



Santa Clara Valley Water District Board of Directors Meeting

District Headquarters Board Room
5700 Almaden Expressway
San Jose, CA 95118

***AMENDED/APPENDED AGENDA**

**Wednesday, March 21, 2018
5:00 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

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

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 for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, 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 attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

NORMA CAMACHO
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

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

***AMENDED/APPEDED
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Wednesday, March 21, 2018

5:00 PM

District Headquarters Board Room

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME CERTAIN:

5:00 P.M.

- *2.1. Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Employees Association (EA) AFSCME Local 101.

[18-0107](#)

Recommendation:

- A. Adopt the resolution 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, 2018 THROUGH DECEMBER 31, 2021;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version;
- C. Authorize the Labor Relations Officer to sign the Side Letter of Agreement regarding Designation of Confidential Employees; and
- D. Authorize the Labor Relations Officer to sign the Side Letter of Agreement regarding the Silicon Valley Advance Water Purification Center (SVAWPC).

Manager: Michael Baratz, 408-630-2361

Attachments: [Attachment 1: Draft Employees Association MOU](#)
[Attachment 2: Letter of Agreement, Confidential Employees](#)
[Attachment 3: Letter of Agreement, SVAWPC](#)
[Attachment 4: Resolution](#)
[*Handout 2.1-A: D. Muirhead](#)

Est. Staff Time: 5 Minutes

- 2.2. Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Engineers Society, IFPTE Local 21. [18-0147](#)

Recommendation: A. 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, 2018 THROUGH DECEMBER 31, 2021.

 B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version.

Manager: Michael Baratz, 408-630-2361

Attachments: [Attachment 1: Draft Engineers Society MOU](#)
 [Attachment 2: Resolution](#)

Est. Staff Time: 5 Minutes

- 2.3. Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Professional Managers Association (PMA), IFPTE Local 21. [18-0121](#)

Recommendation: A. 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, 2018 THROUGH DECEMBER 31, 2021; and

 B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version.

Manager: Michael Baratz, 408-630-2361

Attachments: [Attachment 1: Draft Professional Managers Association MOU](#)
 [Attachment 2: Resolution](#)

Est. Staff Time: 5 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 complete a Speaker Card and present it to the Clerk of the Board.

- 3.1. Resolution Declaring March 25-31, 2018, as a Week of Public Service in Honor of César Chávez. [18-0096](#)

Recommendation: A. Recognize and observe March 25-31, 2018, as a week of public service in honor of César Chávez; and
B. Adopt the Resolution DECLARING MARCH 25-31, 2018, AS A WEEK OF PUBLIC SERVICE IN HONOR OF CESAR CHAVEZ.

Manager: Norma Camacho, 408-630-2084

Attachments: [Attachment 1: Resolution](#)

- *3.2. Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Employee Salary Schedule - Effective July 1, 2017. [18-0151](#)

Recommendation: Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE JULY 1, 2017.

Manager: Anil Comelo, 408-630-2470

Attachments: [Attachment 1: Resolution](#)
[*Supplemental Board Agenda Memo](#)
[*Supplemental Attachment 1: Revised Resolution](#)
[*Supplemental Attachment 2: 4/2017 San Francisco CIP-U](#)

- 3.3. Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Compensation Plan for Unrepresented Employees in the Executive Service - Effective July 1, 2018. [18-0152](#)

Recommendation: Adopt Resolution APPROVING COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE.

Manager: Anil Comelo, 408-630-2470

Attachments: [Attachment 1: Resolution](#)

*3.4. Item moved to March 27, 2018.

REGULAR AGENDA:

4. WATER UTILITY ENTERPRISE:

- 4.1. Amendment No. 2 to Agreement A3901G with HDR Engineering, Inc., for Project Management Services for a Not-to-Exceed Fee of \$5,766,250, Resulting in a Total Not-to-Exceed Fee of \$8,077,765; Amendment No. 3 to Agreement A3611A With Public Resources Advisory Group for Financial Advisory Services for a Not-to-Exceed Fee of \$3,410,000, Resulting in a Total Not-to-Exceed Fee of \$5,666,000 for the Expedited Purified Water Program Project, Project No. 91304001; and Forms of Installment Purchase Agreement and Trust Agreement Relating to Santa Clara Valley Water District Revenue Certificates of Participation. [18-0073](#)

Recommendation:

- A. Approve Amendment No. 2 to Agreement A3901G with HDR Engineering Incorporated for Expedited Purified Water Program Project Management Services for a not-to-exceed fee of \$5,766,250, resulting in a total not-to-exceed fee of \$8,077,765;
- B. Approve Amendment No. 3 to Agreement A3611A with Public Resources Advisory Group (PRAG) for Financial Advisory Services for a not-to-exceed fee of \$3,410,000, resulting in a total not-to-exceed fee of \$5,666,000; and
- C. Approve the Forms of Installment Purchase Agreement and Trust Agreement Relating to Santa Clara Valley Water District Revenue Certificates of Participation (Water Utility System Improvement Projects).

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Amendment No. 2 to Agreement A3901G with HDR](#)
[Attachment 2: Amendment No. 3 to Agreement A3611A with PRA](#)
[Attachment 3: Form of Installment Purchase Agreement](#)
[Attachment 4: Form of Trust Agreement](#)

Est. Staff Time: 5 Minutes

*4.2. Asset Management Program Update.

[18-0083](#)

Recommendation: Receive an update on the Asset Management Program.

Manager: Kurt Arends, 408-630-2284

Attachments: [Attachment 1: Asset Management Program Overview](#)
[Attachment 2: Summary of Creeks](#)
[Attachment 3: PowerPoint](#)
[*Handout 4.2-A: D. Muirhead](#)

Est. Staff Time: 10 Minutes

5. TIME CERTAIN:

6:00 PM

JOINT MEETING WITH MILPITAS CITY COUNCIL:

5.1. Roll Call.

*5.2. Pledge of Allegiance/National Anthem. (Previously Listed as Item 1.2)

*5.3. Opening Comments/Introductions. (Previously Listed as Item 5.2)

*5.4. Overview of the District's Water Infrastructure, Wholesale Supply and Financial Projections. (Previously Listed as Item 5.3)

[18-0144](#)

Recommendation: That the Santa Clara Valley Water District Board of Directors and Milpitas City Council direct their respective staff to continue their commitment to meaningful engagement in pursuit of new and innovative partnership opportunities for the continued delivery of a safe, and reliable water supply in Santa Clara County.

Manager: Nina Hawk, 408-630-2736

Attachments: [Attachment 1: PowerPoint](#)
[STORYBOARD - DO NOT PUBLISH](#)

Est. Staff Time: 5 Minutes

- *5.5. Opportunities for Coordination and Collaboration on Projects Benefiting Milpitas (District 3). (Previously Listed as Item 5.4) [18-0138](#)

Recommendation: That the Board and City Council acknowledge District and City staff efforts and provide direction to work collaboratively on land rights exchanges, recreational trail planning, and recreation and flood protection benefits.

Manager: Melanie Richardson, 408-630-2035

Est. Staff Time: 10 Minutes

- *5.6. 2018 Legislative Efforts and Recommended Positions on State Legislation: Senate Bill 881 (Wieckowski) Shoreline Subventions, Senate Bill 1301 (Beall) Expedited Permitting and Transparency for Human Life Safety Projects, and Assembly Bill 1889 Santa Clara Valley Water District Act Revisions. (Previously Listed as Item 5.5) [18-0139](#)

Recommendation: A. That the Board and City Council direct District and City staff to work together on advocacy efforts on water supply, flood protection, and other issues of mutual interest, including letter of support on bills and/or rulemaking actions, advocacy with federal and state elected officials and regulatory agency officials, and other actions; and
B. That the City Council consider supporting Senate Bill 881, Senate Bill 1301, and Assembly Bill 1889.

Manager: Rachael Gibson, 408-630-2884

Attachments: [Attachment 1: Map of Shoreline Project](#)

Est. Staff Time: 5 Minutes

- *5.7. Emergency Services Coordination. (Previously Listed as Item 5.6) [18-0146](#)

Recommendation: That the Board and City Council direct District and City staff to commit to ongoing and strengthened coordination and partnership on emergency activities and service.

Manager: Anil Comelo, 408-630-2470

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 5 Minutes

- *5.8. Time Open for Public Comment on any Item not on the Agenda. (Previously Listed as Item 5.7)

Notice to the public: This item is reserved for persons desiring to address the Board on any matter not on this agenda. Members of the public who wish to address the Board on any item not listed on the agenda should complete a Speaker Card and present it to the Clerk of the Board. The Board Chair will call individuals to the podium in turn. 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.

6. ADJOURN:

- 6.1. Clerk Review and Clarification of Board Requests.
- 6.2. Adjourn to 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting
March 27, 2018, in the Santa Clara Valley Water District Headquarters
Building Boardroom, 5700 Almaden Expressway, San Jose, California.

File No.: 18-0107

Agenda Date: 3/21/2018

Item No.: *2.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Employees Association (EA) AFSCME Local 101.

RECOMMENDATION:

- A. Adopt the resolution 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, 2018 THROUGH DECEMBER 31, 2021;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version;
- C. Authorize the Labor Relations Officer to sign the Side Letter of Agreement regarding Designation of Confidential Employees; and
- D. Authorize the Labor Relations Officer to sign the Side Letter of Agreement regarding the Silicon Valley Advance Water Purification Center (SVAWPC).

SUMMARY:

The existing Memorandum of Understanding (MOU) between the Santa Clara Valley Water District (District) and the Employees Association (EA) expired on December 31, 2017.

The District and representatives of EA commenced negotiations for a successor MOU on October 19, 2017, and reached an agreement as to terms for the successor MOU on January 31, 2018.

On February 14, 2018, EA members ratified the tentative agreement with a 92% vote in favor.

Highlights of agreed upon terms include the following:

- Four-year term - January 1, 2018 through December 31, 2021
- Salary adjustments for the term of the MOU will be:
 - 4.0% effective the first full pay period in July of 2018
 - 4.0% effective the first full pay period in July of 2019
 - 4.0% effective the first full pay period in July of 2020
 - 4.0% effective the first full pay period in July of 2021
- Medical - Plan Design Changes Effective April 1, 2018:

- Co-Pay for Office visits for Kaiser members from no charge to \$10
- Co-Pay for Office visits for Blue Shield HMO members from \$5 to \$10
- Co-Pay for Kaiser Prescriptions from \$5 to \$10 generic; \$15 name brand; \$30 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-payments
- Co-Pay for Emergency Room Services for all plans \$100

- Medical - Plan Design Changes Effective April 1, 2019:
 - Increasing calendar year deductible for Blue Shield PPO plan from \$100 per person to \$250 per person - maximum \$500 for family.
 - Increasing out-of-pocket maximums for all plans to \$2,000 per person or \$4,000 maximum for family.
- Pension
 - Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay the following contributions towards their pension benefits which includes the employee required contribution as well as an additional amount towards the employer's contribution:
 - 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%
 - Employees participating in the PERS 2.0% @ 62 formula (PEPRA) will pay the following contributions towards their pension benefits:
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional .50%
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional 1.0%
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional 1.5%
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional 2.0%
 - Deferred Compensation - The current annual District match will increase by \$200 (from \$1,000 to \$1,200).
- Overtime
 - Sick leave will now be counted in calculating hours worked for purposes of overtime computation.
 - Overtime meal allowances increased by \$5 per meal
- Reimbursements - Increased safety shoe reimbursement from \$185 to \$200 per year. Increased safety glasses reimbursement from \$168 to \$185 per year.
- Workforce Development
 - Increased tuition reimbursement from \$2,000 to \$2,500 per year.
 - Opened professional reimbursement to all EA employees (rather than specified classifications)
- Agreement that during the life of the Side Letter of Agreement (Attachment 2), the District will

not designate any Union officers as confidential employees pursuant to the District's Employer -Employee Relations Rules - Resolution 11-60.

- Agreement that if a Public-Private Partnership (P3) for the expedited purified water program should transition into operation, employees in specified job classifications shall be transferred to positions with similar responsibilities and suffer no loss in wages or benefits as a result of such transfer (Attachment 3).

FINANCIAL IMPACT:

- Annual Raises - Estimated cost of the first-year wage increase is \$2,560,000. Total wage increase for four years is \$10,880,000.
- Medical Plan Design Changes - Estimated savings for first-year changes is \$456,300. Second -year changes for an additional estimated \$225,900 savings. Total medical plan design change savings for four years is \$2,502,800.
- Pension Changes - Estimated additional employee contribution for first-year is \$320,200. Total estimated additional employee contribution for four years is \$3,237,300.
- Deferred Compensation - Assuming current participation, the increase of \$200 match will cost \$86,600 for the first year. Total cost for four years is \$346,400.
- Reimbursements - Estimated cost of first-year increases to safety shoe and safety glasses reimbursements is \$4,600. Total reimbursement increase for four years is \$18,400.
- Tuition Reimbursement - Assuming current participation, the increase of \$500 to the tuition reimbursement program will cost \$2,500 for the first year. Total cost for four years is \$10,000.
- Total four-year cost (net) is estimated to be \$5,515,000.

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: Draft Employees Association MOU
Attachment 2: Letter of Agreement, Confidential Employees
Attachment 3: Letter of Agreement, SVAWPC
Attachment 4: Resolution
*Handout 2.1-A: D. Muirhead

UNCLASSIFIED MANAGER:

Michael Baratz, 408-630-2361

Memorandum of Understanding

Between

Santa Clara Valley Water District

and

Employees Association

(AFSCME—Local 101)

2018 – 2021

(January 1, 2018, through December 31, 2021)

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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–Milius–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–Milius–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	Pay Period 14 Year 2019	Pay Period 14, Year 2020	Pay Period 14 Year 2021
4.0%	4.0%	4.0%	4.0%

- 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:
1. Between steps 1 and 2, the salary assigned to Step 2 is 5% greater than the salary assigned to Step 1.
 2. Between steps 2 and 3, the salary assigned to Step 3 is 5% greater than the salary assigned to Step 2.
 3. Between steps 3 and 4, the salary assigned to Step 4 is 5% greater than the salary assigned to Step 3.
 4. 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 ($\frac{5}{8}$) of the shift between 3:30 p.m. and 12 a.m.
- 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 ($\frac{5}{8}$) of a shift falls between 12 a.m. and 8:30 a.m.
- 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.
- H. This premium pay shall not be allowed for time spent on vacation, sick leave, or leave with pay.
- I. 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.

- J. 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.
- K. 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 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.
- L. 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 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.
- M. Incumbents in the Plant Maintenance Mechanic series shall receive a one-time lump sum bonus equal to 2.5% of their annual salary upon obtaining D-2 certification.
- N. Plant Maintenance Mechanic II's shall receive a lump sum bonus equal to 2.5% of their annual salary upon obtaining a D-3 certification, Senior Plant Mechanics shall be compensated at a range of 2.5% higher than that to which they are normally entitled for obtaining a D-3 certification. Mechanical Maintenance Supervisors shall be

compensated at a range of 5% higher than that to which they are normally entitled for obtaining a D-4 certification.

- O. A confidential differential of five percent (5%) of base pay will be paid to employees, assigned by management, pursuant to the Employer/Employee Rules.

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 dollars (\$17) 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 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, 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, and both 4-10 and 12-hour shift schedules for assigned Continuous Facility Operations employees. Prior to establishing any new schedule, 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 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 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 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 the following contributions towards their pension benefits which includes the employee required contribution as well as an additional amount 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%

- C. Employees participating in the formula of 2.0% @ 62 (2.5% @ 67) (PEPRA) will pay the following contributions 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 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 PEPRP 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.

- 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. 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, 2021, the District agrees to match up to the amount outlined in the Engineers Society MOU or one thousand two hundred (\$1,200) dollars, whichever amount is greater, per calendar year.
- 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
Independence Day	July 4
Labor Day	First Monday in September
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. 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 14 consecutive calendar days per Section 10 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 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 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 \$65.00.

Assistant Biologist I
Assistant Chemist I
Assistant Environmental Planner I
Assistant Microbiologist I
Assistant Surveyor I, II, III
Assistant Water Conservation Specialist I
Assistant Water Plant Operator I, II
Associate Biologist
Associate Chemist
Associate Environmental Planner
Associate Microbiologist
Associate Real Estate Agent
Associate Water Conservation Specialist
Carpenter
Chief Construction Inspector
Control Systems Technician I, II
Engineering Technician I, II, III, Senior
Environmental Health and Safety Technician
Equipment Mechanic I, II
Facilities Maintenance Administrator
Facilities Maintenance Technician I, II, III
Field Construction Supervisor
Field Operations Administrator
Heavy Equipment Operator
HVACR Mechanic
Hydrographer I, II
Industrial Coating Specialist I, II
Industrial Electrician I, II
Inventory Control Technician I, II
Laboratory Technician I, II
Maintenance Worker I, II, III
Plant/Pipeline Maintenance Technologist I, II
Public Information Representative I, II, III
Recycled Water Facility Supervisor
Resident Construction Inspector
Senior Biologist
Senior Chemist
Senior Control Systems Technician

Senior Corrosion Control Technician
Senior Environmental Planner
Senior Equipment Mechanic
Senior Hydrographer
Senior Industrial Electrician
Senior Inventory Control Technician
Senior Maintenance Worker
Senior Microbiologist
Senior Plant/Pipeline Maintenance Technologist
Senior Surveyor
Senior Water Conservation Specialist
Senior Water Measurement Technician
Senior Water Plant Operator
Supervising Control Systems Technician
Supervising Hydrographer
Supervising Industrial Electrician
Supervising Plant/Pipeline Maintenance Technologist
Survey Party Chief
Systems Control Operator I, II, III
Systems Control Operator Supervisor
Vegetation Program Specialist I, II
Water Measurement Technician II, III
Water Plant Operator
Water Plant Supervisor
Water Resources Supervisor
Water Resources Technician I, II, Senior
Welder I, II

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 dollars (\$200.00) 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 dollars (\$185.00) 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 \$2,500 (two thousand, five hundred dollars) 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 \$300 (three hundred dollars) per 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.

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-Milias-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 and shall remain in effect through December 31, 2021 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, 2021, or one hundred twenty (120) days prior to December 31 of any successive year.

REPRESENTING THE UNION

Liz Bettencourt	Date
-----------------	------

Ingrid Bella	Date
--------------	------

Don Duran	Date
-----------	------

Benjamin Gonzalez	Date
-------------------	------

Michele Keefhaver	Date
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Jan Ortiz	Date
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Katie Vigil	Date
-------------	------

John Tucker AFSCME	Date
-----------------------	------

REPRESENTING THE DISTRICT

Norma Camacho	Date
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Michael Baratz	Date
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Sam Bogale	Date
------------	------

Angelica Cruz	Date
---------------	------

Chad Grande	Date
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Laura Harbert	Date
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Emily Meeks	Date
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Dania Torres – Wong Renne Sloan Holtzman Sakai	Date
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SIDE LETTER of AGREEMENT
Between the
Santa Clara Valley Water District
And the
Employees Association, AFSCME Local 101
Regarding
Designation of Confidential Employees

This side letter of agreement is effective from date of adoption of the 2018 – 2021 Memorandum of Understanding between the Santa Clara Valley Water District (District) and the Employees Association (AFSCME – Local 101) (Union), by the District's Board of Directors and automatically expires on December 31, 2021.

The Union and the District agree that during the life of this side letter of agreement, the District will not designate any Union officers as confidential employees pursuant to the District's Employer-Employee Relations Rules – Resolution No. 11-60.

Authorized Union Representative:

Ingrid Bella
President
Employees Association,
AFSCME Local 101

Date: _____

John Tucker
Business Agent
AFSCME Local 101

Date: _____

Authorized District Representative:

Michael Baratz
Labor Relations Officer
Santa Clara Valley Water District

Date: _____



SIDE LETTER of AGREEMENT
Between the
Santa Clara Valley Water District
And the
Employees Association, AFSCME Local 101
Regarding
Silicon Valley Advance Water Purification Center (SVAWPC)

Following meeting and conferring in good faith and in accordance with the provisions of State law and Santa Clara Valley Water District (District) regulations, this agreement between the District and the Employees Association, AFSCME Local 101 bargaining unit (Union), represents final understanding and agreement on the following:

The District is currently contemplating the development of a Public-Private Partnership (P3) for the expedited purified water program. Should the P3 project transition into operation, and if there is a shift of existing SVAWPC responsibilities to the P3 entity, the employees working in the following job classifications (Recycled Water Facility Supervisor, Water Plant Operator, Senior Plant Mechanic, Control Systems Technician) and working at the SVAWPC at the time of the operational transition, shall be transferred to positions with similar responsibilities within the District. Such employees will suffer no loss in wages or benefits as a result of such transfers.

If during the transition to the P3, any other District positions are materially or adversely affected with respect to wages and benefits, the District shall satisfy any meet and confer requirements as required by law.

Authorized Union Representative:

Ingrid Bella
President
Employees Association,
AFSCME Local 101

Date: _____

Date: _____

John Tucker
Business Agent
AFSCME Local 101

Authorized District Representative:

Michael Baratz
Labor Relations Officer
Santa Clara Valley Water District

Date: _____



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

RESOLUTION NO. 18-

**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, 2018 THROUGH DECEMBER 31, 2021**

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District:

1. 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, 2018 through December 31, 2021, are hereby approved; and
2. That the general terms of the Memorandum of Understanding are set out and described in the March 21, 2018, Board Agenda Memo from Labor Relations Officer Michael Baratz, which is incorporated by reference as if fully set forth in this Resolution; and
3. 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 March 21, 2018; and
4. The Labor Relations Officer is hereby authorized to sign the Side Letter of Agreement regarding Designation of Confidential employees; and
5. The Labor Relations Officer is hereby authorized to sign the Side Letter of Agreement regarding the Silicon Valley Advanced Water Purification Center (SVAWPC).

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on March 21, 2018:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

Michele King

From: doug.muirhead@stanfordalumni.org
Sent: Monday, March 19, 2018 12:56 PM
To: Clerk of the Board
Subject: SCVWD Agenda Comment Form

Agenda Comment Form

Current Date:	03-19-2018
Name:	Doug Muirhead
Address:	
City:	Morgan Hill
State:	CA
Zip Code:	95037-5657
Telephone:	Ext:
Email Address:	doug.muirhead@stanfordalumni.org
Agency, Business or Group (if applicable):	Public
Contact:	Attention: Clerk of the Board
Board Meeting Date:	03/21/18
Board Item Number:	2.1
I would like to:	Express Opposition
Comments:	1) I am disappointed that the District does not define a mechanism to deal with changing economic conditions other than laying off employees. You have hard-coded 4% salary increases for the next four years (2018-2021). "An employee may be separated from District employment by reduction in force due to lack of work, retrenchment, or lack of funds" (ARTICLE 16. LAYOFF). You also pit employees against each other with layoff by seniority and "Reassignment or Voluntary Demotion in Lieu of Layoff". An alternative, which we used when I first started working in the 1970s, was an across-the-board reduction in all salaries, which allowed all to remain employed and the business to continue. --- 2) What is a "confidential employee" and why is it important that "The Union and the District agree that ... the District will not designate any Union officers as confidential employees"?

File No.: 18-0147

Agenda Date: 3/21/2018

Item No.: 2.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Engineers Society, IFPTE Local 21.

RECOMMENDATION:

- A. 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, 2018 THROUGH DECEMBER 31, 2021.
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version.

SUMMARY:

The existing Memorandum of Understanding (MOU) between the Santa Clara Valley Water District (District) and the Engineers Society (ES) expired on December 31, 2017.

The District and representatives of ES commenced negotiations for a successor MOU on October 20, 2017, and reached an agreement as to terms for the successor MOU on February 21, 2018.

On February 28, 2018, ES members ratified the tentative agreement with a 97% vote in favor.

Highlights of agreed upon terms include the following:

- Four-year term - January 1, 2018 through December 31, 2021
- Salary adjustments for the term of the MOU will be:
 - 4.0% effective the first full pay period in July of 2018
 - 4.0% effective the first full pay period in July of 2019
 - 4.0% effective the first full pay period in July of 2020
 - 4.0% effective the first full pay period in July of 2021
- Medical - Plan Design Changes Effective April 1, 2018:
 - Co-Pay for Office visits for Kaiser members from no charge to \$10.
 - Co-Pay for Office visits for Blue Shield HMO members from \$5 to \$10.
 - Co-Pay for Kaiser prescriptions from \$5 to \$10 generic; \$15 name brand; \$30 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-

- payments.
 - Co-pay for emergency room services for all plans \$100.
- Medical Plan Design Changes Effective April 1, 2019:
 - Increasing calendar year deductible for Blue Shield PPO plan from \$100 per person to \$250 per person - maximum \$500 for family.
 - Increasing out-of-pocket maximums for all plans to \$2,000 per person or \$4,000 maximum for family.
- Pension
 - Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay the following contributions towards their pension benefits:
 - 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%
 - Employees participating in the PERS 2.0% @ 62 formula (PEPRA) will pay the following contributions towards their pension benefits:
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional .50%
 - Effective the first full pay period of July 2019, 50% of total normal cost as determined by CalPERS plus an additional 1.0%
 - Effective the first full pay period of July 2020, 50% of total normal cost as determined by CalPERS plus an additional 1.5%
 - Effective the first full pay period of July 2021, 50% of total normal cost as determined by CalPERS plus an additional 2.0%
- Professional Reimbursement - The current annual reimbursement will increase by \$300 (from \$300 to \$600).
- Overtime - Sick leave will now be counted in calculating hours worked for purposes of overtime computation for non-exempt employees.
- Exempt Leave - For exempt employees, 20 hours of exempt leave will be provided on the first pay period of each fiscal year.
- Tuition Reimbursement - Increased tuition reimbursement from \$2,000 to \$2,500 per year.
- Probation Period - For employees who have already passed their initial probationary period and are appointed, promoted or demoted to another classification, their probationary period will increase from six months to one year.

