Recommendation: Approve the recommended federal Fiscal Years (FYs) 2022 and 2023 appropriations requests for Valley Water-sponsored and Valley Water-supported projects.

3.2 Adopt the Resolution Declaring October 23-30, 2021, as California Flood Preparedness Week in Santa Clara County.

Recommendation: Adopt the Resolution DECLARING THE WEEK OF OCTOBER 23-30, 2021, AS CALIFORNIA FLOOD PREPAREDNESS WEEK IN SANTA CLARA COUNTY.

3.3 Approve the Nomination of Ms. Vaishali “Shali” Sirkay, by District 7 Vice Chair Gary Kremen, as Replacement to the District 7 Representative Seat on the Santa Clara Valley Water District 2021 Redistricting Advisory Committee.

Recommendation: Approve the nomination of Ms. Vaishali “Shali” Sirkay, by District 7 Vice Chair Gary Kremen, as a replacement to the District 7 Representative seat on the Santa Clara Valley Water District 2021 Redistricting Advisory Committee.

3.4 Approval of Minutes.

Recommendation: Approve the minutes.

3.5 Accept the CEO Bulletin for the Weeks of September 24 – October 7, 2021.

Recommendation: Accept the CEO Bulletin.

Motion: Approve Consent Calendar Items 3.1 through 3.5, under one motion, as follows: approve Federal Funding Requests for Federal Fiscal Years 2022 and 2023, as contained in Item 3.1; adopt Resolution No. 21-83, DECLARING OCTOBER 23-30, 2021, AS CALIFORNIA FLOOD PREPAREDNESS WEEK IN SANTA CLARA COUNTY, by roll call vote, as contained in Item 3.2; approve the Nomination of Ms. Vaishali “Shali” Sirkay, by District 7 Vice Chair Gary Kremen, as Replacement to the District 7 Representative Seat on the Santa Clara Valley Water District 2021 Redistricting Advisory Committee, as contained in Item 3.3; approve the minutes, as contained in Item 3.4; and accept the CEO Bulletin, as contained in Item 3.5.

Move to Approve:	Linda J. LeZotte
Second:	John L. Varela
Yeas:	Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

4.1 Board Committee Reports.

The Board noted the information, without formal action.

4.2 Proposed Future Board Member Agenda Items.

None.

5. WATER UTILITY ENTERPRISE:

5.1 Receive the Capital Improvement Program Committee's September 20, 2021 Request for Staff to Present to the Board the Recommendation to Proceed to the Request For Proposal Stage With a Single Proposer for the Coyote Pumping Plant Adjustable Speed Drive Replacement Project, Project No. 91234002, (Morgan Hill), (District 1).

Recommendation:	A. Receive an update on the Coyote Pumping Plant Adjustable Speed Drive Replacement Project Design-Build Request for Qualifications;
	B. Approve staff's recommendation to proceed with a single proposer, as supported by the Capital Improvement Program Committee during their September 20, 2021 meeting; and
	C. Provide direction to staff as necessary.

Mr. Heath McMahon, Deputy Operating Officer, reviewed the information on this item, per the attached Board Agenda Memo, and Mr. Mathew Pagedarn, Brown and Caldwell, reviewed the information contained in Attachment 1.

Move to Approve:	Nai Hsueh
Second:	Richard Santos
Yeas:	Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

6. WATERSHEDS:

None.

7. ASSISTANT CHIEF EXECUTIVE OFFICER:

None.

8. EXTERNAL AFFAIRS:

None.

9. CHIEF EXECUTIVE OFFICER:

9.1 Fiscal Year 2020-21 Fourth Quarter Financial Status Update.

Recommendation: Receive the Fiscal Year 2020-21 fourth quarter financial status update as of June 30, 2021.

Mr. Darin Taylor, Chief Financial Officer, reviewed the information on this item, per the attached Board Agenda Memo.

The Board noted the information, without formal action.

9.2 CEO and Chiefs' Report.

Ms. Sue Tippets, Interim Chief Operating Officer, reviewed the information contained in Handout 9.2-A, and Ms. Rachel Gibson, Chief of External Affairs, reviewed the information contained in Handout 9.2-B.

Copies of the Handouts were distributed to the Board and made available to the public.

10. ADMINISTRATION:

None.

11. DISTRICT COUNSEL:

None.

12. ADJOURN:

12.1 Board Member Reports/Announcements.

Director Varela reported attending Joint Water Resources, Joint Recycled Water (City of Sunnyvale), and Agricultural Water Advisory Committee (AWAC) meetings; and More Water Now Initiative, San Luis Delta Mendota Water Authority (SLDMWA), Santa Clara County Farm Bureau, and Upper Llagas Creek Flood Protection Project meetings.

Director Santos reported attending a Landscape Committee meeting; and participating in a Silicon Valley Advanced Water Purification Center tour with Assembly Member Alex Lee and participating in the Santa Clara Parade of Champions.

Director LeZotte reported attending the aforementioned Joint Water Resources, Joint Recycled Water (Sunnyvale), Landscape and AWAC Committee meetings; and various meetings with staff.

Director Hsueh reported attending the aforementioned Joint Recycled Water (Sunnyvale), Landscape and AWAC Committee meetings; Redistricting Advisory Committee and Moreland West Neighborhood Association meetings; various meetings with staff; and participating in a radio interview.

Director Kremen reported attending the aforementioned SLDMWA meeting; Mountain View Rotary Club and Delta Conveyance Authority Finance meetings.

Director Keegan requested that staff provide opportunities for the public to engage in Valley Water Racial Equity, Diversity and Inclusion Series Speaker events (Board Member Request No. 21-0005).

12.2 Clerk Review and Clarification of Board Requests.

Ms. Michele King, Clerk, Board of Directors, read the new Board Member Requests into the record.

12.3 Adjourn to 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting on October 26, 2021, to be called to order in compliance with the Brown Act as currently in effect and Santa Clara Valley Water District Resolution 21-85, adopted on September 28, 2021, in compliance with the provisions of AB361 (Rivas).

Chairperson Estremera adjourned the meeting at 2:30 p.m., to the 4:00 p.m. Closed Session and 6:00 p.m. Regular meeting on October 26, 2021, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20.

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date:

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BOARD OF DIRECTORS MEETING

MINUTES

**SPECIAL MEETING
FRIDAY, OCTOBER 22, 2021
12:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A Special Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors, conducted by Zoom Teleconference, was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 12:00 p.m.

1.1 Roll Call.

Board members participating by teleconference were Barbara Keegan, Gary Kremen, Linda J. LeZotte, and John L. Varela, with Tony Estremera, Nai Hsueh, and Richard Santos being present in the Boardroom, constituting a quorum of the Board.

Staff in attendance was M. King, Clerk, Board of Directors. Staff participating by teleconference were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, J. Aranda, A. Baker, L. Bankosh, I. Bella, R. Blank, S. Bogale, J. Bourgeois, B. Broome, R. Chan, J. Codianne, M. Cook, A. Fulcher, R. Gibson, V. Gin, A. Gordon, A. Gschwind, C. Hakes, B. Hopper, M. Lugo, H. McMahon, L. Orta, M. Richardson, D. Rocha, K. Struve, D. Taylor, S. Tippetts, G. Williams, K. Wong, and T. Yoke.

1.2 Pledge of Allegiance/National Anthem.

Director LeZotte led all present in reciting the Pledge of Allegiance.

1.3 Time Open for Public Comment on any Item not on the Agenda.

Chairperson Estremera declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

2. TIME CERTAIN:

12:00 PM

2.1 Water Supply Master Plan Monitoring and Assessment Program Update 2021.

Recommendation: Receive and discuss information on the annual Water Supply Master Plan Monitoring and Assessment Program evaluation.

The Board entered into a work study session on Water Supply Master Plan Monitoring and Assessment Program Update 2021.

Mr. Aaron Baker, Chief Operating Officer, reviewed the information on this item, per the attached Board Agenda Memo and Ms. Samantha Greene, Senior Water Resources Specialist, reviewed Attachment 4.

A summary of the Board's discussion is contained in the attached Flip Chart Notes.

Ms. Katja Irvin, Sierra Club Loma Prieta Chapter, expressed support for Valley Water's efforts to re-evaluate its water supply planning; suggested public hearings to be scheduled for the Department of Water Resource's (DWR) B.F. Sisk/San Luis Dam Modification Project; discussed the DWR Project's potential impacts on Valley Water's Water Supply 2040 planning; expressed opposition to the Pacheco Reservoir Expansion Project, citing that its cost exceeded its water supply benefits; and requested a yearly Water Supply Public Forum to provide a venue for more discussions by stakeholders and the public.

Ms. Osha Meserve, Soluri Meserve Environmental Law Attorney representing Pacheco Land Cattle Co., LLC and Lawler Ranch, expressed opposition to including the Pacheco Reservoir Expansion Project in the Water Supply Master Plan 2040; expressed concern about the Project's high costs, increased risks, and potential environmental and cultural damages; and requested the Pacheco Reservoir Expansion Project be replaced in the Water Supply Master Plan 2040 by other projects that would better serve Valley Water's customers.

Ms. Molly Culton, Sierra Club California, expressed opposition to the Delta Conveyance Project and requested that it be removed from the Water Supply Master Plan 2040 due to the high costs and risks associated with the project, and encouraged consideration of projects that reuse, recycle, and conserve local and regional water supplies instead.

3. ADJOURN:

3.1 Clerk Review and Clarification of Board Requests.

None.

3.2 Adjourn to the 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting on October 26, 2021, to be called to order in compliance with the Brown Act as currently in effect and Santa Clara Valley Water District Resolution 21-85,

adopted on September 28, 2021, in compliance with the provisions of AB361 (Rivas).

Chairperson Estremera adjourned the meeting at 1:05 p.m., to the 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting on October 26, 2021, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20.

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date:

SANTA CLARA VALLEY WATER DISTRICT
SPECIAL BOARD MEETING
WATER SUPPLY MASTER PLAN MONITORING AND ASSESSMENT PROGRAM UPDATE 2021
OCTOBER 22, 2021
FLIP CHART NOTES

Board Discussion

- Director Kremen
 - The Master Plan 2040 should consider that all water storage is not equally reliable, and should not focus solely on cost of storage.
 - Staff is to advise the Soluri Meserve Law Corporation that the Pacheco Reservoir Expansion Project includes recreational enhancements.
 - Staff is to come back with clarification on the relationship between the local Native American community and the Pacheco Land and Cattle Co., LLC, including how much land access had been granted through easements prior to Pacheco Dam being built.
- Director Varela
 - Refer to the Water Storage Exploratory Committee (WSEC) discussion on the impact of climate change on ground and surface water supply, and stakeholder input on undocumented risks and additional costs not included in the Project Risk Assessment Report.
- Director Hsueh
 - Referred Handout 2.1-B to the Capital Improvement Program (CIP) Committee, to assist with achieving the projected time frame for the Master Plan 2040.
 - Staff is to research how to incorporate input from stakeholders such as the Sierra Club and the Soluri Meserve Law Corporation.
- Director Santos
 - Staff is to come back with information on outreach to the local farming community when the Pacheco Dam was originally built, and information on whether landowners supported or opposed the Project.
 - Staff is to consider water storage reliability when evaluating undocumented risks and costs, and extend educational outreach opportunities on this information to stakeholders.
- Chairperson Estremera
 - Staff is to provide extended outreach of WSEC and CIP Committee meeting notices where further discussion, as described herein, would be held.



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, OCTOBER 26, 2021
4:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A Closed Session and Regular Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors, conducted by Zoom Teleconference, was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 4:00 p.m.

1.1. Roll Call.

Board members participating by teleconference were Barbara Keegan, Gary Kremen, Linda J. LeZotte, and John L. Varela, with Tony Estremera, Nai Hsueh, and Richard Santos being present in the Boardroom, constituting a quorum of the Board.

Staff in attendance was M. King, Clerk, Board of Directors. Staff participating by teleconference were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, J. Aranda, A. Baker, L. Bankosh, R. Blank, R. Chan, M. Cook, R. Gibson, A. Gschwind, B. Hopper, L. Orta, M. Richardson, D. Rocha, D. Taylor, S. Tippetts, and T. Yoke.

2. TIME CERTAIN:

Chairperson Estremera confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1, 2.2, and 2.3.

4:00 PM

2.1. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a) Agency Designated Representatives: Rick Callender, J. Carlos Orellana, Brian Hopper, Tina Yoke, Edward Kreisberg, Ingrid Bella, Bryant Welch, Laura Harbert, Emily Meeks
Employee Organizations: Employees Association, Engineers Society, Professional Managers

- 2.2. CLOSED SESSION
THREAT TO PUBLIC SERVICES OR FACILITIES
Pursuant to Government Code Section 54957(a)
Consultation with Alex Gordon, Assistant Officer
- 2.3. CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Titles: CEO, District Counsel and Clerk of the Board
(Continued from October 12, 2021)

Upon return to Open Session, the same Board members, and staff were present.

6:00 PM

- 2.4. District Counsel Report on Closed Session.

Mr. Carlos Orellana, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members present, and gave direction to staff, in regard to Item 2.2, the Board met in Closed Session with all members present, and took no reportable action, and in regard to Item 2.3, the Chair confirmed the Board would continue discussion on Item 2.3 after concluding all items on the Agenda.

- 2.5. Pledge of Allegiance/National Anthem.

Director Kremen led all present in reciting the Pledge of Allegiance.

- 2.6. Orders of the Day.

Chairperson Estremera confirmed that Item 2.8 would be continued to the December 14, 2021, meeting.

- 2.7. Time Open for Public Comment on any Item not on the Agenda.

Chairperson Estremera declared time open for public comment on any item not on the agenda.

Ms. Glenna Brambill, Management Analyst II, reported on Valley Water's recognition of October as National Breast Cancer Awareness Month; acknowledged October 26, 2021 as Valley Water staff's Wear Pink to Work Day; and discussed related activities.

- 2.8. Resolution Establishing Policy Criteria for Public Trails on Santa Clara Valley Water District (Valley Water) Lands and Public Hearing to Amend the Water Resources Protection Manual to Include the Policy Criteria and Guidance for Public Trails on Valley Water Land, as Recommended by the Board Policy and Planning Committee during its January 25, 2021 meeting (Continued from October 12, 2021).

Recommendation: A. Consider the January 25, 2021 Board Policy and Planning Committee recommendation to approve the Policy Criteria and Guidance for Public Trails on Valley Water Lands;

- B. Adopt the Resolution ESTABLISHING POLICY CRITERIA FOR PUBLIC TRAILS ON VALLEY WATER LANDS;
- C. Open the Public Hearing to Consider Amendment of the Water Resources Protection Manual to Include the Policy Criteria and Guidance for Public Trails on Valley Water Land;
- D. Close the Public Hearing; and
- E. Adopt the Resolution AMENDING THE WATER RESOURCES PROTECTION MANUAL TO INCLUDE POLICY CRITERIA AND GUIDANCE FOR PUBLIC TRAILS ON VALLEY WATER LANDS.

Chairperson Estremera confirmed that Item 2.8 would be continued to the December 14, 2021, meeting.

3. **CONSENT CALENDAR:**

The Board considered Consent Calendar Items 3.1 through 3.3, under one motion.

- 3.1. Adopt Recommended Positions on Federal Legislation: H.R. 4647 (Huffman) – Water Conservation Rebate Tax Parity Act; H.R. 4712 (Levin) – Desalination Development Act; H.R. 4915 (McClintock) – Water Supply Permitting Coordination Act; H.R. 4235 (Pallone) – Living Shorelines Act; H.R. 4413 (DeLauro) – National Infrastructure Development Bank Act; and Other Legislation That May Require Urgent Consideration for a Position by the Board.

Recommendation: A. Adopt a position of “Support” on H.R. 4647 (Huffman) – Water Conservation Rebate Tax Parity Act;
 B. Adopt a position of “Support and Amend” on H.R. 4712 (Levin) – Desalination Development Act;
 C. Adopt a position of “Support” on H.R. 4915 (McClintock) – Water Supply Permitting Coordination Act;
 D. Adopt a position of “Support and Amend” on H.R. 4235 (Pallone) – Living Shorelines Act; and
 E. Adopt a position of “Support” on H.R. 4413 (DeLauro) – National Infrastructure Development Bank Act.

- 3.2. Accept the CEO Bulletin for the Weeks of October 8 – 21, 2021.

Recommendation: Accept the CEO Bulletin.

- 3.3. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 3.1 through 3.3, under one motion, as follows: adopt recommended positions of “Support” on Federal Legislation, H.R. 4647 (Huffman), H.R. 4915 (McClintock), and H.R. 4413 (DeLauro), and adopt recommended positions of “Support and Amend” on H.R. 4712 (Levin), and H.R. 4235 (Pallone), as contained in Item 3.1; accept the CEO Bulletin, as contained in

Item 3.2; and approve the Minutes, as contained in Item 3.3.

Move to Approve: John L. Varela
Second: Richard Santos
Yeas: Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

4.1. Review Fiscal Year 2022 Board Policy Planning Calendar.

Recommendation: Review, discuss and revise the Fiscal Year 2022 Board Policy Planning Calendar.

Ms. Michele King, Clerk, Board of Directors, reviewed the information on this item, per the attached Board Agenda Memo.

The Board noted the information without formal action.

4.2. Consider Adopting a Resolution Proclaiming a Continued Local Emergency, Acknowledging the Proclamation of a State of Emergency by Governor's Order No. N-23-20 Dated March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Santa Clara Valley Water District for 30 Days Pursuant to Brown Act Provisions.

Recommendation: Consider adopting a RESOLUTION PROCLAIMING A CONTINUED LOCAL EMERGENCY, ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS.

The Board considered this Item without a staff presentation.

Motion: Adopt Resolution No. 21-88, RESOLUTION PROCLAIMING A CONTINUED LOCAL EMERGENCY, ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS.

Move to Adopt:	John L. Varela
Second:	Richard Santos
Yeas:	Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

4.3. Board Committee Reports.

Director Hsueh reviewed and distributed the attached October 18, 2021 CIP Committee Meeting Summary, identified as Handout 4.3-N, herein; and the Board noted Handouts 4.3-A through 4.3-N, without formal action.

Copies of the Handouts were distributed to the Board and made available to the public.

4.4. Proposed Future Board Member Agenda Items.

None.

5. WATER UTILITY ENTERPRISE:

None.

6. WATERSHEDS:

None.

7. ASSISTANT CHIEF EXECUTIVE OFFICER:

- 7.1. Approve the Software-As-A-Service and Implementation Services Agreement with Systemates Incorporated for a Capital Project Management Information System, CAS File No. 5156, for an Amount Not-to-Exceed *\$1,014,693; and Approve a 10% Contingency if Valley Water Requests Additional Implementation Services.

Recommendation:	A. Approve the Software-as-a-Service and Implementation Services Agreement with Systemates Incorporated for a capital project management information system, CAS File No. 5156, for an Amount Not-to-Exceed *\$1,014,693; and
	B. Approve a 10% contingency in the event of implementation changes.

The Board considered this Item without a staff presentation.

Move to Approve:	Gary Kremen
Second:	John L. Varela
Yeas:	Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera

Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

8. EXTERNAL AFFAIRS:

None.

9. CHIEF EXECUTIVE OFFICER:

- 9.1. Receive Overview of Valley Water's New Rolling Biennial Budget Process Beginning in the FY2022-23 Budget Cycle.

Recommendation: Receive and review Valley Water's new rolling biennial budget process beginning in the FY2022-23 budget cycle.

Mr. Enrique De Anda, Budget Manager, reviewed the information on this item, per the attached Board Agenda Memo, and per the information contained in Attachment 1.

The Board noted the information without formal action.

- 9.2. CEO and Chiefs' Report.

Mr. Aaron Baker, Chief Operating Officer, reviewed the attached Storm Report, identified as Handout 9.1-D, herein.

Ms. Sue Tippetts, Interim Chief Operating Officer, reviewed the attached Watershed Operations and Maintenance Report, identified as Handout 9.1-A, herein.

Ms. Rachael Gibson, Chief of External Affairs, reviewed the attached Office of Government Relations and Office of Civic Engagement Activities Updates, identified as Handouts 9.1-B and 9.1-C, herein.

Copies of the Handouts were distributed to the Board and made available to the public.

10. ADMINISTRATION:

None.

11. DISTRICT COUNSEL:

None.

Chairperson Estremera returned the agenda to Item 2.3.

Chairperson Estremera confirmed that the Board would readjourn to Closed Session to resume consideration of Item 2.3.

2.3. CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Titles: CEO, District Counsel and Clerk of the Board
(Continued from October 12, 2021)

Upon return to Open Session, Chair Estremera, Director Santos and Director Hsueh were present in the boardroom, Director Keegan participating via teleconference, and staff were present.

Chairperson Estremera returned the agenda to Item 2.4.

2.4. District Counsel Report on Closed Session.

Chairperson Estremera confirmed that the Board met in Closed Session with all members present, resumed consideration of Item 2.3, and took no reportable action.

Chairperson Estremera returned the agenda to Item 12.1.

12. ADJOURN:

12.1. Board Member Reports/Announcements.

None.

12.2. Clerk Review and Clarification of Board Requests.

None.