FINANCIAL IMPACT:

- Annual Raises - Estimated cost of the first-year wage increase is \$1,000,000. Total wage increase for four years is \$4,200,000.
- Medical Plan Design Changes - Estimated savings for first-year changes is \$140,900. Second-year changes for an additional estimated \$69,800 savings. Total medical plan design change savings for four years is \$772,900.
- Pension Changes - Estimated additional employee contribution for the first-year is \$125,500.

- Total estimated additional employee contribution for four years is \$1,270,900.
- Professional Reimbursement - Estimated cost of the first-year increase to Professional Reimbursement is \$45,000. Total cost for four years is \$180,000.
 - Exempt Leave - Estimated cost of the first-year addition of 20 hours of exempt leave for exempt employees is \$72,800. Total cost for four years is \$291,200.
 - Tuition Reimbursement - Assuming current participation, the increase of \$500 to the tuition reimbursement program will cost \$2,500 for the first year. Total cost for four years is \$10,000.
 - Total four-year cost (net) is estimated to be \$2,637,000.

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: Draft Engineers Society MOU
Attachment 2: Resolution

UNCLASSIFIED MANAGER:

Michael Baratz, 408-630-2361

Memorandum of Understanding

Between

Santa Clara Valley Water District

and

Engineers Society

(IFPTE—Local 21)

2018 – 2021

(January 1, 2018, through December 31, 2021)

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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	Pay Period 14 Year 2019	Pay Period 14 Year 2020	Pay Period 14 Year 2021
4.0%	4.0%	4.0%	4.0%

- 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:
1. Between Steps 1 and 2, the salary assigned to Step 2 is approximately 5% greater than the salary assigned to Step 1.
 2. Between Steps 2 and 3, the salary assigned to Step 3 is approximately 5% greater than the salary assigned to Step 2.
 3. Between Steps 3 and 4, the salary assigned to Step 4 is approximately 5% greater than the salary assigned to Step 3.
 4. 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" 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. 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.

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.
- B. 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 ($\frac{1}{2}$) of the workday and the second twenty (20) minute rest break must be taken during the second half ($\frac{1}{2}$) 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 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.
- 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 plans 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 PEPRP 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 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%

- C. Employees participating in the PEPRP PERS formula of 2.0% @ 62 (2.5% @ 67) will pay the following contributions toward their pension benefits. These deductions will be pre-tax to the extent allowable by law:

Effective Date of Employee Contributions	PEPRP 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. 50% of the total normal cost as determined by the CalPERS Annual Valuation Report. Currently, 50% of the total normal cost is 6.75%. The next valuation that may change this rate is expected to be effective July 1, 2015. These deductions will be pre-tax.
- E. 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.
- F. The PERS Retirement Plan will include Post Retirement Survivor Continuance and Retirement Credit for Unused Sick Leave for the 2.5% @ 55 plan.
- G. 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.
- H. 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 PEPRP 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.
- I. 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:
 - 5. 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.
 - 6. 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.
- 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 PERS service retirement (age fifty (50) or over with a minimum of five (5) years of PERS service credit); and
 - b. 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. 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. 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 hundred (\$1,200) dollars contributed in a calendar year by an employee to a District approved deferred compensation plan.
- 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. 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
Independence Day	July 4
Labor Day	First Monday in September
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. 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 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. 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. 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 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/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 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 \$2,500 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 (\$181.00) 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 (\$168.00) 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, and shall remain in effect through December 31, 2021, 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

George Cook	Date
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Debra Butler	Date
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Marisela Garcia	Date
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Tracy Hemmeter	Date
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Stanley Young, IFPTE, Local 21	Date
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REPRESENTING THE DISTRICT

Norma Camacho	Date
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Michael Baratz	Date
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Christopher Hakes	Date
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Laura Harbert	Date
---------------	------

Emily Meeks	Date
-------------	------

Dania Torres-Wong Renne Sloan Holtzman Sakai	Date
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**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 18-

**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, 2018 THROUGH DECEMBER 31, 2021**

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District:

1. 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, 2018 through December 31, 2021, are hereby approved; and
2. That the general terms of the Memorandum of Understanding are set out and described in the March 21, 2018, Board Agenda Memo from Labor Relations Officer Michael Baratz, which is incorporated by reference as if fully set forth in this Resolution; and
3. 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 March 21, 2018.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on March 21, 2018.

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

File No.: 18-0121

Agenda Date: 3/21/2018
Item No.: 2.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Professional Managers Association (PMA), IFPTE Local 21.

RECOMMENDATION:

- A. 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, 2018 THROUGH DECEMBER 31, 2021; and
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version.

SUMMARY:

The existing Memorandum of Understanding (MOU) between the Santa Clara Valley Water District (District) and the Professional Managers Association (PMA) expired on December 31, 2017.

The District and representatives of PMA commenced negotiations for a successor MOU on October 24, 2017, and reached an agreement as to the terms for the successor MOU on February 1, 2018.

On February 20, 2018, PMA members ratified the tentative agreement with a 100% vote in favor.

Highlights of agreed upon terms include the following:

- Four-year term - January 1, 2018 through December 31, 2021.
- Salary adjustments for the term of the MOU will be:
 - 4.0% effective the first full pay period in July of 2018.
 - 4.0% effective the first full pay period in July of 2019.
 - 4.0% effective the first full pay period in July of 2020.
 - 4.0% effective the first full pay period in July of 2021.
- Medical - Plan Design Changes Effective April 1, 2018:
 - Co-Pay for office visits for Kaiser members from no charge to \$10.
 - Co-Pay for office visits for Blue Shield HMO members from \$5 to \$10.
 - Co-Pay for Kaiser prescriptions from \$5 to \$10 generic; \$15 name brand; \$30 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-payments.

- Co-Pay for Emergency Room services for all plans \$100.
- Medical - Plan Design Changes Effective April 1, 2019:
 - Increasing calendar year deductible for Blue Shield PPO plan from \$100 per person to \$250 per person - maximum \$500 for family.
 - Increasing out-of-pocket maximums for all plans to \$2,000 per person or \$4,000 maximum for family.
- Pension
 - Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay the following contributions towards their pension benefits:
 - 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%.
 - Employees participating in the PERS 2.0% @ 62 formula (PEPRA) will pay the following contributions toward their pension benefits:
 - Effective the first full pay period in July of 2018 - 50% of total normal cost as determined by CalPERS plus an additional .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 1.5%.
 - Effective the first full pay period in July of 2021 - 50% of total normal cost as determined by CalPERS plus an additional 2.0%.
 - Deferred Compensation - The current annual District match will increase by \$500 (from \$1,500 to \$2,000).
 - Probation Period - For employees who have already passed their initial probationary period and are appointed, promoted or demoted to another classification, their probationary period will increase from six months to one year.
 - Tuition Reimbursement - Increased tuition reimbursement from \$2,000 per year to \$2,500 per year.

FINANCIAL IMPACT:

- Annual Raises - Estimated cost of the first-year wage increase is \$400,000. Total wage increase for four years is \$1,700,000.
- Medical Plan Design Changes - Estimated savings for first-year changes is \$ 47,000. Second-year changes for an additional estimated \$23,300 savings. Total Medical plan design change savings for four years is \$257,600.
- Pension Changes - Estimated additional employee contribution for the first-year is \$53,300. Total estimated additional employee contribution for four years is \$ 528,900.
- Deferred Compensation - Assuming current participation, the increase of \$500 match will cost \$25,000 for the first year. Total cost for four years is \$100,000.
- Tuition Reimbursement - Assuming current participation, the increase of \$500 to the tuition reimbursement program will cost nothing (current zero participation rate).

- Total four-year cost (net) is estimated to be \$1,013,000.

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: Draft Professional Managers Association MOU

Attachment 2: Resolution

UNCLASSIFIED MANAGER:

Michael Baratz, 408-630-2361

Memorandum of Understanding

Between

Santa Clara Valley Water District

and

Professional Managers Association

(IFPTE—Local 21)

2018 – 2021

(January 1, 2018, through December 31, 2021)

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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 2018	Pay Period 14 Year 2019	Pay Period 14 Year 2020	Pay Period 14 Year 2021
4.0%	4.0%	4.0%	4.0%

- 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:
1. Between Steps 1 and 2, the salary assigned to Step 2 is approximately 5% greater than the salary assigned to Step 1.
 2. Between Steps 2 and 3, the salary assigned to Step 3 is approximately 5% greater than the salary assigned to Step 2.
 3. Between Steps 3 and 4, the salary assigned to Step 4 is approximately 5% greater than the salary assigned to Step 3.
 4. 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.

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 PEPR 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 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 2021	11%

- C. Employees participating in the PEPR PERS formula of 2.0% @ 62 (2.5% @ 67) will 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	PEPR 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 PEPRP 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. A retired employee has the option to continue coverage for additional eligible dependents by paying the premium to the District.

- 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. 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-thousand (\$2,000) dollars contributed in a calendar year by an employee to a District approved deferred compensation plan.
- 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. 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
Independence Day	July 4
Labor Day	First Monday in September
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. 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 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 \$2,500 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 (\$181.00) 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 (\$168.00) 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:

- K. 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.
- L. 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).

- M. 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.
- N. 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.
- O. 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.
- P. 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.
- Q. 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.
- R. 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.
- S. 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.
- T. 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, and shall remain in effect through December 31, 2021, 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

Gary Nagaoka	Date
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Jonathan Burgess	Date
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Cindy Kao	Date
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Stanley Young, IFPTE, Local 21	Date
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REPRESENTING THE DISTRICT

Norma Camacho	Date
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Michael Baratz	Date
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Garth Hall	Date
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Sue Tippets	Date
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Laura Harbert	Date
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Emily Meeks	Date
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Dania Torres-Wong Renne Sloan Holtzman Sakai	Date
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**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 18-

**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, 2018 THROUGH DECEMBER 31, 2021**

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District:

1. 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, 2018 through December 31, 2021, are hereby approved; and
2. That the general terms of the Memorandum of Understanding are set out and described in the March 21, 2018, Board Agenda Memo from Labor Relations Officer Michael Baratz, which is incorporated by reference as if fully set forth in this Resolution; and
3. 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 March 21, 2018.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on March 21, 2018.

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

File No.: 18-0096

Agenda Date: 3/21/2018

Item No.: 3.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution Declaring March 25-31, 2018, as a Week of Public Service in Honor of César Chávez.

RECOMMENDATION:

- A. Recognize and observe March 25-31, 2018, as a week of public service in honor of César Chávez; and
- B. Adopt the Resolution DECLARING MARCH 25-31, 2018, AS A WEEK OF PUBLIC SERVICE IN HONOR OF CESAR CHAVEZ.

SUMMARY:

Each year, Californians celebrate the life and work of César Chávez, an American farm worker, labor leader, and civil rights activist, who, with Dolores Huerta, co-founded the National Farm Workers Association (later the United Farm Workers union, [UFW]). On Friday, March 30, 2018, California will observe the day as the official state holiday for commemorating his contributions.

Celebrating his legacy gives us all the opportunity to reflect upon the values that César Chávez applied in his work: service to others, sacrifice, self-determination, non-violence, innovation, environmental protection, and community. Chávez and UFW achieved the following:

- The first collective bargaining agreement between farm workers and growers in the continental United States.
- The first union contracts requiring rest periods, clean drinking water, hand washing facilities, and protective clothing against pesticide exposure.
- The first ban on pesticide spraying while workers were in the fields.
- The first ban on DDT (dichloro-diphenyl-trichloroethane) and other dangerous pesticides.
- The first and only performing pension plan for retired farm workers.

In recognition of the life and work of César Chávez, the District's Employee Resource Group, Organization for Latino Affairs (OLA) will be focused on educating and promoting his legacy to the

District employees by hosting a speaker event on March 28, 2018 during the lunch hour.

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: Resolution

UNCLASSIFIED MANAGER:

Norma Camacho, 408-630-2084

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

RESOLUTION NO.

**DECLARING MARCH 25 TO MARCH 30, 2018, AS A WEEK OF PUBLIC SERVICE
IN HONOR OF CÉSAR CHÁVEZ**

WHEREAS, César Chávez recognized that for many people, spanning many generations and many ethnicities, the path to a better life frequently begins in the fields. For many farm workers, the American Dream means a life of self-sacrifice, hard work, and perseverance; and

WHEREAS, in San José, César Chávez was introduced to the social teachings of the Catholic Church and trained in community organizing strategies and tactics. César Chávez and Fred Ross, an organizer for the Community Service Organization (CSO), established CSO chapters across California and Arizona during the 1950s, helping Latinos register to vote, pushing for basic public services and infrastructure in the barrios, peacefully battling police brutality and racial discrimination, and creating the most effective Latino civil rights group of its era; and

WHEREAS, in 1965, in a partnership with a union of Filipino American farm workers, César Chávez organized a major strike against grape growers in California. The following year César Chávez led an unprecedented 340-mile march, from Delano to Sacramento that placed the farm workers' plight before the conscience of the American people. Supporters carried slogans with the words "HUELGA" (strike) and "VIVA LA CAUSA" (long live our cause), advocating for improved compensation and labor conditions. Later efforts resulted in the enactment of California's historic Agricultural Labor Relations Act of 1975, the first and still the only law in the nation to "encourage and protect" the right of farm workers to organize and bargain with their employers; and

WHEREAS, César Chávez successfully increased public awareness of farm worker working conditions. To many Californians the farm workers' struggles are an issue from the past, a belief reflected by the fact that farm worker suffering typically takes place in remote areas far from cities, thereby rendering farm workers invisible to our society. The fruits and vegetables that we enjoy in our daily lives are produced by farm workers who often endure long hours of backbreaking work and still face challenges such as inadequate enforcement of pesticide, safety, and labor protection laws in the fields; and

WHEREAS, through countless strikes, boycotts, marches, and fasts that produced many victories and some defeats, César Chávez never stopped his peaceful battles on behalf of the farm workers with whom he shared his life. His dedication to his work earned him the respect of some of our greatest political and civil rights leaders, including Senator Robert Kennedy, Dr. Martin Luther King Jr., and Reverend Jesse Jackson. César Chávez's motto in life, "Sí Se Puede!" or "Yes We Can!" has served as an inspiration not only for Latinos, but for working Americans of all walks of life.

THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District hereby recognizes March 25 to March 30, 2018, as a week of public service in honor of César Chávez.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on March 27, 2018:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

File No.: 18-0151

Agenda Date: 3/21/2018

Item No.: *3.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Employee Salary Schedule - Effective July 1, 2017.

RECOMMENDATION:

Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE JULY 1, 2017.

SUMMARY:

Board approval of the Employee Salary Schedule serves the following two purposes:

1. Compliance with state law which requires that the governing body of a public agency formally approve salary schedules for all employees and make them available for public review;
2. Updates and makes current the salary schedule for Executive employees.

Compliance with State Legal Requirement:

Approval of the Employee Salary Schedule by the Board of Directors is required under Title 2 California Code of Regulations, section 570.5 and its requirement of a publicly available pay schedule approved by a public body for all employee classifications. Under this requirement, the amount of "compensation earnable" for purposes of calculating retirement benefits is limited to the amount listed on a pay schedule meeting the following requirements:

- (1) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the pay-rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bimonthly, or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet

website;

(6) Indicates an effective date and date of any revisions;

(7) Is retained by the employer and available for public inspection for not less than five years; and

(8) Does not reference another document in lieu of disclosing the pay-rate.

CalPERS has stressed that all eight of these requirements must be met in a single salary schedule for each member's pay.

Salary Range Adjustments

The District previously negotiated salary increases for employees covered by the three labor MOUs for the period from 2015 through 2017. The bargaining groups, Employees Association, Engineers Society, and the Professional Managers Association received their last scheduled raise of 3% effective Payroll Period 14 of 2017. The attached salary schedule includes the 2017 negotiated increases for employees covered by the three MOUs as stated below:

Years	Represented Employees	Executive Staff
	Per MOU*	CPI*
2015	3.00%	2.40%
2016	3.00%	2.70%
2017	3.00%	3.80%
Total Cumulative Increase**	9.00%	8.90%

* For the period 2015-2017 Represented employees received negotiated COLA increases, while Executive employees received COLA based upon the April SF area CPI-U.

** Does not include Step/Merit increases

The above chart also shows the recent history of annual raises for the Executive employees (employees in the unclassified service other than the three Board Appointed Officers). Historically, the District has used the April, San Francisco, CPI-U to determine Cost of Living Adjustments (COLA) applicable to Executive salary ranges on a Fiscal Year basis. The April San Francisco CPI-U is published annually in May making the data timely for July adjustments. Many agencies that adjust salary or benefits on a Fiscal Year basis (July 1 to June 30) use the April CPI-U as guide or as an actual escalator. The April 2017 San Francisco area CPI-U was 3.8%.

On November 28, 2017, the Board approved the most recent salary schedule which reflected the increases for classified employees under their respective MOUs and increases for the three Board Appointed Officers approved in August 2017. The salary ranges for employees in the Executive service did not reflect any change from the previous year since they had not received any increase.

The attached salary schedule reflects updated salary ranges for Executive employees as well as the BAOs. These salary range adjustments for the Executive employees effective July 1, 2017 are made based upon the April 2017, San Francisco, CPI-U (3.8%). The salary adjustments reflected in the updated Salary Schedule will be effective as of Payroll Period 14.

The actual salaries received by the BAOs will not be adjusted since they are set by individual contract and are established separately by the Board of Directors.

FINANCIAL IMPACT:

The estimated cost of the COLA for unclassified employees in the Executive Service is \$194,000. The amount is within existing FY 2018 budget appropriations

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:

- *Original Board Agenda Memo
- Attachment 1: Resolution
- *Supplemental Board Agenda Memo
- *Supplemental Attachment 1: Resolution
- *Supplemental Attachment 2: San Francisco CIP-U

UNCLASSIFIED MANAGER:

Anil Comelo, 408-630-2470

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

RESOLUTION NO. 18-

**ADOPTING EMPLOYEE SALARY SCHEDULE
EFFECTIVE PAY PERIOD 14 – JULY 1, 2017**

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 August 26, 2014, the Board approved Resolution 14-75 which approved the terms of a Memorandum of Understanding between the Santa Clara Valley Water District and Employees Association AFSCME Local 101 for the period of January 1, 2015 through December 31, 2017 (EA 2015-2017 MOU); and

WHEREAS, the EA 2015-2017 MOU set forth agreed upon salary ranges for all Employees Association represented classes and agreed upon Across the Board Salary Adjustments for these classes; and

WHEREAS, at its regular meeting on August 26, 2014, the Board approved Resolution 14-76 which approved the terms of a Memorandum of Understanding between the Santa Clara Valley Water District and Engineers Society, IFPTE Local 21 for the period of January 1, 2015 through December 31, 2017 (ES 2015-2017 MOU); and

WHEREAS, the ES 2015-2017 MOU set forth agreed upon salary ranges for all Engineers Society represented classes and agreed upon Across the Board Salary Adjustments for these classes; and

WHEREAS, at its regular meeting on August 26, 2014, the Board approved Resolution 14-77 which approved the terms of a Memorandum of Understanding between the Santa Clara Valley Water District and Professional Managers Association, IFPTE Local 21 for the period of January 1, 2015 through December 31, 2017 (PMS 2015-2017 MOU); and

WHEREAS, the PMA 2015-2017 MOU set forth agreed upon salary ranges for all Professional Managers Association represented classes and agreed upon Across the Board Salary Adjustments for these classes; and

WHEREAS, at its regular meeting on August 22, 2017, the Board appointed Norma Camacho as the new Chief Executive Officer and approved an employment agreement with her setting forth her annual salary; and

WHEREAS at its regular meeting on August 22, 2017, the Board authorized compensation increases for the Clerk of the Board and District Counsel; and

WHEREAS, to comply with 2 CCR 570. 5, the District's salary schedule listing all titles for every employee position, payrates for each position, and the time base for each pay rate must be adopted by the Board of Directors; and

WHEREAS, at its regular meetings on October 27, 2015 and December 22, 2015, the Board approved Unclassified Employee Salary Schedules which allowed for annual adjustments based upon the April, San Francisco, CPI-U; and

WHEREAS, the Board last approved a salary schedule for all District employees on November 28, 2017, which was effective June 14, 2017, which reflected 2017 salary adjustments for classified employees in EA, ES, and PMA, which reflected 2017 salary adjustments for the three Board Appointed Officers, and which did not reflect salary adjustments for Unclassified Employees (Executive Employees); and

WHEREAS, the April 2017 San Francisco, CPI-U was 3.8%; and

WHEREAS, the attached salary schedule (Exhibit-A) amends the salary schedule adopted on November 28, 2017, by adjusting the salary ranges for Executive Employees by 3.8% effective Pay Period 14 (July 1, 2017) in accordance with the April 2017 San Francisco, CPI-U.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby approve and adopt the Salary Schedule attached hereto as Exhibit "A", effective as of Payroll Period 14 – July 1, 2017.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on March 21, 2018:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

EXHIBIT A COVERSHEET

SCVWD SALARY SCHEDULE FY 2017-2018

No. of Pages: 5



For Release: Friday, May 12, 2017

17-606-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.

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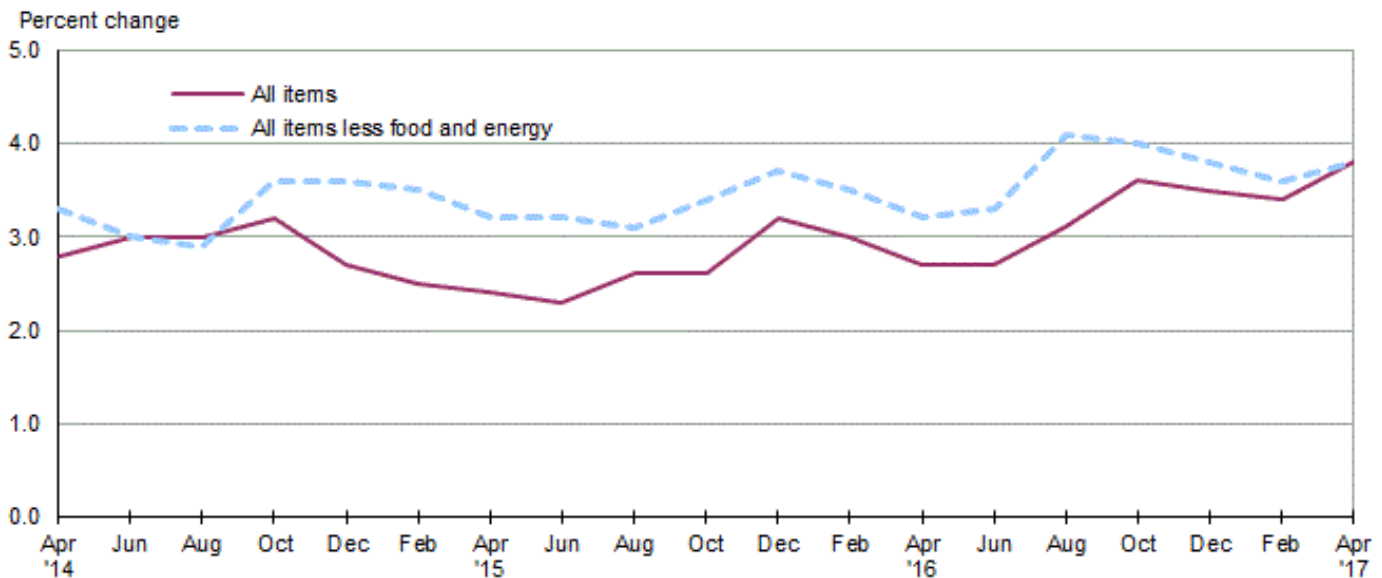
Consumer Price Index, San Francisco Area — April 2017

Area prices were up 1.1 percent over the past two months, up 3.8 percent from a year ago

Prices in the San Francisco area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 1.1 percent for the two months ending in April 2017, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted that the April increase was influenced by higher prices for shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 3.8 percent. (See [chart 1](#) and [table A](#).) Energy prices jumped 10.8 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy increased 3.8 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, San Francisco, April 2014–April 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 0.9 percent for the two months ending in April. (See [table 1](#).) Prices for food at home moved up 1.2 percent, and prices for food away from home advanced 0.5 percent for the same period.