12.3. Adjourn to Regular Meeting at 1:00 p.m., on November 9, 2021, to be called to order in compliance with the Brown Act as currently in effect and Santa Clara Valley Water District Resolution 21-85, adopted on September 28, 2021, in compliance with the provisions of AB361 (Rivas).

Chairperson Estremera adjourned the meeting at 8:00 p.m., to the 11:00 a.m. Closed Session and 1:00 p.m. Regular Meeting on November 9, 2021, to be called to order in compliance with the Brown Act as currently in effect and Santa Clara Valley Water District Resolution 21-85, adopted on September 28, 2021, in compliance with the provisions of AB361 (Rivas).

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date:

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Santa Clara Valley Water District

File No.: 21-1269

Agenda Date: 11/23/2021
Item No.: *3.4.

BOARD AGENDA MEMORANDUM

SUBJECT:

Accept the CEO Bulletin for the Weeks of November 5 - 18, 2021.

RECOMMENDATION:

Accept the CEO Bulletin.

SUMMARY:

The CEO Bulletin is a weekly communication for the CEO, to the Board of Directors, assuring compliance with Executive Limitations Policy EL-7: The BAOs inform and support the Board in its work. Further, a BAO shall: inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established; and report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

CEO Bulletins are produced and distributed to the Board weekly as informational items, and then placed on the bimonthly, regular Board meeting agendas to allow opportunity for Board discussion on any of the matters contained therein.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: 111821 CEO Bulletin

UNCLASSIFIED MANAGER:

Rick Callender, 408-630-2017

CEO BULLETIN



To: Board of Directors
From: Rick L. Callender, CEO

Weeks of November 5 – November 18, 2021

Board Executive Limitation Policy EL-7:

The Board Appointed Officers shall inform and support the Board in its work. Further, a BAO shall 1) inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established and 2) report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

Item	IN THIS ISSUE
<u>1</u>	2022 ACEC California Engineering Excellence Merit Award for the Permanente Creek Flood Protection Project – Rancho San Antonio Detention Basin
<u>2</u>	Safe, Clean Water Grant Closeout: Grassroots Ecology's Young Watershed Stewards Project
<u>3</u>	Silicon Valley Advanced Water Purification Center (SVAWPC) Shut Down

1. 2022 ACEC California Engineering Excellence Merit Award for the Permanente Creek Flood Protection Project – Rancho San Antonio Detention Basin

Permanente Creek Flood Protection Project – Rancho San Antonio Detention Basin has been awarded the 2022 American Council of Engineering Companies of California (ACEC) Engineering Excellence Merit Award. The American Council of Engineering Companies of California (ACEC) is a 60 plus year-old, statewide nonprofit association of private consulting engineering and land surveying firms.

The ACEC recognized the Rancho San Antonio Detention Basin as a public works project that demonstrates excellence in its planning, design and construction, and coordinated effort between various stakeholders to complete the project. Those named in the award are Valley Water, Granite Construction, and Mott MacDonald. The 2022 ACEC California Engineering Excellence Awards celebration will be held on February 3, 2022 at a virtual event.

ACEC California's annual Engineering Excellence Awards competition recognizes outstanding achievements in engineering and land surveying projects completed by California firms. Entries are accepted into one of 12 project categories: studies, research and consulting engineering services; building/technology systems; structural systems; surveying and mapping technology; environmental; waste and storm water; water resources; transportation; special projects; small projects; energy; and industrial and manufacturing processes and facilities.

For further information, please contact Rechelle Blank at (408) 630-2615.

2. Safe, Clean Water Grant Closeout: Grassroots Ecology's Young Watershed Stewards Project

In Fiscal Year 2019, Valley Water awarded Grassroots Ecology (Grantee) a \$44,301 Safe, Clean Water Program B7 Volunteer Cleanup Efforts and Education Grant for their Young Watershed Stewards Project (Project). The Grantee completed the Project in July 2021, and submitted the final invoice items in October 2021, allowing for grant closeout.

The Grantee facilitates the Youth Stewards, an environmental stewardship program that engages students in a variety of habitat restoration projects, including invasive plant removal, native planting, and oak tree monitoring along the McClellan Ranch Reserve and Arastradero Reserve. With Valley Water grant funding, the Grantee expanded their Youth Stewards program to emphasize watershed stewardship and community engagement in the Matadero Creek Watershed, San Francisquito Creek Watershed, and Stevens Creek Watershed. The Project activities engaged students in stewardship of local creeks such as water quality testing, riparian planting, trash removal, and education on pollution in waterways. The Project also included an outreach component where students and staff educated the broader community about the link between the ecosystem and watershed health.

Key Outcomes:

- Engaged 196 youth stewards in a total of 104 sessions.
- Installed approximately 500 container plants and willow stakes.
- Engaged approximately 102 community members in steward-led activities and generated over 900 views on steward-created educational videos and webpages.
- Collected approximately 200 pounds of trash from three trash cleanup events at the San Francisquito Creek.

For more information, please contact Marta Lugo at (408) 630-2237.

3. Silicon Valley Advanced Water Purification Center (SVAWPC) Shut Down

On December 1, 2021, the Silicon Valley Advanced Water Purification Center (SVAWPC) will be shut down for two (2) weeks for maintenance activities. During this shutdown, Valley Water will perform a Micro Filtration system valve replacement, Reverse Osmosis system Clean-In-Place tank rehabilitation, Ultraviolet (UV) system UV lamp bulb replacement, fiberglass piping repair, and electrical systems inspection and maintenance.

Annual maintenance activities that require plant shutdowns are planned to occur in December 2021 when the recycled water demand is normally low. During the shutdown, South Bay Water Recycling customers might notice a slight change in the water characteristics due to no blending from our product water.

For further information, please contact Sam Bogale at (408) 630-3505.



Santa Clara Valley Water District

File No.: 21-1211

Agenda Date: 11/23/2021

Item No.: 4.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consider the October 21, 2021 Board Policy and Planning Committee Recommendation to Adopt the Proposed Modifications to Board Governance Ends Policy E-3: Natural Flood Protection.

RECOMMENDATION:

- A. Consider the October 21, 2021 Board Policy and Planning Committee recommendation to adopt the proposed modifications to Board Governance Ends Policy E-3: Natural Flood Protection; and
- B. Adopt the proposed modifications to Board Governance Ends Policy E-3: Natural Flood Protection.

SUMMARY:

On October 21, 2021, the Board Policy and Planning Committee (BPPC) recommended that the Board consider adoption of revised Board Governance Ends Policy E-3, Natural Flood Protection, (Attachment 1). The revised policy reflects all aspects of flood protection at Santa Clara Valley Water District (Valley Water), including maintenance of existing facilities, public information and outreach, and reduced flood risk; confirms Valley Water's approach to providing flood protection for health and safety of all communities in Santa Clara County; and promotes the integration of environmental stewardship in flood protection activities. The BPPC provided input on draft policy revisions at their June 7, August 2, and September 7, 2021 meetings.

To clarify Valley Water's flood protection mission, Ends Policy E-3 was broadened to include three goals to achieve the following End: *Natural Flood Protection is provided to reduce risk and improve health and safety for residents, businesses, and visitors, now and into the future.* Each goal is aligned with a key aspect of flood risk reduction, to emphasize the critical functions of operations/maintenance and public engagement, in addition to providing new capital projects, in protecting Santa Clara County from flooding. Significantly, the proposed revision places a strong priority on maintaining the operational capacity of existing flood protection assets. This policy objective shifts the focus of Valley Water's flood protection program from capital improvement to operations, as the program matures into the future.

For new flood risk reduction capital projects, the revised policy will help ensure an overall level of protection is provided in all communities countywide. Since 1984, flood protection projects have been prioritized based on Valley Water's Waterways Management Model. This system primarily

emphasized the economic benefits of reduced flood damages. The proposed, updated policy defines a flood risk approach that continues to include the economic benefit of a reduced flood damages factor, but it also brings in new factors, including:

- Environmental justice and social vulnerability (including disadvantaged community designation) of the community at elevated flood risk
- Community health and safety based on risk factors like depth and velocity of flooding,
- Actual flood frequency (areas of repeated flooding or “hot spots”) over the period of record
- Number of buildings and critical infrastructure subject to flooding (rather than solely the number of parcels)

Considering a broader array of factors will support a better prioritization of flood management activities that provide services to our communities. Applying this approach, is likely to prioritize areas in need based on frequency and severity of flood risk and not solely on a federally managed flood data layer, and result in projects that provide a minimum level of protection for community health and safety.

Finally, the revised policy retains objectives to integrate environmental stewardship into flood protection planning using a watershed approach, and the role of Valley Water in preparing the community for flood emergencies through outreach and sharing expertise.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Revised Ends Policy E-3

Attachment 2: PowerPoint

UNCLASSIFIED MANAGER:

Lisa Bankosh, 408-630-2618

WORKING DRAFT E-3 POLICY REVISIONS

ENDS STATEMENT:

Natural flood protection is provided to reduce risk and improve health and safety for residents, businesses, and visitors, now and into the future.

GOAL

3.1. Maintain flood protection facilities to design levels of protection.

OBJECTIVE

3.1.1. Prioritize maintenance of existing facilities over construction of new capital projects.

3.1.2. Inspect and maintain facilities on a regular basis.

3.1.3. Perform maintenance using maintenance guidelines updated on a regular basis.

GOAL

3.2. Assist people, businesses, schools, and communities to prepare for, respond to, and recover from flooding through equitable and effective engagement.

OBJECTIVE

3.2.1. Develop, maintain, and communicate emergency action plans.

3.2.2. Develop, maintain, and communicate flood information to the community.

3.2.3. Provide expertise in flood forecasting and flood warning systems to municipalities.

3.2.4. Provide expertise to encourage public agencies to reduce flood risk and protect floodplain benefits.

GOAL

3.3. Increase the health and safety of residents countywide by reducing community flood risk.

OBJECTIVE

3.3.1. Provide equitable, timely, and achievable flood protection for health and safety.

3.3.2. Protect people and property from flooding by applying a comprehensive, integrated watershed management approach that balances environmental quality, sustainability, and cost.

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Valley Water

Clean Water • Healthy Environment • Flood Protection

Ends Policy E-3: Natural Flood Protection

Revised Policy

Board Meeting 11/23/2021

EXISTING ENDS POLICY E-3

ENDS STATEMENT: *There is a healthy and safe environment for residents, businesses and visitors, as well as for future generations*

NFP GOAL

3.1. Provide natural flood protection for residents, businesses, and visitors.

NFP Objective

3.1.1. Protect parcels from flooding by applying an integrated watershed management approach that balances environmental quality and protection from flooding.

3.1.2. Preserve flood conveyance capacity and structural integrity of stream banks, while minimizing impacts on the environment and protecting habitat values.

NFP GOAL

3.2. Reduce potential for flood damages.

NFP Objective

3.2.1. Promote the preservation of flood plain functions.

3.2.2. Reduce flood risks through public engagement.

3.2.3. Prepare and respond effectively to flood emergencies countywide to protect life and property.

REVISED ENDS POLICY E-3

4

ENDS STATEMENT:

Natural flood protection is provided to reduce risk and improve health and safety for residents, businesses and visitors, now and into the future.

GOAL

3.1. Maintain flood protection facilities to design levels of protection.

OBJECTIVE

3.1.1. Prioritize maintenance of existing facilities over construction of new capital projects.

3.1.2. Inspect and maintain facilities on a regular basis.

3.1.3. Perform maintenance using maintenance guidelines updated on a regular basis.

REVISED ENDS POLICY E-3

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GOAL

3.2. Assist people, businesses, schools, and communities to prepare for, respond to, and recover from flooding through equitable and effective engagement.

OBJECTIVE

3.2.1. Develop, maintain, and communicate emergency action plans.

3.2.2. Develop, maintain, and communicate flood information to the community.

3.2.3. Provide expertise in flood forecasting and flood warning systems to municipalities.

3.2.4. Provide expertise to encourage public agencies to reduce flood risk and protect floodplain benefits.

REVISED ENDS POLICY E-3

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GOAL

3.3. Increase the health and safety of residents countywide by reducing community flood risk.

OBJECTIVE

3.3.1. Provide equitable, timely, and achievable flood protection for health and safety.

3.3.2. Protect people and property from flooding by applying a comprehensive, integrated watershed management approach that balances environmental quality, sustainability, and cost.



Valley Water

Clean Water • Healthy Environment • Flood Protection

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Santa Clara Valley Water District

File No.: 21-1242

Agenda Date: 11/23/2021

Item No.: 4.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consider Adopting a Resolution Proclaiming a Continued Local Emergency, Acknowledging the Proclamation of a State of Emergency by Governor's Order No. N-23-20 Dated March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Santa Clara Valley Water District for 30 Days Pursuant to Brown Act Provisions.

RECOMMENDATION:

Consider adopting a RESOLUTION PROCLAIMING A CONTINUED LOCAL EMERGENCY, ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS.

SUMMARY:

At a special meeting on September 28, 2021, and at a regular meeting on October 26, 2021, the Board adopted Resolution Nos. 21-85 and 21-88, proclaiming a local emergency, acknowledging the proclamation of the State of Emergency by Governor's Order No. N-23-20 dated March 4, 2020, and authorizing remote teleconference meetings of the legislative bodies of the Santa Clara Valley Water District (Valley Water), for 30 days per Resolution, through November 30, 2021, pursuant to Brown Act provisions.

The board resolutions were adopted in compliance with AB361 which allows local agencies to use teleconferencing without having to comply with the standard requirements of the Brown Act, provided that there is a "proclaimed state of emergency," as there is currently in the Governor's State of Emergency Declaration, issued on March 4, 2020, the state of emergency has not been lifted, and the legislative body meets other requirements in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health and safety of attendees.
3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the

emergency, meeting in person would present imminent risks to the health and safety of attendees.

In addition, if a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without having to comply with the standard provisions of the Brown Act, the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to (1), (2) or (3) above, and every thirty (30) days thereafter, make the following findings by majority vote:

- The legislative body has reconsidered the circumstances of the state of emergency.
- Any of the following circumstances exists:
 - The state of emergency continues to directly impact the ability of the members to meet safely in person.
 - State or local officials continue to impose or recommend measures to promote social distancing.

Such conditions as existed on September 28, 2021 continue to exist within Valley Water's boundaries. Specifically:

- A state of emergency has been proclaimed under Governor Gavin Newsom's Executive Order N-23-20 dated March 4, 2020 related to the COVID-19 pandemic;
- On August 25, 2020, Valley Water's Board of Directors adopted Resolution 20-20 continuing an existing emergency declaration as a result of the COVID-19 pandemic;
- The Santa Clara County Public Health Officer issued an order dated August 2, 2021 "made in light of the recent significant increase in COVID-19 cases and hospitalizations in Santa Clara County, due primarily to the Delta variant of SARS-CoV-2, the virus that causes COVID-19" that, among other things, mandates the use of face coverings indoors in public and non-public settings and outdoors in crowded settings, and recommends that businesses and governmental entities move operations and activities outdoors where possible "where there is significantly less risk of COVID-19 transmission"; and
- The Center for Disease Control reports that for the period November 2 - November 8, 2021, Santa Clara County had a "substantial" level of community transmission of COVID-19.

Other Requirements

Should a legislative body meet under any of the preceding circumstances, it shall do all the following:

- Meet all posting requirements as required by the Brown Act.
- Provide an opportunity for members of the public to address the legislative body directly and give notice of the ways members of the public may access the meeting and offer public comment via a call-in option or an internet-based service option.
- The legislative body shall conduct teleconferenced meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body.
- In the event of a disruption which prevents the public agency from broadcasting the meeting to

the public using the call-in option or the internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or the internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting has been restored.

- The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body in real time.
- An individual desiring to provide public comment through the use of a third-party internet website or online platform not under the control of the local agency may be required to register as required by the third-party internet website or online platform to participate.
- Other provisions related to timed public comment or public comment related to specific agenda items that is consistent with current practices.

AB 361 will remain in effect until January 1, 2024, at which time the Brown Act will revert to its original language.

Features

Several of the features of operating Board and Committee meetings under AB361 during the COVID-19 pandemic, as opposed to under the current Brown Act law, include the following:

- Agendas need not be posted at all teleconference locations;
- Each teleconference location need not be identified in the notice and agenda of the meeting, therefore not inviting the general public into the homes of Board and/or Committee members and possibly spreading COVID-19.
- A quorum of the members of the legislative body do not need to participate in the meeting from locations within the boundaries of the territory over which the public agency exercises jurisdiction, allowing each to participate from a location where they are not susceptible to the exposure or spread of COVID-19.
- The Board and its committees can continue to conduct meetings in a safe meeting environment while allowing greater public participation in the legislative process and access to meetings.

Staff is recommending that the Board consider adopting the resolution re-authorizing the Board and Board Committees to continue to meet remotely for another 30 days in accordance with requirements outlined in the resolution (Attachment 1).

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

File No.: 21-1242

Agenda Date: 11/23/2021
Item No.: 4.2.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 21-

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA
VALLEY WATER DISTRICT PROCLAIMING A CONTINUED LOCAL EMERGENCY,
ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY
GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE
TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA
VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS**

WHEREAS, the Santa Clara Valley Water District (Valley Water) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors and Board Committees; and

WHEREAS, all meetings of Valley Water's legislative bodies are open and public, as required by the Ralph M. Brown Act (Brown Act) (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch Valley Water's legislative bodies conduct their business; and

WHEREAS, under the Brown Act, Government Code section 54953(e) makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within Valley Water's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, qualifying circumstances under Government Code section 54953(e) include situations in which state or local officials have imposed or recommended measures to promote social distancing or the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist within Valley Water's boundaries; specifically, a state of emergency has been proclaimed under Governor Gavin Newsom's Executive Order N-23-20 dated March 4, 2020, related to the COVID-19 pandemic; and

WHEREAS, on August 25, 2020, Valley Water's Board of Directors adopted Resolution 20-20 continuing an existing emergency declaration as a result of the COVID-19 pandemic; and

WHEREAS, the Santa Clara County Public Health Officer issued an order dated August 2, 2021, "made in light of the recent significant increase in COVID-19 cases and hospitalizations in Santa Clara County, due primarily to the Delta variant of SARS-CoV-2, the virus that causes COVID-19" that, among other things, mandates the use of face coverings indoors in public and non-public settings and outdoors in crowded settings, and recommends that businesses and

A Resolution of the Board of Directors of the Santa Clara Valley Water District Proclaiming a Continued Local Emergency, Acknowledging the Proclamation of a State of Emergency by Governor's Order No. N-23-20 Dated March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Santa Clara Valley Water District for 30 Days Pursuant to Brown Act Provisions

Resolution No. 21-

governmental entities move operations and activities outdoors where possible "where there is significantly less risk of COVID-19 transmission"; and

WHEREAS, on September 28, 2021 and October 26, 2021, the Valley Water Board of Directors adopted resolutions proclaiming a state of emergency, acknowledging the proclamation of a state of emergency by Governor's Order No. N-23-20 dated March 4, 2020, and authorizing remote teleconference meetings of the legislative bodies of the Santa Clara Valley Water District for 30 days pursuant to Brown Act provisions; and

WHEREAS, the Centers for Disease Control and Prevention (CDC) reports that for the period November 2 – November 8, 2021, Santa Clara County had a "substantial" level of community transmission of COVID-19; and

WHEREAS, the Valley Water Board of Directors does hereby find that the state of emergency related to the COVID-19 pandemic continues to exist, state and local authorities have made recommendations promoting social distancing, and the continued spread of SARS-CoV-2 has caused and will continue to cause, conditions of peril to the safety of persons within the boundaries of Valley Water that are likely to be beyond the control of services, personnel, equipment, and facilities of Valley Water, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Valley Water Board of Directors does hereby find that the legislative bodies of Valley Water may conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies must comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, Valley Water has and, as allowed or required by law, will continue to post its legislative bodies' agendas online and use videoconferencing tools that allow the public to observe and participate in its legislative bodies' meetings.

NOW, THEREFORE, the Board of Directors (Board) of the Santa Clara Valley Water District (Valley Water) does hereby resolve as follows:

Section 1. Recitals. The Board finds that the Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby finds and proclaims that a local emergency continues to exist throughout the boundaries of Valley Water, that the County of Santa Clara recommends measures to promote social distancing, and, that given the sustained rate of community transmission and the inability to meaningfully determine whether attendees are fully vaccinated against SARS-CoV-2 or have received a recent negative test for the virus, meeting in person would present imminent risks to the health and safety of attendees.

Section 3. Acknowledgement of and Reliance on Governor's Proclamation of a State of Emergency. The Board hereby acknowledges and expressly relies on the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020, related to the COVID-19 pandemic.

A Resolution of the Board of Directors of the Santa Clara Valley Water District Proclaiming a Continued Local Emergency, Acknowledging the Proclamation of a State of Emergency by Governor's Order No. N-23-20 Dated March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Santa Clara Valley Water District for 30 Days Pursuant to Brown Act Provisions

Resolution No. 21-

Section 4. Remote Teleconference Meetings. The staff and legislative bodies of Valley Water (including all standing, advisory, and oversight committees) are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution will take effect at 12:01 a.m. Pacific time on November 30, 2021, and will be effective until the earlier of (i) 12:01 a.m. Pacific time on December 30, 2021, or such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of Santa Clara Valley Water District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

Section 6. Severability. If any finding or operative portion of this Resolution is deemed by a court of competent jurisdiction to be invalid or inoperative for any reason then the remainder of this Resolution will remain in full force and effect.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District, this 23rd day of November 2021, by the following vote:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMER
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors



Santa Clara Valley Water District

File No.: 21-0132

Agenda Date: 11/23/2021

Item No.: 4.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Review Fiscal Year 2022 Board Policy Planning Calendar.

RECOMMENDATION:

Review, discuss and revise the Fiscal Year 2022 Board Policy Planning Calendar.

SUMMARY:

This item provides the Board an opportunity to review, discuss and revise the Fiscal Year 2022 Board Policy Planning Calendar (FY22 Board Calendar) and identify appropriate items for Board Committee work plans for discussion and feedback to the Board.

The current FY22 Board Calendar is attached for Board review.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: FY22 Board Calendar

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

Fiscal Year 2021-2022 VALLEY WATER BOARD POLICY PLANNING CALENDAR

Fiscal Year 2021-2022 Board Work Plan			Board Committee	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
1.	Protect and maintain existing assets and infrastructure.	• FY22-23 Five-Year Capital Improvement Program (CIP) Adoption Process	CIP Committee					C	C	S/R	R		R	R	
2.	Pursue opportunities to improve internal capacity to acquire regulatory permits.														
3.	Engage and Educate the Community, Elected Officials and Staff on Future Water Supply Strategies in Santa Clara County.	• Drought Response and Water Supply Update	Water Conservation & Demand Management Committee	R	R	C/R	C/R	C/R	C/R	C/R	C/R	C/R	C/R	C/R	C/R
		• Water Supply Master Plan/Monitoring and Assessment Plan (MAP)	Water Conservation & Demand Management Committee				S								
4.	Actively Pursue Water Storage Opportunities.	• Pacheco Funding Resolution (75% of non-state benefits)						R							
5.	Actively Participate in Decisions Regarding the CA Delta Conveyance.	• Delta Conveyance Project Update						R							
6.	Lead Recycled and Purified Water Efforts with Committed Partners.	• Purified Water Project – City of San José Partnership	Recycled Water Committee	R/C			C/R								
		• Public-Private Partnership (P3)	Recycled Water Committee	C	C	C	C/R	C	C/R	C/R	C/R	C	C	C	C
		• Countywide Recycled Water Master Plan	Recycled Water Committee		R										
7.	Advance Anderson Dam Seismic Retrofit Project (ADSRP).	• ADSRP Cost Update								R					
8.	Promote Making Water Conservation a California Way of Life in Santa Clara County.	• Drought Response and Water Supply Update	Water Conservation & Demand Management Committee	R	R	C/R	C/R	C/R	C/R	C/R	C/R	C/R	C/R	C/R	C/R
9.	Plan, design and maintain flood protection projects with multiple benefits, including protecting ecosystem functions and enhancing habitat.	• Ends Policy E-3: Flood Protection	Board Policy and Planning Committee		C	C	C	R							

Board Meetings

R = Regular

S = Special

C = Committee

X = Closed

Fiscal Year 2021-2022 VALLEY WATER BOARD POLICY PLANNING CALENDAR

Fiscal Year 2021-2022 Board Work Plan			Board Committee	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
10.	Provide flood protection equitably in all regions of the County, prioritizing disadvantaged communities.	• Ends Policy E-3: Flood Protection	Board Policy and Planning Committee		C	C	C	R							
11.	Attain net positive impact on the environment when implementing flood protection and water supply projects.	• One Water Countywide Framework and Coyote Creek Watershed Plan	Board Policy and Planning Committee						R						
12.	Promote the protection of creeks, bay and other aquatic ecosystems from threats of pollution and degradation.	• Water Resources Protection Ordinance	Board Policy and Planning Committee			C			C						
		• Public Trails on Valley Water Lands Policy	Board Policy and Planning Committee				R		R						
13.	Continue the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE).	• Draft FAHCE Environmental Impact Report	Stream Planning and Operations Committee												
14.	Advance racial equity, diversity and inclusion.	• Recognize Juneteenth as an Annual Valley Water Observed Holiday		R											
		• Affirm Support for Voting Rights for All			R										
		• Recognize September 15-October 15 as National Hispanic Heritage Month				R									
		• Recognize November as Annual Native American Heritage Month						R							
		• Recognize November 14-20 as United Against Hate Week						R							
		• Recognize February as Annual African-American/Black History Month									R				
15.	Maintain appropriate staffing levels and expertise and ensure the safety of our staff.	• Project Labor Agreement	PLA Working Group		R										
		• Long-Term Staffing Master Plan	D&I Ad Hoc Committee	C											
16.	Provide affordable and cost-effective level of services.	• Low-Income Residential Water Rate Assistance Program		R											
		• Central Fiscal Year 2020-21 Year-End and Fiscal Year 2021-22 Budget Adjustments			R										
		• Fiscal Year 2021-22 Urgent Midyear Central Budget Adjustments						R							

Board Meetings

R = Regular

S = Special

C = Committee

X = Closed

Fiscal Year 2021-2022 VALLEY WATER BOARD POLICY PLANNING CALENDAR

Fiscal Year 2021-2022 Board Work Plan			Board Committee	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
		• Fiscal Year 2021-22 Midyear Financial Status Update and Fiscal Year 2021-22 Beginning Budget Reserves Update									R				
		• FY22-23 Water Rate Setting Process						R		R	R		R	R	
		• FY22-23 & 23-24 Budget Setting Process							R	R		R	R/S	R	
17.	Address future impacts of climate change to Valley Water's mission and operations.	• Ends Policy E-5: Climate Change Mitigation and Adaptation	Board Policy and Planning Committee	R											
		• Climate Change Action Plan	Board Policy and Planning Committee	R											
18.	Other Notable Policy and Board Actions	• Office of Government Relations Annual Legislative and Policy Proposals							R						
		• Redistricting: Adoption of adjusted maps									R	R			
		• Public Hearing on the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins, and Resolution Adopting the 2021 Groundwater Management Plan						R							

Items Regularly Monitored by Board		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
1.	BAO Performance				X	X		X			X		
2.	BAO Compensation	R											
3.	Board Expense Report				R				R				R
4.	Board Performance Report		R										

Board Meetings
R = Regular
S = Special
C = Committee
X = Closed

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Santa Clara Valley Water District

File No.: 21-1270

Agenda Date: 11/23/2021
Item No.: 4.4.

BOARD AGENDA MEMORANDUM

SUBJECT:

Board Committee Reports.

ATTACHMENTS:

- *Handout 4.4-A: 102121 BAC Summary
- *Handout 4.4-B: 102121 RWC Summary
- *Handout 4.4-C: 102521 WCaDM Summary
- *Handout 4.4-D: 110421 SPOC Summary
- *Handout 4.4-E: 112221 WCaDM Agenda
- *Handout 4.4-F: 102821 D&I Summary

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MEMORANDUM

FC 14 (01-02-07)

TO: Board of Directors

FROM: Board Audit Committee

SUBJECT: 10/21/2021 Board Audit Committee
Meeting Summary.

DATE: October 26, 2021

This memorandum summarizes the Board Audit Committee (Committee) meeting held on Wednesday, October 20, 2021, at 2:00 p.m., where the following work plan Items were discussed:

ACTION ITEMS:

4.1 Receive and Discuss the Draft 2021 Risk Assessment Report.

Recommendation: Receive and discuss the Draft 2021 Risk Assessment Report.

Ms. Denise Callahan, TAP International, reviewed the information on this item, per the attached Committee Agenda Memo.

The Committee received the information without formal action, and noted the following:

- In the Financial Management Risk Area, Committee expressed concern on locating an asset due to a decentralized inventory; equipment in inventory that are in Y2K category; support of adoption of current technology to maximize use of physical space and storage; necessity of locating an inventoried equipment in case of emergency; and consider inventoried items not only for material cost, but for material function that adds to staff efficiency. Ms. Callahan added that Valley Water's has no division responsible for all the inventory within the organization.
- In the Data Management and Accuracy Risk Area, the Committee requested to add "Data Integrity" under the Issues Identified column referring to accuracy as well as a systems audit to integrate master data with other databases with the same information.
- In response to TAP International, the Committee expressed preference to organize the audit list by operational simplicity and by highest risk or most value on recommendations made. Ms. Callahan announced that TAP International will welcome any audit suggestions or concerns until tomorrow after this meeting for consideration in the risk assessment report.
- The Committee requested to include reputational risk on community satisfaction with Valley Water's operations and services.

4.2 Review and Discuss the 2021 Board Audit Committee Work Plan.

Recommendation: Review and Discuss topics of interest raised at prior Board Audit Committee (BAC) Meetings and make any necessary adjustments to the BAC Work Plan.

Chairperson Keegan announced that after a discussion with the District Counsel, the risk management unit discussion topic can be delayed for a few months.

Mr. Darin Taylor, Chief Financial Officer, informed the Committee about the following items planned for the regular Committee November meeting: presentation of a draft FY21 Annual Financial report unless INFOR implementation takes time from staff, and in that case, this will moved to the December meeting; presentation of Q1 FY22 Financial Audit status; and discussion on audit ranking and weighing.

The Committee inquired on a mechanism to bring this to the full Board. Staff recommended a report out at the next BAC meeting to review, discuss, and seek CEO input.

Chairperson Keegan requested staff to wait until after discussion with the CEO before they put together the agenda for the next BAC meeting.

The Committee noted the information without formal action.

4.3 Discuss and Approve any Updates to the Annual Audit Work Plan.

Recommendation: Discuss and approve any updates to recommend to the full Board, if necessary.

Mr. Taylor reviewed the information on this item, per the attached Committee Agenda Memo.

The Committee noted the information without formal action.

Board member comments and suggestions can be forwarded to Mr. Max Overland, Assistant Deputy Clerk at (408) 630-2749 or by email to moverland@valleywater.org.

FC 14 (01-02-07)

FROM: Recycled Water Committee

DATE: November 23, 2021

3.1 Approval of Minutes.

4.1 Update on Purified Water Program Implementation including Partnership with Cities of San Jose and Palo Alto.

Ms. Kirsten Struve, Assistant Officer, announced that Mr. Paul Brown, Paul Redvers Brown, Inc. President, had been chosen as facilitator of resumed discussion on the PWP agreement with City of San Jose. She added that staff anticipate meeting with the Regional Water Board in December to discuss progress on technical studies that support regulatory compliance, and that geotechnical borings along the proposed pipeline route have been completed while collaborative efforts on ROC Management continued between Valley Water and City of Palo Alto.

1

With regard to City of Palo Alto, Ms. Struve added that staff collaboration with city counterparts on term sheets of the lease agreement continued. Staff offered to highlight at the October 25, 2021 joint meeting, any of the items planned for discussion, as follows: updates to the CoRe Plan, PWP, P3, and HomeKey shelter project that is being located on the proposed site, schedule of the city's smaller salt-removal facility; pipeline alignments in Palo Alto/Mountain View; and draft renderings of what the facility site may look like.

With regard to outreach, Ms. Struve informed the Committee that additional public forum to obtain feedback is planned on the project in preparation for the release of the draft EIR early next year. She also reported that in September, five Silicon Valley Advanced Water Purification Center virtual tours were conducted, which included information on potable water reuse, an overview of the PWP, and a tour for District 25 Assemblymember Alex Lee.

Mr. Matt Keller, Program Administrator, informed the Committee about the ongoing campaign for the 15 percent mandatory conservation goal set by the Board in June 2021, which used the slogan "Purified Water and Conservation, Together our Future is Drought-proof," and would be launched in the next few weeks.

The Committee noted the information without formal action.

4.2 Discuss the 2021 Recycled Water Committee Work Plan, Upcoming Discussion Items, and Next Meeting Date.

The Committee unanimously approved the Updated RWC 2021 Work Plan.

Chairperson Estremera adjourned the meeting at 3:20 p.m., to the next scheduled meeting at 12:00 p.m., on December 1, 2021.

Board member comments and suggestions can be forwarded to Ms. Eva Sans, Assistant Deputy Clerk II, at (408) 630-2306, or by email at esans@valleywater.org.

Tony Estremera

Director, District 6
Recycled Water Committee Chairperson



MEMORANDUM

FC 14 (01-02-07)

TO: Board of Directors

FROM: Water Conservation and Demand Management Committee

SUBJECT: Water Conservation and Demand Management Committee Meeting Summary for October 25, 2021

DATE: November 23, 2021

This memorandum summarizes agenda items from the Zoom meeting of the Water Conservation and Demand Management Committee held on October 25, 2021.

Attendees:

Board Members in attendance were: Committee Vice Chair: Director Nai Hsueh (District 5), Committee Member: Director Barbara Keegan (District 2), Committee Chair: Director Linda J. LeZotte (District 4).

Staff members in attendance were: Joseph Aranda, Aaron Baker, Ricardo Barajas, Roseryn Bhudsabourg, Neeta Bijoor, Glenna Brambill, Justin Burks, Theresa Chinte, Vanessa De La Piedra, Phil Dolan, Melissa Fels, Paola Giles, Vincent Gin, Alexander Gordon, Andy Gschwind, Jason Gurdak, Linh Hoang, Katrina Holden, Candice Kwok-Smith, Carlos Orellana, Metra Richert, Don Rocha, Mary Samar, Ashley Shannon, Nice Simard, Sherilyn Tran, Kirsten Struve, Toni Vye, and Jing Wu.

Guest Agencies in attendance were: Michael Bolzowski (California Water Service Company), Clint Byrum and Anthony Eulo (City of Morgan Hill, Anona L. Dutton and Kate Wuelfing (EKI Environment and Water, Inc.- Contractors), Tim Guster (Great Oaks Water Company), Jessie Maxfield (CA Depart of Fish and Wildlife-CDFW), John Tang (San Jose Water Company) and Martha Wien (County DEH).

Public in attendance were: Hon. Jim Beall, Nicole Harvie, Brian Manning, Doug Muirhead, and Esther.

ACTION ITEMS

4.1 MONTHLY UPDATE ON PROGRESS TOWARDS VALLEY WATER RESOLUTION 21-68'S WATER USE REDUCTION TARGET AND WATER CONSERVATION EFFORTS RELATED TO THE DROUGHT EMERGENCY

Ms. Neeta Bijoor and Ms. Linh Hoang reported on the following:

Summary from Meeting Agenda Memo:

On June 9, 2021, the Valley Water Board of Directors declared a water shortage emergency condition pursuant to California Water Code §350, called for water use reduction of 15% compared to 2019, and urged the County of Santa Clara to proclaim a local emergency. The County adopted a Resolution ratifying the proclamation of a local emergency due to the drought on June 22, 2021.

The U.S. Drought Monitor Report from October 7, 2021, indicates that the majority of the County is in extreme drought, and the northeastern portion of the County is in exceptional drought. The Sierra Nevada snowpack, a primary source of imported water, is at 0% of average as of August 30, 2021, and 0% of average statewide.

Reflecting critically dry conditions across the state, the Central Valley Project and State Water Project have drastically reduced imported water allocations, which comprise half of Valley Water's typical annual water supply. Valley Water has been negotiating purchases of emergency transfer water supplies; however, potential state

regulatory actions continue to pose significant uncertainty to water transfers. An additional Central Valley Project Municipal and Industrial Public Health and Safety increment of 28,500 AF is to be delivered during the second half of 2021. To date in 2021, Valley Water has secured agreements for about 58,000 AF of transfer supplies (not taking into account conveyance losses across the Delta).

Furthermore, Valley Water is impacted by the unavailability of Anderson Reservoir as a surface water storage facility for the duration of the Anderson Dam Seismic Retrofit Project, which is expected to last 10 years. The loss of Anderson, lower imported water supplies, and uncertainty over emergency water transfers could result in rapid and significant drops in our groundwater levels and resulting in the potential for subsidence and dry wells. In South County, groundwater is the only drinking water supply.

Consequently, water conservation is an important strategy to help alleviate these negative impacts.

Water Conservation Outreach

Valley Water's multilingual water conservation campaign continues to promote water conservation as a way of life, being drought-ready, and Valley Water's many conservation programs. The campaign includes ads on TV, radio, online, social media and print. Free multilingual yard signs are also available in Valley Water's online shopping cart.

Valley Water continues to generate drought and water conservation awareness through proactive media outreach. Media interest remains high for drought and water-conservation content. On September 1, 2021, Valley Water held a media event at a home in Cupertino to showcase a laundry-to-landscape graywater system, how it can help people conserve water, and Valley Water's rebate program. Valley Water also held a media event on September 23, 2021, to highlight the Purified Water Program, water conservation, and Valley Water's partnerships, which garnered widespread media attention.

Currently, Valley Water is running three campaigns on social media to promote our water conservation rebate programs, information on the need to water trees during a drought and contests to engage community members to reduce their water use.

Valley Water conducted a Water Conservation and Drought Attitudes study to guide drought messaging, and per the Committee's request, staff will share insights gathered during this study with the Committee as a verbal report during the meeting. Results from this study include recommendations related to "Drought Ready" messaging, increasing traffic to the "watersavings.org" website and conservation programs, and focusing on outdoor water use in communications to single-family customers.

In September, the Education Outreach team reached 292 students from 12 virtual classroom presentations. The team also supported 11 educators through classroom programs and an educator training workshop. The team engaged 147 members of the public through four "Wonders of Water Wednesdays" after-school enrichment programs and three public library programs. All programs contain drought and water conservation messaging. In addition, Valley Water coordinated volunteer opportunities for the Water Ambassadors, who are graduates of Valley Water's Water 101 Academy, to help with various activities related to the drought.

Valley Water also engages with the private and public sectors, and local, state and federal agencies that promote conservation. In September, multilingual business advertorials ran in several targeted newspapers. Multilingual videos are now available on YouTube promoting Valley Water's commercial Landscape Rebate Program and Water Efficiency Technology (WET) rebate program for businesses. The Speakers Bureau Program also enables Valley Water to engage with the private and public sectors to educate the community about drought and water conservation. Valley Water conducted 10 Speakers Bureau presentations, led primarily by Directors, in September 2021. Staff is preparing additional outreach for the Speakers Bureau Program through Nextdoor messages on behalf of Board members, social media posts, and direct outreach.

Additionally, a Drought Summit was held virtually on October 23, 2021, from 9:30 a.m.-12:30 p.m. and was attended by a diverse cross-section of regional stakeholders. The Summit convened elected officials and community leaders from throughout Silicon Valley to discuss ways to address the drought together, and enabled Valley Water to engage with the private sector and local, state, and federal partners that have interests in conservation. The Drought Summit incorporated interactive break-out sessions and the topics discussed included community feedback and insights, water supply projections, information on water conservation tools and resources, and implementation of policies such as the jointly developed Model Water Efficient New Development Ordinance that can be used to help lead communities through this emergency. A verbal update will be provided.

Water Conservation Programs

Valley Water has received a significant increase in applications for conservation programs in 2021. In September, Valley Water received 269 applications for the Landscape Rebate Program, 469 orders for water-efficient devices from our website, and 206 water waste reports. These are signs that people are taking this drought seriously and are taking actions to support water use reduction.

Countywide Water Use Reduction

Valley Water is engaging with retailers and cities to encourage drought response actions. More clarification on the actions implemented by investor-owned retailers is provided below, as requested at the last Water Conservation and Demand Management Committee on September 27, 2021.

Investor-owned Water Retailers			
	San Jose Water Company (SJWC)	Great Oaks Water Company	California Water Service
Surcharge for Exceeding Drought Allocation ¹	TBD if necessary ²	\$6.9804/CCF	TBD if necessary
Enforcement Structure for Violations of Water Waste Restrictions ³	1 st Offense: Written notice 2 nd Offense: Install flow restrictor	1 st Offense: Written notice 2 nd Offense (same restriction): \$25 fee Additional Offense (same restriction): \$25 more than previous fee	1 st Offense: Written notice & install real time water measurement device 2 nd Offense (same restriction): \$25 fee 3 rd Offense (same restriction): \$50 4 th Offense: Install flow restrictor
¹ A drought allocation is a predetermined budget of how much water an individual customer may be expected to use during a billing period. An allocation may be calculated using a customer's historical water use, or by using a customer type average reduced by a specific amount (15%). When a customer exceeds their allocation, the excess water use has a surcharge applied to each billed unit of water. Retailers may set a minimum drought allocation in recognition of customers who already conserve water so that reducing use any further is not feasible. ² SJWC received CPUC approval on 9/3/21 for their strategy to implement drought allocations and surcharges. The decision to implement this strategy is still under review by SJWC and will require additional CPUC approval if/when that decision is made. ³ Violations of water waste restrictions include actions that do not follow retailer restrictions, such as irrigating on the wrong day or in a manner that causes runoff. Repeated violations of water waste restrictions may result in a fee or penalty issued by the retailer.			

Countywide, the percent change of water used compared to 2019 has been steadily decreasing since March 2021, showing that retailers, cities, and our communities are responding to the call for conservation. In March 2021, water use in Santa Clara County was 25% higher when compared to March 2019. In August 2021, Santa Clara County used 9% less water compared to August 2019. Valley Water anticipated that reducing water use countywide by 15% would be a gradual process. During the last drought, the 20% call for water use reduction made on February 25, 2014, was first reached nine months later, in November 2014. It is encouraging to see the percent change of water used compared to 2019 trending in the right direction.