Over the year, food prices rose 1.2 percent. Prices for food away from home advanced 3.2 percent since a year ago, but prices for food at home declined 0.6 percent.

Energy

The energy index advanced 7.6 percent for the two months ending in April. The increase was mainly due to higher prices for gasoline (5.5 percent). Prices for natural gas service jumped 15.4 percent, and prices for electricity rose 8.0 percent for the same period.

Energy prices moved up 10.8 percent over the year, largely due to higher prices for gasoline (10.8 percent). Prices paid for natural gas service jumped 19.3 percent, and prices for electricity advanced 7.5 percent during the past year.

All items less food and energy

The index for all items less food and energy increased 0.8 percent in the latest two-month period. Higher prices for other goods and services (5.6 percent), apparel (2.9 percent) and shelter (0.7 percent) were partially offset by lower prices for household furnishings and operations (-1.4 percent) and education and communication (-0.7 percent).

Over the year, the index for all items less food and energy increased 3.8 percent. Components contributing to the increase included other goods and services (7.0 percent) and shelter (6.4 percent). Partly offsetting the increases were price declines in recreation (-2.2 percent) and household furnishings and operations (-2.1 percent).

Table A. San Francisco-Oakland-San Jose CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

Month	2012		2013		2014		2015		2016		2017	
	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual
February	1.1	3.0	1.3	2.4	1.2	2.4	1.0	2.5	0.9	3.0	0.8	3.4
April	0.9	2.1	0.8	2.4	1.2	2.8	1.1	2.4	0.7	2.7	1.1	3.8
June	0.3	2.6	0.5	2.6	0.7	3.0	0.6	2.3	0.6	2.7		
August	0.6	2.8	0.1	2.0	0.0	3.0	0.3	2.6	0.7	3.1		
October	0.7	3.2	0.2	1.6	0.5	3.2	0.4	2.6	0.9	3.6		
December	-1.4	2.2	-0.4	2.6	-0.9	2.7	-0.3	3.2	-0.3	3.5		

The June 2017 Consumer Price Index for the San Francisco-Oakland-San Jose is scheduled to be released on July 14, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and

approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The San Francisco-Oakland-San Jose, CA. metropolitan area covered in this release is comprised of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Sonoma, and Solano Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Feb. 2017	Mar. 2017	Apr. 2017	Apr. 2016	Feb. 2017	Mar. 2017
Expenditure category						
All items.....	271.626	-	274.589	3.8	1.1	-
All items (1967=100)	835.053	-	844.164	-	-	-
Food and beverages	267.322	-	269.739	1.4	0.9	-
Food	267.295	-	269.594	1.2	0.9	-
Food at home	249.301	250.945	252.377	-0.6	1.2	0.6
Food away from home.....	289.007	-	290.329	3.2	0.5	-
Alcoholic beverages	273.109	-	276.953	3.1	1.4	-
Housing	319.808	-	322.893	5.9	1.0	-
Shelter	364.845	365.826	367.424	6.4	0.7	0.4
Rent of primary residence(1).....	412.606	413.119	413.736	6.2	0.3	0.1
Owners' equiv. rent of residences(1)(2).....	394.419	395.478	396.982	6.5	0.6	0.4
Owners' equiv. rent of primary residence(1)(2).....	394.419	395.478	396.982	6.5	0.6	0.4
Fuels and utilities.....	368.463	-	393.134	8.6	6.7	-
Household energy	321.319	332.391	353.423	10.9	10.0	6.3
Energy services(1)	321.687	333.050	354.799	11.0	10.3	6.5
Electricity(1).....	334.735	355.832	361.663	7.5	8.0	1.6
Utility (piped) gas service(1).....	279.426	271.611	322.541	19.3	15.4	18.8
Household furnishings and operations.....	136.113	-	134.163	-2.1	-1.4	-
Apparel	117.008	-	120.421	3.9	2.9	-
Transportation	188.125	-	191.477	3.6	1.8	-
Private transportation	178.984	-	181.998	4.8	1.7	-
Motor fuel	212.552	223.591	224.219	10.8	5.5	0.3
Gasoline (all types).....	211.703	222.777	223.403	10.8	5.5	0.3
Gasoline, unleaded regular(3).....	211.554	222.801	223.399	10.8	5.6	0.3
Gasoline, unleaded midgrade(3).....	197.182	207.521	207.606	10.7	5.3	0.0
(4)						
Gasoline, unleaded premium(3).....	202.054	211.635	212.482	10.7	5.2	0.4
Medical care	485.741	-	491.228	-	1.1	-
Recreation(5).....	113.213	-	113.159	-2.2	0.0	-
Education and communication(5).....	140.597	-	139.675	-2.0	-0.7	-
Other goods and services	440.022	-	464.568	7.0	5.6	-
Commodity and service group						
All items.....	271.626	-	274.589	3.8	1.1	-
Commodities	182.562	-	185.172	1.9	1.4	-
Commodities less food & beverages.....	136.861	-	139.410	2.4	1.9	-
Nondurables less food & beverages	175.905	-	181.913	5.0	3.4	-
Durables	99.032	-	98.298	-1.9	-0.7	-
Services.....	345.954	-	349.254	4.6	1.0	-
Special aggregate indexes						
All items less medical care	262.875	-	265.735	3.9	1.1	-
All items less shelter.....	233.234	-	236.481	1.9	1.4	-
Commodities less food	142.626	-	145.241	2.4	1.8	-
Nondurables	222.737	-	227.167	2.9	2.0	-
Nondurables less food.....	183.218	-	189.121	4.8	3.2	-
Services less rent of shelter(2).....	337.052	-	341.580	1.8	1.3	-
Services less medical care services.....	337.396	-	340.568	4.8	0.9	-
Energy	255.631	266.851	274.960	10.8	7.6	3.0
All items less energy	275.735	-	277.881	3.5	0.8	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Feb. 2017	Mar. 2017	Apr. 2017	Apr. 2016	Feb. 2017	Mar. 2017
All items less food and energy	277.857	-	279.988	3.8	0.8	-

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a December 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.

File No.: 18-0192

Agenda Date: 3/21/2018

Item No.: *3.2

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Employee Salary Schedule - Effective July 1, 2017.

REASON FOR SUPPLEMENTAL MEMORANDUM:

This report corrects information published within the original report.

RECOMMENDATION:

Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE JULY 1, 2017.

SUMMARY:

At the original publication of this report, the Resolution, described as Attachment 1 to the original Board Agenda Memorandum, contained an incorrect document described within the Resolution as "Exhibit A". The document previously described as Resolution Exhibit A was intended to be presented to the Board as Attachment 2 to the original Board Agenda Memorandum, and is resubmitted to the Board by this Supplemental Memo as such. This Supplemental Memo also resubmits to the Board a revised Resolution, with a correct Exhibit A attached. There are no other changes from the original memo.

FINANCIAL IMPACT:

No changes from the original memo.

CEQA:

No changes from the original memo.

ATTACHMENTS:

*Attachment 1: Revised Resolution with Corrected Exhibit A Materials

*Attachment 2: April 2017 SF Bay Area CPI-U (formerly Resolution Exhibit A)

File No.: 18-0192

Agenda Date: 3/21/2018
Item No.: *3.2

UNCLASSIFIED MANAGER:
Anil Comelo, 408-630-2470

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

RESOLUTION NO. 18-

**ADOPTING EMPLOYEE SALARY SCHEDULE
EFFECTIVE PAY PERIOD 14 – JULY 1, 2017**

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 August 26, 2014, the Board approved Resolution 14-75 which approved the terms of a Memorandum of Understanding between the Santa Clara Valley Water District and Employees Association AFSCME Local 101 for the period of January 1, 2015 through December 31, 2017 (EA 2015-2017 MOU); and

WHEREAS, the EA 2015-2017 MOU set forth agreed upon salary ranges for all Employees Association represented classes and agreed upon Across the Board Salary Adjustments for these classes; and

WHEREAS, at its regular meeting on August 26, 2014, the Board approved Resolution 14-76 which approved the terms of a Memorandum of Understanding between the Santa Clara Valley Water District and Engineers Society, IFPTE Local 21 for the period of January 1, 2015 through December 31, 2017 (ES 2015-2017 MOU); and

WHEREAS, the ES 2015-2017 MOU set forth agreed upon salary ranges for all Engineers Society represented classes and agreed upon Across the Board Salary Adjustments for these classes; and

WHEREAS, at its regular meeting on August 26, 2014, the Board approved Resolution 14-77 which approved the terms of a Memorandum of Understanding between the Santa Clara Valley Water District and Professional Managers Association, IFPTE Local 21 for the period of January 1, 2015 through December 31, 2017 (PMS 2015-2017 MOU); and

WHEREAS, the PMA 2015-2017 MOU set forth agreed upon salary ranges for all Professional Managers Association represented classes and agreed upon Across the Board Salary Adjustments for these classes; and

WHEREAS, at its regular meeting on August 22, 2017, the Board appointed Norma Camacho as the new Chief Executive Officer and approved an employment agreement with her setting forth her annual salary; and

WHEREAS at its regular meeting on August 22, 2017, the Board authorized compensation increases for the Clerk of the Board and District Counsel; and

WHEREAS, to comply with 2 CCR 570. 5, the District's salary schedule listing all titles for every employee position, payrates for each position, and the time base for each pay rate must be adopted by the Board of Directors; and

WHEREAS, at its regular meetings on October 27, 2015 and December 22, 2015, the Board approved Unclassified Employee Salary Schedules which allowed for annual adjustments based upon the April, San Francisco, CPI-U; and

WHEREAS, the Board last approved a salary schedule for all District employees on November 28, 2017, which was effective June 14, 2017, which reflected 2017 salary adjustments for classified employees in EA, ES, and PMA, which reflected 2017 salary adjustments for the three Board Appointed Officers, and which did not reflect salary adjustments for Unclassified Employees (Executive Employees); and

WHEREAS, the April 2017 San Francisco, CPI-U was 3.8%; and

WHEREAS, the attached salary schedule (Exhibit-A) amends the salary schedule adopted on November 28, 2017, by adjusting the salary ranges for Executive Employees by 3.8% effective Pay Period 14 (July 1, 2017) in accordance with the April 2017 San Francisco, CPI-U.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby approve and adopt the Salary Schedule attached hereto as Exhibit "A", effective as of Payroll Period 14 – July 1, 2017.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on March 21, 2018:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors

EXHIBIT A COVERSHEET

SCVWD SALARY SCHEDULE FY 2017-2018

No. of Pages: 21

Exhibit Attachments: None

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Prepared 03/05/18

CEO = BAO	Effective Date: 02/26/18	
COB = BAO	Effective Date: 02/26/18	
DCL = BAO	Effective Date: 02/26/18	
MMR = CLAS	Effective Date: 06/19/2017	3.0% FLAT-All Classified
EA = EAPR	Effective Date: 06/19/2017	3.0% FLAT-All Classified
ES = ESPR	Effective Date: 06/19/2017	3.0% FLAT-All Classified
UNC = UNCL	Effective Date: 02/26/18	3.8% CPI COLA retro to 6/19/17

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Accountant I	1	1	VA1	2.3	Y	EA	145	HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
								MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
Accountant II	6	6	VA5	2.3	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Accounting Systems Analyst	1	1	VA8	2.3	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
								MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
Accounting Tech	4	4	VC5	6.1	Y	EA	141	HR	33.08	34.74	36.52	38.39	40.31	41.32	42.35		
								BW	2,646.40	2,779.20	2,921.60	3,071.20	3,224.80	3,305.60	3,388.00		
								MO	5,733.87	6,021.60	6,330.13	6,654.27	6,987.07	7,162.13	7,340.67		
								YR	68,806.40	72,259.20	75,961.60	79,851.20	83,844.80	85,945.60	88,088.00		
Administrative Ast	12	11	TJ5	6.1	Y	EA	139	HR	31.51	33.08	34.74	36.52	38.39	39.34	40.31		
								BW	2,520.80	2,646.40	2,779.20	2,921.60	3,071.20	3,147.20	3,224.80		
								MO	5,461.73	5,733.87	6,021.60	6,330.13	6,654.27	6,818.93	6,987.07		
								YR	65,540.80	68,806.40	72,259.20	75,961.60	79,851.20	81,827.20	83,844.80		
ASM-Cap Prog Plan & Analysis Mgr	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Civic Engagement Manager	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Communications Manager	0	0	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Emergency and Security Manager	1	0	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Employment Services Manager	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Envir Health & Safety Manager	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
ASM-Purchasing, Contracts, and Warehouse Mgr	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Real Estate Services Manager	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Risk Manager	1	1	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
ASM-Workforce Development Manager	0	0	MA1	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
Asc Civil Engineer	37	33	EC5	2.1	Y	ES	159	HR	54.11	56.86	59.72	62.76	65.9	67.58	69.25		
								BW	4,328.80	4,548.80	4,777.60	5,020.80	5,272.00	5,406.40	5,540.00		
								MO	9,379.07	9,855.73	10,351.47	10,878.40	11,422.67	11,713.87	12,003.33		
								YR	112,548.80	118,268.80	124,217.60	130,540.80	137,072.00	140,566.40	144,040.00		
Asc Control Systems Eng.	3	3	ES5	2.1	Y	ES	161	HR	56.86	59.72	62.76	65.9	69.25	70.99	72.78		
								BW	4,548.80	4,777.60	5,020.80	5,272.00	5,540.00	5,679.20	5,822.40		
								MO	9,855.73	10,351.47	10,878.40	11,422.67	12,003.33	12,304.93	12,615.20		
								YR	118,268.80	124,217.60	130,540.80	137,072.00	144,040.00	147,659.20	151,382.40		
Asc Electrical Engineer	3	2	EE5	2.1	Y	ES	161	HR	56.86	59.72	62.76	65.9	69.25	70.99	72.78		
								BW	4,548.80	4,777.60	5,020.80	5,272.00	5,540.00	5,679.20	5,822.40		
								MO	9,855.73	10,351.47	10,878.40	11,422.67	12,003.33	12,304.93	12,615.20		
								YR	118,268.80	124,217.60	130,540.80	137,072.00	144,040.00	147,659.20	151,382.40		
Asc Engineer (Civil)	16	16	ED5	2.1	Y	ES	158	HR	52.78	55.47	58.28	61.22	64.32	65.9	67.58		
								BW	4,222.40	4,437.60	4,662.40	4,897.60	5,145.60	5,272.00	5,406.40		
								MO	9,148.53	9,614.80	10,101.87	10,611.47	11,148.80	11,422.67	11,713.87		
								YR	109,782.40	115,377.60	121,222.40	127,337.60	133,785.60	137,072.00	140,566.40		
Asc Engineer (Ctrl Sys)	5	5	ET5	2.1	Y	ES	160	HR	55.47	58.28	61.22	64.32	67.58	69.25	70.99		
								BW	4,437.60	4,662.40	4,897.60	5,145.60	5,406.40	5,540.00	5,679.20		
								MO	9,614.80	10,101.87	10,611.47	11,148.80	11,713.87	12,003.33	12,304.93		
								YR	115,377.60	121,222.40	127,337.60	133,785.60	140,566.40	144,040.00	147,659.20		
Asc Engineer (Elc)	0	0	EF3	2.1	Y	ES	160	HR	55.47	58.28	61.22	64.32	67.58	69.25	70.99		
								BW	4,437.60	4,662.40	4,897.60	5,145.60	5,406.40	5,540.00	5,679.20		
								MO	9,614.80	10,101.87	10,611.47	11,148.80	11,713.87	12,003.33	12,304.93		
								YR	115,377.60	121,222.40	127,337.60	133,785.60	140,566.40	144,040.00	147,659.20		
Asc Engineer (Mec)	1	1	EN5	2.1	Y	ES	158	HR	52.78	55.47	58.28	61.22	64.32	65.9	67.58		
								BW	4,222.40	4,437.60	4,662.40	4,897.60	5,145.60	5,272.00	5,406.40		
								MO	9,148.53	9,614.80	10,101.87	10,611.47	11,148.80	11,422.67	11,713.87		
								YR	109,782.40	115,377.60	121,222.40	127,337.60	133,785.60	137,072.00	140,566.40		
Asc Engineer Geologist R	1	1	EG5	2.1	Y	ES	159	HR	54.11	56.86	59.72	62.76	65.9	67.58	69.25		
								BW	4,328.80	4,548.80	4,777.60	5,020.80	5,272.00	5,406.40	5,540.00		
								MO	9,379.07	9,855.73	10,351.47	10,878.40	11,422.67	11,713.87	12,003.33		
								YR	112,548.80	118,268.80	124,217.60	130,540.80	137,072.00	140,566.40	144,040.00		
Asc Engineer Geologist U	0	0	EH5	2.1	Y	ES	158	HR	52.78	55.47	58.28	61.22	64.32	65.9	67.58		
								BW	4,222.40	4,437.60	4,662.40	4,897.60	5,145.60	5,272.00	5,406.40		
								MO	9,148.53	9,614.80	10,101.87	10,611.47	11,148.80	11,422.67	11,713.87		
								YR	109,782.40	115,377.60	121,222.40	127,337.60	133,785.60	137,072.00	140,566.40		
Asc Mec Engineer	0	0	EM5	2.1	Y	ES	159	HR	54.11	56.86	59.72	62.76	65.9	67.58	69.25		
								BW	4,328.80	4,548.80	4,777.60	5,020.80	5,272.00	5,406.40	5,540.00		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Asc Real Estate Agent	2	2	RA5	2.3	Y	EA	154	MO	9,379.07	9,855.73	10,351.47	10,878.40	11,422.67	11,713.87	12,003.33		
								YR	112,548.80	118,268.80	124,217.60	130,540.80	137,072.00	140,566.40	144,040.00		
								HR	45.62	47.95	50.33	52.92	55.56	56.96	58.38		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
Asc Water Resources Spec	5	5	EW5	2.2	Y	ES	158	MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
								HR	52.78	55.47	58.28	61.22	64.32	65.9	67.58		
								BW	4,222.40	4,437.60	4,662.40	4,897.60	5,145.60	5,272.00	5,406.40		
Assistant Officer		4	3	AB2	1.1	UNC	AST	MO	9,148.53	9,614.80	10,101.87	10,611.47	11,148.80	11,422.67	11,713.87		
								YR	109,782.40	115,377.60	121,222.40	127,337.60	133,785.60	137,072.00	140,566.40		
								HR	\$70.01							\$84.89	\$99.75
								BW	\$5,600.80							\$6,791.20	\$7,980.00
Ast Civil Engineer II	15	11	EC2	2.1	Y	ES	153	MO	\$12,135.07							\$14,714.27	\$17,290.00
								YR	\$145,620.80							\$176,571.20	\$207,480.00
								HR	46.67	49.03	51.5	54.11	56.86	58.28	59.72		
								BW	3,733.60	3,922.40	4,120.00	4,328.80	4,548.80	4,662.40	4,777.60		
Ast Control Sys Eng II	0	0	ES2	2.1	Y	ES	155	MO	8,089.47	8,498.53	8,926.67	9,379.07	9,855.73	10,101.87	10,351.47		
								YR	97,073.60	101,982.40	107,120.00	112,548.80	118,268.80	121,222.40	124,217.60		
								HR	49.03	51.5	54.11	56.86	59.72	61.22	62.76		
								BW	3,922.40	4,120.00	4,328.80	4,548.80	4,777.60	4,897.60	5,020.80		
Ast District Counsel		3	3	AH2	1.1	UNC	ADC	MO	8,498.53	8,926.67	9,379.07	9,855.73	10,351.47	10,611.47	10,878.40		
								YR	101,982.40	107,120.00	112,548.80	118,268.80	124,217.60	127,337.60	130,540.80		
								HR	\$76.22							\$92.40	\$108.59
								BW	\$6,097.60							\$7,392.00	\$8,687.20
Ast Electrical Eng II	0	0	EE2	2.1	Y	ES	155	MO	\$13,211.47							\$16,016.00	\$18,822.27
								YR	\$158,537.60							\$192,192.00	\$225,867.20
								HR	49.03	51.5	54.11	56.86	59.72	61.22	62.76		
								BW	3,922.40	4,120.00	4,328.80	4,548.80	4,777.60	4,897.60	5,020.80		
Ast Engineer Geo I U	0	0	EH1	2.1	Y	ES	148	MO	8,498.53	8,926.67	9,379.07	9,855.73	10,351.47	10,611.47	10,878.40		
								YR	101,982.40	107,120.00	112,548.80	118,268.80	124,217.60	127,337.60	130,540.80		
								HR	41.25	43.33	45.52	47.83	50.24	51.5	52.78		
								BW	3,300.00	3,466.40	3,641.60	3,826.40	4,019.20	4,120.00	4,222.40		
Ast Engineer Geo II R	0	0	EG2	2.1	Y	ES	153	MO	7,150.00	7,510.53	7,890.13	8,290.53	8,708.27	8,926.67	9,148.53		
								YR	85,800.00	90,126.40	94,681.60	99,486.40	104,499.20	107,120.00	109,782.40		
								HR	46.67	49.03	51.5	54.11	56.86	58.28	59.72		
								BW	3,733.60	3,922.40	4,120.00	4,328.80	4,548.80	4,662.40	4,777.60		
Ast Engineer Geo II U	1	1	EH2	2.1	Y	ES	152	MO	8,089.47	8,498.53	8,926.67	9,379.07	9,855.73	10,101.87	10,351.47		
								YR	97,073.60	101,982.40	107,120.00	112,548.80	118,268.80	121,222.40	124,217.60		
								HR	45.52	47.83	50.24	52.78	55.47	56.86	58.28		
								BW	3,641.60	3,826.40	4,019.20	4,222.40	4,437.60	4,548.80	4,662.40		
Ast Engineer I (Civil)	13	13	ED1	2.1	Y	ES	148	MO	7,890.13	8,290.53	8,708.27	9,148.53	9,614.80	9,855.73	10,101.87		
								YR	94,681.60	99,486.40	104,499.20	109,782.40	115,377.60	118,268.80	121,222.40		
								HR	41.25	43.33	45.52	47.83	50.24	51.5	52.78		
								BW	3,300.00	3,466.40	3,641.60	3,826.40	4,019.20	4,120.00	4,222.40		
Ast Engineer I (Ctrl Sys)	0	0	ET1	2.1	Y	ES	150	MO	7,150.00	7,510.53	7,890.13	8,290.53	8,708.27	8,926.67	9,148.53		
								YR	85,800.00	90,126.40	94,681.60	99,486.40	104,499.20	107,120.00	109,782.40		
								HR	43.33	45.52	47.83	50.24	52.78	54.11	55.47		
								BW	3,466.40	3,641.60	3,826.40	4,019.20	4,222.40	4,328.80	4,437.60		
Ast Engineer I (Elec)	0	0	EF1	2.1	Y	ES	150	MO	7,510.53	7,890.13	8,290.53	8,708.27	9,148.53	9,379.07	9,614.80		
								YR	90,126.40	94,681.60	99,486.40	104,499.20	109,782.40	112,548.80	115,377.60		
								HR	43.33	45.52	47.83	50.24	52.78	54.11	55.47		
								BW	3,466.40	3,641.60	3,826.40	4,019.20	4,222.40	4,328.80	4,437.60		
								MO	7,890.13	8,290.53	8,708.27	9,148.53	9,614.80	9,855.73	10,101.87		
								YR	90,126.40	94,681.60	99,486.40	104,499.20	109,782.40	112,548.80	115,377.60		
								HR	43.33	45.52	47.83	50.24	52.78	54.11	55.47		
								BW	3,466.40	3,641.60	3,826.40	4,019.20	4,222.40	4,328.80	4,437.60		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Ast Engineer I (Mec)	1	1	EN1	2.1	Y	ES	148	HR	41.25	43.33	45.52	47.83	50.24	51.5	52.78		
								BW	3,300.00	3,466.40	3,641.60	3,826.40	4,019.20	4,120.00	4,222.40		
								MO	7,150.00	7,510.53	7,890.13	8,290.53	8,708.27	8,926.67	9,148.53		
								YR	85,800.00	90,126.40	94,681.60	99,486.40	104,499.20	107,120.00	109,782.40		
Ast Engineer II (Civil)	23	21	ED2	2.1	Y	ES	152	HR	45.52	47.83	50.24	52.78	55.47	56.86	58.28		
								BW	3,641.60	3,826.40	4,019.20	4,222.40	4,437.60	4,548.80	4,662.40		
								MO	7,890.13	8,290.53	8,708.27	9,148.53	9,614.80	9,855.73	10,101.87		
								YR	94,681.60	99,486.40	104,499.20	109,782.40	115,377.60	118,268.80	121,222.40		
Ast Engineer II (Ctrl Sys)	1	0	ET2	2.1	Y	ES	154	HR	47.83	50.24	52.78	55.47	58.28	59.72	61.22		
								BW	3,826.40	4,019.20	4,222.40	4,437.60	4,662.40	4,777.60	4,897.60		
								MO	8,290.53	8,708.27	9,148.53	9,614.80	10,101.87	10,351.47	10,611.47		
								YR	99,486.40	104,499.20	109,782.40	115,377.60	121,222.40	124,217.60	127,337.60		
Ast Engineer II (Elec)	2	2	EF2	2.1	Y	ES	154	HR	47.83	50.24	52.78	55.47	58.28	59.72	61.22		
								BW	3,826.40	4,019.20	4,222.40	4,437.60	4,662.40	4,777.60	4,897.60		
								MO	8,290.53	8,708.27	9,148.53	9,614.80	10,101.87	10,351.47	10,611.47		
								YR	99,486.40	104,499.20	109,782.40	115,377.60	121,222.40	124,217.60	127,337.60		
Ast Engineer II (Mec)	0	0	EN2	2.1	Y	ES	152	HR	45.52	47.83	50.24	52.78	55.47	56.86	58.28		
								BW	3,641.60	3,826.40	4,019.20	4,222.40	4,437.60	4,548.80	4,662.40		
								MO	7,890.13	8,290.53	8,708.27	9,148.53	9,614.80	9,855.73	10,101.87		
								YR	94,681.60	99,486.40	104,499.20	109,782.40	115,377.60	118,268.80	121,222.40		
Ast Mec Engineer II	0	0	EM2	2.1	Y	ES	153	HR	46.67	49.03	51.5	54.11	56.86	58.28	59.72		
								BW	3,733.60	3,922.40	4,120.00	4,328.80	4,548.80	4,662.40	4,777.60		
								MO	8,089.47	8,498.53	8,926.67	9,379.07	9,855.73	10,101.87	10,351.47		
								YR	97,073.60	101,982.40	107,120.00	112,548.80	118,268.80	121,222.40	124,217.60		
Ast Surveyor I	1	1	CA1	3.2	Y	EA	138	HR	30.72	32.29	33.92	35.65	37.43	38.39	39.34		
								BW	2,457.60	2,583.20	2,713.60	2,852.00	2,994.40	3,071.20	3,147.20		
								MO	5,324.80	5,596.93	5,879.47	6,179.33	6,487.87	6,654.27	6,818.93		
								YR	63,897.60	67,163.20	70,553.60	74,152.00	77,854.40	79,851.20	81,827.20		
Ast Surveyor II	1	1	CA2	3.2	Y	EA	142	HR	33.92	35.65	37.43	39.34	41.32	42.35	43.42		
								BW	2,713.60	2,852.00	2,994.40	3,147.20	3,305.60	3,388.00	3,473.60		
								MO	5,879.47	6,179.33	6,487.87	6,818.93	7,162.13	7,340.67	7,526.13		
								YR	70,553.60	74,152.00	77,854.40	81,827.20	85,945.60	88,088.00	90,313.60		
Ast Surveyor III	4	4	CA5	3.2	Y	EA	146	HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
								MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
Ast Water Plant Operator I	7	7	FA1	7	Y	EA	140	HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
								MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
Ast Water Plant Operator II	5	5	FA2	7	Y	EA	146	HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
								MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
Ast Water Resources Spec I	0	0	EW1	2.2	Y	ES	148	HR	41.25	43.33	45.52	47.83	50.24	51.5	52.78		
								BW	3,300.00	3,466.40	3,641.60	3,826.40	4,019.20	4,120.00	4,222.40		
								MO	7,150.00	7,510.53	7,890.13	8,290.53	8,708.27	8,926.67	9,148.53		
								YR	85,800.00	90,126.40	94,681.60	99,486.40	104,499.20	107,120.00	109,782.40		
Ast Water Resources Spec II	4	4	EW2	2.2	Y	ES	152	HR	45.52	47.83	50.24	52.78	55.47	56.86	58.28		
								BW	3,641.60	3,826.40	4,019.20	4,222.40	4,437.60	4,548.80	4,662.40		
								MO	7,890.13	8,290.53	8,708.27	9,148.53	9,614.80	9,855.73	10,101.87		
								YR	94,681.60	99,486.40	104,499.20	109,782.40	115,377.60	118,268.80	121,222.40		
AudioVisual Specialist	1	1	YD5	3.2	Y	EA	146	HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Biologist I	0	0	LJ2	2.2	Y	EA	149	MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
								HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
Biologist II	8	7	LJ5	2.2	Y	EA	153	MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
Biologist III	7	6	LJ6	2.2	Y	EA	159	MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
								HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
Bldg Maintenance Tech I	0	0	FT2	7	Y	EA	140	MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
								HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
Bldg Maintenance Tech II	5	5	FT5	7	Y	EA	144	MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
								HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
Bldg Maintenance Tech III	1	1	FT7	7	Y	EA	148	MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
								HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
Board Administrative Ast I	0	0	TG1	6.1	Y	EA	138	MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
								HR	30.72	32.29	33.92	35.65	37.43	38.39	39.34		
								BW	2,457.60	2,583.20	2,713.60	2,852.00	2,994.40	3,071.20	3,147.20		
Board Administrative Ast II	5	5	TG5	6.1	Y	EA	142	MO	5,324.80	5,596.93	5,879.47	6,179.33	6,487.87	6,654.27	6,818.93		
								YR	63,897.60	67,163.20	70,553.60	74,152.00	77,854.40	79,851.20	81,827.20		
								HR	33.92	35.65	37.43	39.34	41.32	42.35	43.42		
								BW	2,713.60	2,852.00	2,994.40	3,147.20	3,305.60	3,388.00	3,473.60		
Board Support Officer		1	1	AM5	1.1	UNC	BSO	MO	5,879.47	6,179.33	6,487.87	6,818.93	7,162.13	7,340.67	7,526.13		
								YR	70,553.60	74,152.00	77,854.40	81,827.20	85,945.60	88,088.00	90,313.60		
								HR	\$53.33							\$60.80	\$68.26
								BW	\$4,266.40							\$4,864.00	\$5,460.80
Buyer I	0	0	VP1	2.3	Y	EA	144	MO	\$9,243.87							\$10,538.67	\$11,831.73
								YR	\$110,926.40							\$126,464.00	\$141,980.80
								HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
Buyer II	1	0	VP5	2.3	Y	EA	148	MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
								HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
Carpenter I	0	0	FX2	7	Y	EA	140	MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
								HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
Carpenter II	1	1	FX5	7	Y	EA	146	MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
								HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
								MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Chemist I	0	0	LA2	2.2	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Chemist II	6	6	LA5	2.2	Y	EA	153	HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
								MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
Chief Administrative Officer		0	0	AB5	1.1	UNC	CAO	HR	\$89.84							\$108.93	\$128.02
								BW	\$7,187.20							\$8,714.40	\$10,241.60
								MO	\$15,572.27							\$18,881.20	\$22,190.13
								YR	\$186,867.20							\$226,574.40	\$266,281.60
Chief Construction Inspector	2	2	CN9	1.2	Y	EA	157	HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
								MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
Chief Executive Officer		1	1	AA5	1.1	UNC	CEO	HR	\$134.65							\$146.52	\$158.39
								BW	\$10,772.00							\$11,721.60	\$12,671.20
								MO	\$23,339.33							\$25,396.80	\$27,454.27
								YR	\$280,072.00							\$304,761.60	\$329,451.20
Chief Financial Officer		1	1	AB6	1.1	UNC	CFO	HR	\$84.19							\$102.10	\$119.99
								BW	\$6,735.20							\$8,168.00	\$9,599.20
								MO	\$14,592.93							\$17,697.33	\$20,798.27
								YR	\$175,115.20							\$212,368.00	\$249,579.20
Chief Operating Officer		3	1	AC5	1.1	UNC	COO	HR	\$89.84							\$108.93	\$128.02
								BW	\$7,187.20							\$8,714.40	\$10,241.60
								MO	\$15,572.27							\$18,881.20	\$22,190.13
								YR	\$186,867.20							\$226,574.40	\$266,281.60
Chief of External Affairs		1	1	AN5	1.1	UNC	CEA	HR	\$89.84							\$108.93	\$128.02
								BW	\$7,187.20							\$8,714.40	\$10,241.60
								MO	\$15,572.27							\$18,881.20	\$22,190.13
								YR	\$186,867.20							\$226,574.40	\$266,281.60
Clerk of the Board		1	1	AF5	1.1	UNC	COB	HR	\$84.00							\$102.00	\$119.99
								BW	\$6,720.00							\$8,160.00	\$9,599.20
								MO	\$14,560.00							\$17,680.00	\$20,798.27
								YR	\$174,720.00							\$212,160.00	\$249,579.20
Construction Inspector I	0	0	CN1	3.2	Y	EA	145	HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
								MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
Construction Inspector II	0	0	CN2	3.1	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Control System Tech I	3	4	FM1	3.2	Y	EA	145	HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
								MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
Control System Tech II	6	5	FM5	3.2	Y	EA	151	HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
								MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
Control System Technician Sup	1	1	FM9	1.2	Y	EA	159	HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Corrosion Control Tech I	1	1	CK2	3.2	Y	EA	144	MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
								HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
Corrosion Control Tech II	0	0	CK5	3.2	Y	EA	148	MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
								HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
Data Base Admn	2	2	XK9	2.3	Y	EA	160	MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
								HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
Database Analyst	0	0	XK5	2.3	Y	EA	156	MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
								HR	47.95	50.33	52.92	55.56	58.38	59.82	61.33		
								BW	3,836.00	4,026.40	4,233.60	4,444.80	4,670.40	4,785.60	4,906.40		
Deputy Administrative Officer		5	3	AB4	1.1	UNC	DAO	MO	8,311.33	8,723.87	9,172.80	9,630.40	10,119.20	10,368.80	10,630.53		
								YR	99,736.00	104,686.40	110,073.60	115,564.80	121,430.40	124,425.60	127,566.40		
								HR	\$84.19							\$102.10	\$119.99
								BW	\$6,735.20							\$8,168.00	\$9,599.20
Deputy Clerk of the Board	1	1	TG9	6.1	Y	EA	155	MO	\$14,592.93							\$17,697.33	\$20,798.27
								YR	\$175,115.20							\$212,368.00	\$249,579.20
								HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
Deputy Operating Officer		7	7	AC4	1.1	UNC	DOO	MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
								HR	\$84.19							\$102.10	\$119.99
								BW	\$6,735.20							\$8,168.00	\$9,599.20
District Counsel		1	1	AD4	1.1	UNC	DCL	MO	\$14,592.93							\$17,697.33	\$20,798.27
								YR	\$175,115.20							\$212,368.00	\$249,579.20
								HR	\$131.00							\$135.98	\$144.00
								BW	\$10,480.00							\$10,878.40	\$11,520.00
EGM-Asset Management Manager	1	1	ME1	1.2		MMA	149	MO	\$22,706.67							\$23,569.87	\$24,960.00
								YR	\$272,480.00							\$282,838.40	\$299,520.00
								HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
EGM-Capital Engineering Manager	8	8	ME1	1.2		MMA	149	MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
								HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
EGM-Community Projects Review Mgr	1	1	ME1	1.2		MMA	149	MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
								HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
EGM-Construction Manager	1	1	ME1	1.2		MMA	149	MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
								HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
EGM-Dam Safety Program Manager	1	1	ME1	1.2		MMA	149	MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
								HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
EGM-Elec & Ctrl Sys Engineer Mgr	1	1	ME1	1.2		MMA	149	HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
								MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
EGM-Hydro, Hydra & Geomorph Mgr	1	1	ME1	1.2		MMA	149	HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
								MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
EGM-Ops & Maint Eng Support Mgr	1	1	ME1	1.2		MMA	149	HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
								MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
EGM-Utility Maint Engineering Mgr	1	1	ME1	1.2		MMA	149	HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
								MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
EGM-Water Policy & Planning Mgr	1	1	ME1	1.2		MMA	149	HR	70.28	73.79	77.48	81.35	85.42	87.56	89.74		
								BW	5,622.40	5,903.20	6,198.40	6,508.00	6,833.60	7,004.80	7,179.20		
								MO	12,181.87	12,790.27	13,429.87	14,100.67	14,806.13	15,177.07	15,554.93		
								YR	146,182.40	153,483.20	161,158.40	169,208.00	177,673.60	182,124.80	186,659.20		
ESSM-Land Surveying & Mapping Mgr	1	1	ME2	1.2		MMA	145	HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
								MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
Engineering Systems Analyst	6	4	EW9	2.1		ES	164	HR	61.22	64.32	67.58	70.99	74.58	76.43	78.37		
								BW	4,897.60	5,145.60	5,406.40	5,679.20	5,966.40	6,114.40	6,269.60		
								MO	10,611.47	11,148.80	11,713.87	12,304.93	12,927.20	13,247.87	13,584.13		
								YR	127,337.60	133,785.60	140,566.40	147,659.20	155,126.40	158,974.40	163,009.60		
Engineering Tech I	0	0	CJ1	3.2	Y	EA	137	HR	29.98	31.51	33.08	34.74	36.52	37.43	38.39		
								BW	2,398.40	2,520.80	2,646.40	2,779.20	2,921.60	2,994.40	3,071.20		
								MO	5,196.53	5,461.73	5,733.87	6,021.60	6,330.13	6,487.87	6,654.27		
								YR	62,358.40	65,540.80	68,806.40	72,259.20	75,961.60	77,854.40	79,851.20		
Engineering Tech II	8	8	CJ2	3.2	Y	EA	141	HR	33.08	34.74	36.52	38.39	40.31	41.32	42.35		
								BW	2,646.40	2,779.20	2,921.60	3,071.20	3,224.80	3,305.60	3,388.00		
								MO	5,733.87	6,021.60	6,330.13	6,654.27	6,987.07	7,162.13	7,340.67		
								YR	68,806.40	72,259.20	75,961.60	79,851.20	83,844.80	85,945.60	88,088.00		
Engineering Tech III	2	2	CJ5	3.2	Y	EA	145	HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
								MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
Environmental Planner I	1	1	PA2	2.3	Y	EA	151	HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
								MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
Environmental Planner II	7	6	PA5	2.3	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
								MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
ESM-Envir Mitigation & Monitor Mgr	1	1	ME3	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
ESM-Envir Svcs Manager-Watershed	2	2	ME3	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
ESM-Envir Svcs Mgr - Water Utility	1	1	ME3	1.2		MMA	148	MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
								HR	68.56	72	75.59	79.36	83.34	87.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
Equipment Mechanic I	1	1	JG1	7	Y	EA	140	MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
								HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
Equipment Mechanic II	3	3	JG5	7	Y	EA	146	MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
								HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
Executive Assistant	6	5	TJ6	6.1	Y	EA	146	MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
								HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
Executive Assistant to CEO	1	1	TJ8	6.1	Y	EA	150	MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
								HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
Facilities Maintenance Adm	1	1	FT8	2.3	Y	EA	159	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
Fellowship	4	3	CS9	2.3	Y	EA	1	MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
								HR	38.46								
								BW	0								
Field Operations Admn	12	12	JN8	1.2	Y	EA	155	MO	6,666.40								
								YR	79,996.80								
								HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
FSM-Accounting Manager	1	1	MF1	1.2		MMA	146	MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
								HR	65.26	68.53	71.95	75.55	79.32	81.31	83.34		
								BW	5,220.80	5,482.40	5,756.00	6,044.00	6,345.60	6,504.80	6,667.20		
FSM-Budget Manager	1	0	MF1	1.2		MMA	146	MO	11,311.73	11,878.53	12,471.33	13,095.33	13,748.80	14,093.73	14,445.60		
								YR	135,740.80	142,542.40	149,656.00	157,144.00	164,985.60	169,124.80	173,347.20		
								HR	65.26	68.53	71.95	75.55	79.32	81.31	83.34		
								BW	5,220.80	5,482.40	5,756.00	6,044.00	6,345.60	6,504.80	6,667.20		
FSM-Revenue Manager	1	1	MF1	1.2		MMA	146	MO	11,311.73	11,878.53	12,471.33	13,095.33	13,748.80	14,093.73	14,445.60		
								YR	135,740.80	142,542.40	149,656.00	157,144.00	164,985.60	169,124.80	173,347.20		
								HR	65.26	68.53	71.95	75.55	79.32	81.31	83.34		
								BW	5,220.80	5,482.40	5,756.00	6,044.00	6,345.60	6,504.80	6,667.20		
FSM-Treasury and Debt Manager	1	1	MF1	1.2		MMA	146	MO	11,311.73	11,878.53	12,471.33	13,095.33	13,748.80	14,093.73	14,445.60		
								YR	135,740.80	142,542.40	149,656.00	157,144.00	164,985.60	169,124.80	173,347.20		
								HR	65.26	68.53	71.95	75.55	79.32	81.31	83.34		
								BW	5,220.80	5,482.40	5,756.00	6,044.00	6,345.60	6,504.80	6,667.20		
Forms Tech I	0	0	TD2	6.2	Y	EA	138	MO	135,740.80	142,542.40	149,656.00	157,144.00	164,985.60	169,124.80	173,347.20		
								YR	63,897.60	67,163.20	70,553.60	74,152.00	77,854.40	79,851.20	81,827.20		
								HR	30.72	32.29	33.92	35.65	37.43	38.39	39.34		
								BW	2,457.60	2,583.20	2,713.60	2,852.00	2,994.40	3,071.20	3,147.20		