A verbal reply will be provided for Board Member Request R-21-0004 regarding the timeline to incorporate water wise features to new developments such as Cambrian Park, Vallco, and Google San Jose projects.

Surface Water Plan

Valley Water notified surface water customers to conserve water based on the June 9, 2021 Board resolution that mandated 15% water use reduction relative to 2019. The initial communication to the 68 surface water customers was sent on June 25, 2021. Staff is preparing a second letter to serve as a reminder of the Board's resolution. The second notification will provide each customer with information about their water usage in 2019 and their 85% target for 2021. As the drought continues, staff will look to recommend further reductions in calendar year 2022.

Neeta gave a special verbal report on the following:

These efforts at Valley Water can help promote water wise requirements in new developments:

- ✚ First, Valley Water is encouraging jurisdictions to adopt the Model Ordinance for New Development, also called MWENDO, which provides water-efficiency requirements for new developments.
- ✚ Valley Water staff is timing the rollout of the MWENDO to coincide with the municipal Title 24 triennial building code update beginning this winter 2021 through February 2022.
- ✚ The 2022 version of Title 24 is now under development and expected to become effective on January 1, 2023, after a codification and publication period, which will run from February 2022 to July 2022. The publication date will be July 1, 2022.

- ✚ As mentioned, the MWENDO adoption advocacy was initiated at Valley Water's 2021 Drought Summit on Saturday (October 23, 2021).
- ✚ Next, Valley Water is working on the strategy to engage land use agencies on how to better integrate water management into land use planning including adding water wise features to new developments.
- ✚ The plan is to have annual 1:1 meetings with major cities and build relationships. The meetings will start early next year and are expected to be ongoing. Meetings with cities at the senior staff level are expected to occur from February to June next year, with follow-up actions thereafter.
- ✚ In addition, Valley Water comments on environmental review documents for large developments, for example the Water Supply Assessment for the Google development in San Jose and the Notice of Preparation for Cambrian Park Plaza.

The Water Conservation and Demand Management Committee discussed the following: flow restrictors, City of San José Ordinance, drought tolerant landscaping/plants selections, City of San José usage/boundaries, consistent messaging is needed, Planning Commissions/Trades, Model Ordinance-large projects-water wise (potential work plan addition), Proposition 218 test, and aggregate water usage.

Mr. Tim Guster, Mr. Don Rocha, Director Nai Hsueh, Mr. Anthony Eulo, Ms. Ashley Shannon, Mr. Vincent Gin, Ms. Kirsten Struve, Ms. Metra Richert, and Mr. John Tang were available to answer questions.

Public Comments received:

Mr. Doug Muirhead commented on allocations and fees, penalties and industrial utilities, Urban Water Management Plan and City of Morgan Hill is discussing wastewater plans at the end of the year. Suggested Valley Water track what agencies are doing regarding wastewater issues.

Mr. Anthony Eulo commented on reaching out to the Trades, requiring dual plumbing it may cost more but a sustainable idea for new developments-housing growth.

The Water Conservation and Demand Management Committee took no action.

The Committee thanked staff for the work they did with the drought summit on Saturday, October 23rd (well attended, great response and feedback from the participants).

4.2 2021 WATER CONSERVATION STRATEGIC PLAN

Mr. Justin Burks reported on the following:

Summary from Meeting Agenda Memo:

In November 2019, the Board approved the 2040 Water Supply Master Plan (WSMP) Santa Clara Valley Water District (Valley Water) that updated the long-term conservation targets to 99,000 acre-feet per year (AFY) and 109,000 AFY by 2030 and 2040. The Water Conservation Strategic Plan (Strategic Plan) was developed to be the guiding tool and reference document to provide a blueprint for meeting Valley Water's established conservation policy objectives and targets (Attachment 1).

Methodology

The development of the Strategic Plan included six analytical steps, including analyzing and reviewing Valley Water's water supply reliability, local and State water conservation policies, input and data from water retailers, Valley Water's Water Conservation Savings Model results, detailed analyses of key programs, the development of GIS maps to inform future targeted outreach, and monitoring and evaluating how long-term conservation targets may be met. To this end, several scenarios identified the likelihood of meeting long-term water conservation targets ranging from "business as usual" to increased participation and programs.

Results

The Strategic Plan's primary conclusions are that:

- Valley Water's water conservation program offerings are broad and comprehensive; and,
- Assuming historical program participation rates, it is determined that additional resources are needed in order to meet its Board adopted long-term conservation 2030 targets (approximately 99,000 AFY). Since water conservation savings accrue over time, Valley Water is expected to barely achieve the 2040 target.

Valley Water has made significant investments and substantial progress towards reaching its conservation targets, and assuming the progress is sustained, an additional 4,000 AFY of water savings and associated investment will be needed to meet the 2030 goal. This strategic plan is focused on Valley Water's water conservation program only and does not include potential additional outreach and education resource needs or potential additional resources that retailers may provide in their service areas.

Recommendations

To fill the 4,000 AFY water savings gap by 2030, increasing participation in Valley Water's existing water conservation program, as well as expanding programs and implementing targeted outreach is recommended. The Strategic Plan also recommends exploring additional opportunities to adapt current programs, including continuing to support the Model Water Efficient New Development Ordinance (MWENDO) adoption, using participation trends to periodically adjust outreach strategies, and increasing outreach to commercial and smaller landscape customers. The combined efforts of these actions will boost participation rates and program efficiency, allowing Valley Water to achieve its 2030 target and exceed its 2040 target. The preferred scenario has a unit cost of \$461-465 per Acre Foot (AF) depending on MWENDO adoption, compared to \$412 per AF for business as usual. Each recommendation is discussed in greater detail below.

Resource Needs

The Strategic Plan evaluated additional resource needs to meet the WSMP targets by evaluating staffing levels. Valley Water's current conservation staffing level (4 full-time) is much lower than that of other similarly sized agencies. The Strategic Plan recommends increasing resources significantly which could be accomplished through strategically increasing staffing over several years, securing additional vendor and contractor services, as well as expanding how Valley Water coordinates and partners with water retailers.

Participation Trends

An analysis of water conservation program participation trends categorized the types of customers participating in specific conservation programs. This analysis can inform the strategic design, selection, and marketing of conservation programs and services. It will allow Valley Water to target outreach to new customer groups that appear to be underrepresented, and to build on current success by identifying customers that share common characteristics.

Expand Program Offerings

Valley Water's current water conservation program offerings are broad and comprehensive. The program mix is sufficient and appropriate to meet its 2030 and 2040 water conservation targets, if program implementation rates are increased and shifted towards the highest saving programs (e.g., those that target outdoor landscaping water use). Expanding program offerings to those that focus on water loss and increasing outreach to small site landscape customers are also recommended.

Monitoring

The Strategic Plan identifies recommendations for monitoring and evaluating the water conservation program. The Water Conservation Savings Model is updated every winter to assess progress towards the Board's long-term conservation targets, and the committee will be provided an update on progress in the spring of each year.

Next Steps

- Continue to implement and grow Valley Water's diverse water conservation program
- Complete vendor procurement, as well as active staff recruitment and onboarding which will bring full time staff to 7.
- Continue to work with municipalities and the County to adopt MWENDO
- Share report and participation trend analysis with retailers and municipalities and collaborate on how to improve participation in Valley Water's water conservation program.
- Additional staffing and budget requests will be brought to the Board through the normal budget process over the next few years as needed.

The Water Conservation and Demand Management Committee discussed the following: obstacles faced by lower income communities with landscape designs, offering classes for under-represented communities would be a great outreach tool, lawn buster budget increase, county programs as resources (home composting education program and Master Gardeners), and landscaping for small site customers (commercial strip malls) possibly finding organizations to inform them about water conservation.

Ms. Kat Wuelfing (EKI Environment and Water, Inc.- Contractors) was available to answer questions.

The Water Conservation and Demand Management Committee took no action.

4.3 2021 GROUNDWATER MANAGEMENT PLAN UPDATE (ALTERNATIVE SUSTAINABLE GROUNDWATER MANAGEMENT ACT PLAN)

Mr. Jason Gurdak reported on the following:

Summary from Meeting Agenda Memo:

The Sustainable Groundwater Management Act (SGMA) requires that groundwater sustainability agencies (GSAs) managing medium- or high-priority basins prepare and implement a groundwater sustainability plan (GSP) or an authorized alternative GSP plan under Water Code § 10733.6 (Alternative). As the GSA for the Santa Clara and Llagas subbasins, Valley Water submitted the 2016 Groundwater Management Plan (GWMP) to the Department of Water Resources (DWR) as an Alternative prior to the January 2017 statutory deadline, and DWR approved the Alternative in 2019. As required by SGMA, the first five-year update is due to DWR by January 1, 2022.

Like the 2016 plan, the 2021 GWMP describes Valley Water goals, strategies, activities, and metrics to ensure continued groundwater sustainability. This update to the Committee provides an overview of the major elements of the 2021 GWMP and describes notable changes and updates from the 2016 plan. On October 8, 2021, the draft 2021 GWMP was posted to Valley Water's website for public review at: <https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable>.

2021 GWMP Overview

While the organization name and purpose have evolved over time, Valley Water was originally formed as a special act district in 1929 for the purposes of managing groundwater. Historically, unsustainable pumping in Santa Clara County resulted in chronic overdraft, land subsidence, and seawater intrusion. While similar problems persist in groundwater basins throughout California, Santa Clara County is recognized as an area where these issues have been, and continue to be, successfully addressed through sustainable groundwater management.

Valley Water's comprehensive groundwater management framework has maintained sustainable conditions in the Santa Clara and Llagas subbasins over many decades. The 2021 GWMP provides detailed information describing this framework, including the following major elements:

- Valley Water history, groundwater management authority, structure, and finances
- Basin setting and conditions including geology, groundwater levels and quality, groundwater dependent ecosystems, land subsidence, and seawater intrusion
- Water supplies, demands, and the groundwater budget
- Sustainable management criteria, including goals derived from Board Ends Policy E-2, effective strategies, and outcome measures to gauge performance
- Basin management programs and activities
- Groundwater monitoring and modeling
- Potential actions to address outcome measure performance and plan recommendations

While all sections are being updated to represent current basin conditions and Valley Water activities, the fundamental structure and content of the GWMP are largely unchanged as implementation of the plan has proven to be effective in maintaining sustainable groundwater conditions.

Notable changes from the 2016 GWMP include the following, with the first three items supporting related DWR recommendations:

- New and modified outcome measures
- Identification of groundwater dependent ecosystems within the basins
- Evaluation of climate change impacts
- Evaluation of new SGMA authorities including fixed fees and pumping regulation
- Description of seawater intrusion mechanisms and risk from sea level rise

A summary of these changes is provided below and in Attachment 1.

New and Modified Outcome Measures

DWR made several recommendations regarding the outcome measures in Valley Water's 2016 GWMP, including adding a new metric for seawater intrusion and clarifying basin conditions that represent undesirable results. The outcome measures are metrics to gauge performance in meeting sustainability goals and have been modified slightly since 2016. New to the 2021 GWMP are proposed outcome measure-lower thresholds to define undesirable results. A detailed description of the proposed outcome measures and lower thresholds is available in the draft 2021 GWMP, along with the related rationale.

Valley Water has a long-established history of sustainable groundwater management and will continue to proactively manage groundwater to avoid reaching the outcome measure-lower thresholds and related undesirable results. The new and modified outcome measures in the 2021 GWMP are identified in Table 1 below.

Table 1. Proposed 2021 GWMP Outcome Measures

Sustainability Indicator	Outcome Measure	Outcome Measure – Lower Threshold
Groundwater Storage	Projected end of year groundwater storage is greater than 278,000 acre-feet (AF) in the Santa Clara Plain, 5,000 AF in the Coyote Valley, and 17,000 AF in the Llagas Subbasin.	Projected end of year countywide groundwater storage is greater than Stage 5 (150,000 AF) of the Water Shortage Contingency Plan.
Subsidence	Groundwater levels are above subsidence thresholds at the Santa Clara Subbasin subsidence index wells.	Groundwater levels are above the historical low water levels at the majority of the Santa Clara Subbasin subsidence index wells.
Groundwater Quality	For Santa Clara Subbasin water supply wells, at least 95% meet primary drinking water standards, and at least 90% have stable or decreasing trends for total dissolved solids (TDS).	At least 70% of water supply wells have stable or decreasing trends for nitrate and TDS.
Groundwater Quality	For Llagas Subbasin water supply wells, at least 95% meet primary drinking water standards, and at least 90% have stable or decreasing trends for total dissolved solids (TDS).	At least 70% of water supply wells have stable or decreasing trends for nitrate and TDS.
Seawater Intrusion	In the Santa Clara Subbasin shallow aquifer, the 100 milligram per liter chloride isocontour area is less than the historical maximum extent area (57 square miles).	In the Santa Clara Subbasin shallow aquifer, the 100 milligram per liter chloride isocontour area is less than 81 square miles, which represents a one-mile radial buffer of the historical maximum extent area.

Groundwater Dependent Ecosystems (GDEs)

Using guidance developed by The Nature Conservancy and supported by extensive Valley Water biologist field surveys, the 2021 GWMP presents maps of likely, transition, and possible GDEs for the Santa Clara and Llagas subbasins. As shown in the GWMP, most GDEs are located along stream reaches and in known wetlands. Some GDEs are supported by groundwater only, while others are supported by a combination of groundwater and surface water. The GWMP also provides additional information on groundwater/surface water interaction and notes that staff is not aware of any areas where groundwater pumping has a significant or unreasonable effect on interconnected surface water.

Evaluation of Climate Change Impacts

Using downscaled data from global climate models, model simulations were conducted to project the future groundwater budget, with a focus on how climate change may affect natural recharge. Projected natural recharge in the subbasins ranges from 8 to 19% higher in 2045 compared to the average from 2010 to 2019. Valley Water has initiated a study to evaluate climate change impacts on imported water supply that will consider projected changes in snowpack, streamflow, and sea-level rise beyond Santa Clara County. Results from this new study will

be integrated in the next five-year update of the GWMP.

New SGMA Authorities

Following extensive stakeholder engagement through Committee meetings, in February 2018 the Board adopted Resolution 18-04 regarding the process to regulate pumping under SGMA, if needed. The resolution notes that collaboration will continue to be the preferred approach to address observed or projected undesirable results, and that pumping regulation will only be considered if there is no viable alternative. The process identified in the resolution includes the follow basic steps: identification of the issue and potential mitigation; consultation with affected stakeholders to develop an action plan; pumping regulation if voluntary action is not taken or is not successful; and implementation, monitoring and reporting.

In 2018, Valley Water in conjunction with its retail customers explored the idea of implementing a fixed charge that would complement its volumetric groundwater charge, in order to minimize the revenue impact associated with water use decreases such as in a drought. Retail customers generally strongly opposed a fixed charge for various reasons. As a result, staff recommended suspending the effort to implement a fixed charge at the full Board meeting on November 27, 2018. Subsequently, the Committee reviewed the reasons for retailer opposition at its March 25, 2019, meeting and agreed with staff's recommendation to not proceed with further development of a fixed charge at that time. However, implementation of a fixed charge remains a potential option for Valley Water in the future.

Seawater Intrusion

In addition to establishing an outcome measure related to seawater intrusion, the 2021 GWMP provides additional analysis and description of seawater intrusion mechanisms. Shallow aquifers near southern San Francisco Bay have been affected by seawater intrusion, primarily due to leakage of saltwater through tidal creeks (as opposed to the more "classic" case of intrusion due to direct hydraulic connection between ocean water and fresh water). The principal aquifer is protected by extensive clays and silts and Valley Water managed recharge that maintains hydraulic gradients toward the Bay.

Coordination and Outreach

Throughout development of the 2021 GWMP, regular updates have been provided to the Committee, water retailers, and interested stakeholders. Valley Water hosted a well-attended virtual public meeting on August 12, 2021. As noted above, the draft 2021 GWMP was posted to <https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable> for public review on October 8, 2021.

Public Hearing and Plan Adoption

Valley Water is targeting the November 23, 2021 Board of Directors meeting for public hearing on the 2021 GWMP, followed by Board consideration of the plan for adoption. After plan adoption, Valley Water will submit the GWMP to DWR by January 1, 2022, as required by SGMA.

The Water Conservation and Demand Management Committee discussed the following: modified outcome measures on bar chart, slide #7.

Public Comment Received:

Mr. Doug Muirhead is concerned about the shallow wells in the un-incorporated areas, stakeholders input process to include those living on top of the basin being able to give input, the framework is missing or needs a gate that corresponds to the urgency of the undesirable conditions and wanting to see action moving forward.

Ms. Vanessa De La Piedra was available to answer questions.

The Water Conservation and Demand Management Committee took no action.

The next regularly scheduled meeting is Monday, November 22, 2021, 11:00 a.m.

If you have any questions or concerns, you may contact me at, gbrambill@valleywater.org or 1.408.630.2408.

Thank you!

Glenna Brambill, Management Analyst II,
Board Committee Liaison
Office of the Clerk of the Board

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MEMORANDUM

FC 14 (02-08-19)

TO: Board of Directors

FROM: Barbara Keegan
SPOC Chair

SUBJECT: Stream Planning and Operations Committee
(SPOC) November 4, 2021 Meeting
Summary

DATE: 11/04/2021

This memorandum summarizes the informational items from the Stream Planning and Operations Committee (SPOC) meeting held on November 4, 2021.

SPOC received updates and participated in discussions on the following:

- **Fish and Aquatic Habitat Collaborative Effort (FAHCE) Progress and Deliverables -**
 - Draft Environmental Impact Report (EIR) - including identified comment themes. Staff reported that the comments received are lengthy and detailed and will take a significant amount of time to provide a thorough review and respond to each comment in accordance with the CEQA review process.
 - Plus Pilot Flow project for Guadalupe Creek and Stevens Creek- Staff reported that the pulse releases are not scheduled as we're currently outside of the possible pulse release timeframe of December 1 through mid-April.
 - FAHCE Initialing Parties and Adaptive Management meetings – Staff reported that the next meeting of the Initialing Parties is anticipated to occur this winter following review of the draft EIR; and that the next meeting of the Adaptive Management group is also anticipated to occur this winter.
- **Anderson Dam Seismic Retrofit Project and Incorporation of FAHCE Conservation Measures for Coyote Creek.**
 - Staff informed SPOC that Valley Water just received approval from the Federal Energy Regulatory Commission for Phase III of the Anderson Dam Tunnel Project, which will allow staff to issue a notice to proceed to begin Phase II and Phase III.

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Santa Clara Valley Water District Water Conservation and Demand Management Committee Meeting

Teleconference-via Zoom

Join Zoom Meeting

<https://valleywater.zoom.us/j/92597340524>

REGULAR MEETING AGENDA

**Monday, November 22, 2021
11:00 AM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

BOARD REPRESENTATIVES:
Director Nai Hsueh, Committee Vice
Chair
Director Barbara Keegan
Director Linda J. LeZotte, Committee
Chair

During the COVID-19 restrictions, all public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Mr. Vincent Gin
(Staff Liaison)

Ms. Glenna Brambill, (COB
Liaison)
Management Analyst II
gbrambill@valleywater.org
1-408-630-2408

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

Santa Clara Valley Water District
Water Conservation and Demand Management Committee
REGULAR MEETING
AGENDA

Monday, November 22, 2021

11:00 AM

Teleconference-via Zoom

BY VIRTUAL TELECONFERENCE ONLY

Pursuant to California Government Code section 54953(e), this meeting will be held by teleconference only. No physical location will be available for this meeting; however, members of the public will be able to participate in the meeting as noted below.

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the "Raise Hand" tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

Santa Clara Valley Water District (Valley Water) in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Committee meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting
<https://valleywater.zoom.us/j/92597340524>

Dial by your location
+1 669 900 9128 US (San Jose)
Meeting ID: 925 9734 0524

1. CALL TO ORDER:

1.1. Roll Call.

- 2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.** *Notice to the Public: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.*

3. APPROVAL OF MINUTES:

3.1. Approval of Minutes.

[21-1225](#)

Recommendation: Approve the October 25, 2021, Meeting Minutes

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: 10252021 WCaDMC DRAFT Mins](#)

Est. Staff Time: 5 Minutes

4. ACTION ITEMS:

- 4.1. Monthly update on progress towards Valley Water Resolution 21-68's water use reduction target and water conservation efforts related to the drought emergency. [21-1226](#)
- Recommendation: Receive an update on progress towards meeting the Board's call for water use reduction in response to the water shortage emergency condition and water conservation efforts relevant to the overall drought emergency response, and provide feedback to staff.
- Manager: Kirsten Struve, 408-630-3138
- Attachments: [Attachment 1: PowerPoint Presentaton](#)
[Attachment 2: Drought Response Report](#)
- Est. Staff Time: 15 Minutes
- 4.2. Overview of the North San Benito Groundwater Sustainability Plan. [21-1227](#)
- Recommendation: A. Receive an update on the North San Benito Groundwater Sustainability Plan; and
B. Recommend bringing the plan to the December 14, 2021, Board of Directors meeting for public hearing and plan adoption.
- Manager: Gregory Williams, 408-630-2867
- Attachments: [Attachment 1: PowerPoint Presentation](#)
- Est. Staff Time: 15 Minutes
- 4.3. Zone of Controlled Drinking Water Well Construction for the Purified Water Project. [21-1228](#)
- Recommendation: Receive information on the zone of controlled drinking water well construction required by state regulations for Valley Water's purified water project at the Los Gatos Recharge System.
- Manager: Gregory Williams, 408-630-2867
- Attachments: [Attachment 1: Proposed Zones of Controlled Drinking Water Well](#)
[Attachment 2: Resolution 18-04](#)
[Attachment 3: Powerpoint](#)
- Est. Staff Time: 15 Minutes

4.4. Standing Items Report.

[21-1229](#)

Recommendation: A. This agenda item allows the Committee to receive verbal or written updates and discuss the following subjects. These items are generally informational; however, the Committee may request additional information from staff:

B. This is informational only and no action is required. *Staff may provide a verbal update at the 11/22/2021, meeting if there is reportable/updated information.*

1. Sustainable Groundwater Management Act (SGMA)
(Separate agenda item 11/22/2021)

2. Flood MAR and Agricultural Baseline Study

Manager: Candice Kwok-Smith, 408-630-3193

Est. Staff Time: 10 Minutes

4.5. Review Water Conservation and Demand Management Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee's Next Meeting Agenda.