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SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Forms Tech II	1	1	TD5	6.1	Y	EA	142	HR	33.92	35.65	37.43	39.34	41.32	42.35	43.42		
								BW	2,713.60	2,852.00	2,994.40	3,147.20	3,305.60	3,388.00	3,473.60		
								MO	5,879.47	6,179.33	6,487.87	6,818.93	7,162.13	7,340.67	7,526.13		
								YR	70,553.60	74,152.00	77,854.40	81,827.20	85,945.60	88,088.00	90,313.60		
GSM-Business & Customer Supp Mgr	1	1	MG1	1.2		MMA	140	HR	56.27	59.08	62.04	65.14	68.39	70.1	71.85		
								BW	4,501.60	4,726.40	4,963.20	5,211.20	5,471.20	5,608.00	5,748.00		
								MO	9,753.47	10,240.53	10,753.60	11,290.93	11,854.27	12,150.67	12,454.00		
								YR	117,041.60	122,886.40	129,043.20	135,491.20	142,251.20	145,808.00	149,448.00		
GSM-Engineering Support Manager	1	1	MG1	1.2		MMA	140	HR	56.27	59.08	62.04	65.14	68.39	70.1	71.85		
								BW	4,501.60	4,726.40	4,963.20	5,211.20	5,471.20	5,608.00	5,748.00		
								MO	9,753.47	10,240.53	10,753.60	11,290.93	11,854.27	12,150.67	12,454.00		
								YR	117,041.60	122,886.40	129,043.20	135,491.20	142,251.20	145,808.00	149,448.00		
GSM-Facilities Manager	1	1	MG1	1.2		MMA	140	HR	56.27	59.08	62.04	65.14	68.39	70.1	71.85		
								BW	4,501.60	4,726.40	4,963.20	5,211.20	5,471.20	5,608.00	5,748.00		
								MO	9,753.47	10,240.53	10,753.60	11,290.93	11,854.27	12,150.67	12,454.00		
								YR	117,041.60	122,886.40	129,043.20	135,491.20	142,251.20	145,808.00	149,448.00		
GSM-Fleet & Equipment Manager	1	1	MG1	1.2		MMA	140	HR	56.27	59.08	62.04	65.14	68.39	70.1	71.85		
								BW	4,501.60	4,726.40	4,963.20	5,211.20	5,471.20	5,608.00	5,748.00		
								MO	9,753.47	10,240.53	10,753.60	11,290.93	11,854.27	12,150.67	12,454.00		
								YR	117,041.60	122,886.40	129,043.20	135,491.20	142,251.20	145,808.00	149,448.00		
GSM-Records & Library Manager	1	1	MG1	1.2		MMA	140	HR	56.27	59.08	62.04	65.14	68.39	70.1	71.85		
								BW	4,501.60	4,726.40	4,963.20	5,211.20	5,471.20	5,608.00	5,748.00		
								MO	9,753.47	10,240.53	10,753.60	11,290.93	11,854.27	12,150.67	12,454.00		
								YR	117,041.60	122,886.40	129,043.20	135,491.20	142,251.20	145,808.00	149,448.00		
Geographic Info Sys Anl I	0	0	XM1	2.3	Y	EA	150	HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
								MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
Geographic Info Sys Anl II	3	3	XM2	2.3	Y	EA	154	HR	45.62	47.95	50.33	52.92	55.56	56.96	58.38		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
								MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
Geographic Info Sys Anl III	0	0	XM5	2.3	Y	EA	158	HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
								MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
Government Relations Advocate	1	1	XD8	2.3	Y	EA	158	HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
								MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
HVAC Mechanic	2	2	FP5	7	Y	EA	151	HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
								MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
Heavy Equipment Operator	6	6	JN5	7	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Human Resources Tech I	0	0	XH2	6.1	Y	EA	140	HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
								MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
Human Resources Tech II	2	2	XH5	6.1	Y	EA	144	HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Hydrographer I	0	0	CE1	3.2	Y	EA	143	MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
								HR	34.74	36.52	38.39	40.31	42.35	43.42	44.5		
								BW	2,779.20	2,921.60	3,071.20	3,224.80	3,388.00	3,473.60	3,560.00		
Hydrographer II	2	2	CE5	3.2	Y	EA	147	MO	6,021.60	6,330.13	6,654.27	6,987.07	7,340.67	7,526.13	7,713.33		
								YR	72,259.20	75,961.60	79,851.20	83,844.80	88,088.00	90,313.60	92,560.00		
								HR	38.39	40.31	42.35	44.5	46.74	47.95	49.11		
								BW	3,071.20	3,224.80	3,388.00	3,560.00	3,739.20	3,836.00	3,928.80		
Hydrographer III	2	2	CE6	3.2	Y	EA	151	MO	6,654.27	6,987.07	7,340.67	7,713.33	8,101.60	8,311.33	8,512.40		
								YR	79,851.20	83,844.80	88,088.00	92,560.00	97,219.20	99,736.00	102,148.80		
								HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
Hydrologic Systems Analyst I	0	0	CB2	3.2	Y	EA	144	MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
								HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
Hydrologic Systems Analyst II	7	6	CB5	3.2	Y	EA	148	MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
								HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
IWM-Imported Water Manager	1	1	MI1	1.2		MMA	150	MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
								HR	72.04	75.63	79.42	83.39	87.56	89.74	91.99		
								BW	5,763.20	6,050.40	6,353.60	6,671.20	7,004.80	7,179.20	7,359.20		
Industrial Electrician I	1	0	FJ1	7	Y	EA	145	MO	12,486.93	13,109.20	13,766.13	14,454.27	15,177.07	15,554.93	15,944.93		
								YR	149,843.20	157,310.40	165,193.60	173,451.20	182,124.80	186,659.20	191,339.20		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Industrial Electrician II	4	4	FJ5	7	Y	EA	151	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
Industrial Electrician Sup	1	1	FJ9	1.2	Y	EA	159	MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
								HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
Industrial Hygienist I	0	0	XC2	2.2	Y	EA	149	MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
								HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
Industrial Hygienist II	0	0	XC5	2.2	Y	EA	153	MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
Industrial Painter I	0	0	FV1	7	Y	EA	140	MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
								HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
Industrial Painter II	2	2	FV5	7	Y	EA	146	MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
								HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
								MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Info Systems Analyst I	0	0	XJ1	2.3	Y	EA	150	HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
								MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
Info Systems Analyst II	3	2	XJ2	2.3	Y	EA	154	HR	45.62	47.95	50.33	52.92	55.56	56.96	58.38		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
								MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
Info Systems Analyst III	4	5	XJ5	2.3	Y	EA	158	HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
								MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
Info Systems Tech I	0	0	YA1	3.2	Y	EA	140	HR	32.29	33.92	35.65	37.43	39.34	40.31	41.32		
								BW	2,583.20	2,713.60	2,852.00	2,994.40	3,147.20	3,224.80	3,305.60		
								MO	5,596.93	5,879.47	6,179.33	6,487.87	6,818.93	6,987.07	7,162.13		
								YR	67,163.20	70,553.60	74,152.00	77,854.40	81,827.20	83,844.80	85,945.60		
Info Systems Tech II	4	4	YA5	3.2	Y	EA	146	HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
								MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
ISM-Information Technology Manager	1	1	MI2	1.2		MMA	146	HR	65.26	68.53	71.95	75.55	79.32	81.31	83.34		
								BW	5,220.80	5,482.40	5,756.00	6,044.00	6,345.60	6,504.80	6,667.20		
								MO	11,311.73	11,878.53	12,471.33	13,095.33	13,748.80	14,093.73	14,445.60		
								YR	135,740.80	142,542.40	149,656.00	157,144.00	164,985.60	169,124.80	173,347.20		
ISM-Sys Development & Support Mgr	1	1	MI2	1.2		MMA	146	HR	65.26	68.53	71.95	75.55	79.32	81.31	83.34		
								BW	5,220.80	5,482.40	5,756.00	6,044.00	6,345.60	6,504.80	6,667.20		
								MO	11,311.73	11,878.53	12,471.33	13,095.33	13,748.80	14,093.73	14,445.60		
								YR	135,740.80	142,542.40	149,656.00	157,144.00	164,985.60	169,124.80	173,347.20		
Inventory Control Tech I	0	0	VH2	8	Y	EA	137	HR	29.98	31.51	33.08	34.74	36.52	37.43	38.39		
								BW	2,398.40	2,520.80	2,646.40	2,779.20	2,921.60	2,994.40	3,071.20		
								MO	5,196.53	5,461.73	5,733.87	6,021.60	6,330.13	6,487.87	6,654.27		
								YR	62,358.40	65,540.80	68,806.40	72,259.20	75,961.60	77,854.40	79,851.20		
Inventory Control Tech II	3	3	VH5	8	Y	EA	141	HR	33.08	34.74	36.52	38.39	40.31	41.32	42.35		
								BW	2,646.40	2,779.20	2,921.60	3,071.20	3,224.80	3,305.60	3,388.00		
								MO	5,733.87	6,021.60	6,330.13	6,654.27	6,987.07	7,162.13	7,340.67		
								YR	68,806.40	72,259.20	75,961.60	79,851.20	83,844.80	85,945.60	88,088.00		
Labor Relations Officer		1	1	AM4	1.1	UNC	LRM	HR	\$65.62							\$79.56	\$93.51
								BW	\$5,249.60							\$6,364.80	\$7,480.80
								MO	\$11,374.13							\$13,790.40	\$16,208.40
								YR	\$136,489.60							\$165,484.80	\$194,500.80
Laboratory Tech I	0	0	LG1	3.2	Y	EA	139	HR	31.51	33.08	34.74	36.52	38.39	39.34	40.31		
								BW	2,520.80	2,646.40	2,779.20	2,921.60	3,071.20	3,147.20	3,224.80		
								MO	5,461.73	5,733.87	6,021.60	6,330.13	6,654.27	6,818.93	6,987.07		
								YR	65,540.80	68,806.40	72,259.20	75,961.60	79,851.20	81,827.20	83,844.80		
Laboratory Tech II	3	3	LG5	3.2	Y	EA	143	HR	34.74	36.52	38.39	40.31	42.35	43.42	44.5		
								BW	2,779.20	2,921.60	3,071.20	3,224.80	3,388.00	3,473.60	3,560.00		
								MO	6,021.60	6,330.13	6,654.27	6,987.07	7,340.67	7,526.13	7,713.33		
								YR	72,259.20	75,961.60	79,851.20	83,844.80	88,088.00	90,313.60	92,560.00		
Legal Analyst I	0	0	XB2	2.3	Y	EA	151	HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
								MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
Legal Analyst II	1	1	XB5	2.3	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Librarian	1	1	XF9	2.3	Y	EA	150	MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
								HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
Maintenance Worker I	1	1	JM1	8	Y	EA	137	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	29.98	31.51	33.08	34.74	36.52	37.43	38.39		
								BW	2,398.40	2,520.80	2,646.40	2,779.20	2,921.60	2,994.40	3,071.20		
Maintenance Worker II	12	12	JM5	8	Y	EA	141	MO	5,196.53	5,461.73	5,733.87	6,021.60	6,330.13	6,487.87	6,654.27		
								YR	62,358.40	65,540.80	68,806.40	72,259.20	75,961.60	77,854.40	79,851.20		
								HR	33.08	34.74	36.52	38.39	40.31	41.32	42.35		
								BW	2,646.40	2,779.20	2,921.60	3,071.20	3,224.80	3,305.60	3,388.00		
Maintenance Worker III	12	12	JM6	8	Y	EA	145	MO	5,733.87	6,021.60	6,330.13	6,654.27	6,987.07	7,162.13	7,340.67		
								YR	68,806.40	72,259.20	75,961.60	79,851.20	83,844.80	85,945.60	88,088.00		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Management Analyst I	6	6	XA2	2.3	Y	EA	151	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
Management Analyst II	33	29	XA5	2.3	Y	EA	155	MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
								HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
Mechanical Maint Supv	2	2	JA9	1.2	Y	EA	158	MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
								HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
Microbiologist I	0	0	LD1	2.2	Y	EA	149	MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
								HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
Microbiologist II	2	2	LD5	2.2	Y	EA	153	MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
Network Administrator	0	0	XN9	2.3	Y	EA	160	MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
								HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
Office Automation Admin	1	1	XP9	2.3	Y	EA	160	MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
								HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
Office Specialist I	1	1	TA1	6.2	Y	EA	130	MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
								HR	25.22	26.5	27.84	29.24	30.72	31.51	32.29		
								BW	2,017.60	2,120.00	2,227.20	2,339.20	2,457.60	2,520.80	2,583.20		
Office Specialist II	11	9	TA5	6.2	Y	EA	134	MO	4,371.47	4,593.33	4,825.60	5,068.27	5,324.80	5,461.73	5,596.93		
								YR	52,457.60	55,120.00	57,907.20	60,819.20	63,897.60	65,540.80	67,163.20		
								HR	27.84	29.24	30.72	32.29	33.92	34.74	35.65		
								BW	2,227.20	2,339.20	2,457.60	2,583.20	2,713.60	2,779.20	2,852.00		
								MO	5,068.27	5,324.80	5,596.93	5,879.47	6,021.60	6,179.33	6,331.60		
								YR	57,907.20	60,819.20	63,897.60	67,163.20	70,553.60	72,259.20	74,152.00		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Plant Maintenance Mechanic I	2	2	JA2	7	Y	EA	144	HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
								MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
Plant Maintenance Mechanic II	10	10	JA5	7	Y	EA	148	HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
								MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
Procurement Specialist	0	0	VD8	3.2	Y	EA	145	HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
								MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
Program Administrator	26	24	XA8	2.3	Y	EA	159	HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
								MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
Project Assistant	1	1	TA8	6.1	Y	EA	143	HR	34.74	36.52	38.39	40.31	42.35	43.42	44.5		
								BW	2,779.20	2,921.60	3,071.20	3,224.80	3,388.00	3,473.60	3,560.00		
								MO	6,021.60	6,330.13	6,654.27	6,987.07	7,340.67	7,526.13	7,713.33		
								YR	72,259.20	75,961.60	79,851.20	83,844.80	88,088.00	90,313.60	92,560.00		
Project Coordinator	2	2	XF8	2.3	Y	EA	153	HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
								MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
Project Manager	2	2	EC3	2.3	Y	ES	159	HR	54.11	56.86	59.72	62.76	65.9	67.58	69.25		
								BW	4,328.80	4,548.80	4,777.60	5,020.80	5,272.00	5,406.40	5,540.00		
								MO	9,379.07	9,855.73	10,351.47	10,878.40	11,422.67	11,713.87	12,003.33		
								YR	112,548.80	118,268.80	124,217.60	130,540.80	137,072.00	140,566.40	144,040.00		
Public Info Rep I	2	0	ZA2	2.3	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Public Info Rep II	11	10	ZA5	2.3	Y	EA	153	HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
								MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
Public Info Rep III	2	2	ZA6	2.3	Y	EA	157	HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
								MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
Purchasing Tech I	0	0	VD1	6.1	Y	EA	137	HR	29.98	31.51	33.08	34.74	36.52	37.43	38.39		
								BW	2,398.40	2,520.80	2,646.40	2,779.20	2,921.60	2,994.40	3,071.20		
								MO	5,196.53	5,461.73	5,733.87	6,021.60	6,330.13	6,487.87	6,654.27		
								YR	62,358.40	65,540.80	68,806.40	72,259.20	75,961.60	77,854.40	79,851.20		
Purchasing Tech II	2	2	VD5	6.1	Y	EA	141	HR	33.08	34.74	36.52	38.39	40.31	41.32	42.35		
								BW	2,646.40	2,779.20	2,921.60	3,071.20	3,224.80	3,305.60	3,388.00		
								MO	5,733.87	6,021.60	6,330.13	6,654.27	6,987.07	7,162.13	7,340.67		
								YR	68,806.40	72,259.20	75,961.60	79,851.20	83,844.80	85,945.60	88,088.00		
Real Estate Agent I	0	0	RA1	2.3	Y	EA	144	HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
								MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
Real Estate Agent II	2	2	RA2	2.3	Y	EA	148	HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Recycled Water Facility Supv	2	2	FA8	1.2	Y	EA	157	MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
								HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
Reprographics Tech I	0	0	TL1	6.1	Y	EA	130	MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
								HR	25.22	26.5	27.84	29.24	30.72	31.51	32.29		
								BW	2,017.60	2,120.00	2,227.20	2,339.20	2,457.60	2,520.80	2,583.20		
Reprographics Tech II	1	1	TL5	6.1	Y	EA	133	MO	4,371.47	4,593.33	4,825.60	5,068.27	5,324.80	5,461.73	5,596.93		
								YR	52,457.60	55,120.00	57,907.20	60,819.20	63,897.60	65,540.80	67,163.20		
								HR	27.15	28.55	29.98	31.51	33.08	33.92	34.74		
								BW	2,172.00	2,284.00	2,398.40	2,520.80	2,646.40	2,713.60	2,779.20		
Resident Const Inspector	9	8	CN5	3.1	Y	EA	153	MO	4,706.00	4,948.67	5,196.53	5,461.73	5,733.87	5,879.47	6,021.60		
								YR	56,472.00	59,384.00	62,358.40	65,540.80	68,806.40	70,553.60	72,259.20		
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
Safety Specialist	2	2	JD6	3.2	Y	EA	148	MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
								HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
Safety Technician	2	2	JD5	3.2	Y	EA	144	MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
								HR	35.65	37.43	39.34	41.32	43.42	44.5	45.62		
								BW	2,852.00	2,994.40	3,147.20	3,305.60	3,473.60	3,560.00	3,649.60		
Security Technician	1	0	TR3	3.1	Y	EA	145	MO	6,179.33	6,487.87	6,818.93	7,162.13	7,526.13	7,713.33	7,907.47		
								YR	74,152.00	77,854.40	81,827.20	85,945.60	90,313.60	92,560.00	94,889.60		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Small Engine Mechanic	1	1	JG3	7	Y	EA	146	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
Special Program Engineer	0	0	ED8	2.1		ES	168	MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
								HR	67.58	70.99	74.58	78.37	82.33	84.41	86.52		
								BW	5,406.40	5,679.20	5,966.40	6,269.60	6,586.40	6,752.80	6,921.60		
Sr Accountant	3	3	VA7	2.3	Y	EA	155	MO	11,713.87	12,304.93	12,927.20	13,584.13	14,270.53	14,631.07	14,996.80		
								YR	140,566.40	147,659.20	155,126.40	163,009.60	171,246.40	175,572.80	179,961.60		
								HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
Sr Accounting Technician	0	0	VC6	3.1	Y	EA	145	MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Sr Ast District Counsel		3	3	AH3	1.1	UNC	SDC	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	\$84.19							\$102.10	\$119.99
								BW	\$6,735.20							\$8,168.00	\$9,599.20
Sr Buyer	1	1	VP7	2.3	Y	EA	153	MO	\$14,592.93							\$17,697.33	\$20,798.27
								YR	\$175,115.20							\$212,368.00	\$249,579.20
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
								MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Sr Chemist	3	3	LA7	2.2	Y	EA	157	HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
								MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
Sr Control System Tech	2	2	FM6	3.1	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
								MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
Sr Corrosion Control Tech	1	2	CK7	3.1	Y	EA	152	HR	43.42	45.62	47.95	50.33	52.92	54.21	55.56		
								BW	3,473.60	3,649.60	3,836.00	4,026.40	4,233.60	4,336.80	4,444.80		
								MO	7,526.13	7,907.47	8,311.33	8,723.87	9,172.80	9,396.40	9,630.40		
								YR	90,313.60	94,889.60	99,736.00	104,686.40	110,073.60	112,756.80	115,564.80		
Sr Engineer	19	19	ED6	2.1		ES	164	HR	61.22	64.32	67.58	70.99	74.58	76.43	78.37		
								BW	4,897.60	5,145.60	5,406.40	5,679.20	5,966.40	6,114.40	6,269.60		
								MO	10,611.47	11,148.80	11,713.87	12,304.93	12,927.20	13,247.87	13,584.13		
								YR	127,337.60	133,785.60	140,566.40	147,659.20	155,126.40	158,974.40	163,009.60		
Sr Engineering Geologist	1	1	EG8	2.1		ES	164	HR	61.22	64.32	67.58	70.99	74.58	76.43	78.37		
								BW	4,897.60	5,145.60	5,406.40	5,679.20	5,966.40	6,114.40	6,269.60		
								MO	10,611.47	11,148.80	11,713.87	12,304.93	12,927.20	13,247.87	13,584.13		
								YR	127,337.60	133,785.60	140,566.40	147,659.20	155,126.40	158,974.40	163,009.60		
Sr Engineering Tech	3	3	CJ6	3.1	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Sr Environmental Planner	4	3	PA7	2.3	Y	EA	159	HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
								MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
Sr Equipment Mechanic	1	1	JG7	7	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Sr Field Ops Admn	6	6	JM9	1.2	Y	EA	159	HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
								MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
Sr HVAC Mechanic	1	1	FP7	7	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
								MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
Sr Human Resources Tech	0	0	XH6	2.3	Y	EA	148	HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
								MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
Sr Hydrologic Systems Analyst	2	1	CB7	2.3	Y	EA	152	HR	43.42	45.62	47.95	50.33	52.92	54.21	55.56		
								BW	3,473.60	3,649.60	3,836.00	4,026.40	4,233.60	4,336.80	4,444.80		
								MO	7,526.13	7,907.47	8,311.33	8,723.87	9,172.80	9,396.40	9,630.40		
								YR	90,313.60	94,889.60	99,736.00	104,686.40	110,073.60	112,756.80	115,564.80		
Sr Industrial Electrician	2	2	FJ7	7	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
								MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
Sr Information Systems Tech	5	5	YA6	3.1	Y	EA	150	HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Sr Inventory Control Tech	2	2	VH7	8	Y	EA	145	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Sr Maintenance Worker	15	14	JM7	8	Y	EA	150	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
Sr Management Analyst	27	25	XA6	2.3	Y	EA	158	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
Sr Microbiologist	1	1	LD7	2.2	Y	EA	157	MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
								HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
Sr Office Specialist	14	14	TA6	6.1	Y	EA	137	MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
								HR	29.98	31.51	33.08	34.74	36.52	37.43	38.39		
								BW	2,398.40	2,520.80	2,646.40	2,779.20	2,921.60	2,994.40	3,071.20		
Sr Plant Maintenance Mechanic	5	5	JA7	7	Y	EA	152	MO	5,196.53	5,461.73	5,733.87	6,021.60	6,330.13	6,487.87	6,654.27		
								YR	62,358.40	65,540.80	68,806.40	72,259.20	75,961.60	77,854.40	79,851.20		
								HR	43.42	45.62	47.95	50.33	52.92	54.21	55.56		
								BW	3,473.60	3,649.60	3,836.00	4,026.40	4,233.60	4,336.80	4,444.80		
Sr Project Mgr	8	8	EC8	1.2		ES	168	MO	7,526.13	7,907.47	8,311.33	8,723.87	9,172.80	9,396.40	9,630.40		
								YR	90,313.60	94,889.60	99,736.00	104,686.40	110,073.60	112,756.80	115,564.80		
								HR	67.58	70.99	74.58	78.37	82.33	84.41	86.52		
								BW	5,406.40	5,679.20	5,966.40	6,269.60	6,586.40	6,752.80	6,921.60		
Sr Purchasing Tech	1	1	VD7	6.1	Y	EA	145	MO	11,713.87	12,304.93	12,927.20	13,584.13	14,270.53	14,631.07	14,996.80		
								YR	140,566.40	147,659.20	155,126.40	163,009.60	171,246.40	175,572.80	179,961.60		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Sr Real Estate Agent	2	2	RA7	2.3	Y	EA	158	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
Sr Reprographics Tech	1	1	TL7	6.1	Y	EA	137	MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
								HR	29.98	31.51	33.08	34.74	36.52	37.43	38.39		
								BW	2,398.40	2,520.80	2,646.40	2,779.20	2,921.60	2,994.40	3,071.20		
Sr Surveyor	2	1	CA6	3.1	Y	EA	150	MO	5,196.53	5,461.73	5,733.87	6,021.60	6,330.13	6,487.87	6,654.27		
								YR	62,358.40	65,540.80	68,806.40	72,259.20	75,961.60	77,854.40	79,851.20		
								HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
Sr Telecommunications Spec	1	1	YE7	3.2	Y	EA	150	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
Sr Water Conservation Spec	1	1	LT7	2.2	Y	EA	157	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
								MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Sr Water Measurement Tech	2	2	VJ7	3.1	Y	EA	151	HR	42.35	44.5	46.74	49.11	51.6	52.92	54.21		
								BW	3,388.00	3,560.00	3,739.20	3,928.80	4,128.00	4,233.60	4,336.80		
								MO	7,340.67	7,713.33	8,101.60	8,512.40	8,944.00	9,172.80	9,396.40		
								YR	88,088.00	92,560.00	97,219.20	102,148.80	107,328.00	110,073.60	112,756.80		
Sr Water Plant Operator	15	15	FA7	1.2	Y	EA	154	HR	45.62	47.95	50.33	52.92	55.56	56.96	58.38		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
								MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
Sr Water Quality Specialist	2	2	LL7	2.2	Y	EA	157	HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
								MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
Sr Water Resources Specialist	11	11	EW6	2.2		ES	163	HR	59.72	62.76	65.9	69.25	72.78	74.58	76.43		
								BW	4,777.60	5,020.80	5,272.00	5,540.00	5,822.40	5,966.40	6,114.40		
								MO	10,351.47	10,878.40	11,422.67	12,003.33	12,615.20	12,927.20	13,247.87		
								YR	124,217.60	130,540.80	137,072.00	144,040.00	151,382.40	155,126.40	158,974.40		
Sr Water Resources Tech	2	2	FG7	3.1	Y	EA	154	HR	45.62	47.95	50.33	52.92	55.56	56.96	58.38		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
								MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
Staff Analyst	18	16	XA1	2.3	Y	EA	148	HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
								MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
Supervising Accountant	0	0	VA9	2.3	Y	EA	159	HR	51.6	54.21	56.96	59.82	62.88	64.44	66.08		
								BW	4,128.00	4,336.80	4,556.80	4,785.60	5,030.40	5,155.20	5,286.40		
								MO	8,944.00	9,396.40	9,873.07	10,368.80	10,899.20	11,169.60	11,453.87		
								YR	107,328.00	112,756.80	118,476.80	124,425.60	130,790.40	134,035.20	137,446.40		
Supervising Engineering Tech	1	1	CJ9	3.1	Y	EA	154	HR	45.62	47.95	50.33	52.92	55.56	56.96	58.38		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
								MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
Supervising Hydrographer	1	1	CE9	1.2	Y	EA	155	HR	46.74	49.11	51.6	54.21	56.96	58.38	59.82		
								BW	3,739.20	3,928.80	4,128.00	4,336.80	4,556.80	4,670.40	4,785.60		
								MO	8,101.60	8,512.40	8,944.00	9,396.40	9,873.07	10,119.20	10,368.80		
								YR	97,219.20	102,148.80	107,328.00	112,756.80	118,476.80	121,430.40	124,425.60		
Supervising Land Surveyor	2	1	EX9	2.1	Y	ES	160	HR	55.47	58.28	61.22	64.32	67.58	69.25	70.99		
								BW	4,437.60	4,662.40	4,897.60	5,145.60	5,406.40	5,540.00	5,679.20		
								MO	9,614.80	10,101.87	10,611.47	11,148.80	11,713.87	12,003.33	12,304.93		
								YR	115,377.60	121,222.40	127,337.60	133,785.60	140,566.40	144,040.00	147,659.20		
Supervising Surveyor	0	0	EX8	1.2	Y	ES	158	HR	52.78	55.47	58.28	61.22	64.32	65.9	67.58		
								BW	4,222.40	4,437.60	4,662.40	4,897.60	5,145.60	5,272.00	5,406.40		
								MO	9,148.53	9,614.80	10,101.87	10,611.47	11,148.80	11,422.67	11,713.87		
								YR	109,782.40	115,377.60	121,222.40	127,337.60	133,785.60	137,072.00	140,566.40		
Support Services Supv	1	1	TA9	2.3	Y	EA	148	HR	39.34	41.32	43.42	45.62	47.95	49.11	50.33		
								BW	3,147.20	3,305.60	3,473.60	3,649.60	3,836.00	3,928.80	4,026.40		
								MO	6,818.93	7,162.13	7,526.13	7,907.47	8,311.33	8,512.40	8,723.87		
								YR	81,827.20	85,945.60	90,313.60	94,889.60	99,736.00	102,148.80	104,686.40		
Survey Party Chief	3	3	CA7	2.3	Y	EA	153	HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
								MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
Systems Control Operator I	0	0	FD2	7	Y	EA	146	HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Systems Control Operator II	0	0	FD5	7	Y	EA	150	MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
								HR	41.32	43.42	45.62	47.95	50.33	52.92	55.56		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
Systems Control Operator III	6	6	FD6	7	Y	EA	154	MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
								HR	45.62	47.95	50.33	52.92	55.56	58.38	61.33		
								BW	3,649.60	3,836.00	4,026.40	4,233.60	4,444.80	4,556.80	4,670.40		
Systems Control Supv	1	1	FD9	1.2	Y	EA	160	MO	7,907.47	8,311.33	8,723.87	9,172.80	9,630.40	9,873.07	10,119.20		
								YR	94,889.60	99,736.00	104,686.40	110,073.60	115,564.80	118,476.80	121,430.40		
								HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
Technical Systems Admin	0	0	XR9	2.3	Y	EA	160	MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
								HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
Telecommunications Admin	1	1	XS9	2.3	Y	EA	160	MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
								HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
Telecommunications Specialist	1	1	YE5	3.2	Y	EA	147	MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
								HR	38.39	40.31	42.35	44.5	46.74	47.95	49.11		
								BW	3,071.20	3,224.80	3,388.00	3,560.00	3,739.20	3,836.00	3,928.80		
Vegetation Program Spec I	3	3	LR2	2.3	Y	EA	153	MO	6,654.27	6,987.07	7,340.67	7,713.33	8,101.60	8,311.33	8,512.40		
								YR	79,851.20	83,844.80	88,088.00	92,560.00	97,219.20	99,736.00	102,148.80		
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
Vegetation Program Spec II	2	2	LR5	2.3	Y	EA	157	MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
								HR	49.11	51.6	54.21	56.96	59.82	61.33	62.88		
								BW	3,928.80	4,128.00	4,336.80	4,556.80	4,785.60	4,906.40	5,030.40		
Water Conservation Spec I	0	0	LT2	2.3	Y	EA	149	MO	8,512.40	8,944.00	9,396.40	9,873.07	10,368.80	10,630.53	10,899.20		
								YR	102,148.80	107,328.00	112,756.80	118,476.80	124,425.60	127,566.40	130,790.40		
								HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
Water Conservation Spec II	3	3	LT5	2.3	Y	EA	153	MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
								HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
Water Measurement Tech I	0	0	VJ1	3.2	Y	EA	139	MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
								HR	31.51	33.08	34.74	36.52	38.39	39.34	40.31		
								BW	2,520.80	2,646.40	2,779.20	2,921.60	3,071.20	3,147.20	3,224.80		
Water Measurement Tech II	0	0	VJ5	3.2	Y	EA	143	MO	5,461.73	5,733.87	6,021.60	6,330.13	6,654.27	6,818.93	6,987.07		
								YR	65,540.80	68,806.40	72,259.20	75,961.60	79,851.20	81,827.20	83,844.80		
								HR	34.74	36.52	38.39	40.31	42.35	43.42	44.5		
								BW	2,779.20	2,921.60	3,071.20	3,224.80	3,388.00	3,473.60	3,560.00		
Water Measurement Tech III	5	5	VJ6	3.2	Y	EA	147	MO	6,021.60	6,330.13	6,654.27	6,987.07	7,340.67	7,526.13	7,713.33		
								YR	72,259.20	75,961.60	79,851.20	83,844.80	88,088.00	90,313.60	92,560.00		
								HR	38.39	40.31	42.35	44.5	46.74	47.95	49.11		
								BW	3,071.20	3,224.80	3,388.00	3,560.00	3,739.20	3,836.00	3,928.80		
								MO	6,654.27	6,987.07	7,340.67	7,713.33	8,101.60	8,311.33	8,512.40		
								YR	79,851.20	83,844.80	88,088.00	92,560.00	97,219.20	99,736.00	102,148.80		

EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
Water Plant Operator	8	7	FA5	7	Y	EA	150	HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
								MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
Water Plant Sup Grade V	3	3	FA9	1.2	Y	EA	161	HR	54.21	56.96	59.82	62.88	66.08	67.73	69.41		
								BW	4,336.80	4,556.80	4,785.60	5,030.40	5,286.40	5,418.40	5,552.80		
								MO	9,396.40	9,873.07	10,368.80	10,899.20	11,453.87	11,739.87	12,031.07		
								YR	112,756.80	118,476.80	124,425.60	130,790.40	137,446.40	140,878.40	144,372.80		
Water Quality Specialist I	0	0	LL1	2.2	Y	EA	149	HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
								MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
Water Quality Specialist II	0	0	LL5	2.2	Y	EA	153	HR	44.5	46.74	49.11	51.6	54.21	55.56	56.96		
								BW	3,560.00	3,739.20	3,928.80	4,128.00	4,336.80	4,444.80	4,556.80		
								MO	7,713.33	8,101.60	8,512.40	8,944.00	9,396.40	9,630.40	9,873.07		
								YR	92,560.00	97,219.20	102,148.80	107,328.00	112,756.80	115,564.80	118,476.80		
WRM-Groundwater Management Mgr	1	1	MR1	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
WRM-Laboratory Services Manager	1	1	MR1	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
WRM-Recycled Water Manager	1	1	MR1	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
WRM-Water Quality Manager	1	1	MR1	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
WRM-Water Supl Pln & Conserv Mgr	1	1	MR1	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
Water Resources Supervisor	1	1	FG9	1.2	Y	EA	160	HR	52.92	55.56	58.38	61.33	64.44	66.08	67.73		
								BW	4,233.60	4,444.80	4,670.40	4,906.40	5,155.20	5,286.40	5,418.40		
								MO	9,172.80	9,630.40	10,119.20	10,630.53	11,169.60	11,453.87	11,739.87		
								YR	110,073.60	115,564.80	121,430.40	127,566.40	134,035.20	137,446.40	140,878.40		
Water Resources Tech I	1	1	FG2	3.2	Y	EA	146	HR	37.43	39.34	41.32	43.42	45.62	46.74	47.95		
								BW	2,994.40	3,147.20	3,305.60	3,473.60	3,649.60	3,739.20	3,836.00		
								MO	6,487.87	6,818.93	7,162.13	7,526.13	7,907.47	8,101.60	8,311.33		
								YR	77,854.40	81,827.20	85,945.60	90,313.60	94,889.60	97,219.20	99,736.00		
Water Resources Tech II	3	3	FG5	3.2	Y	EA	150	HR	41.32	43.42	45.62	47.95	50.33	51.6	52.92		
								BW	3,305.60	3,473.60	3,649.60	3,836.00	4,026.40	4,128.00	4,233.60		
								MO	7,162.13	7,526.13	7,907.47	8,311.33	8,723.87	8,944.00	9,172.80		
								YR	85,945.60	90,313.60	94,889.60	99,736.00	104,686.40	107,328.00	110,073.60		
WUOM-Utility Ops & Maintenance Mgr	1	1	MU2	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
								MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
WUOM-Water Supply Operations Mgr	1	1	MU2	1.2		MMA	148	HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		

**EXHIBIT A:
SCVWD Salary Schedule
FY 2017-2018**

Class Title	All Pos	Fill Pos*	Class Code	EEO	OT	BU	Sal Rng	Freq	Min-Pt Step1	Step2	Step3	Step4	Step5	Step6	Step7	Mid-Pt	Max-Pt
WUOM-Water Treatment Manager	1	1	MU2	1.2		MMA	148	MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
								HR	68.56	72	75.59	79.36	83.34	85.42	87.56		
								BW	5,484.80	5,760.00	6,047.20	6,348.80	6,667.20	6,833.60	7,004.80		
WUOMM-Utility Maint Mgr - Distrib	1	1	MU1	1.2		MMA	145	MO	11,883.73	12,480.00	13,102.27	13,755.73	14,445.60	14,806.13	15,177.07		
								YR	142,604.80	149,760.00	157,227.20	165,068.80	173,347.20	177,673.60	182,124.80		
								HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
WUOMM-Utility Maint Mgr -Treatment	1	1	MU1	1.2		MMA	145	MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
								HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
WUOMM-Well & Water Measurement Mgr	1	1	MU1	1.2		MMA	145	MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
								HR	63.66	66.85	70.18	73.7	77.38	79.32	81.31		
								BW	5,092.80	5,348.00	5,614.40	5,896.00	6,190.40	6,345.60	6,504.80		
WSOMM-Integrated Vegetation Manager	1	1	MS1	1.2		MMA	142	MO	11,034.40	11,587.33	12,164.53	12,774.67	13,412.53	13,748.80	14,093.73		
								YR	132,412.80	139,048.00	145,974.40	153,296.00	160,950.40	164,985.60	169,124.80		
								HR	59.12	62.08	65.18	68.44	71.85	73.66	75.49		
								BW	4,729.60	4,966.40	5,214.40	5,475.20	5,748.00	5,892.80	6,039.20		
WSOMM-Watershed Field Ops Manager	1	1	MS1	1.2		MMA	142	MO	10,247.47	10,760.53	11,297.87	11,862.93	12,454.00	12,767.73	13,084.93		
								YR	122,969.60	129,126.40	135,574.40	142,355.20	149,448.00	153,212.80	157,019.20		
								HR	59.12	62.08	65.18	68.44	71.85	73.66	75.49		
								BW	4,729.60	4,966.40	5,214.40	5,475.20	5,748.00	5,892.80	6,039.20		
Web Analyst	2	2	XL5	2.3	Y	EA	158	MO	10,247.47	10,760.53	11,297.87	11,862.93	12,454.00	12,767.73	13,084.93		
								YR	122,969.60	129,126.40	135,574.40	142,355.20	149,448.00	153,212.80	157,019.20		
								HR	50.33	52.92	55.56	58.38	61.33	62.88	64.44		
								BW	4,026.40	4,233.60	4,444.80	4,670.40	4,906.40	5,030.40	5,155.20		
Welder I	0	0	JH2	7	Y	EA	145	MO	8,723.87	9,172.80	9,630.40	10,119.20	10,630.53	10,899.20	11,169.60		
								YR	104,686.40	110,073.60	115,564.80	121,430.40	127,566.40	130,790.40	134,035.20		
								HR	36.52	38.39	40.31	42.35	44.5	45.62	46.74		
								BW	2,921.60	3,071.20	3,224.80	3,388.00	3,560.00	3,649.60	3,739.20		
Welder II	2	1	JH5	7	Y	EA	149	MO	6,330.13	6,654.27	6,987.07	7,340.67	7,713.33	7,907.47	8,101.60		
								YR	75,961.60	79,851.20	83,844.80	88,088.00	92,560.00	94,889.60	97,219.20		
								HR	40.31	42.35	44.5	46.74	49.11	50.33	51.6		
								BW	3,224.80	3,388.00	3,560.00	3,739.20	3,928.80	4,026.40	4,128.00		
Word Processing Operator I	0	0	TC1	6.2	Y	EA	130	MO	6,987.07	7,340.67	7,713.33	8,101.60	8,512.40	8,723.87	8,944.00		
								YR	83,844.80	88,088.00	92,560.00	97,219.20	102,148.80	104,686.40	107,328.00		
								HR	25.22	26.5	27.84	29.24	30.72	31.51	32.29		
								BW	2,017.60	2,120.00	2,227.20	2,339.20	2,457.60	2,520.80	2,583.20		
Word Processing Operator II	1	1	TC5	6.2	Y	EA	134	MO	4,371.47	4,593.33	4,825.60	5,068.27	5,324.80	5,461.73	5,596.93		
								YR	52,457.60	55,120.00	57,907.20	60,819.20	63,897.60	65,540.80	67,163.20		
								HR	27.84	29.24	30.72	32.29	33.92	34.74	35.65		
								BW	2,227.20	2,339.20	2,457.60	2,583.20	2,713.60	2,779.20	2,852.00		
								MO	4,825.60	5,068.27	5,324.80	5,596.93	5,879.47	6,021.60	6,179.33		
								YR	57,907.20	60,819.20	63,897.60	67,163.20	70,553.60	72,259.20	74,152.00		



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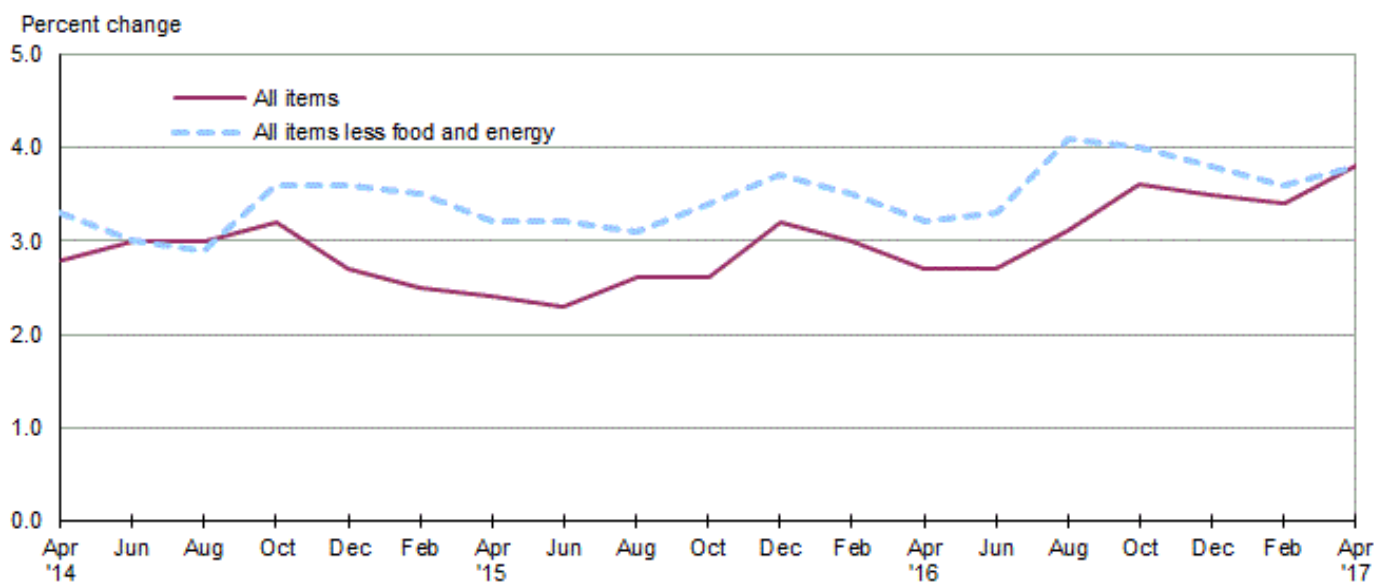
Consumer Price Index, San Francisco Area — April 2017

Area prices were up 1.1 percent over the past two months, up 3.8 percent from a year ago

Prices in the San Francisco area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 1.1 percent for the two months ending in April 2017, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted that the April increase was influenced by higher prices for shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 3.8 percent. (See [chart 1](#) and [table A](#).) Energy prices jumped 10.8 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy increased 3.8 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, San Francisco, April 2014–April 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 0.9 percent for the two months ending in April. (See [table 1](#).) Prices for food at home moved up 1.2 percent, and prices for food away from home advanced 0.5 percent for the same period.

Over the year, food prices rose 1.2 percent. Prices for food away from home advanced 3.2 percent since a year ago, but prices for food at home declined 0.6 percent.

Energy

The energy index advanced 7.6 percent for the two months ending in April. The increase was mainly due to higher prices for gasoline (5.5 percent). Prices for natural gas service jumped 15.4 percent, and prices for electricity rose 8.0 percent for the same period.

Energy prices moved up 10.8 percent over the year, largely due to higher prices for gasoline (10.8 percent). Prices paid for natural gas service jumped 19.3 percent, and prices for electricity advanced 7.5 percent during the past year.

All items less food and energy

The index for all items less food and energy increased 0.8 percent in the latest two-month period. Higher prices for other goods and services (5.6 percent), apparel (2.9 percent) and shelter (0.7 percent) were partially offset by lower prices for household furnishings and operations (-1.4 percent) and education and communication (-0.7 percent).

Over the year, the index for all items less food and energy increased 3.8 percent. Components contributing to the increase included other goods and services (7.0 percent) and shelter (6.4 percent). Partly offsetting the increases were price declines in recreation (-2.2 percent) and household furnishings and operations (-2.1 percent).

Table A. San Francisco-Oakland-San Jose CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

Month	2012		2013		2014		2015		2016		2017	
	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual
February	1.1	3.0	1.3	2.4	1.2	2.4	1.0	2.5	0.9	3.0	0.8	3.4
April	0.9	2.1	0.8	2.4	1.2	2.8	1.1	2.4	0.7	2.7	1.1	3.8
June	0.3	2.6	0.5	2.6	0.7	3.0	0.6	2.3	0.6	2.7		
August	0.6	2.8	0.1	2.0	0.0	3.0	0.3	2.6	0.7	3.1		
October	0.7	3.2	0.2	1.6	0.5	3.2	0.4	2.6	0.9	3.6		
December	-1.4	2.2	-0.4	2.6	-0.9	2.7	-0.3	3.2	-0.3	3.5		

The June 2017 Consumer Price Index for the San Francisco-Oakland-San Jose is scheduled to be released on July 14, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and

approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The San Francisco-Oakland-San Jose, CA. metropolitan area covered in this release is comprised of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Sonoma, and Solano Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Feb. 2017	Mar. 2017	Apr. 2017	Apr. 2016	Feb. 2017	Mar. 2017
Expenditure category						
All items.....	271.626	-	274.589	3.8	1.1	-
All items (1967=100)	835.053	-	844.164	-	-	-
Food and beverages	267.322	-	269.739	1.4	0.9	-
Food	267.295	-	269.594	1.2	0.9	-
Food at home	249.301	250.945	252.377	-0.6	1.2	0.6
Food away from home.....	289.007	-	290.329	3.2	0.5	-
Alcoholic beverages	273.109	-	276.953	3.1	1.4	-
Housing	319.808	-	322.893	5.9	1.0	-
Shelter	364.845	365.826	367.424	6.4	0.7	0.4
Rent of primary residence(1).....	412.606	413.119	413.736	6.2	0.3	0.1
Owners' equiv. rent of residences(1)(2).....	394.419	395.478	396.982	6.5	0.6	0.4
Owners' equiv. rent of primary residence(1)(2).....	394.419	395.478	396.982	6.5	0.6	0.4
Fuels and utilities.....	368.463	-	393.134	8.6	6.7	-
Household energy	321.319	332.391	353.423	10.9	10.0	6.3
Energy services(1)	321.687	333.050	354.799	11.0	10.3	6.5
Electricity(1).....	334.735	355.832	361.663	7.5	8.0	1.6
Utility (piped) gas service(1).....	279.426	271.611	322.541	19.3	15.4	18.8
Household furnishings and operations.....	136.113	-	134.163	-2.1	-1.4	-
Apparel	117.008	-	120.421	3.9	2.9	-
Transportation	188.125	-	191.477	3.6	1.8	-
Private transportation	178.984	-	181.998	4.8	1.7	-
Motor fuel	212.552	223.591	224.219	10.8	5.5	0.3
Gasoline (all types).....	211.703	222.777	223.403	10.8	5.5	0.3
Gasoline, unleaded regular(3).....	211.554	222.801	223.399	10.8	5.6	0.3
Gasoline, unleaded midgrade(3).....	197.182	207.521	207.606	10.7	5.3	0.0
Gasoline, unleaded premium(3).....	202.054	211.635	212.482	10.7	5.2	0.4
Medical care	485.741	-	491.228	-	1.1	-
Recreation(5).....	113.213	-	113.159	-2.2	0.0	-
Education and communication(5).....	140.597	-	139.675	-2.0	-0.7	-
Other goods and services	440.022	-	464.568	7.0	5.6	-
Commodity and service group						
All items.....	271.626	-	274.589	3.8	1.1	-
Commodities	182.562	-	185.172	1.9	1.4	-
Commodities less food & beverages.....	136.861	-	139.410	2.4	1.9	-
Nondurables less food & beverages	175.905	-	181.913	5.0	3.4	-
Durables	99.032	-	98.298	-1.9	-0.7	-
Services.....	345.954	-	349.254	4.6	1.0	-
Special aggregate indexes						
All items less medical care	262.875	-	265.735	3.9	1.1	-
All items less shelter.....	233.234	-	236.481	1.9	1.4	-
Commodities less food	142.626	-	145.241	2.4	1.8	-
Nondurables	222.737	-	227.167	2.9	2.0	-
Nondurables less food.....	183.218	-	189.121	4.8	3.2	-
Services less rent of shelter(2).....	337.052	-	341.580	1.8	1.3	-
Services less medical care services.....	337.396	-	340.568	4.8	0.9	-
Energy	255.631	266.851	274.960	10.8	7.6	3.0
All items less energy	275.735	-	277.881	3.5	0.8	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Feb. 2017	Mar. 2017	Apr. 2017	Apr. 2016	Feb. 2017	Mar. 2017
All items less food and energy	277.857	-	279.988	3.8	0.8	-

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a December 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.

File No.: 18-0152

Agenda Date: 3/21/2018

Item No.: 3.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Compensation Plan for Unrepresented Employees in the Executive Service - Effective July 1, 2018.

RECOMMENDATION:

Adopt Resolution APPROVING COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE.

SUMMARY:

Consistent with the actions taken earlier today as part of the approval of the Memorandum of Understandings for the three bargaining groups, the benefits package and terms for the Executives and Board Appointed Officers are also being revised as noted below. The details of these changes are set forth in Exhibit-A to Attachment 1 (Santa Clara Valley Water District Compensation Plan For Unrepresented Employees In The Executive Service (July 1, 2018 Through June 30, 2022.):

Salary adjustments will be:

- 4.0% effective the first full pay period in July of 2018
- 4.0% effective the first full pay period in July of 2019
- 4.0% effective the first full pay period in July of 2020
- 4.0% effective the first full pay period in July of 2021

Medical - Plan Design Changes Effective April 1, 2018:

- Co-Pay for Office visits for Kaiser members from no charge to \$10
- Co-Pay for Office visits for Blue Shield HMO members from \$5 to \$10
- Co-Pay for Kaiser Prescriptions from \$5 to \$10 generic; \$15 name brand; \$30 non-formulary; 30-day supply for retail; 90-day supply for mail order with two co-payments
- Co-Pay for Emergency Room Services for all plans \$100

Medical - Plan Design Changes Effective April 1, 2019:

- Increasing calendar year deductible for Blue Shield PPO plan from \$100 per person to \$250 per person - maximum \$500 for family.
- Increasing out-of-pocket maximums for all plans to \$2,000 per person or \$4,000 maximum for family.

Pension

- Employees participating in the PERS 2.5% @ 55 formula and the PERS 2.0% @ 60 formula (Classic) will pay the following contributions towards their pension benefits which includes the employee required contribution as well as an additional amount towards the employer's contribution:
 - 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%
- Employees participating in the PERS 2.0% @ 62 formula (PEPRA) will contribute the following contributions towards their pension benefits:
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional .50%
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional 1.0%
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional 1.5%
 - Effective the first full pay period of July 2018, 50% of total normal cost as determined by CalPERS plus an additional 2.0%

FINANCIAL IMPACT:

The estimated net impact of the salaries and benefits changes for the employees in the Executive service are listed below and will be incorporated in the budget for FY 2019.

- Annual Raises - Estimated cost of the first-year wage increase is \$363,000 including salary range adjustments. Total wage increase for four years is \$1,236,000.
- Medical Plan Design Changes - Estimated savings for first-year changes is \$27,000. Second-year changes provides for an additional estimated \$13,000 in savings. Total medical plan design change savings for four years is \$147,000.
- Pension Changes - Estimated additional employee contribution for first-year is \$34,000. Total estimated additional employee contribution for four years is \$338,000.
- Tuition Reimbursement - The increase of \$500 to the tuition reimbursement program will likely be less than \$5,000 for the first year. Total cost for four years will likely be less than \$20,000.

The first year (FY 2019) net cost is estimated to be \$307,000 and the total four-year cost (net) is estimated to be \$771,000.

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.

File No.: 18-0152

Agenda Date: 3/21/2018
Item No.: 3.3.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

Anil Comelo, 408-630-2470

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

RESOLUTION NO. 18 -

**APPROVING COMPENSATION PLAN FOR UNREPRESENTED
EMPLOYEES IN THE EXECUTIVE SERVICE
(JULY 1, 2018 THROUGH JUNE 30, 2022)**

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 March 21, 2018, the Board approved 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, all for the period of January 1, 2018 through December 31, 2022 (MOUs); and

WHEREAS, each of the three MOUs set forth salary ranges for the represented classifications and included a 4% salary increase for each year of the MOUs starting the first full pay period in July 2018; 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, attached as Exhibit-A is 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 sets forth annual 4.0% cost of living adjustments effective the first full pay period in July 2018, to mirror increases for classified employees, and to minimize future compaction issues; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby approve and adopt the Compensation Plan for Unrepresented Employees In The Executive Service (July 1, 2018 through June 30, 2022), attached hereto as Exhibit “A”. The District reserves the right to modify the terms of this Compensation Plan during its term through further resolution.

Approving Compensation Plan for Unrepresented Employees in the Executive Service
(July 1, 2018 Through June 30, 2022)

Resolution No. 18-

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on March 21, 2018:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

RICHARD P. SANTOS
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 (JULY 1, 2018 THROUGH JUNE 30, 2022)

No. of Pages: 9



SANTA CLARA VALLEY WATER DISTRICT
COMPENSATION PLAN FOR
UNREPRESENTED EMPLOYEES IN THE
EXECUTIVE SERVICE
(JULY 1, 2018 THROUGH JUNE 30, 2022)

In addition to classified employees represented by three bargaining groups, the Santa Clara Valley Water District (District) currently employs unrepresented employees in the Unclassified Service of the District pursuant to District Personnel Ordinance 2000-01, section 2.6 ("Executive Employees"). The District 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 July 1, 2018 through June 30, 2022 ("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 the District's Board of Directors.

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 the District for talent. The Board's goal is to attract and retain the most qualified Executive Employees in accordance with the District's ability to pay.

B. COMPENSATION SURVEYS

C. SALARY INCREASES

- Board Approval Date: []

II. INSURANCE

A. HEALTH INSURANCE

1) Health Insurance for Active Employees

Medical, Dental, Vision Care, and EAP benefits are provided by the District. Employees pay 15% towards the District's monthly premium cost for medical coverage. Dental, and Vision Care is provided by the District 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 registered same sex domestic partners, or domestic partners of the opposite sex age 62 or over, who meet the eligibility criteria. Domestic partner coverage is taxable income for federal income tax purposes.

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 District employee. Eligible dependents will only be covered under one employee's medical plan.

MEDICAL INSURANCE

The District 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 the District provides the three medical plans as of the start date of this Compensation Plan, they may be changed at the sole discretion of the District 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. The District'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 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 (VSP). There is no extra cost associated with Kaiser's vision coverage – it is built into the medical plan premium. VSP is offered to those Employees enrolled in the Blue Shield HMO or PPO plans. The premiums are 100% paid by the district. 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.

Retirement Health Benefits for Employees Hired prior to 12/30/2006

Medical, Dental and Vision coverage is provided for retired Employees and one eligible dependent with 15 or more years of continuous District service.

Retirement Health Benefits for Employees Hired on or after 12/30/2006 and prior to 3/1/2007

Medical, Dental and Vision coverage is provided for eligible retired Employees and one eligible dependent with 15 or more years of continuous District 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 District 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 with 15 years of continuous District 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 District 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.

Upon retirement (filed for CalPERS retirement), regardless of District 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.
- Combination of any portion (*up to 480 hours*) 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.

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.

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.

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.

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 a Deferred Compensation Plan once each year. Elections to cash out vacation must be made in the calendar year prior to the cash out.

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.

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

Unless changed in future contracts, 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 District business in addition to the monthly car allowance. This section does not apply to Executive Employees.

File No.: 18-0073

Agenda Date: 3/21/2018

Item No.: 4.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Amendment No. 2 to Agreement A3901G with HDR Engineering, Inc., for Project Management Services for a Not-to-Exceed Fee of \$5,766,250, Resulting in a Total Not-to-Exceed Fee of \$8,077,765; Amendment No. 3 to Agreement A3611A With Public Resources Advisory Group for Financial Advisory Services for a Not-to-Exceed Fee of \$3,410,000, Resulting in a Total Not-to-Exceed Fee of \$5,666,000 for the Expedited Purified Water Program Project, Project No. 91304001; and Forms of Installment Purchase Agreement and Trust Agreement Relating to Santa Clara Valley Water District Revenue Certificates of Participation.