[21-1231](#)

Recommendation: Review the Committee work plan to guide the committee's discussions regarding policy alternatives and implications for Board deliberation.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: WCaDMC Work Plan](#)

Est. Staff Time: 5 Minutes

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

6. ADJOURN:

6.1. Adjourn to Regular Meeting at 11:00 a.m., on Monday, December 27, 2021.

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TO: Board of Directors

FROM: Director Tony Estremera, Chair
D&I Ad Hoc Committee

SUBJECT: October 28, 2021 Diversity & Inclusion
Ad Hoc Committee Meeting

DATE: November 23, 2021

This memorandum summarizes the Diversity & Inclusion Ad Hoc Committee (Committee) meeting held October 28, 2021, where the following workplan items were discussed:

1. Receive a Quarterly Update on the Office of Racial Equity, Diversity and Inclusion Program Activities.

The Committee received an update on the Office of Racial Equity, Diversity and Inclusion (REDI) activities since July 22, 2021 to address diversity, equity and inclusion. Events held included a cultural speaker series on racism, health voting rights and how to be a good ally to the African American Community, a panel discussion on farmworker equity issues, and a lunch and learn session on environmental justice. A series of professional development trainings will be conducted for supervisors and managers that explains unconscious bias and addresses methods of identification and managing its effects. Staff is working to develop a Strategic Master Plan and briefed the Committee on efforts to advance environmental justice through Board Agenda items.

Director Estremera also expressed his intention to discuss with the Board of Directors possibilities of sharing Valley Water's annual disparate impact report with the public.

Director Hsueh and Chair Estremera will work with staff to prepare a report of the Board's historical key decisions related to equitable allocation of financial resources within the county.

Staff will also prepare reports on ACWA and WELL efforts regarding environmental justice to address equity issues.

2. Receive an update on the Employee Equity Assessment Report from the Office of Racial Equity, Diversity, and Inclusion (REDI).

The Committee received an update on the employee equity assessment to assess Valley Water's internal racial and equity climate and inform the development of future program activities to address any gaps. Assessment goals include understanding opportunities to increase racial equity, diversity, and inclusion across business areas, measuring demographics of staff, capturing baseline attitudes around racial equity and work culture dynamics, and assessing staff's understanding of diversity, equity, and inclusion, within the scope of Valley Water's program mission. The REDI team surveyed staff and conducted interviews, focus groups, and reviewed key organizational documents. The report addresses Valley Water's strengths and challenges in the areas of equity, diversity and inclusion.

The Office of REDI has initiated some of the report's recommendations. In the coming weeks, the results of the equity assessment will be shared with all Valley Water staff with a focus on addressing the report's recommendations. In collaboration with Human Resources and other Valley Water offices, REDI will work toward increased levels of employee satisfaction in identified areas.

The equity assessment will be used by the recently hired consultant to develop a Master Plan for Valley Water. The assessment will help inform the development of the Master Plan by identifying areas in which the organization needs to create or modify policies and procedures that will create greater fairness and equity in our business operations practices.

3. Receive Update on Human Resources Activities.

The Committee received an update on Human Resources activities regarding the expansion of recruitment, retention, internship and scholarships for disadvantaged college students and partnerships with local community colleges and universities. Staff will work to engage Santa Clara University as a program partner.

The Committee voted unanimously to support and forward staff's proposals to the Board for consideration.

4. Review Diversity and Inclusion Ad Hoc Committee 2021 Work Plan and 2022 Work Plan and Meeting Schedule.

The Committee requested the following items be included in the 2022 Work Plan and scheduled accordingly:

- Report on historical key decisions related to equitable allocation of financial resources within the county. (Jan)
- Report on ACWA equity efforts
- Report on WELL equity efforts

Please send comments and suggestions to Natalie Dominguez, Assistant Deputy Clerk II, at ndominguez@valleywater.org.



Santa Clara Valley Water District

File No.: 21-1247

Agenda Date: 11/23/2021

Item No.: 5.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Update on the Condition of the Almaden Valley Pipeline and Determination that the Condition of the Almaden Valley Pipeline Continues to Constitute an Emergency (San Jose) (District 3).

RECOMMENDATION:

- A. Receive an update on the Almaden Valley Pipeline; and
- B. Determine by a four-fifths vote of the Board that there is a need to continue the emergency action declared by the Chief Executive Officer (CEO) on November 2, 2021 pursuant to California Public Contract Code §22050, to repair the Almaden Valley Pipeline.

SUMMARY:

According to Public Contract Code §22050, in order for the emergency action to remain in place, the Board must determine, by four-fifths vote at every regularly scheduled Board meeting until the emergency action is terminated, that there is a need to continue the emergency action; this agenda item recommends the Board make such a finding.

On November 2, 2021, the CEO declared that the condition of the Almaden Valley Pipeline (AVP) constituted an emergency condition pursuant to California Public Contract Code §22050. The emergency declaration further determined that Santa Clara Valley Water District (Valley Water) staff may repair such pipeline, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts. The emergency condition continues to exist as the repairs to the AVP are currently in process.

The AVP consists of approximately 12 miles of 72-inch to 78-inch diameter pre-stressed concrete cylinder pipe (PCCP) and welded steel pipe, operating under pressure. The pipeline was constructed in two major segments: AVP Unit 1 was constructed in the 1960's, and AVP Unit 2 was constructed in the 1980's. The AVP is used to supply raw water to Valley Water's treatment plants, groundwater recharge facilities, and service connections. When this pipeline is out of service, Valley Water does not have access to the San Luis Reservoir (Central Valley Project) and Calero Reservoir supplies. The South Bay Aqueduct must be relied upon as the sole source and supply of raw water to Valley Water treatment facilities.

AVP planned inspection and rehabilitation work was performed in 2007, 2008, 2011, and 2017. On

December 5, 2017, Valley Water's CEO declared an emergency and a contractor repaired numerous damaged sections of PCCP identified during inspection as at risk of imminent failure. Based on the information gathered before and after the 2017/2018 repairs, the nature of damage to the pipe was correlated to embrittlement of the PCCP reinforcement wires.

On March 18, 2018, an acoustic fiber optic (AFO) system was brought on-line to continuously monitor the AVP for events that correlate to additional distress of PCCP sections. The AFO system has detected hundreds of events since its installation and indicates that PCCP sections in the Unit II Phase II portion of AVP continue to degrade due to the embrittlement of the PCCP reinforcement wires.

On December 23, 2019, Valley Water's CEO declared an emergency, based on AFO data that indicated that pipe sections under Alamitos Creek were significantly distressed and at risk of imminent failure. Subsequent electromagnetic inspection of the subject sections of PCCP confirmed the AFO data. The subject sections of PCCP were repaired and the AVP was returned to safe and reliable service on February 27, 2020.

Staff continued to monitor and assess the AFO data in combination with other pipeline records, including operation and maintenance data, to analyze changes in failure risk and remaining service life of the PCCP in AVP. On July 13, 2021, staff provided an update to the Board on the condition of the AVP and its efforts to help ensure safe and reliable operation of this facility. Results of this continuous analysis indicate that some PCCP sections of the AVP, between the Santa Teresa Force Main and Calero Valve Yard, are significantly distressed and at risk of imminent structural failure. The distressed sections of PCCP are generally located adjacent to Alamitos Creek, near the bridge crossing at the southern end of Almaden Expressway.

Based on the current condition of the significantly distressed pipe sections and the associated risks, as indicated by the AFO data, Valley Water cannot continue to operate the AVP in a safe and reliable manner unless the significantly distressed pipe sections are repaired. Shutdown of the AVP between the Coleman Line Valve to the Calero Valve Yard, from November 29, 2021 to December 17, 2021, is being coordinated to facilitate these repairs. Failure to repair the subject sections and return the pipeline to service by the prescribed date will pose a significant risk to Valley Water's ability to provide sufficient water to meet minimum water supply demands, as Valley Water's contractual obligations for water delivery increase in the spring and summer.

In response to this emergency condition of the AVP, Valley Water staff activated the Water Utility Department Operations Center on November 2, 2021. Staff from various Valley Water business units participated and strategized on the necessary steps to move forward with the pipeline repairs.

The three water treatment plants in North County will be disconnected from San Luis and Calero reservoirs due to the shutdown of the AVP. The Santa Teresa Water Treatment Plant will be offline for the duration of the AVP outage, and the Penitencia and Rinconada Water Treatment Plants will be relying on raw water delivered through the South Bay Aqueduct (SBA).

After a contract is awarded to a construction contractor, work is expected to begin on or about

November 29, 2021. Valley Water staff and contractor personnel will have access to the interior of the AVP to perform the repairs. The repairs consist of constructing a carbon fiber structural liner inside the distressed segments of AVP.

It is anticipated that the Penitencia and Rinconada Water Treatment Plants will remain online through the completion of the repairs. If Valley Water should lose the ability to receive imported water from the State Water Project (via the SBA), there would be an immediate and substantial curtailment of water services in the County. Staff has informed the retailers of the AVP emergency and will provide periodic updates to keep them abreast of the situation. The Office of Communications has also reached out to the neighbors that may be impacted by the mobilization of the crews and the construction activities.

Staff is recommending that the Board determine, by a four-fifths vote, that there is a need to continue the emergency action declared by the CEO, to enable timely procurement of necessary construction contract services, and other services, supplies and essential equipment, without competitively bidding the contracts to complete the repairs. Staff will return to the Board with an update at every regularly scheduled Board meeting until the emergency declaration is concluded.

FINANCIAL IMPACT:

Staff estimates repairing the distressed sections of the AVP could cost in the range of \$1.2M to \$1.7M depending on the scale of the necessary repairs. The repair costs will exceed the available funds in the Raw Water T&D Engineering Other Project (92761083). Staff will recommend a budget adjustment for this Project at a future Board meeting based on the actual cost of the repair.

CEQA:

Impacts associated with the repair and maintenance activities of the AVP were evaluated by the Pipeline Maintenance Program and the Programmatic Environmental Impact Report, certified and approved by the Board on November 13, 2007. The California Department of Fish and Wildlife and the Regional Water Quality Control Board will be properly notified to address the issued permits for the repairs and the permits will be modified to address emergency actions. All work will be performed deploying the Valley Habitat Plan conditions and avoidance and minimization measures to prevent impacts to sensitive habitat in the project vicinity.

ATTACHMENTS:

Attachment 1: Declaration of Emergency

UNCLASSIFIED MANAGER:

Greg Williams, 408-630-2867

TO: Rick L. Callender
Chief Executive Officer

FROM: Aaron Baker
Chief Operating Officer
Water Utility Enterprise

SUBJECT: Emergency Declaration to Repair Almaden
Valley Pipeline Pursuant to Public Contract
Code §22050

DATE: November 2, 2021

The purpose of this memorandum is to formally request that you as the Santa Clara Valley Water District (Valley Water) Chief Executive Officer (CEO) immediately declare an emergency pursuant to California Public Contract Code §22050 and Valley Water Resolution 05-67 to enable immediate repair of the Almaden Valley Pipeline (AVP) in the City of San Jose, California. This emergency declaration will exempt Valley Water from undergoing competitive bidding requirements to procure the necessary equipment, supplies, non-professional services, and public works to attend to the emergency action described in this memorandum.

The current condition of the AVP poses an emergency condition and needs to be temporarily taken out of service to perform significant repairs. Per California Public Contract Code §1102, an emergency is "a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services."

Background

The AVP consists of approximately 12 miles of 72-inch to 78-inch diameter prestressed concrete cylinder pipe (PCCP) and welded steel pipe, operating under pressure. The pipeline was constructed in two major segments: AVP Unit 1 was constructed in the 1960's, and AVP Unit 2 was constructed in the 1980's. The AVP is used to supply raw water to Valley Water's treatment plants, groundwater recharge facilities, and service connections. When this pipeline is out of service, Valley Water does not have access to San Luis Reservoir (Central Valley Project) and Calero Reservoir supplies. The South Bay Aqueduct must be relied upon as the sole source and supply of raw water to all Valley Water treatment facilities.

AVP planned inspection and rehabilitation work was performed in 2007, 2008, 2011, and 2017. On December 15, 2017, Valley Water declared an emergency and staff repaired numerous damaged sections of PCCP identified during inspection at risk of imminent failure. Based on the information gathered, before and after the 2017/2018 repairs, the nature of damage to the pipe was correlated to embrittlement of the PCCP reinforcement wires.

On March 18, 2018, an acoustic fiber optic (AFO) system was brought on-line to monitor the AVP for events that correlate to additional distress of PCCP sections. This AFO system has detected numerous events since its installation. Staff continually reviews this information in combination with other pipeline records, including operation and maintenance data, to analyze changes in failure risk and remaining service life of PCCP in AVP. On December 23, 2019, based on staff's review and analysis of the updated AFO, operations and maintenance data, Valley Water declared an emergency to repair distressed sections of PCCP that were at risk of imminent failure. The AFO system, since that repair in 2019, has captured additional events, and analysis of the current data indicates that several sections of

PCCP have reached a similar critical level of distress and are at risk of imminent failure thereby requiring immediate repair.

Potential consequences of a pipe failure in the location include:

- a. Physical damage to adjacent area;
- b. Negative impact to endangered species habitat (e.g., steelhead fish) due to excessive raw water discharge into Alamos Creek, along with substantial erosion; and
- c. Significant risk to Valley Water's ability to provide sufficient water to meet minimum water supply demands due to prolonged unplanned pipeline outage to repair a pipe break.

Potential consequences of an unplanned prolonged outage to isolate and repair a failed pipeline in this location include:

- a. Inability to meet contractual water supply agreements, which restrict planned outages between November and March;
- b. Inability to meet treated water allotment obligations to retailers; and
- c. Valley Water treatment facilities must rely solely on the South Bay Aqueduct for raw water supply.

Based on the current condition of the significantly distressed pipe sections and associated risks, Valley Water needs to temporarily shutdown and repair the AVP to maintain safe and reliable service. The planned shutdown and repair of AVP, is tentatively scheduled to occur in December of 2021 and is estimated to take approximately three (3) weeks. Failure to perform the needed repairs will pose a significant risk to Valley Water's ability to provide sufficient water to meet minimum water supply demands, as Valley Water's contractual obligations for water delivery increase.

Recommendation

Staff recommends a Declaration of Emergency be issued so that immediate action can be taken to complete all work activities related to the repair of structurally distressed pipe in the Almaden Valley Pipeline. Based on the substantial evidence detailed above, I recommend that you officially declare that an emergency situation exists as defined by the California Public Contract Code §1102. If you agree with this recommendation, please indicate concurrence by signing below.

Concur:



Aaron Baker, P.E.
Chief Operating Officer
Water Utility Enterprise



Joseph Aranda
Assistant District Counsel

Concur:



Melanie Richardson, P.E.
Assistant Chief Executive Officer

Concur:



Rick L. Callender, Esq.
Chief Executive Officer



Santa Clara Valley Water District

File No.: 21-1298

Agenda Date: 11/23/2021

Item No.: *9.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Fiscal Year 2021-22 Urgent Position Requests and Midyear Budget Adjustments.

RECOMMENDATION:

- A. *Approve the budget adjustments for the addition of fourteen (14) regular positions and two (2) limited term positions for urgent project support and drought emergency needs;
- B. Approve the Fiscal Year 2021-22 midyear operating and capital budget adjustments; and
- C. *Approve the recommendation to revise the Board Governance Policy Executive Limitation 3.7 to increase the number of unclassified positions from no more than thirty-two (32) to thirty-four (34) positions without Board approval.

SUMMARY:

To help strengthen critical core business functions, urgent project support, and drought emergency needs, Santa Clara Valley Water District's (Valley Water) executive leadership recommends the addition of thirteen (13) regular positions and two (2) limited term positions to be added to the organization during the Fiscal Year 2021-22 (FY22).

Santa Clara County is in an extreme and exceptional drought and in June, the Valley Water Board of Directors declared a water shortage emergency condition. With the additional resource needs related to our response to the drought emergency and several critical projects in the pipeline, Valley Water needs to ensure it is planning for the future and adequately resourced to respond to such needs. As we add permanent positions, we will rely less on external consultant services. Adding these positions is a forward-thinking investment in our Valley Water employees.

In adhering to Governance Policies of the Board and specifically Executive Limitations EL-4, staff respectfully submits these urgent central budget adjustments to the FY 2021-22 Adopted Budget which are necessary to better align limited allocated resources with the Board's Ends policies, to meet Board priorities, and to continue to provide for a balanced budget.

List of Requested Positions

The thirteen (13) proposed regular positions, including one unclassified position, and two (2) limited term positions address needs across Valley Water business areas. The positions requested include:

Water Utility Enterprise: *Four (4) Regular Positions

- Water Conservation Specialist I/II
- Management Analyst I/II
- Assistant Water Resources Specialist II
- *Assistant Operating Officer

Watersheds: Five (5) Regular Positions

- Real Estate Agent I/II
- Assistant Surveyor I/II
- Engineering Technician II
- Assistant Biologist I/II (2 Positions)

Office of Integrated Water Management: Three (3) Regular Positions

- Senior Management Analyst
- Engineering Technician III
- Assistant Engineer II

Financial Planning and Management Services: One (1) Regular Position

- Accountant I/II

External Affairs: Two (2) Limited Term Positions

- Public Information Representative II (2 LT Positions)

District Counsel: One (1) Regular Position

- Assistant District Counsel

Descriptions of the position requests are presented below:

1. Water Conservation Program Regular Positions - (1.0) Water Conservation Specialist II (\$195,524), and (1.0) Management Analyst II (\$207,405):

As a result of the drought emergency, Valley Water's water conservation programs have seen record participation (300-800% increase) and opportunities for program expansion. To support the water conservation program, The Water Supply Planning & Conservation Unit is requesting two regular positions. The Water Conservation Specialist I/II will research, evaluate, design, and implement new water conservation and demand management programs; prepare the related request for proposals (RFP); support multiple, ongoing water conservation programs including the Water Efficient Technology (WET) Rebate Program and the Submeter Rebate Program; and provide oversight and continuous improvement of Valley Water's water conservation website among other tasks. The Management Analyst II will develop and monitor the water conservation budget and inform management, committees, and the Board. This includes developing spending projections, tracking Integrated Regional Water Management (IRWM) grant funds and cost-share agreements, processing invoices, and creating data tracking and reporting systems. Additionally, the position will oversee all student interns and temporary staff, including recruitments and supervision, and provide professional

support for various committees that are supported by the conservation unit.

2. Water Supply Planning Regular Position - (1.0) Assistant Water Resource Specialist II (funding available for FY22, \$202,983 FY23+):

The Assistant Water Resource Specialist would provide support to various planning efforts including the Water Supply Master Plan and annual Monitoring and Assessment Plan, the Central Valley Project Improvement Act (CVPIA) Water Management Plan and annual reporting update to US Bureau of Reclamation (USBR), the Urban Water Management Plan (UWMP) and annual reporting update to CA Department of Water Resources (DWR), and the Integrated Regional Water Management Program (IRWM). Having no water supply planning program support staff could result in Valley Water not meeting mandated water supply reporting requirements which could jeopardize imported water allocations, transfers, and exchanges.

3. Real Estate Services Regular Position - (1.0) Regular Real Estate Agent I/II (\$180,839):

Real Estate Services Unit is experiencing a significant increase in requests for real property acquisitions and associated Real Estate services related to numerous high priority projects (Anderson, Pacheco, P3, and Coyote Creek). It is estimated that acquisitions for these projects must be completed within the next several years. Without sufficient staffing, support to key projects is seriously compromised and threatens RESU's ability to respond and deliver services to these and future projects in an efficient and timely manner.

4. Land Surveying and Mapping Unit Regular Position - (1.0) Assistant Surveyor I/II (\$169,949):

The Land Surveying and Mapping Unit (LSMU) is experiencing a significant increase in requests for land surveying and associated surveying services related to numerous high priority projects. It is estimated that the field surveying and right of way mapping for these projects will need to be completed within the next 1-5 years. In coordination with Community Projects Review Unit (CPRU), there has been an increased effort to identify encroachments, requiring both field and extensive right of way research. In addition, new technologies such as 3D scanning and unmanned aerial vehicles (UAVs), are resulting in many new requests being generated from units that have previously not requested surveys (Communications, Facilities, Biologists, etc.).

5. Community Projects Review Unit Regular Position - (1.0) Engineering Technician I/II (\$158,212):

In FY21, CPRU's incoming email account received approximately 1,200 review requests. Currently, one Engineering Tech is responsible for monitoring that email account, performing initial research and other duties. This insufficient staffing requires Engineers to conduct preliminary research which is impacting delivery of permits.

6. Operations & Maintenance Environmental Support Regular Positions - (2.0) Assistant Biologists (\$391,049):

O&M currently is in the process of adding 7 additional field positions to support new Safe Clean Water commitments and additional work needed to meet our current levels of service. The requested Assistant Biologist I/II positions are needed to provide permitting and CEQA support to the new crews being formed by these additions. Without the new positions, the environmental clearances needed to perform work may be delayed or some projects may not be able to be implemented during the upcoming work season. These positions are being requested midyear to ensure they are filled prior

to the spring work season. Due to permit conditions and seasonal requirements, some work activities (mitigation and certain vegetation management activities) can only be conducted during this window. If this position is delayed, the positions will not be filled in time to support this seasonal work and delays until the following year are likely to occur.

7. Business Planning & Analysis Unit (Capital Project Management & Controls) Regular Position - (1.0) Sr. Management Analyst (\$220,269):

This position will be dedicated to the development and implementation of the new Project Controls component of the Capital Project Management & Controls Program and ongoing management and implementation of the Project Management Information System (PMIS) after it is developed and implemented under the current CPMIS (Capital Project Management Information System) Project (00074040). The new Capital Project Management & Controls Project is a capital overhead/administrative project under the Business Planning and Analysis Unit created to facilitate the development and implementation of a Capital Project Management & Controls Program (CPMCP) for improved, streamlined capital project controls, oversight, management and reporting processes.

8. Computer Aided Design Drafting (CADD) Regular Position - (1.0) Engineering Tech III (\$170,630):

The CADD Unit is understaffed and unable to keep up with the rate of CADD requests submitted. Also, the skill level required for some requests is above the skill level of the majority of CADD Engineering Techs in the unit. Two contractors were hired to help complete unassigned and more challenging requests, while internal staff is trained up. However, the budget allocated for CADD Contractor services will most likely be spent before the end of FY22, which will extend completion dates for CADD requests and negatively impact Capital project deadlines without additional staff.

9. Dam Safety Program Regular Position - (1.0) Assistant Engineer II - Civil (\$202,983):

This position will support required Dam Safety projects that have been delayed or put on hold due to lack of staff resources caused by reassignment to the Anderson Dam Seismic Retrofit Project. These projects need to move forward to ensure that our reservoir levels are not further restricted by DSOD. Two positions slated to support the Dam Safety Program were diverted to Anderson. As a result, the spillway evaluations of Lenihan and Steven's Creek Dams, and seismic stability evaluations for Uvas, Chesbro, and Coyote Dams may be impacted. Additionally, interim spillway evaluations and follow-up projects may be necessary at Almaden Dam as well as other sites. This adjustment is funded by existing capital project budget(s).

10. General Accounting Unit Regular Positions - (1.0) Accountant I/II (funds available for FY22, \$191,993 FY23+):

This position will provide backup for the existing Accounting Systems Analyst during the upgrade to the Infor Payroll System. This position will help in process improvement and in mapping processes and procedures of the current Peoplesoft production system to that of Infor. This position will be integral in supporting and stabilizing the various modules (Financials, HR/Payroll, Expense Management, Business Intelligence Reporting) of the newly implemented Infor ERP system once it goes live. Staff anticipates an increased systems support workload as a result of the implementation of Infor due to the increased functionality the system will bring versus Peoplesoft. FY22 funding for

this position will be from the re-allocation of remaining budget funding associated with the approved limited-term positions for the ongoing ERP implementation project.

11. Communications Unit Limited Term Positions - (2.0) Public Information Representatives II (\$199,283/each position):

Due to the extreme drought in Santa Clara County, the two Public Information Representative II limited term (LT) positions for three years (FY22 - FY24), will provide critical support to the Office of Communications, which is leading the messaging for drought and water conservation, in an effort to drive behavioral change. Those efforts include substantially increased media engagement with local and national outlets and external publications, the creation and coordination of a sharp rise in requests for drought speaker bureau presentations, support for drought-related meetings and presentations by the Valley Water Board of Directors, and maintenance of related web pages and programs, among other key communications required of Valley Water throughout the duration of the drought response.

12. Office of District Counsel Regular Unclassified Position - (1.0) Assistant District Counsel (\$371,512):

An additional attorney is needed to assist with the substantial workload currently facing the Office of the District Counsel and which is expected to increase in the coming fiscal years-particularly with regard to capital improvements. Without an additional attorney, work will either take additional time to process or will require additional expenditures on outside counsel to meet business demands. Hiring an additional attorney now will allow us to cross-train that person on the functions of other attorneys, thereby mitigating potential delays to the other attorneys' work and making the office more nimble if attorneys are out of office or leave the agency. By hiring an additional attorney Valley Water expects to save on outside counsel costs-both as against work currently outsourced and as against additional work that would otherwise go to outside counsel. As compared to typical outside counsel expenses for an equivalent amount of work, it is anticipated that hiring an assistant district counsel will save approximately \$150,000 in expenditures that would otherwise have gone to outside counsel in the first year of employment. The significant volume of work before the Office of District Counsel, the immediate need for greater cross-training, and the need to try to reduce outside expenditures during the drought, collectively require onboarding an attorney expeditiously. It should be noted that if the Board approves this additional position, staff will return with a request to revise Board Governance Policy Executive Limitation 3.7, which limits the number of unclassified positions Valley Water may employ.

List of Midyear Budget Adjustments for Services and Supplies

Following are brief descriptions of Midyear Budget Adjustments for additional resource requests related to Valley Water's response to the needs related to our response to the drought emergency and several critical projects:

13. Drought Emergency (Project 91061008), Landscape Rebate Program (LRP) - \$1.9 million increase:

Valley Water's FY22 water conservation rebate budget is \$5.4 million, with \$3.5 million earmarked for the LRP. Due to the unprecedented demand in the LRP after the rebate was increased from \$1 to

\$2/sq foot, the program is estimated to need an additional \$1.9 million to ensure sufficient funding to meet demand through the end of the fiscal year.

14. Drought Emergency (Project 91061008), Outdoor Field Services contractor - \$650,000 increase:

As a result of Valley Water's water shortage emergency condition and call for water use restriction of 15% compared to 2019, the conservation programs are seeing unprecedented demand. As a result, staff cannot hire enough interns and temporary field staff to meet the increased demand. The funding would support hiring a contractor to provide turn-key services for all outdoor conservation fieldwork essential to the drought response, including LRP pre-inspections, outdoor landscape surveys, water waste inspections, and more.

15. Drought Emergency (Project 91061008), eCart contractor - \$420,000 increase:

This program provides a centralized location for residents to order free cost-effective, water-saving gear that provides Valley Water with immediate water savings. The unprecedented popularity of the program is unsustainable with current temporary staffing. Additionally, it's been challenging to recruit support staff (3 separate recruitments yielded 1 candidate). To date, there are over 1,000 pending orders dating back to 8/14. Funding for contractor support is critical for water savings and customer services.

16. Drought Emergency (Project 91061008), Intern and temporary staff support - \$630,000 increase:

All water conservation programs are seeing unprecedented demand. The additional intern support staff (from 8 to 15) are needed to operate and support the Landscape Rebate Program by processing applications, field services (until contracted out), and providing customer services to applicants. The additional temporary support staff (from 3 to 10) are needed to support the Water Waste Inspector Program by educating the public about water waste, encouraging residents to participate in Valley Water's conservation programs, and coordinate with retailers and the county to resolve persistent complaints.

17. Drought Emergency (Project 91061008), Fixture Replacement Program - \$400,000 increase:

This funding provides sufficient resources to replace nearly 9,000 inefficient toilets as well as other inefficient plumbing fixtures this fiscal year as a water savings of 235,475,000 gallons per year (723 acre-feet). During the last drought, Valley Water spent approximately \$3 million on the High-Efficiency Toilet and Urinal Direct Installation Program; this adjustment will increase the FY22 Budget from \$200,000 to \$600,000.

18. Pacheco Reservoir Expansion (Capital Project 91954002), Pacheco Interim Reduction - \$39 million decrease:

On August 22, 2017, the Board approved the recommendation from the Pacheco Reservoir Exploratory Ad Hoc Committee to initiate the planning phase of the Pacheco Reservoir Expansion Project (Project). The Project includes expanding the storage capacity of the existing Pacheco Reservoir to 140,000 acre-feet through construction and operation of a new dam, conveyance facilities, and related appurtenant structures. Staff has identified near term surplus funding of \$39

million due to less resources needed for planning than initially estimated. These funds can be used for other purposes until FY25, when they will be needed to complete the design of the project. To aid in the purchase of supplemental water, procurement of additional drought related needs, and stabilization of water charges, Pacheco surplus funds will be moved to the Water Utility Enterprise Fund Rate Stabilization reserve until purchases are required to meet near term needs. Replenishment of the Pacheco project budget beginning in FY25 will be included in rate setting and the FY23-27 CIP.

19. Permanente Ck, SF Bay-Foothill (Capital Project 10244001) - \$450,000 increase:

Without additional funding, Valley Water will not be able to complete the following in FY22:

1. Address City of Mountain View's concerns regarding bleacher sight lines at McKelvey Park. Valley Water is to provide a one-time contribution of \$125,000 (cost-share) for City to retrofit.
2. During FEMA LOMR application preparation for the Permanente Creek Flood Protection Project (Rancho San Antonio Detention Basin, McKelvey Park Detention Basin, and Permanente Creek Channel Improvements) staff discovered a retrofit is needed for ~1,000 ft of floodwall for the Channel Improvements project, which was completed in 2018. The potential cost of designing and constructing a retrofit is estimated at \$650,000; \$325,000 needed in FY22 to design and begin construction (late spring 2022); remainder (\$325,000) will be requested during the FY23 budget process.

20. Berryessa Crk, Lwr. Pen Phs 2a (Capital Project 40174005) - \$500,000 increase: The Project team received updated spending information from the construction unit recently. Based on current and anticipated labor spending rates for construction staff, the FY22 budget is underfunded and will be overspent in Q3. This is primarily due to projected FY22 actual hours that are estimated to exceed budgeted hours, based on weekly average billed hours through the first two months of FY22.

21. Upper Llagas Creek Flood Protection (Capital Project 26174051) - \$3,048,000 increase:

Planned project expenditures have increased due to costs to relocate various existing utilities in conflict with the project due to the discovery of previously unknown underground utilities and cost increases for construction materials. The costs to acquire the last couple of remaining properties required for the project have also increased, including an extended full property acquisition that involves a property relocation

22. Lower Penitencia Creek Improvements (Capital Project 40334005) - \$7,442,000 increase:

The project is increasing \$7M to the total project cost to account for an increase in design and construction costs. The project plan has been updated to reflect the revised construction costs, which will be reflected in the FY2023-27 Preliminary CIP. Construction began the week of July 26, 2021 and is estimated to be completed in FY23. On March 7, 2021, the Board adopted plans and specifications and authorized advertisement for the bids for the Lower Penitencia Creek Improvements Project. On May 11, 2021, the Board adopted a resolution to approve the FY 2022-26 CIP which included the total construction cost estimate of \$14M for the subject project. On May 25, 2021, the Board approved staff's recommendation awarding the construction contract to Gordon N. Ball for \$21,392,668 (contract with contingency).

23. CPRU (Community Project Review Unit) Temporary Staff - \$104,460 increase:

Temporary staff of 2.0 positions: (1) Engineering Tech I/II, and (2) Assistant Engineer II in the CPRU. The Engineering Tech I/II will assist CPRU in addressing serious ordinance enforcement violations that have impacts Valley Water's core business. This position will assist with Notice of Violations and field visits which will free up the Field Operations Administrator (FOA) to coordinate efforts on larger neighborhood and encroachment areas. An Assistant Engineer II recently left the unit that is currently short staffed. CPRU is seeking an engineer on a temporary basis that can begin working immediately on requests. With the recent loss of the full time Assistant Engineer, the remaining engineering staff in the unit has had to take on additional workload. This causes delays in providing timely responses to both internal and external customers.

24. Drought Emergency (Project 91061008), Communications Unit - \$1,215,000 increase:

In an effort to highlight Valley Water's efforts to lead the county out of the extreme drought and reduce our reliance on imported water through expansion of purified water projects across the county, staff recommends engaging in a robust public relations campaign focused on purified water and encouraging conservation due to the drought. In addition to building strong community support for purified water, this effort aims to move the needle in changing behaviors to support the urgent need to reduce water consumption during the extreme drought. Staff is requesting \$1,180,000 to support a public relations campaign that includes funding to gauge public awareness, effective messaging, and opinions. These funds will go toward a robust, multilingual public relations plan that includes advertising on various platforms to highlight the benefits of the Purified Water Project and to encourage behavioral changes to reduce water consumption. Staff is also requesting \$35,000 for the purchase of collapsible buckets that will be included in Valley Water's e-shopping cart offerings of water conservation items. Unlike the buckets used during the last drought, these buckets are collapsible and as such, can be easily mailed along with the other water conservation tools we offer. About 4,000 collapsible buckets will be ordered.

Midyear Budget Adjustments for Other Technical Adjustment**25. Business Planning & Analysis Unit (Lands Management Program) Regular Full-Time Position - (1.0) Sr. Management Analyst (\$229,115):**

Effective 9/6/21, the Business Planning and Analysis Unit received an additional staff member via internal reassignment. This position was not budgeted within the unit and sufficient funds do not exist within the unit's budget to absorb additional labor expenses. Therefore, a budget adjustment is needed for FY22.

26. Business Planning & Analysis Unit (Capital Project Management & Controls) Labor Reallocation - (\$214,500 intra-fund transfer):

Funding is requested to transfer 1,144 hours of staff time currently budgeted in FY22 under the Capital Project Management Information System Project (CPMIS) (00074040) to allow for work to begin on the development of the Project Controls component of the new Capital Project Management & Controls Project (00074042). The new Capital Project Management & Controls Project is a capital overhead/administrative project under the Business Planning and Analysis Unit created to facilitate the development and implementation of a Capital Project Management & Controls Program

(CPMCP) for improved, streamlined capital project controls, oversight, management, and reporting processes.

FINANCIAL IMPACT:

Approval of the mid-year budget adjustments amends the FY22 Budget which was adopted by the Board per Resolution 21-24 on May 11.

Staff estimates the annual cost for thirteen (13) regular positions and two (2) limited term positions total \$3.1 million for salaries and benefits. Due to the necessary lead time to recruit and hire these positions, staff anticipates that the actual reserve impact for FY 22 would be approximately \$1.7 million for salaries and benefits. The impact for FY23 will be incorporated into the FY23 Rolling Biennial Budget.

The mid-year services and supplies budget adjustments for drought emergency needs and capital project construction total \$16.8 million, increasing FY22 appropriations by \$5.2 million in the Water Enterprise Fund, \$3.1 million in the Safe Clean Water Fund, and \$8.5 million in the Watershed and Stream Stewardship Fund.

Assuming the Board approves these budget adjustments, the remaining operating and capital reserves in the FY22 Adjusted Budget would be \$32.4 million in the Water Enterprise Fund, \$50.1 million in the Safe Clean Water Fund and \$58.5 million in the Watershed and Stream Stewardship Fund.

The Pacheco Reservoir Expansion capital project budget adjustment will temporarily reduce surplus project appropriation by \$39 million. The Water Utility Enterprise Fund Rate Stabilization reserve will temporarily increase by \$39 million to \$67.3 million. Replenishment of the Pacheco project budget beginning in FY25 will be included in the rate setting process and the FY23-27 CIP.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

*Original Agenda Memo

*Supplemental Agenda Memo

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068



Santa Clara Valley Water District

File No.: 21-1302

Agenda Date: 11/23/2021

Item No.: *9.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Fiscal Year 2021-22 Urgent Position Requests and Midyear Budget Adjustments.

RECOMMENDATION:

- A. Approve the budget adjustments for the addition of thirteen (13) regular positions and two (2) limited term positions for urgent project support and drought emergency needs; and
- B. Approve the Fiscal Year 2021-22 midyear operating and capital budget adjustments.

SUMMARY:

To help strengthen critical core business functions, urgent project support, and drought emergency needs, Santa Clara Valley Water District's (Valley Water) executive leadership recommends the addition of thirteen (13) regular positions and two (2) limited term positions to be added to the organization during the Fiscal Year 2021-22 (FY22).

Santa Clara County is in an extreme and exceptional drought and in June, the Valley Water Board of Directors declared a water shortage emergency condition. With the additional resource needs related to our response to the drought emergency and several critical projects in the pipeline, Valley Water needs to ensure it is planning for the future and adequately resourced to respond to such needs. As we add permanent positions, we will rely less on external consultant services. Adding these positions is a forward-thinking investment in our Valley Water employees.

In adhering to Governance Policies of the Board and specifically Executive Limitations EL-4, staff respectfully submits these urgent central budget adjustments to the FY 2021-22 Adopted Budget which are necessary to better align limited allocated resources with the Board's Ends policies, to meet Board priorities, and to continue to provide for a balanced budget.

List of Requested Positions

The thirteen (13) proposed regular positions, including one unclassified position, and two (2) limited term positions address needs across Valley Water business areas. The positions requested include:

Water Utility Enterprise: Three (3) Regular Positions

- Water Conservation Specialist I/II
- Management Analyst I/II

- Assistant Water Resources Specialist II

Watersheds: Five (5) Regular Positions

- Real Estate Agent I/II
- Assistant Surveyor I/II
- Engineering Technician II
- Assistant Biologist I/II (2 Positions)

Office of Integrated Water Management: Three (3) Regular Positions

- Senior Management Analyst
- Engineering Technician III
- Assistant Engineer II

Financial Planning and Management Services: One (1) Regular Position

- Accountant I/II

External Affairs: Two (2) Limited Term Positions

- Public Information Representative II (2 LT Positions)

District Counsel: One (1) Regular Position

- Assistant District Counsel

Descriptions of the position requests are presented below:

1. Water Conservation Program Regular Positions - (1.0) Water Conservation Specialist II (\$195,524), and (1.0) Management Analyst II (\$207,405):

As a result of the drought emergency, Valley Water's water conservation programs have seen record participation (300-800% increase) and opportunities for program expansion. To support the water conservation program, The Water Supply Planning & Conservation Unit is requesting two regular positions. The Water Conservation Specialist I/II will research, evaluate, design, and implement new water conservation and demand management programs; prepare the related request for proposals (RFP); support multiple, ongoing water conservation programs including the Water Efficient Technology (WET) Rebate Program and the Submeter Rebate Program; and provide oversight and continuous improvement of Valley Water's water conservation website among other tasks. The Management Analyst II will develop and monitor the water conservation budget and inform management, committees, and the Board. This includes developing spending projections, tracking Integrated Regional Water Management (IRWM) grant funds and cost-share agreements, processing invoices, and creating data tracking and reporting systems. Additionally, the position will oversee all student interns and temporary staff, including recruitments and supervision, and provide professional support for various committees that are supported by the conservation unit.

2. Water Supply Planning Regular Position - (1.0) Assistant Water Resource Specialist II (funding available for FY22, \$202,983 FY23+):

The Assistant Water Resource Specialist would provide support to various planning efforts including the Water Supply Master Plan and annual Monitoring and Assessment Plan, the Central Valley Project Improvement Act (CVPIA) Water Management Plan and annual reporting update to US Bureau of Reclamation (USBR), the Urban Water Management Plan (UWMP) and annual reporting update to CA Department of Water Resources (DWR), and the Integrated Regional Water Management Program (IRWM). Having no water supply planning program support staff could result in Valley Water not meeting mandated water supply reporting requirements which could jeopardize imported water allocations, transfers, and exchanges.

3. Real Estate Services Regular Position - (1.0) Regular Real Estate Agent I/II (\$180,839):

Real Estate Services Unit is experiencing a significant increase in requests for real property acquisitions and associated Real Estate services related to numerous high priority projects (Anderson, Pacheco, P3, and Coyote Creek). It is estimated that acquisitions for these projects must be completed within the next several years. Without sufficient staffing, support to key projects is seriously compromised and threatens RESU's ability to respond and deliver services to these and future projects in an efficient and timely manner.

4. Land Surveying and Mapping Unit Regular Position - (1.0) Assistant Surveyor I/II (\$169,949):

The Land Surveying and Mapping Unit (LSMU) is experiencing a significant increase in requests for land surveying and associated surveying services related to numerous high priority projects. It is estimated that the field surveying and right of way mapping for these projects will need to be completed within the next 1-5 years. In coordination with Community Projects Review Unit (CPRU), there has been an increased effort to identify encroachments, requiring both field and extensive right of way research. In addition, new technologies such as 3D scanning and unmanned aerial vehicles (UAVs), are resulting in many new requests being generated from units that have previously not requested surveys (Communications, Facilities, Biologists, etc.).

5. Community Projects Review Unit Regular Position - (1.0) Engineering Technician I/II (\$158,212):

In FY21, CPRU's incoming email account received approximately 1,200 review requests. Currently, one Engineering Tech is responsible for monitoring that email account, performing initial research and other duties. This insufficient staffing requires Engineers to conduct preliminary research which is impacting delivery of permits.