RECOMMENDATION:

- A. Approve Amendment No. 2 to Agreement A3901G with HDR Engineering Incorporated for Expedited Purified Water Program Project Management Services for a not-to-exceed fee of \$5,766,250, resulting in a total not-to-exceed fee of \$8,077,765;
- B. Approve Amendment No. 3 to Agreement A3611A with Public Resources Advisory Group (PRAG) for Financial Advisory Services for a not-to-exceed fee of \$3,410,000, resulting in a total not-to-exceed fee of \$5,666,000; and
- C. Approve the Forms of Installment Purchase Agreement and Trust Agreement Relating to Santa Clara Valley Water District Revenue Certificates of Participation (Water Utility System Improvement Projects).

SUMMARY:

The Expedited Purified Water Program (Program) was initiated in 2015 as part of the District's strategy to respond to a multi-year drought and is consistent with Board direction to expand recycled water use in the county.

On October 10, 2017, the Board directed staff to pursue a Public-Private Partnership (P3) delivery method for the Program. On December 12, 2017, the Board considered staff's recommendation to proceed with expansion of the Silicon Valley Advanced Water Purification Center for indirect potable reuse (IPR) at the Los Gatos Recharge Ponds. The Board directed staff to:

- 1. Issue another Request for Qualifications (RFQ) to expand the P3 shortlist;
- 2. Initiate development of a Request for Proposal Process assuming up to 24,000 acre-feet per year (AFY) of purified water production at the expanded SVAWPC and conveyance of purified water to the Los Gatos Recharge Ponds;

-
3. Initiate the California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA) assessment and documentation for the staff-recommended IPR project; and
 4. Execute an accelerated MOU with the City of San Jose

Staff's recommendation for Board approval of two amendments for consultant services will allow staff implementation of the Board's December 12, 2017 direction.

Project Management Services Agreement with HDR Engineering, Inc.

In accordance with Agreement A3901G, HDR Engineering, Inc. (HDR) has provided project management services for the development of the Expedited Purified Water Program. The services have included preparation of a Project Management Plan; development of a Program Schedule; a Risk Management Plan; assistance with oversight of and coordination between various studies and preliminary engineering work performed by various consultants as part of Program development; assistance with the Program's procurement process; and managing the environmental assessment and documentation to comply with the CEQA/NEPA.

Staff recommends amending this Agreement for HDR to continue performing project management services (schedule, risk management) through the P3 procurement process; manage the environmental and permitting support consultant agreement on behalf of the District; work with the District's financial and legal advisors to support the P3 procurement process; assist with coordination between Program work and related studies being undertaken by the District; compile engineering documents and obtain additional technical information for the P3 RFP.

Previous Board Actions

On September 22, 2015, the District Board of Directors authorized the CEO to negotiate and execute the Agreement with HDR Engineering Incorporated. Since then, HDR has been assisting the District by performing project management services for Program development and supporting the dual track procurement process.

HDR Work Performed to Date

The project management services Agreement with HDR for the Expedited Purified Water Program included the following tasks:

- Task 1 - Fast-Start Activities
- Task 2 - Core Project Management Activities
- Task 3 - Early Value-Engineering
- Task 4 - Environmental/Permit Planning
- Task 5 - Provide Support for Public-Private Partnership Procurement
- Task 6 - Support Workforce Development
- Task 7 - Supplemental Services

To date, the Consultant has completed the scope of services in Tasks 1 and 3, and has performed significant work on the remaining tasks, on an as-needed basis, as the Program and procurement method development have evolved during the past 2.5 years.

Staff Management of HDR Agreement

Staff has been monitoring and managing HDR's performance to meet the goals and terms of the Agreement. Weekly check-in meetings have been held with HDR staff to assess progress of the task work as necessitated by the development of the Expedited Purified Water Program and the decision process for alternative project delivery. HDR is required to and has been submitting detailed monthly progress/status reports with their invoices for review by District staff.

Amendment No. 2 to Consultant Agreement A3901G with HDR

The original Agreement with HDR was executed on September 22, 2015 for a not-to-exceed fee of \$2,311,515. Amendment No. 1 was executed on February 17, 2017 to extend the term of the Agreement to March 31, 2018. There was no change to the not-to-exceed fee or term of the Agreement for Amendment No. 1.

Staff recommends approval of Amendment No. 2, which will modify the scope of services of the current Agreement to continue project management activities through the P3 procurement process; manage the CEQA/NEPA work and permitting process; compile engineering documents and obtain additional technical information to support the P3 process and assist with P3 contract negotiations. This additional scope of services will increase the not-to-exceed fee by \$5,766,250, resulting in a total not-to-exceed fee of \$8,077,765. Amendment No. 2 will extend the term of the Agreement until March 2021.

Table 1 presents a summary of the tasks and fees for the original Agreement and the recommended Amendment No. 2.

Table 1. Summary of Original HDR Agreement and Amendment No. 2 Fees

Task	Description	Original NTE* Fees	Amendment No. 2** NTE Fees	Revised Total NTE Fees
1	Fast Start Activities	\$347,312	\$0	\$347,312
2	Project Management	\$1,025,130	\$815,546	\$1,840,676
3	Early Value Engineering	\$101,290	\$0	\$101,290
4	Environmental and Permitting	\$301,669	\$231,851	\$533,520
5	Provide Support for P3 Procurement	\$112,137	\$1,689,091	\$1,801,228
6	Support Workforce Development	\$44,861	\$76,382	\$121,243
7	Supplemental Services	\$304,116	\$929,931	\$1,234,047
8	Development of Performance Requirements	\$0	\$1,764,763	\$1,764,763
	Other Direct Expenses	\$75,000	\$258,686	\$333,686
Total Not-to-Exceed Fee		\$2,311,515	\$5,766,250	\$8,077,765

* Not-to-Exceed

** Amendment No. 1 was administrative only.

Financial Advisory Services Agreement with Public Resources Advisory Group (PRAG)

In accordance with Agreement A3611A, the Public Resources Advisory Group (PRAG) has provided financial advisory services to the District since 2012. Since the initiation of the Expedited Purified Water Program (Program) development in 2015, PRAG's sub-consultant, Clean Energy Capital, has provided extensive support to the formulation and discussions of alternative project delivery methods, as well as guidance on private activity concerns raised by the City of San Jose in regards to the expansion of purified water.

With the recent Board direction to pursue a public-private partnership (P3) project delivery method, staff recommends amending this Agreement with PRAG to continue receiving financial advisory services through the first year of the new purification facility's operations by a P3 entity.

Clean Energy Capital (CEC) (PRAG's Sub-Consultant) Work Performed to Date

The financial advisory services provided to date by CEC for the Expedited Purified Water Program include the following tasks, all of which have been completed:

Task 1 - Prepare/Present Board Work Study Session on Project Delivery Methods

Task 2 - Present the Final Report on Preliminary Evaluation of Program Delivery Methods for the Expedited Purified Water Program

Task 3 - Provide Program Updates, P3 Project Finance Framework, and Threshold Legal/Financial Issues

Task 4 - Prepare P3-Track 2016 Request for Qualification (RFQ) and Perform Evaluation of Statements of Qualification (SOQs)

Staff Management of PRAG Agreement

Staff has been monitoring and managing PRAG and its sub-consultant, CEC's performance to meet the goals and terms of the Agreement. The ongoing work effort will continue to be managed by staff in accordance with the Agreement.

Amendment No. 3 to Consultant Agreement A3611A with PRAG

The CEO was authorized by the Board to negotiate and execute the original Agreement with PRAG on September 11, 2012; the CEO executed the Agreement on October 1, 2012 for a not-to-exceed fee of \$925,000. Amendment No. 1 was approved by the Board on January 12, 2016, and increased the not-to-exceed fee by \$1,331,000, for a total not-to-exceed fee of \$2,256,000. Amendment No. 2, executed on March 2, 2016, was administrative and clarified the maximum amount payable to CEC (the increase of \$1,331,000 per Amendment No. 1 plus \$119,000 for CEC work completed prior to Amendment No. 1); there were no changes to the terms or not-to-exceed fee of the Agreement.

Staff recommends approval of Amendment No. 3, which will modify the scope of services of the Agreement to support the Board's direction to proceed with a P3 procurement. This additional work effort will increase the not-to-exceed fee by \$3,410,000, resulting in a total not-to-exceed fee of \$5,666,000. The extension of the term through December 31, 2025 is necessary to ensure the District maintains the financial advisory services from PRAG and CEC to negotiate, execute, and

implement the Board-directed procurement for a public-private partnership to develop, construct and operate the Expedited Purified Water Program.

As detailed in Amendment No. 3 (Attachment 2), the District will pay CEC on a time-and-materials basis at the hourly rates set forth in the Agreement, for services that CEC provides the District. Per Amendment No. 3, the not-to-exceed fees for CEC services are \$2,330,000. The remaining \$1,080,000 of the \$3,410,000 fee increase for Amendment No.3 are allocated for PRAG services. The District makes no guarantee as to the amount of services it will seek from CEC. Any portion of the fee allocated for the CEC services that is not spent on CEC services may be available for other PRAG services under the existing Financial Advisory Services Agreement.

Table 2 presents a summary of the fees for the previous Amendments and the recommended Amendment No. 3.

Table 2. Summary of Original PRAG Agreement Through Amendment No. 3 Fees

Firm	Description	Original Fees	Amendment No. 1 Fees	Amendment No. 2 Fees	Amendment No. 3 Fees	Total Fees
PRAG	Financial Advisory	\$925,000		<\$119,000>	\$1,080,000	\$1,886,000
CEC	Financial Advisory		\$1,331,000	\$119,000	\$2,330,000	\$3,780,000
Total Not-to-Exceed Fee		\$925,000	\$1,331,000	\$0	\$3,410,000	\$5,666,000

Private Activity Analysis for Direct Potable Reuse

A Program option for future consideration is direct potable reuse (DPR) of purified water, which has certain constraints as it relates to the private activity rules associated with using tax-exempt debt to fund public facilities that may benefit private entities (i.e., District's non-public water retailers such as San Jose Water and Cal Water). Although the DPR option is still under evaluation, staff is proactively working with outside bond/tax counsel to implement a strategy to obtain official guidance from the Internal Revenue Service (IRS) on this matter through a Private Letter Ruling (PLR). The PLR will ideally affirm the District's strategy of allocating DPR for public use only, and thereby remain exempt from private activity limitations imposed by the IRS. Should the IRS reject the proposed allocation methodology, DPR may not be a viable option for the District to pursue.

The PLR request is currently being drafted by the District's outside bond/tax counsel. According to the IRS rules pertaining to submission of a PLR, the request must include financing documents related to the project-a Form of an Installment Purchase Agreement (Attachment 3) and a Form of Trust Agreement (Attachment 4). These sample forms must first be approved by both the District's Public Facilities Corporation (PFFC) and the Board of Directors in order to be included in the PLR request. Before any future financing related to the Program can be implemented, staff will submit for approval, to both the PFFC and the Board, final versions of the Installment Purchase Agreement and Trust Agreement as well as other documents as may be required. The PFFC Board approved both

Forms of Agreement at its annual meeting on November 8, 2017, and this agenda item now recommends approval by the Board of Directors.

FINANCIAL IMPACT:

Amendment No. 2 to Agreement A3901G with HDR Engineering Incorporated for Project Management Services will add a not-to-exceed fee of \$5,766,250, resulting in a total not-to-exceed fee of \$8,077,765.

Amendment No. 3 to Agreement A3611A with Public Resources Advisory Group (PRAG) for Financial Advisory Services will add a not-to-exceed fee of \$3,410,000, resulting in a total not-to-exceed fee of \$5,666,000. There are adequate funds in the Expedited Purified Water Program Project's Board-adopted FY 2017-2018 budget to encumber the necessary fees to support these two Amendments and Program work through the remainder of the current fiscal year. Fees for work to be performed in future fiscal years will be recommended for budget approval accordingly. These Amendments will increase the total Program cost estimate of \$639 million in the FY18-22 Capital Improvement Program by \$9.1 million.

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. Once Project development is complete, a CEQA environmental analysis will be provided for the Board to consider as part of its Project approval process.

ATTACHMENTS:

Attachment 1: Amendment No. 2 to Agreement A3901G with HDR, Inc.
Attachment 2: Amendment No. 3 to Agreement A3611A with PRAG
Attachment 3: Form of Installment Purchase Agreement
Attachment 4: Form of Trust Agreement

UNCLASSIFIED MANAGER:

Katherine Oven, 408-630-3126

**AMENDMENT NO. 2 TO AGREEMENT A3901G
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND HDR ENGINEERING INCORPORATED**

This Amendment No. 2 (Amendment), effective as of the date it is fully executed by the Parties, amends the terms and conditions of the Standard Consultant Agreement No. A3901G (Agreement) dated September 22, 2015 as amended by Amendment No.1 dated February 17, 2017, between SANTA CLARA VALLEY WATER DISTRICT (District) and HDR ENGINEERING INCORPORATED (Consultant), collectively, the Parties.

RECITALS

WHEREAS, Consultant is currently performing project management services for the Expedited Purified Water Program (Program); and

WHEREAS, the Agreement currently expires on March 31, 2018; and

WHEREAS, based on recently-completed preliminary engineering studies, the District's staff-recommended Phase 1 Project (Project) for the Program has been identified as an up to 24,000 acre-feet per year (AFY) purification facility adjacent to the existing Silicon Valley Advanced Water Purification Center, and a purified water conveyance pipeline to the Los Gatos Recharge Ponds for indirect potable reuse; and

WHEREAS, the Parties desire to amend the Agreement to revise Consultant's scope of services to add support for implementation of the Program through the Public/Private Partnership project delivery method (P3) procurement phase including assisting the District in negotiating the necessary agreements with the City of San Jose to implement the Program and construct projects such as those pertaining to source wastewater, land rights to locate the new purification facility and pump station; management of reverse osmosis (RO) concentrate; and completion of the CEQA/NEPA and permitting process for the Phase 1 Project (Project); and

WHEREAS, the Parties desire to amend the Agreement to extend its term to provide time for the Consultant to perform additional services; to increase the Agreement total not-to-exceed amount to provide for compensation for Consultant to perform the additional services; and to modify the schedule to allow time for Consultant's performance of the additional services.

NOW, THEREFORE, in consideration of the mutual promises and agreements stated herein and notwithstanding any provision to the contrary stated in the Agreement, Amendment No. 1, District and Consultant hereby agree to amend the Agreement as follows:

1. Revised Appendix One, Scope of Services, is amended as stated in Revised Appendix One, Scope of Services, and incorporated herein by this reference.
2. Attachment One to Revised Appendix One, Consultant's Key Staff and Subconsultants, is amended as stated in Revised Attachment One to Revised Appendix One, Consultant's Key Staff and Subconsultant's, and incorporated herein by this reference.

**AMENDMENT NO. 2 TO AGREEMENT A3901G
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT
AND HDR ENGINEERING INCORPORATED**

3. Attachment Two to Revised Appendix One, Dispute Resolution, is amended as stated in Revised Attachment Two to Revised Appendix One, Dispute Resolution, and incorporated herein by this reference.
4. Attachment Three to Revised Appendix One, Task Order Template, is amended as stated in Revised Attachment Three to Revised Appendix One, Task Order Template, and incorporated herein by this reference.
5. Attachment Four to Revised Appendix One, QEMS Fact Sheet, is amended as stated in Revised Attachment Four to Revised Appendix One, QEMS Fact Sheet, and incorporated herein by this reference.
6. Revised Appendix Two, Fees and Payments, is amended as stated in Revised Appendix Two, Fees and Payments, and incorporated herein by this reference.
7. Revised Appendix Three, Schedule of Completion, is amended as stated in Revised Appendix Three, Schedule of Completion and incorporated herein by this reference.
8. All other terms and conditions of Agreement A3901G, Amendment No.1, not amended as stated herein, remain in full force and effect.

IN WITNESS WHEREOF, THE PARTIES HAVE SET FORTH BELOW THEIR CONSENT TO THE TERMS AND CONDITIONS OF THIS AMENDMENT NO. 2 TO AGREEMENT NO. A3901G THROUGH THE SIGNATURES OF THEIR DULY AUTHORIZED REPRESENTATIVES.

SANTA CLARA VALLEY WATER DISTRICT
"District"

By: _____
Richard P. Santos
Chair/Board of Directors


Date: _____

ATTEST:

Michele King, CMC
Clerk/Board of Directors

Date: _____

HDR ENGINEERING INCORPORATED
"Consultant"

By:  _____
Holly Kennedy, PE
Vice President

Date: 2/28/2018

Firm Address:

100 Pringle Avenue, Suite 400
Walnut Creek, CA 94596

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX ONE SCOPE OF SERVICES

This Revised Appendix describes the tasks to be undertaken by the Consultant to perform Program Management Services for implementation of the Purified Water Program's (Program) Phase 1 Project (Project), defined below, and further development of the Program, as necessary.

I. PROGRAM OVERVIEW (REVISED)

- A. In response to the extended drought, declining groundwater levels and the long-term water resources strategy, the District is implementing its first potable reuse project (Project) as part of the Purified Water Program. This Project will produce highly purified water that will be conveyed to groundwater recharge ponds and/or injection wells.
- B. Major components currently planned for the Program include:
 - 1. Expanding advanced water treatment facilities adjacent to the existing Silicon Valley Advanced Water Purification Center (SVAWPC):
 - 2. Conveyance pipelines and pump stations;
 - 3. Injection wells;
 - 4. Modifications at the Los Gatos Recharge Ponds to incorporate recharge of purified water; and
 - 5. Management of reverse osmosis (RO) concentrate and other residuals from the purification process.
- C. Based on recently-completed preliminary engineering studies, District staff has recommended a Phase 1 Project (Project) for the Program that would construct an up to 24,000 acre-feet per year (AFY) purification facility adjacent to the existing Silicon Valley Advanced Water Purification Center and a purified water conveyance pipeline to the Los Gatos Recharge Ponds for indirect potable reuse.
- D. As of December 12, 2017, the District plans to initiate the procurement of Public-Private Partnership (P3) services for the above-described Program components.
- E. To provide Program Management services for both the P3 procurement process and parallel efforts to attain key Project milestones, the District identified a variety of tasks for a Program Manager to conduct in the Project's procurement phase.
 - 1. Tasks included in this Revised Scope of Services are described in detail in this Article. The task structure established for the original Agreement and Amendment No. 1 has been revised. As shown in the Revised Task Description table, certain tasks have been renamed and new tasks have

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX ONE SCOPE OF SERVICES

been added. Some existing tasks have been modified as well as renamed.

2. As of the effective date of this Amendment No. 2, all prior tasks shall be closed and new tasks and numbering as shown in the Revised Task Description table will be implemented. Unspent funds remaining in prior tasks shall be redistributed among new tasks based on the task breakdown presented in Revised Appendix Two, Fees and Payments.

REVISED TASK DESCRIPTIONS

Original Agreement through Amendment No. 1		Amendment No. 2	
Task	Description	Task	Description
1	Fast Start Activities	1	Fast Start Activities (COMPLETED)
2	Core Program Management Activities	2	Project Management (RENAMED AND REVISED)
3	Early Value Engineering	3	Early Value Engineering (COMPLETED)
4	Environmental and Permitting Planning	4	Environmental and Permitting (RENAMED AND REVISED)
5	Provide Support for Public-Private Partnership (P3) Procurement	5	Provide Support for Public-Private Partnership (P3) Procurement (REVISED)
6	Support Workforce Development	6	Support Workforce Development (REVISED)
7	Supplemental Services	7	Supplemental Services (REVISED)
		8	Development of Performance Requirements (NEW)

- F. Each task is described in detail below. This scope of services is expected to support the District's Program implementation through the Project's P3 procurement phase, and encompasses in parallel, negotiation of all necessary agreements with the City of San Jose for source wastewater; land for the new purification facility and pump station; management of RO concentrate; and completion of the California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA) and permitting process for this first Project.
- G. Pending successful completion of this scope of services, the District may elect to amend this scope of services to continue provision of program management services through the design, construction, and start-up phases of the Project.

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REVISED APPENDIX ONE SCOPE OF SERVICES

II. GENERAL ASSUMPTIONS (REVISED)

A. Consultant Scope Assumptions

1. The Consultant will provide procedures for project management including, but not limited to, those pertaining to Program implementation, P3 procurement, and environmental review and documentation and permitting, all of which are well-developed and only require limited modifications.
2. The Consultant will provide deliverables only in electronic format (native format and pdf), unless an alternative is specifically identified in the scope of work below.

B. District Responsibilities

1. The District will establish a Project Management Office (PMO) with physical space located at the District's facilities to enable improved integration of Consultant and District personnel.
2. The District will keep Consultant fully informed of critical communications and scheduled meetings relevant to the Program.
3. The District will make key staff available for consultation as requested by Consultant.
4. The District will provide project management services for current consulting contracts pertaining to the Program including monitoring progress, approval of invoices, and review of deliverables.
5. The District will provide logistical support for the Consultant including office space, meeting rooms, phone and computer equipment, and administrative support, as needed.
6. The District will provide document reproduction services as needed.

III. PROGRAM IMPLEMENTATION SCOPE OF SERVICES (REVISED)

The description of tasks below and their associated level of effort and cost are based on the current understanding of work. The tasks may be modified, as necessary, to reflect changing Program needs. Therefore, allocations in the Agreement Not-to-Exceed Fee for discrete tasks are estimates only.

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REVISED APPENDIX ONE SCOPE OF SERVICES

Task 1—Fast Start Activities (COMPLETED)

Task 2—Project Management (RENAMED AND REVISED)

The goal of Task 2 is to coordinate and assist in the P3 procurement effort and support the District's effort to achieve other key Program milestones.

2.1—Review and Update the Risk Management Plan (RMP)

- A. On a monthly basis, Consultant will conduct a formal review of the RMP. Most of these reviews will be in person at the District's office supported by a risk analyst from Consultant's firm by phone. On a quarterly basis, the risk analyst will facilitate the risk assessment meeting in-person to discuss issues in more detail. Monthly meetings and follow up assessments will focus on characterizing risks related to programmatic strategic decisions (to be defined).
- B. Risk assessments will be referenced to support decisions regarding procurement strategies and packaging, delivery mechanisms, third party discussions, and Project implementation.
- C. After two risk meetings, finalize procedures, roles and responsibilities, and initial risks from the draft RMP in the Final RMP.
- D. Develop a risk management planning tool (RMP Tool) to track information about risks. The risk management planning tool will include mitigation strategies and contingency planning. It is expected that the Program team will use the risk planning tool to develop and document contingency plans for high priority risks. Consultant will facilitate a risk workshop to be attended by District's staff and consultants to review and finalize preliminary risk allocations and cost estimates. The risk workshop results will also refine the risk allocations to be included in the P3 Agreement.

Deliverables:

- 1. Agenda and pre-meeting materials
- 2. Summary of discussion for each meeting
- 3. Final RMP
- 4. RMP Tool

2.2—Facilitate Integration of Various Program Consultants' Work

Facilitate integration of various Program consultants' deliverables and findings (i.e., RO Concentrate Management and Countywide Master Plan) into the P3 RFP development and addenda. Tasks in the facilitation and integration will include:

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REVISED APPENDIX ONE SCOPE OF SERVICES

1. Update integrated Program schedule and interconnections;
2. Participate in Program workshops;
3. Review of all deliverables and provide feedback to the District's P3 Team (DP3 Team) as to necessary P3 RFP input.
4. Perform independent assessment of cost estimates for any proposed facilities.

Deliverable:

1. Documentation of key issues, comments on deliverables, guidance to Project team regarding P3 RFP requirements and independent cost estimate.

2.3—Support Stakeholder Engagement

Provide support to engage with the Board, City of San Jose staff, water retailers, regulatory agencies, public groups and other stakeholders. Provide information, facilitate deliberation, and develop agreements.

Deliverable:

1. Documentation of all stakeholder contacts and key discussion points on a weekly basis.

2.4—Manage Data

Generate data requests and track data, including date received, contents, and format. Maintain Project files in electronic format according to structure defined by PMP.

Deliverable:

1. Report on activities in key discussion points on a weekly basis.

2.5—Attend District Meetings

Attend meetings and workshops as directed by District staff.

Deliverable:

1. Report on activities in key discussion points on a weekly basis.

2.6—Prepare Monthly Program Progress Reports

Consultant will prepare Monthly Program Progress Reports that document work completed by the District and Consultant. The report will summarize risk status (Top 5—schedule and cost); critical decisions for the next period; issues, concerns, and potential actions;

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REVISED APPENDIX ONE SCOPE OF SERVICES

upcoming meetings, workshops, and events; and changes to the Program baseline schedule.