6. Operations & Maintenance Environmental Support Regular Positions - (2.0) Assistant Biologists (\$391,049):

O&M currently is in the process of adding 7 additional field positions to support new Safe Clean Water commitments and additional work needed to meet our current levels of service. The requested Assistant Biologist I/II positions are needed to provide permitting and CEQA support to the new crews being formed by these additions. Without the new positions, the environmental clearances needed to perform work may be delayed or some projects may not be able to be implemented during the upcoming work season. These positions are being requested midyear to ensure they are filled prior to the spring work season. Due to permit conditions and seasonal requirements, some work activities (mitigation and certain vegetation management activities) can only be conducted during this window. If this position is delayed, the positions will not be filled in time to support this seasonal work and

delays until the following year are likely to occur.

7. Business Planning & Analysis Unit (Capital Project Management & Controls) Regular Position - (1.0) Sr. Management Analyst (\$220,269):

This position will be dedicated to the development and implementation of the new Project Controls component of the Capital Project Management & Controls Program and ongoing management and implementation of the Project Management Information System (PMIS) after it is developed and implemented under the current CPMIS (Capital Project Management Information System) Project (00074040). The new Capital Project Management & Controls Project is a capital overhead/administrative project under the Business Planning and Analysis Unit created to facilitate the development and implementation of a Capital Project Management & Controls Program (CPMCP) for improved, streamlined capital project controls, oversight, management and reporting processes.

8. Computer Aided Design Drafting (CADD) Regular Position - (1.0) Engineering Tech III (\$170,630):

The CADD Unit is understaffed and unable to keep up with the rate of CADD requests submitted. Also, the skill level required for some requests is above the skill level of the majority of CADD Engineering Techs in the unit. Two contractors were hired to help complete unassigned and more challenging requests, while internal staff is trained up. However, the budget allocated for CADD Contractor services will most likely be spent before the end of FY22, which will extend completion dates for CADD requests and negatively impact Capital project deadlines without additional staff.

9. Dam Safety Program Regular Position - (1.0) Assistant Engineer II - Civil (\$202,983):

This position will support required Dam Safety projects that have been delayed or put on hold due to lack of staff resources caused by reassignment to the Anderson Dam Seismic Retrofit Project. These projects need to move forward to ensure that our reservoir levels are not further restricted by DSOD. Two positions slated to support the Dam Safety Program were diverted to Anderson. As a result, the spillway evaluations of Lenihan and Steven's Creek Dams, and seismic stability evaluations for Uvas, Chesbro, and Coyote Dams may be impacted. Additionally, interim spillway evaluations and follow-up projects may be necessary at Almaden Dam as well as other sites. This adjustment is funded by existing capital project budget(s).

10. General Accounting Unit Regular Positions - (1.0) Accountant I/II (funds available for FY22, \$191,993 FY23+):

This position will provide backup for the existing Accounting Systems Analyst during the upgrade to the Infor Payroll System. This position will help in process improvement and in mapping processes and procedures of the current Peoplesoft production system to that of Infor. This position will be integral in supporting and stabilizing the various modules (Financials, HR/Payroll, Expense Management, Business Intelligence Reporting) of the newly implemented Infor ERP system once it goes live. Staff anticipates an increased systems support workload as a result of the implementation of Infor due to the increased functionality the system will bring versus Peoplesoft. FY22 funding for this position will be from the re-allocation of remaining budget funding associated with the approved limited-term positions for the ongoing ERP implementation project.

11. Communications Unit Limited Term Positions - (2.0) Public Information Representatives II (\$199,283/each position):

Due to the extreme drought in Santa Clara County, the two Public Information Representative II limited term (LT) positions for three years (FY22 - FY24), will provide critical support to the Office of Communications, which is leading the messaging for drought and water conservation, in an effort to drive behavioral change. Those efforts include substantially increased media engagement with local and national outlets and external publications, the creation and coordination of a sharp rise in requests for drought speaker bureau presentations, support for drought-related meetings and presentations by the Valley Water Board of Directors, and maintenance of related web pages and programs, among other key communications required of Valley Water throughout the duration of the drought response.

12. Office of District Counsel Regular Unclassified Position - (1.0) Assistant District Counsel (\$371,512):

An additional attorney is needed to assist with the substantial workload currently facing the Office of the District Counsel and which is expected to increase in the coming fiscal years-particularly with regard to capital improvements. Without an additional attorney, work will either take additional time to process or will require additional expenditures on outside counsel to meet business demands. Hiring an additional attorney now will allow us to cross-train that person on the functions of other attorneys, thereby mitigating potential delays to the other attorneys' work and making the office more nimble if attorneys are out of office or leave the agency. By hiring an additional attorney Valley Water expects to save on outside counsel costs-both as against work currently outsourced and as against additional work that would otherwise go to outside counsel. As compared to typical outside counsel expenses for an equivalent amount of work, it is anticipated that hiring an assistant district counsel will save approximately \$150,000 in expenditures that would otherwise have gone to outside counsel in the first year of employment. The significant volume of work before the Office of District Counsel, the immediate need for greater cross-training, and the need to try to reduce outside expenditures during the drought, collectively require onboarding an attorney expeditiously. It should be noted that if the Board approves this additional position, staff will return with a request to revise Board Governance Policy Executive Limitation 3.7, which limits the number of unclassified positions Valley Water may employ.

List of Midyear Budget Adjustments for Services and Supplies

Following are brief descriptions of Midyear Budget Adjustments for additional resource requests related to Valley Water's response to the needs related to our response to the drought emergency and several critical projects:

13. Drought Emergency (Project 91061008), Landscape Rebate Program (LRP) - \$1.9 million increase:

Valley Water's FY22 water conservation rebate budget is \$5.4 million, with \$3.5 million earmarked for the LRP. Due to the unprecedented demand in the LRP after the rebate was increased from \$1 to \$2/sq foot, the program is estimated to need an additional \$1.9 million to ensure sufficient funding to meet demand through the end of the fiscal year.

14. Drought Emergency (Project 91061008), Outdoor Field Services contractor - \$650,000 increase:

As a result of Valley Water's water shortage emergency condition and call for water use restriction of 15% compared to 2019, the conservation programs are seeing unprecedented demand. As a result, staff cannot hire enough interns and temporary field staff to meet the increased demand. The funding would support hiring a contractor to provide turn-key services for all outdoor conservation fieldwork essential to the drought response, including LRP pre-inspections, outdoor landscape surveys, water waste inspections, and more.

15. Drought Emergency (Project 91061008), eCart contractor - \$420,000 increase:

This program provides a centralized location for residents to order free cost-effective, water-saving gear that provides Valley Water with immediate water savings. The unprecedented popularity of the program is unsustainable with current temporary staffing. Additionally, it's been challenging to recruit support staff (3 separate recruitments yielded 1 candidate). To date, there are over 1,000 pending orders dating back to 8/14. Funding for contractor support is critical for water savings and customer services.

16. Drought Emergency (Project 91061008), Intern and temporary staff support - \$630,000 increase:

All water conservation programs are seeing unprecedented demand. The additional intern support staff (from 8 to 15) are needed to operate and support the Landscape Rebate Program by processing applications, field services (until contracted out), and providing customer services to applicants. The additional temporary support staff (from 3 to 10) are needed to support the Water Waste Inspector Program by educating the public about water waste, encouraging residents to participate in Valley Water's conservation programs, and coordinate with retailers and the county to resolve persistent complaints.

17. Drought Emergency (Project 91061008), Fixture Replacement Program - \$400,000 increase:

This funding provides sufficient resources to replace nearly 9,000 inefficient toilets as well as other inefficient plumbing fixtures this fiscal year as a water savings of 235,475,000 gallons per year (723 acre-feet). During the last drought, Valley Water spent approximately \$3 million on the High-Efficiency Toilet and Urinal Direct Installation Program; this adjustment will increase the FY22 Budget from \$200,000 to \$600,000.

18. Pacheco Reservoir Expansion (Capital Project 91954002), Pacheco Interim Reduction - \$39 million decrease:

On August 22, 2017, the Board approved the recommendation from the Pacheco Reservoir Exploratory Ad Hoc Committee to initiate the planning phase of the Pacheco Reservoir Expansion Project (Project). The Project includes expanding the storage capacity of the existing Pacheco Reservoir to 140,000 acre-feet through construction and operation of a new dam, conveyance facilities, and related appurtenant structures. Staff has identified near term surplus funding of \$39 million due to less resources needed for planning than initially estimated. These funds can be used for other purposes until FY25, when they will be needed to complete the design of the project. To aid in the purchase of supplemental water, procurement of additional drought related needs, and

stabilization of water charges, Pacheco surplus funds will be moved to the Water Utility Enterprise Fund Rate Stabilization reserve until purchases are required to meet near term needs. Replenishment of the Pacheco project budget beginning in FY25 will be included in rate setting and the FY23-27 CIP.

19. Permanente Ck, SF Bay-Foothill (Capital Project 10244001) - \$450,000 increase:

Without additional funding, Valley Water will not be able to complete the following in FY22:

1. Address City of Mountain View's concerns regarding bleacher sight lines at McKelvey Park. Valley Water is to provide a one-time contribution of \$125,000 (cost-share) for City to retrofit.
2. During FEMA LOMR application preparation for the Permanente Creek Flood Protection Project (Rancho San Antonio Detention Basin, McKelvey Park Detention Basin, and Permanente Creek Channel Improvements) staff discovered a retrofit is needed for ~1,000 ft of floodwall for the Channel Improvements project, which was completed in 2018. The potential cost of designing and constructing a retrofit is estimated at \$650,000; \$325,000 needed in FY22 to design and begin construction (late spring 2022); remainder (\$325,000) will be requested during the FY23 budget process.

20. Berryessa Crk, Lwr. Pen Phs 2a (Capital Project 40174005) - \$500,000 increase: The Project team received updated spending information from the construction unit recently. Based on current and anticipated labor spending rates for construction staff, the FY22 budget is underfunded and will be overspent in Q3. This is primarily due to projected FY22 actual hours that are estimated to exceed budgeted hours, based on weekly average billed hours through the first two months of FY22.

21. Upper Llagas Creek Flood Protection (Capital Project 26174051) - \$3,048,000 increase:

Planned project expenditures have increased due to costs to relocate various existing utilities in conflict with the project due to the discovery of previously unknown underground utilities and cost increases for construction materials. The costs to acquire the last couple of remaining properties required for the project have also increased, including an extended full property acquisition that involves a property relocation

22. Lower Penitencia Creek Improvements (Capital Project 40334005) - \$7,442,000 increase:

The project is increasing \$7M to the total project cost to account for an increase in design and construction costs. The project plan has been updated to reflect the revised construction costs, which will be reflected in the FY2023-27 Preliminary CIP. Construction began the week of July 26, 2021 and is estimated to be completed in FY23. On March 7, 2021, the Board adopted plans and specifications and authorized advertisement for the bids for the Lower Penitencia Creek Improvements Project. On May 11, 2021, the Board adopted a resolution to approve the FY 2022-26 CIP which included the total construction cost estimate of \$14M for the subject project. On May 25, 2021, the Board approved staff's recommendation awarding the construction contract to Gordon N. Ball for \$21,392,668 (contract with contingency).

23. CPRU (Community Project Review Unit) Temporary Staff - \$104,460 increase:

Temporary staff of 2.0 positions: (1) Engineering Tech I/II, and (2) Assistant Engineer II in the CPRU.

The Engineering Tech I/II will assist CPRU in addressing serious ordinance enforcement violations that have impacts Valley Water's core business. This position will assist with Notice of Violations and field visits which will free up the Field Operations Administrator (FOA) to coordinate efforts on larger neighborhood and encroachment areas. An Assistant Engineer II recently left the unit that is currently short staffed. CPRU is seeking an engineer on a temporary basis that can begin working immediately on requests. With the recent loss of the full time Assistant Engineer, the remaining engineering staff in the unit has had to take on additional workload. This causes delays in providing timely responses to both internal and external customers.

24. Drought Emergency (Project 91061008), Communications Unit - \$1,215,000 increase:

In an effort to highlight Valley Water's efforts to lead the county out of the extreme drought and reduce our reliance on imported water through expansion of purified water projects across the county, staff recommends engaging in a robust public relations campaign focused on purified water and encouraging conservation due to the drought. In addition to building strong community support for purified water, this effort aims to move the needle in changing behaviors to support the urgent need to reduce water consumption during the extreme drought. Staff is requesting \$1,180,000 to support a public relations campaign that includes funding to gauge public awareness, effective messaging, and opinions. These funds will go toward a robust, multilingual public relations plan that includes advertising on various platforms to highlight the benefits of the Purified Water Project and to encourage behavioral changes to reduce water consumption. Staff is also requesting \$35,000 for the purchase of collapsible buckets that will be included in Valley Water's e-shopping cart offerings of water conservation items. Unlike the buckets used during the last drought, these buckets are collapsible and as such, can be easily mailed along with the other water conservation tools we offer. About 4,000 collapsible buckets will be ordered.

Midyear Budget Adjustments for Other Technical Adjustment

25. Business Planning & Analysis Unit (Lands Management Program) Regular Full-Time Position - (1.0) Sr. Management Analyst (\$229,115):

Effective 9/6/21, the Business Planning and Analysis Unit received an additional staff member via internal reassignment. This position was not budgeted within the unit and sufficient funds do not exist within the unit's budget to absorb additional labor expenses. Therefore, a budget adjustment is needed for FY22.

26. Business Planning & Analysis Unit (Capital Project Management & Controls) Labor Reallocation - (\$214,500 intra-fund transfer):

Funding is requested to transfer 1,144 hours of staff time currently budgeted in FY22 under the Capital Project Management Information System Project (CPMIS) (00074040) to allow for work to begin on the development of the Project Controls component of the new Capital Project Management & Controls Project (00074042). The new Capital Project Management & Controls Project is a capital overhead/administrative project under the Business Planning and Analysis Unit created to facilitate the development and implementation of a Capital Project Management & Controls Program (CPMCP) for improved, streamlined capital project controls, oversight, management, and reporting processes.

FINANCIAL IMPACT:

Approval of the mid-year budget adjustments amends the FY22 Budget which was adopted by the Board per Resolution 21-24 on May 11.

Staff estimates the annual cost for thirteen (13) regular positions and two (2) limited term positions total \$3.1 million for salaries and benefits. Due to the necessary lead time to recruit and hire these positions, staff anticipates that the actual reserve impact for FY 22 would be approximately \$1.7 million for salaries and benefits. The impact for FY23 will be incorporated into the FY23 Rolling Biennial Budget.

The mid-year services and supplies budget adjustments for drought emergency needs and capital project construction total \$16.8 million, increasing FY22 appropriations by \$5.2 million in the Water Enterprise Fund, \$3.1 million in the Safe Clean Water Fund, and \$8.5 million in the Watershed and Stream Stewardship Fund.

Assuming the Board approves these budget adjustments, the remaining operating and capital reserves in the FY22 Adjusted Budget would be \$32.4 million in the Water Enterprise Fund, \$50.1 million in the Safe Clean Water Fund and \$58.5 million in the Watershed and Stream Stewardship Fund.

The Pacheco Reservoir Expansion capital project budget adjustment will temporarily reduce surplus project appropriation by \$39 million. The Water Utility Enterprise Fund Rate Stabilization reserve will temporarily increase by \$39 million to \$67.3 million. Replenishment of the Pacheco project budget beginning in FY25 will be included in the rate setting process and the FY23-27 CIP.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068

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Santa Clara Valley Water District

File No.: 21-1289

Agenda Date: 11/23/2021

Item No.: *9.1.

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

Fiscal Year 2021-22 Urgent Position Requests and Midyear Budget Adjustments.

REASON FOR SUPPLEMENTAL MEMORANDUM:

This supplemental Board agenda memorandum conveys additional information received after the initial agenda item was released, consistent with Executive Limitations EL-7-10-5. It incorporates one additional unclassified position request for a Water Utility Assistant Operating Officer that was not included in the initial Board Agenda Memorandum Item 21-0947. Additionally, staff is recommending that the Board of Directors approve a revision to the Board Governance Policy Executive Limitation 3.7, which limits the number of unclassified positions Valley Water may retain.

RECOMMENDATION:

- A. *Approve the budget adjustments for the addition of fourteen (14) regular positions and two (2) limited term positions for urgent project support and drought emergency needs;
- B. Approve the Fiscal Year 2021-22 midyear operating and capital budget adjustments; and
- C. *Approve the recommendation to revise the Board Governance Policy Executive Limitation 3.7 to increase the number of unclassified positions from no more than thirty-two (32) to thirty-four (34) positions without Board approval.

SUMMARY:

To help strengthen critical core business functions, urgent project support, and drought emergency needs, Santa Clara Valley Water District's (Valley Water) executive leadership recommends the addition of fourteen (14) regular positions and two (2) limited term positions to be added to the organization during the Fiscal Year 2021-22 (FY22).

Additional Requested Position

The additional regular position of an Assistant Operating Officer request increases the total position request to (14) proposed regular positions, including two unclassified positions, and two (2) limited term positions to address needs across Valley Water business areas. The updated list of positions, including the Assistant Operating Officer, is as follows:

Water Utility Enterprise: Four (4) Regular Positions

- Water Conservation Specialist I/II
- Management Analyst I/II
- Assistant Water Resources Specialist II
- *Assistant Operating Officer

Watersheds: Five (5) Regular Positions

- Real Estate Agent I/II
- Assistant Surveyor I/II
- Engineering Technician II
- Assistant Biologist I/II (2 Positions)

Office of Integrated Water Management: Three (3) Regular Positions

- Senior Management Analyst
- Engineering Technician III
- Assistant Engineer II

Financial Planning and Management Services: One (1) Regular Position

- Accountant I/II

External Affairs: Two (2) Limited Term Positions

- Public Information Representative II (2 LT Positions)

District Counsel: One (1) Regular Position

- Assistant District Counsel

Descriptions of the additional position request and the additional recommendation to revise Board Governance Policy Executive Limitation 3.7 is presented below:

1. Water Utility Assistant Operating Officer, Imported Water Development - (\$357,030):

The Assistant Operating Officer will oversee a team of consultants and staff that will manage the Imported Water Development Program. This position will update and implement Valley Water's short-term and long-term imported water development and acquisition program. Variability in Valley Water's imported water allocations from the State Water Project and Central Valley Project is one of the biggest challenges facing Valley Water's water supply. This position is needed for the current drought to obtain additional emergency water transfers as the drought continues into 2022. Into the future during non-drought times, this position will obtain long-term imported water commitments at a reasonable price to prepare for drier times. Valley Water must improve its Imported Water Development Program to remain competitive in the current and future markets.

Recommendation to revise Board Governance Policy Executive Limitation 3.7

It should be noted that if the Board approves this additional position and the assistant District Counsel position requested in the original memorandum, a revision to the Board Governance Policy Executive Limitation 3.7 (EL 3.7), which limits the number of unclassified positions Valley Water may

retain without prior Board approval, is necessary. EL 3.7 currently allows Valley Water to employ 32 unclassified positions without prior Board approval. For efficiency's sake, if the Board approves both these unclassified positions then staff recommends that the Board concurrently approve amending EL 3.7 to allow Valley Water to retain 34 unclassified positions without prior Board approval.

FINANCIAL IMPACT:

Approval of the mid-year budget adjustments amends the FY22 Budget which was adopted by the Board per Resolution 21-24 on May 11.

Staff estimates the annual cost for fourteen (14) regular positions and two (2) limited term positions total \$3.5 million for salaries and benefits. Due to the necessary lead time to recruit and hire these positions, staff anticipates that the actual reserve impact for FY 22 would be approximately \$1.9 million for salaries and benefits. The impact for FY23 will be incorporated into the FY23 Rolling Biennial Budget.

The mid-year services and supplies budget adjustments for drought emergency needs and capital project construction total \$16.8 million, increasing FY22 appropriations by \$5.2 million in the Water Enterprise Fund, \$3.1 million in the Safe Clean Water Fund, and \$8.5 million in the Watershed and Stream Stewardship Fund.

Assuming the Board approves these budget adjustments, the remaining operating and capital reserves in the FY22 Adjusted Budget would be \$31.8 million in the Water Enterprise Fund, \$50.1 million in the Safe Clean Water Fund and \$58.5 million in the Watershed and Stream Stewardship Fund.

The Pacheco Reservoir Expansion capital project budget adjustment will temporarily reduce surplus project appropriation by \$39 million. The Water Utility Enterprise Fund Rate Stabilization reserve will temporarily increase by \$39 million to \$67.3 million. Replenishment of the Pacheco project budget beginning in FY25 will be included in the rate setting process and the FY23-27 CIP.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have potential for resulting in direct or reasonably, foreseeable indirect physical changes in the environment.

ATTACHMENTS:

None

UNCLASSIFIED MANAGER:

File No.: 21-1289

Agenda Date: 11/23/2021
Item No.: *9.1.

Darin Taylor, 408-630-3086



Santa Clara Valley Water District

File No.: 21-1271

Agenda Date: 11/23/2021
Item No.: *9.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

CEO and Chiefs' Report.

ATTACHMENTS:

*Handout 9.2-A: Office of Government Relations Update

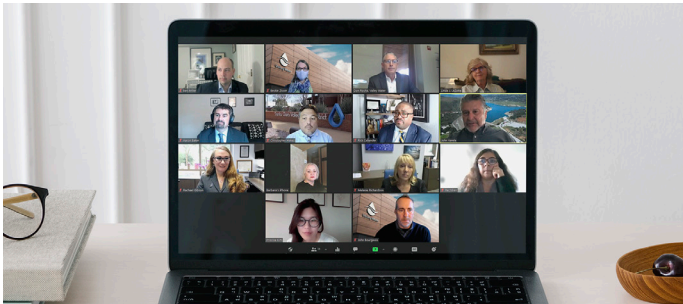
*Handout 9.2-B: Office of Civic Engagement Update

SUMMARY FOR NOVEMBER 2021

Office of Government Relations Activities



FEDERAL ADVOCACY EFFORTS



Fall 2021 Virtual D.C. Trip

Board Leads Successful Virtual Visits with Federal Officials

On November 1 through 3, all seven members of the Board led three days of successful visits with federal officials in Washington, D.C.

During the virtual trip, the Board and staff conducted 17 meetings with Administration officials and agency staff, Members of Congress, committees, and key staff. The group advocated for federal funding and to advance critical water supply and flood protection projects of importance to the people of Santa Clara County. Among the top priorities discussed were the Anderson Dam Seismic Retrofit Project, the Pacheco Reservoir Expansion Project, South San Francisco Bay Shoreline Project, purified and recycled water, and more. The underlying thread of all these conversations was the importance of federal investment in infrastructure, particularly for water infrastructure on which our communities depend.

Valley Water makes two annual trips to Washington, D.C., to advocate for priority projects and programs that benefit Santa Clara County residents. These trips are significant opportunities for the Board and leadership to meet with federal appointed and elected officials and advocate for the important water projects that benefit the people and environment of our county. Staff is now following up with those officials to advance all of these projects and priorities.

STATE ADVOCACY EFFORTS

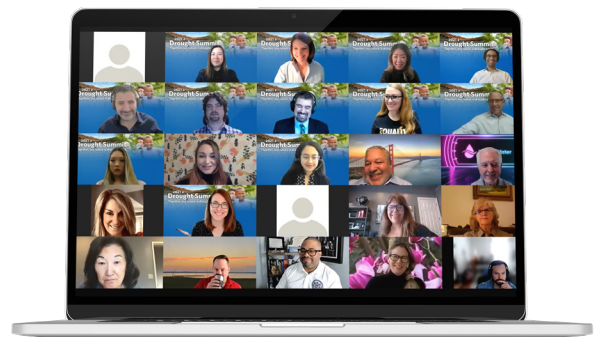


California State Capitol

Legislative Water Policy Academy Presentation

On November 10, Chief Executive Officer Rick Callender made a virtual presentation on urban water management to the Legislative Water Policy Academy (Academy), a group of legislative employees interested in water issues. The Academy is organized by the Principal Consultant in the Assembly Water, Parks, and Wildlife Committee and offers a series of webinars to legislative staffers on a variety of water policy topics. Rick's presentation focused on Valley Water's mission and the numerous challenges ahead, such as completing the Anderson Dam Seismic Retrofit Project, weathering the drought emergency, increasing impacts from climate change, rising water rates, and expanding purified water in the county. This webinar was a unique opportunity to educate legislative staff starting off their careers with the realities water agencies are facing with the increased intensity of climate change.

LOCAL ADVOCACY AND ENGAGEMENT EFFORTS



Drought Summit 2021

Valley Water Convenes Second Drought Summit

On October 23, Valley Water convened a diverse cross-section of elected officials, business leaders, water retailers, and environmental advocates from throughout Silicon Valley to engage in a working session at the Valley Water Drought Summit 2021 to discuss ways to address the drought together. The Summit, cosponsored by the Silicon Valley Leadership Group, took place virtually from 9:30 a.m. to 12:30 p.m. and offered an opportunity for experts to share community feedback and insights, water supply projections, and information on water conservation tools and resources with stakeholders that can be used to lead communities through the drought emergency.

The Drought Summit featured keynote speaker State Senator John Laird, and was attended by elected officials and staff from the cities of Campbell, Cupertino, Gilroy, Morgan Hill, Mountain View, San José, Saratoga, and Sunnyvale. The second half of the session incorporated interactive break-out

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sessions facilitated by Valley Water staff, and Summit participants highlighted the following takeaways and goals from their small group discussions: unify stakeholder drought response messaging, strengthen partnerships and education, explore tailored drought response approaches to jurisdictions, highlight successful cases to serve as regional models, and partner with Valley Water to implement the Model Water Efficient New Development Ordinance (MWENDO).



Director Santos and Supervisor Lee at Gardner Health Services' Dia de los Muertos Walk-Run in Alviso.

Gardner Health Services Dia de los Muertos Walk-Run

On October 30, Valley Water hosted a booth at the Gardner Health Services 2nd Annual Dia de los Muertos Walk-Run in Alviso. Staff engaged with attendees to talk about water conservation and rebates and answered questions about Valley Water's priority issues and projects.

Saratoga State of the City Resource Faire

On November 6, Valley Water also hosted a booth at the City of Saratoga's State of the City and provided attendees with informational material on the Silicon Valley Advanced Water Purification Center, water conservation and rebates, volunteer opportunities, water wise gardening, and flood preparedness. Staff also distributed Valley Water-branded giveaways such as shower timers and flood preparedness kits to Saratoga residents and community leaders in attendance and promoted the Online Shopping Cart.

Coyote Creek Trail Opening

On November 7, Chair Estremera and Director Santos participated in the Coyote Creek Trail Opening hosted by San José Councilmember Maya Esparza. Chair Estremera provided opening remarks and both Directors participated in the ribbon cutting. The City of San José's Parks, Recreation & Neighborhood Services (PRNS) coordinated the grand opening of a segment of the 3-mile trail project that runs parallel to the Coyote Creek from William Street to Tully Road in San José, contributing to one of the longest trail systems in the South Bay. This grand opening also officially launched the San José Police Department (SJPd) Trail Patrol pilot program, a partnership between the City of San José and Valley Water that seeks to ensure that users of this trail feel safe and enjoy the time they spend there.



Chair Estremera and Director Santos cutting the ribbon at Coyote Creek Trail Opening.

Federal Legislation Active in November 2021 with Board-Approved Positions

Bill (Author)	Subject	Position	Status
S. 91 (Sinema) H.R. 535 (Garamendi)	Special Districts Provide Essential Services Act of 2021	Support and Amend	Introduced
H.R. 610 (Speier)	San Francisco Bay Restoration Act	Support	Passed House on June 15, 2021
H.R. 1015 (Napolitano)	Water Recycling Improvement and Investment Act	Support	Introduced
H.R. 737 (Valadao)	Responsible, No-Cost Extension of Western Water Infrastructure Improvements for the Nation (RENEW WIIN) Act	Support	Introduced
H.R. 848 (Thompson)	Growing Renewable Energy and Efficiency Now (GREEN) Act of 2021	Support and Amend	Introduced
H.R. 866 (Calvert)	Federal Integrated Species Health (FISH) Act	Support	Introduced
H.R. 644 (Calvert)	Reducing Environmental Barriers to Unified Infrastructure and Land Development Act	Support	Introduced

Bill (Author)	Subject	Position	Status
S. 101 (Markey)	Environmental Justice Mapping and Data Collection Act of 2021	Support	Introduced
H.R. 1319 (Yarmurth)	American Jobs Plan Act	Support and Amend	Became Public Law 117-2
S. XXXX (Feinstein)	Draft "Support To Rehydrate the Environment, Agriculture, and Municipalities (STREAM) Act"	Support and Amend	Not yet introduced
S. 1179 (Feinstein) H.R. 2552 (Costa)	Canal Conveyance Capacity Restoration Act	Support	Introduced
S. 914 (Duckworth)	Drinking Water and Wastewater Infrastructure Act of 2021	Support and Amend	Passed Senate on April 29, 2021
H.R. 1915 (DeFazio)	Water Quality Protection and Job Creation Act of 2021	Support	Reported favorably from the House Committee on Transportation and Infrastructure on June 22, 2021
H.R. 1848 (Pallone)	Leading Infrastructure for Tomorrow's America (LIFT America) Act	Support	Introduced
H.R. 3404 (Huffman)	Furthering Underutilized Technologies and Unleashing Responsible Expenditures for Western Water Infrastructure and Drought Resiliency Act (FUTURE Western Water Infrastructure and Drought Resiliency Act)	Support and Amend	Introduced
H.R. 3293 (Blunt Rochester)	Low-Income Water Customer Assistance Programs Act of 2021	Support and Amend	Introduced
H.R. 1512 (Pallone)	Climate Leadership and Environmental Action for our Nation's Future Act (CLEAN Future Act)	Support	Introduced
H.R. 2337 (Neal)	Public Servants Protection and Fairness Act of 2021	Support	Introduced
S. 2185 (Barrasso)	Western Water Infrastructure Act of 2021	Support and Amend	Introduced
S. 872 (Duckworth)	Environmental Justice for All Act	Support	Introduced
S. 2334 (Cortez Masto)	Large Scale Water Recycling Project and Drought Resiliency Investment Act	Support and Amend	Pieces incorporated into the bipartisan infrastructure bill (H.R. 3684), which the Senate passed on August 9, 2021
S. 2377 (Manchin)	Energy Infrastructure Act	Support and Amend	Incorporated into the bipartisan infrastructure bill (H.R. 3684), which the Senate passed on August 9, 2021
S. 2454 (Padilla)	Water Reuse and Resiliency Act of 2021	Support	Pieces incorporated into the bipartisan infrastructure bill (H.R. 3684), which the Senate passed on August 9, 2021
H.R. 4375 (Kuster) S. 2356 (Feinstein)	Twenty-First Century Dams Act	Support and Amend	Introduced
H.R. 2197 (Cicilline) S. 939 (Whitehouse)	Innovative Materials for America's Growth and Infrastructure Newly Expanded (IMAGINE) Act	Support and Amend	Introduced
H.R. 3701(Delgado)	Protecting Infrastructure and Promoting the Economy (PIPE) Act	Support and Amend	Introduced

H.R. 1563 (Garcia)	To Extend the Authorities Under the Water Infrastructure Improvements for the Nation Act of 2016 Providing the Operational Flexibility, Drought Relief, and Other Benefits to the State of California	Support	Introduced
H.R. 2895 (Peters) S. 1499 (Warner)	Protecting Infrastructure and Promoting the Economy (PIPE) Act	Support	Introduced
H.R. 3282 (McKinley)	Drinking Water Funding for the Future Act of 2021	Support	Introduced
H.R. 3228 (Velazquez)	National Coastal Resilience Data and Services Act	Support	Introduced
H.R. 4647 (Huffman)	Water Conservation Rebate Tax Parity Act	Support	Introduced
H.R. 4712 (Levin)	Desalination Development Act	Support and Amend	Introduced
H.R. 4915 (McClintock)	Water Supply Permitting Coordination Act	Support	Introduced
H.R. 4235 (Pallone)	Living Shorelines Act	Support and Amend	Introduced
H.R. 4413 (DeLauro)	National Infrastructure Development Bank Act	Support	Introduced

2021 Two-Year State Legislation with Board-Approved Positions:

Bill (Author)	Subject	Position	Status
AB 252 (R. Rivas)	Multibenefit Land Repurposing Incentive Program: Compatible Uses: Contracts	Support	Pending – Senate Governance and Finance Committee – 2 Year Bill
AB 897 (Mullin)	Regional Climate Adaptation Action Plans	Support	Pending – Senate Appropriations Committee – 2 Year Bill
AB 905 (Quirk)	Mobile Fueling On-Demand Tank Vehicles: Performance Standards	Support	Pending – Assembly Transportation Committee – 2 Year Bill
AB 979 (Frazier)	Sacramento-San Joaquin Delta: Sea Level Rise Analysis Report	Oppose	Pending – Assembly Appropriations Committee – Suspense File – 2 Year Bill
AB 1110 (R. Rivas)	Zero-Emission Vehicles: Climate Catalyst Revolving Loan Fund Program	Support	Pending – Senate Appropriations Committee – 2 Year Bill
AB 1500 (E. Garcia)	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022	Support and Amend	Pending – Assembly Rules Committee – 2 Year Bill
SB 45 (Portantino)	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022	Support and Amend	Pending – Senate Appropriations Committee – 2 Year Bill
SB 351 (Caballero)	Water Innovation Act of 2021	Support	Pending – Senate Appropriations Committee – Suspense File – 2 Year Bill
SB 559 (Hurtado)	Water Conveyance Systems: Canal Conveyance Capacity Restoration Fund	Support	Pending – Assembly Floor – Inactive File – 2 Year Bill
SB 786 (Becker)	Smart Financing for Water Infrastructure	Sponsor	Pending – Assembly Local Government Committee – 2 Year Bill

SUMMARY FOR OCTOBER 2021 Office of Civic Engagement Activities



Youth Commission

On October 2, staff hosted the annual retreat for the Youth Commission over Zoom. The 15 commissioners in attendance participated in several team-building activities to get to know one another better. The commissioners also learned more about the working groups during breakout sessions and spent time developing their work plan for the upcoming year. CEO Callender provided opening remarks to welcome all the new and returning commissioners. The work plan will be finalized at the November meeting.



Youth Commission Retreat on October 2.

Creek Stewardship

ADOPT-A-CREEK JULY CLEANUP NUMBERS

DATE	PARTNER	CREEK	# VOLUNTEERS	# MILES CLEANED	LBS TRASH
Oct 3	BSA Troop 286	Guadalupe River	20	.5	1,000



BSA Troop 286 clear large debris from the edge of the percolation ponds along Guadalupe River during their cleanup on October 3, 2021.

Public Art Program

On October 13, the Youth Commission's Public Art working group hosted its first meeting to discuss the pilot mural project. There were five Youth Commissioners present along with mural artist Paul J. Gonzalez. The working group reviewed and provided insightful feedback on two mural design concepts to help identify a design that is representative of Valley Water.

Safe, Clean Water Grants and Partnerships

Grant Site Visits Staff conducted three grant project site visits in October to continue building stronger relationships with grantees and learn more about the projects made possible with Safe, Clean Water Grant Program funding:

President and Board of Trustees of Santa Clara College - The Water Project:

The Project explored all things water: its sacred essence and beauty, its productive and destructive power, and its essential life force. The innovative performances held in October included dance, choral music, animation, and projected imagery to investigate our personal and collective relationship to water. Local artists and scientists created the performance to renew a sense of awe and respect for water and activate a positive public water policy.

Los Altos Historical Museum's (LAHM) Groundbreaking event for their Conservation in the Commons Project:

The Project, funded by a \$4,997 Valley Water mini-grant, will install a more cost-effective smart irrigation system and educational signage at the museum's Heritage Orchard. LAHM will also host free water-savings landscape training and workshops as part of the grant.

Evergreen Islamic Center's Ribbon-cutting event for their Drinking Water Stations Project:

The Project, funded by a \$5,000 Valley Water mini-grant, included the installation of two bottle filling stations located inside and outside of the faith-based facility. The Evergreen Islamic Center (EIC) welcomes 50,000 visitors annually and hosts inter-faith sessions and various community and educational events throughout the year. EIC Board members hope that the drinking water stations will eliminate single-use plastics and paper cups at their facility and will track this reduction as part of their project outcomes.



Evergreen Islamic Center and community members celebrate the unveiling of the newly installed outdoor drinking water and bottle filling station.

Education Outreach

In October, the Education Outreach team reached 586 students through 24 virtual classroom presentations. The team also supported 24 educators this month. The team engaged 165 members of the public through four Wonders of Water Wednesdays after-school enrichment programs and one public library program.

The team premiered the new virtual program "Creek Story" to Wonders of Water Wednesday attendees. In this immersive activity, students viewed an animated video about a creek-side town and discovered how the town consumed and saved water every day. Students discussed the

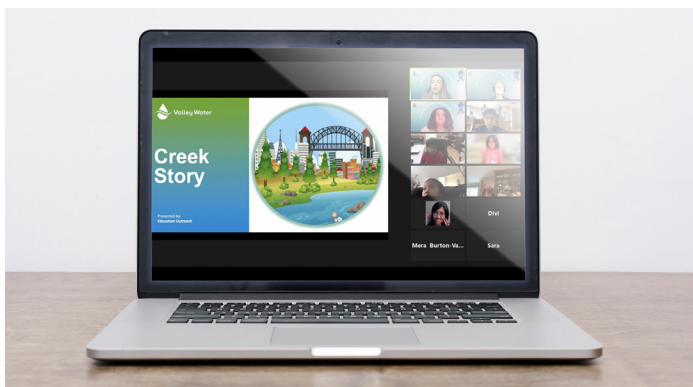
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drought and shared the many ways their families are saving water in Santa Clara County.

This month, the team also premiered the new virtual program “Mapping Landforms” for first and second graders. In this presentation, students learned about landforms and bodies of water in Santa Clara County by creating a 3-D model of a watershed and learning yoga poses that represent the landforms and bodies of water they found on their model.

EDUCATION OUTREACH PRESENTATION NUMBERS			
MONTH	STUDENTS AND EDUCATORS	PUBLIC ATTENDEES	YEAR TO DATE
Jul – Sep	987	170	1,157
Oct	610	168	778
TOTAL	1,597	338	1,935

FY22 Goal: Reach at least 10,000 students and 1,000 members of the public.



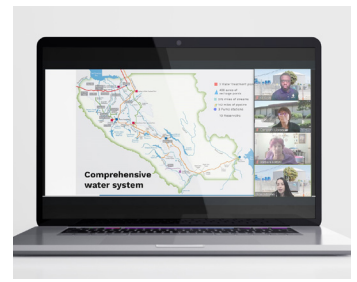
Students learn about water conservation during the Creek Story presentation.

Water Supply Outreach

WATER SUPPLY OUTREACH NUMBERS		
DATE	WATER INFRASTRUCTURE AND PURIFICATION CENTER TOURS	FY 22 TOTAL ATTENDEES
Jul – Sep		373
Oct 8	Private onsite SVAWPC tour with Assembly member Alex Lee	2
Oct 12	Branham High School Engineering Class	51
Oct 13	Del Roble Elementary School Gate Program	26
Oct 13	Thousand Oaks Neighborhood Association	32
Oct 19	SVAWPC Tour with Campbell Library	63
Oct 20	Christopher High School Chemistry (2 classes - 2 tours)	64
Oct 20	SVAWPC Tour with San José Public Library	8
Oct 21	Christopher High School Chemistry (3 classes - 3 tours)	96
Oct 25	San José City College	18
Oct 26	SJSU Sustainable Engineering Class	13
Oct 27	SVAWPC Tour with Santa Clara Library	20
Oct 29	SJSU Water & Wastewater Engineering Class	12
October TOTAL:		405
TOTAL (Current for FY 2022)		778

FY22 Goal: Conduct public/private tours of the SVAWPC in any of our tour formats (live, virtual or self-guided) for at least 1,000 attendees.

In October, the Water Supply Outreach team hosted 14 public and private tours of the Silicon Valley Advanced Water Purification Center, reaching 405 individuals. On October 8, Director Santos joined an onsite tour of the purification center with State Assemblymember Alex Lee. Staff also presented the Purified Water Project to the Thousand Oaks Neighborhood Association in San José and the Etz Chayim Congregation in Palo Alto.



On October 19, the Water Supply Outreach Team and Valley Water staff collaborated with the Campbell Library to present a virtual tour of the SVAWPC to 63 members of the public.

Volunteer Program

Applications are still open for the Water 101 Academy Program and are due on November 24. Staff coordinated with the Conservation team to have water ambassadors assist with packaging indoor Water-Wise Do-It-Yourself Kits. Water Ambassadors helped assembled 250 kits that will be distributed to the public.

Community Rating System



California Flood Preparedness Week October 23–30, 2021

California Flood Preparedness Week (CFPW) ran from October 23–30. One of the themes for CFPW is “The impacts of climate change leading to extreme drought and flooding.” A resolution declaring the week as Flood Awareness Week in Santa Clara County has been approved by the Valley Water’s Board of Directors. The resolution encourages all Santa Clara County residents and businesses to take action to know their flood threat and prepare appropriately for the flood season.

Staff prepared a flood preparedness display in the headquarters lobby that includes free giveaway items and flood preparedness information. In addition, staff have also partnered with Second Harvest Food Bank of Silicon Valley to distribute 2,000 emergency starter kits to their clients in Santa Clara County.

Looking Ahead

Valley Water and Santa Clara County Office of Education Environmental Literacy Forum Educator Workshop: **November 3**

Youth Commission Quarterly Meeting: **November 17**

Wonders of Water Wednesdays After-School Enrichment Series 4:00 p.m.

- November 3: Mapping Landforms - Water Stewardship Focus
- November 10: Hidden Water - Water Conservation Focus
- November 17: Watershed Maps - Water Stewardship Focus

Tours of the SVAWPC:

- November 2: Santa Clara Water and Wastewater Treatment class
- November 9: Public Tour
- November 10: SJSU Forensic Engineering & Failure Analysis class
- November 15: City of Palo Alto Public Works Department
- November 17: San José Public Library
- November 29: SJSU Water Fields Studies