Deliverable:

1. Monthly Program Progress Reports

2.7—Conduct Status Reporting

- A. The Consultant shall hold monthly progress meetings at the District's Headquarters Office (5700 Almaden Expressway, San Jose, CA 95118) to inform the District of the Consultant's progress in completing the Scope of Services and the Consultant's future efforts in completing the Scope of Services. At least one week prior to the meetings, Consultant shall prepare and distribute the agenda to the District in electronic format. At each progress meeting, Consultant shall prepare and provide a Monthly Program Management Progress Report which focuses on the Consultant's project management work that coincides with the monthly invoice period.
- B. Following each progress meeting, Consultant shall prepare and submit a draft electronic copy of meeting summary notes to the District's Project Manager for review and comment. Consultant shall incorporate review comments and shall submit final meeting notes to the District's Project Manager.
- C. Progress reports shall include all of the following:
 - 1. **Progress Statement.** This shall confirm, in writing, whether or not the Scope of Services are on schedule and whether each task is on track to be completed within the not-to-exceed fee for that task. In addition, the Progress Statement will summarize problems, if any, that may impact Consultant's ability to satisfy the requirements of the Agreement.
 - 2. **Fees Incurred vs. Services Completed.** For each task, Consultant will state the percentage of services performed versus the percentage of Agreement not-to-exceed fees incurred for such task, and will provide an explanation of any significant variances in percentage of services performed compared to percentage of fees incurred.
 - 3. **Scope Update.** Consultant will prepare a narrative that summarizes overall progress in completing the Scope of Services, including accomplishments such as milestones and deliverables completed, the Tasks and Subtasks that were actively performed during the reporting period, anticipated work for the next month, issues encountered or anticipated, the Tasks that have not been started as planned or will be completed later than planned and proposed, explanations for any major variances to complete each Task within the not-to-exceed fee assigned to that task, and a plan for recovering

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REVISED APPENDIX ONE SCOPE OF SERVICES

any reported delay or bringing anticipated cost variances into alignment with the agreed upon not-to-exceed fee.

4. **Fee Update.** The fee update will show the current period and accumulated fees to date on a Subtask and Task basis, the not-to-exceed fee for each Task, the Agreement total not-to-exceed fee, the estimated cost to complete the Scope of Services, and a comparison of the latter two to show any variation. The fee update will identify cost issues and measures to be taken to remedy issues.
5. **Schedule Update.** This will include a four-week look-ahead schedule that will encompass work for the next reporting period and will address any changes to the Schedule of Completion shown in Appendix 3. This update will compare the actual progress to the adopted baseline schedule, include analysis of critical tasks to identify potential delays, include methods to bring or accelerate these critical tasks to bring the overall project in conformance with the Baseline Schedule, and reconcile scope and cost changes that impact schedule. This update will also include explanations for any changes and resulting impacts to the project schedule. This schedule update will also include approved and forecasted milestone dates.
6. **Decision Log.** Consultant will maintain a record of all decisions made during the course of the Agreement. For each decision, the log will include the date(s), key factors discussed, the decision made, and impacts, if any, on scope, schedule, and fees. The Decision Log will be updated by the Consultant prior to the progress meetings and will be used for discussion purposes.
7. Any changes in Consultant's key staff assigned to the Agreement to ensure the timely completion, execution and submission of Form 700 per Revised Appendix One, Scope of Services, Article IV. Additional Terms and Conditions, paragraph G. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION STATEMENT OF ECONOMIC INTEREST FORM 700 ("FORM 700").

Deliverables:

1. Meeting Agenda
2. Monthly Project Management Progress Reports
3. Draft and final meeting summaries

2.8—Develop the Program Management Organizational Structure

Develop a functional organizational chart for Program implementation, perform assessment of District staff, and identify a strategy to fully leverage the experience, talent, and availability of key District staff. Define the organizational structure and identify project

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team staffing requirements. Continue to update/modify the functional organizational chart to support Program implementation needs, including roles and responsibilities based on District resource and staffing requirements, and Consultant resource utilization.

Deliverables:

1. Assessment of available District staff, capabilities and preferred roles
2. Functional organizational chart and positional roles and responsibilities

2.9—Develop the Program Management Plan (PMP)

Through a series of meetings, develop the PMP to integrate and consolidate all Program management policies and procedures, including:

- A. Internal Communication Plan. Establish communication procedures between the Consultant and District staff, and coordinate with District's communication unit to develop communications plans for the Board of Directors (Board) and external stakeholders.
- B. Program Management Procedures. Validate, and modify as necessary, procedures for milestone criteria and review procedures, schedule and cost monitoring and reporting procedures, and Program status reporting. Review program management, change management, QA/QC, performance monitoring and status reporting procedures for applicability to the Program. Identify changes and/or enhancements to existing procedures for adoption by and use in the Program.
- C. Change Management Plan. Validate, and modify as necessary, a plan that establishes change identification, communication, documentation, tracking and resolution procedures, delegated authority levels, and change escalation procedures.
- D. Decision-Making and Issue Resolution. Validate, and modify as necessary, decision-making and issue resolution procedures and guidelines, by defining the structure and procedure for decision making, establishing a decision escalation chart, and establishing escalation procedures. Document all major decisions and track using a decision log process. prepare the level of authority matrix to outline district staff and Consultant authority in decision-making and change approvals. Develop processes that define issue identification, management, tracking, and resolution, along with designated district staff and Consultant resolution authorities.
- E. Stakeholder Outreach and Engagement Procedures. Confirm stakeholders and develop procedures for stakeholder outreach and engagement. Discuss need for stakeholder database.

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- F. Cost Management Procedures. Validate, and modify as necessary, cost estimating and budgeting preparation guidelines, cost tracking and reporting processes, and budget change management procedures.
- G. Resource Management Plan. Develop Program management office staff planning criteria, budgeting, and approval guidelines; resource monitoring procedures; and performance management.
- H. Administrative Procedures. Develop correspondence formatting, tracking and logging procedures; filing system standards; meeting agenda and minutes preparation procedures; and invoice preparation and review procedures.
- I. Document Management. Follow the District's existing document management (DM) system as established in QEMS including filing systems for documents, records archives, and photography.
- J. P3 Procurement Schedule. Develop a detailed schedule that includes critical milestones for the procurement of the P3 entity. This will include tasks that the District may undertake in parallel with the procurement (e.g., supplementary geotechnical work, row acquisition, permitting, etc.).

Deliverables:

- 1. Agenda and pre-meeting materials
- 2. Summary for each meeting
- 3. Draft and final PMP sections corresponding to the subtasks above

Task 3—Early Value Engineering (COMPLETED)

Task 4—Environmental and Permitting (RENAMED AND REVISED)

The goal of Task 4 is to manage the work of the CEQA/Permitting Consultant and to provide strategic assistance for maintaining the Program schedule through CEQA/NEPA and the permitting process.

4.1—Lead CEQA and Permitting Efforts

- A. In coordination with District staff, lead the CEQA/NEPA process and work with the environmental consultant to refine their scope of services to reflect changes that have occurred since the environmental consultant was selected. Assist District staff with negotiating a Scope of Services and interface between the District's Program staff and environmental consultant.
- B. Identify data requirements for the environmental process and coordinate with the Program team to obtain information and communicate information efficiently to the environmental consultant. Provide strategic guidance to the District's

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX ONE SCOPE OF SERVICES

environmental services consultant for the delivery of the CEQA and applicable NEPA documents. Manage the environmental consultant's work through regular reviews, monthly progress meetings and monthly invoice review.

- C. Meet with the DP3 Team and others monthly to discuss progress, changes in Project, schedule and other management issues. Consultant will:
 - 1. Establish specific performance schedule for environmental consultant.
 - 2. Incorporate the performance schedule into the overall Program Schedule.
 - 3. Monitor the environmental consultant's progress for adherence to that schedule.

Deliverables:

- 1. Meeting agenda and action item updates.
- 2. Monthly invoice analysis and recommendations (up to 36).
- 3. Information lists to environmental consultant for developing Project descriptions.
- 4. Input to monthly status reports (subtasks 2.8 Develop the Program Management Organizational Structure and 2.9 Develop the Program Management Plan).

4.2—Prepare CEQA/NEPA Strategy/Schedule

- A. Consultant will prepare the CEQA/NEPA strategy in coordination with the environmental consultant to identify the anticipated level of California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documentation required, including, but not limited to, the following:
 - 1. Initial Study
 - 2. Notice of Preparation
 - 3. Scoping Meeting
 - 4. Administrative Draft Environmental Impact Report
 - 5. Draft Environmental Impact Report for public review
 - 6. Final Environmental Impact Report
- B. Consultant will provide strategic guidance for NEPA process. HDR will coordinate with applicable federal lead agencies, determine applicable level NEPA, work with environmental consultant with the development of level of effort to deliver the NEPA process. Due to uncertainty related to the federal Lead Agency and the type of NEPA process, scope is based upon an assumption that a CEQA-Plus process will be conducted.

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Deliverable:

1. Draft and Final TM documenting the CEQA/NEPA strategy prepared by the environmental consultant.

4.3—Develop a Permitting Plan

Based on the recommended facilities and in consultation with the environmental consultant, the Consultant will develop a permitting plan that will identify the required Federal, State, and local permits required for the Project. For each required permit, the Consultant will identify the agency contact information, permit application requirements, and lead times. Consultant will include the required permits in the Program schedule.

Deliverable:

1. Draft and Final Permitting Plan

4.4—Coordination with DP3 Team

During the preparation of the environmental document, the Consultant will coordinate the CEQA/NEPA process, working with the DP3 Team to provide Project descriptions, technical memoranda, interim draft sections and other materials in a timely manner. Set up biweekly telephone conference calls to address data needs and assumptions on Project descriptions between the DP3 Team and the environmental consultant.

Deliverables:

1. Meeting notes for up to 40 meetings with Action Item tracking.

4.5—Quality Assurance / Quality Control

Review environmental documents for technical adequacy for CEQA. Assimilate comments from the District and coordinate with District staff regarding any potential conflicting comments.

Deliverables:

1. Create and maintain comment status log for all submittals.

4.6—Coordination with Regulatory Agencies

Attend up to 10 meetings with environmental regulatory agencies. Discuss regulatory permits, data requirements, schedules for permitting, and other relevant issues with the goal of streamlining the permitting process.

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Deliverables:

1. Draft meeting agendas for each meeting.
2. Meeting notes for each meeting.

Task 5—Provide Support for Public-Private Partnership (P3) Procurement (REVISED)

The purpose of this task is to provide support for the procurement of the P3 entity. This will include the following sub-tasks:

5.1—Kick-off Meeting with the DP3 Team

Facilitate two half-day meetings with DP3 Team and District's consultants to discuss general items related to anticipated scope and contract terms. The schedule for procurement and roles and responsibilities will also be discussed. Prepare for and conduct additional meetings as needed.

Deliverables:

1. Draft and final agenda.
2. Meeting summary including action items.

5.2—Develop the Quality Assurance/Quality Control Plan

Develop a Program-specific quality assurance/quality control (QA/QC) Plan. The QA/QC Plan will identify QA processes to monitor QC implementation and pre-scheduled and/or random QA audits, and will identify QC activities during the planning, design and construction phases of the Project. Conduct a meeting to review.

Deliverables:

1. Draft QA/QC Plan.
2. Summary of modifications from review meeting.
3. Final QA/QC Plan.

5.3—Request for Proposals (RFP) Development

The Consultant will prepare and review various elements of the RFP. This will include:

- A. Prepare Draft Scope Overview. The Consultant will support the preparation of a high level draft scope of services and supply for the P3 entity. The scope is intended to identify the services and supply to be provided by the P3 entity, and will be based on the developed performance requirements.
- B. Support Development of Term Sheet for P3 Agreement. The Consultant will work with the District's consultants working under separate contract to identify and

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consider terms that may be included in an eventual P3 agreement. The term sheet will identify key risks and the allocation of those risks will be made during the risk workshop. This term sheet will be the basis of the P3 agreement to be drafted at a later time.

- C. Prepare Draft Technical Provisions. The Consultant will prepare technical provisions identifying applicable criteria for contract performance. Criteria may include, but not be limited to: requirements for performance and/or materials, level of service, reliability, construction of improvements to existing systems, environmental compliance for operation and discharges, and owner coordination. The draft technical provisions will be developed on the basis of the draft scope document and developed performance requirements.
- D. Prepare Draft Instructions to Proposers (ITP). The Consultant will support preparation of preliminary Instructions to Proposers which will be part of the draft RFP.
- E. Assemble Components of Draft RFP. The Consultant will collect comments from District, financial/legal consultants and other District consultants and incorporate them into final drafts of scope, term sheet, technical provisions and ITP to place on a District website for industry review.
- F. Assemble Reference Information Documents: Draft technical background documents will be assembled for the draft RFP.
- G. Assist in Preparation of Draft P3 Agreements (e.g., Development Period Agreement, Water Services Agreement) based on Draft Term Sheet: The Consultant will assist in preparing draft P3 agreements based on the final term sheet and accepted comments or issues raised at the pre-submittal conference.
- H. Identify Applicable Standard Provisions: The Consultant will coordinate with District staff to determine which sections of the District's Standard Provisions should apply to the work of the construction contractor and these will be referenced in the technical provisions.
- I. Assemble Draft RFP Package and Distribute to Shortlisted P3 Respondents: The Consultant will assemble the latest scope, draft P3 agreements, technical provisions and ITP, and will place those documents on the District website to allow review by shortlisted P3 respondents.

Deliverables:

- 1. Draft sections of scope overview, technical provisions, ITP, technical references and Standard Provisions.
- 2. Draft RFP package

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5.4—One-on-One Meetings with Shortlisted P3 Respondents

It is assumed there will be three shortlisted teams and that up to 3 one-day meetings will be held with each team. Consultant will attend each meeting to assist in responding to technical questions and to take notes on questions raised and issues discussed.

Deliverable:

1. Draft and final meeting notes.

5.5—Summarize Suggested Changes to Draft RFP Package

Following the one-on-one meetings, the Consultant will evaluate issues raised and alternative suggested wording from the shortlisted teams. The Consultant will recommend changes to the documents based on this analysis in an effort to make the procurement as competitive as possible and still protect the interests of the District.

Deliverable:

1. Draft and Final recommended changes to documents.

5.6—Finalize All RFP Documents and Publish RFP

The Consultant will incorporate comments received from District staff, financial/legal consultants and other District consultants to produce a final set of documents for the RFP.

Deliverable:

1. Final set of RFP documents for publication.

5.7—Respond to Questions from Proposers

It is assumed that there will be an eight-week period in which proposers can ask questions for clarification of the RFP documents. (No questions are allowed in the last two weeks before the proposals are due.) During this eight-week period, Consultant will be available to assist District staff in responding to questions. In addition, initial concept proposals may be required from respondents early in the RFP process. If so, Consultant will perform technical analysis of initial concepts and provide feedback to District.

Deliverables:

1. Draft and final responses to questions.
2. Technical analysis of initial concepts.

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5.8—Prepare Any Addenda Necessary During the Proposal Period

Provide technical services needed to prepare Addenda and correspondence to respond to requests for information (RFIs) and requests for clarification (RFCs).

Deliverable:

1. Draft and final responses to RFIs and RFCs.

5.9—Prepare Evaluation Matrix and Meet with Evaluators

Assist as requested in support of the evaluation and ranking of technical and price proposals. Determine if proposals received are responsive and meet the requirements of the RFP. Prepare evaluation matrix and meet with evaluators. Consultant will conduct technical analysis of alternative proposals.

Deliverables:

1. Draft and final matrix with guidelines for evaluating the technical proposal and the cost proposal.
2. Draft and final agenda for workshop with the District selection panelists to review the processes.

5.10—Negotiate the Final P3 Agreements

The Consultant will assist the District in negotiations with the selected proposer as requested.

5.11—Assist DP3 Team with Financial Closure

As needed, provide technical review and analysis required for facilitating financial closure.

Task 6—Support Workforce Development (REVISED)

Support the District's Workforce Development efforts by providing direct training on Project Management to District staff through day-to-day interactions with the Consultant team, noon-time seminars, workshop debriefs, and Project management tool development and implementation. A special focus of the training will be case studies in P3 procurements and contract administration.

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Deliverable:

1. Agendas for noon-time seminars, workshop debriefs, and meetings on project management tool development and implementation.

Task 7—Supplemental Services (REVISED)

- A. The District may require and Consultant will perform Supplemental Services on an as-needed basis.
- B. Prior to performing any Supplemental Service, the Consultant must obtain written authorization in the form of a Task Order (see Revised Appendix One, Section IV, Additional Terms and Conditions, Subsection E) approved by the District's Water Utility Capital Division Deputy Operating Officer. Written authorization will state the agreed upon scope of services requested, the classifications of staff performing the Supplemental Services, associated not-to-exceed fees, and schedule.
- C. Details of the specific scope, deliverable, schedule, and fees for any Supplemental Services will be developed with the District and submitted in writing prior to approval to begin work.
- D. The Supplemental Services Task Order fees will not be exceeded by the Consultant without the prior written authorization from the District.
- E. The Consultant will perform additional services necessary to fulfill the project objectives stated herein. This may include but not be limited to the following:

7.1—Facilitate Response to Emerging Issues

Convene experts to respond to and/or support discussions regarding regulatory changes, new technical issues, uncovered constraints, critical negotiations, etc.

7.2—Provide On-Call Technical Assistance

Provide for special studies and investigations.

7.3—Oversight of Vendor Pilot Program

Establish performance criteria for the treatment train. Develop piloting program for conducting and administering piloting activities necessary for proper process equipment selection. A detailed piloting protocol will be developed and submitted to the District for approval. The Consultant will provide a data assessment of all piloting efforts and will coordinate with testing vendors, District staff, and respondents to acquire, install, remove, test and facilitate all piloting.

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7.4—Coordinate with Applicable Agencies during the NEPA Process

Data needs, level of analysis and regulatory needs from the agencies will be identified during the consultation. Interim deliverable could be provided to the agencies for verification.

7.5—Geotechnical Report – Plant Site

Oversee a geotechnical exploration of the advanced water purification facility site and development of a geotechnical report that will be given for information purposes to P3 respondents.

7.6—Utility Study – Plant Site

Review existing utility locations at the advanced water purification facility site; identify necessary utilities for new facility; develop a plan for relocating utilities, as needed at the advanced water purification facility site. Compile relevant utility information for P3 proposers and recommend an allowance for utility potholing. Work with P3 respondents to identify areas where more geotechnical information is needed for proposals.

7.7—Geotechnical Report – Conveyance

Utilize information presented in the Conveyance Pipeline Facilities Preliminary Geotechnical Review (RMC/CDM, November 2015) to select areas along the pipeline alignments for field confirmation. The geotechnical constraints to be confirmed are:

1. Groundwater depth which will significantly impact the construction difficulty;
2. Potential for excessive settlement that could impact the pipeline performance over time.

7.8—Utility Study—Conveyance

Previous work to date has not included utility elevation data during the alignment selection. Some areas along the staff-recommended alignment include large gravity utilities with numerous additional utilities above them. These conditions could result in significant additional cost to construct if the utility elevations do not allow for traditional excavation. This task includes a more detailed utility investigation to determine elevation data for gravity utilities in areas of significant utility congestion. The preliminary alignment drawings prepared during the planning effort will be used to identify areas for additional investigation.

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7.9—Additional Services

The Consultant will provide additional quantities of previously identified services as requested by District. Consultant will provide additional services for any quantity of tasks and deliverables beyond those stated in Tasks 1 through 6 and Task 8 as Task 7 Supplemental Services, to include but not be limited to:

7.9.1—Additional meetings;

7.9.2—Additional time allotted for meetings;

7.9.3—Additional status/progress reports;

7.9.4—Additional telephone conference calls;

7.9.5—Additional pages or copies of technical memorandums, plans, reports, drawings and specifications; and

7.9.6—Additional public outreach visual materials.

Task 8—Development of Performance Requirements (NEW)

Obtain and provide information for draft RFP development (Task 5.3 Request for Proposals Development).

Task 8.1—Technical Support Documents for Expansion of Silicon Valley Advanced Water Purification Center (SVAWPC)

8.1.1—Technical Documents

- A. Consultant will provide background technical documents that define the Project and set the performance requirements of the Project. These documents will serve as a basis for Project descriptions in environmental review documents (i.e., CEQA). This task includes any conceptual drawings needed to define the Project. The Consultant will assist with development of technical data for the draft EIR and appendices.
 1. Coordinate with District Operations staff to develop a specification for the process instrumentation and control system, including detailed integration and control descriptions.
 2. Incorporate procedures for coordinating with District staff and Operations regarding tie-ins, shutdowns, testing, integrating electrical and control system during construction, start-up, and demonstration testing.

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3. Develop a standard for the electrical and mechanical reliability and redundancy of systems throughout the SVAWPC.
4. Develop a standard for updating single-line diagrams, record drawings, and design files.
5. Schedule and lead constructability review discussions regarding the unit process design criteria and preliminary drawings.
6. Coordinate with District staff to identify all required construction and operation permits.
7. Research and modify standard construction details and specifications from past District projects for use as minimum reference standards for the balance of plant work.
8. Coordinate with the City of San Jose and District to obtain latest water quality information to get a better understanding of the source water.
9. Provide performance design criteria that establish ranges of acceptable alternatives. Provide the following drawings to be used as a benchmark for comparison (and for a benchmark cost estimate):
 - a. 10% Process Flow Diagram
 - b. 10% Mechanical System Design
 - c. 30% Piping and Instrumentation Design
 - d. 10% Electrical and Process Control System
 - e. 10% Structural and Geotechnical Design

Deliverables:

1. Background technical documents describing the treatment facilities developed as part of the baseline Project and the performance requirements.
2. Technical analysis supporting draft EIR development.
3. Supplementary water quality data.

8.1.2—Reverse Osmosis (RO) Concentrate Management Plan

Provide information on RO concentrate management alternatives to be considered. Establish assumptions that are to serve as the basis of the proposals by P3 entities. Any changes to assumptions will be altered via addenda.

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Deliverables:

1. Description of alternatives for consideration by P3 entities.
2. Performance requirements for RO concentrate management.

8.1.3—Schedule from Financial Close to Start of Operations

- A. Consultant will develop, with input from District staff, a detailed Project baseline schedule that will include all the critical milestones in meeting the P3 schedule requirements. This will serve as a benchmark to evaluate the P3 proposals which will include a schedule requirement for delivery of treated water (which is the contractual basis for assessment of liquidated damages).
- B. The Project schedule is to demonstrate all activities required to deliver the Project in accordance with its objectives, goals, and milestones. It will also show the critical path of the schedule, available float, preceding and successor activities, activities remaining durations, percent complete, and percent progressed.
- C. The Consultant will apply all changes in forecast dates, reflected throughout the schedule. The schedule will be updated on a regular basis, the frequency of which (generally agreed upon based on risk and visibility) will be at least monthly. Once the baseline schedule is developed and accepted by the Program team, periodic Project reviews, updates and monitoring of the schedule can and will be done so that progress can be measured against this accepted baseline schedule.

Deliverables:

1. Baseline schedule.
2. Monthly schedule updates.

8.1.4—Cost Estimate

Verify preliminary engineering cost estimates for treatment facility developed by RMC/Woodard & Curran in the draft Program Plan Report (November 2017).

Deliverables:

1. Updated cost estimates noting factors impacting changes.

Task 8.2—Development of Performance Requirements for Pipeline

8.2.1—Supporting Technical Documents

- A. Provide technical support documents defining the pipeline portion of the Project in terms of District design standards and preferences.

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- B. Establish the performance requirements of the Project. The requirements will be used in the pipeline design to maintain optimal system performance and long-term viability of the conveyance system. The benchmark alignment (preferred alignment selected during the planning effort) will be presented as the primary option, but alternate study alignments will be allowed for inclusion in the Project if the designer can demonstrate cost and performance improvements associated with the alternate routes. It is anticipated that the proposers will be allowed to select alignments outside the study area but will be responsible for all impacts including:
1. Environmental effort required to amend documents for the revised alignment
 2. Demonstration of cost effectiveness for alternate routes over the life cycle of the facilities
 3. Compliance with the Project performance criteria
 4. Adherence to the Project schedule and demonstration of how the schedule impacts due to the alignment revisions will be mitigated
- C. The technical documents will serve as the basis for environmental reviews such as the CEQA environmental process. This task includes any alignment drawings needed to define the Project.
- D. Assist with development of technical data for draft EIR and appendices.

Deliverables:

1. Background technical documents describing the conveyance elements developed as part of the baseline Project and the performance requirements.
2. Technical analysis supporting draft EIR development.

8.2.2—Project Schedule - Pipeline

Provide input for pipeline design, permitting, construction and testing to be used in Task 8.1.3 Schedule for Financial Close to Start of Operations.

Deliverables:

1. Inputs to overall baseline schedule.
2. Monthly inputs for overall schedule updates.

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8.2.3—Cost Estimate

Verify preliminary engineering cost estimates for pipeline developed by RMC/Woodard & Curran in the draft Program Plan Report (November 2017).

Deliverables:

1. Updated cost estimates noting factors impacting changes.

IV. ADDITIONAL TERMS AND CONDITIONS (REVISED)

A. Consultant as Independent Contractor

1. Consultant will perform all services as an independent contractor and not an agent or employee of District.
2. The expertise and experience of Consultant are material considerations for District'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's obligations hereunder, without prior written consent of District, in the form of an Amendment executed by both 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 moneys 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 the District.

B. Consultant's General Responsibilities

1. Standard of Care
 - a. Consultant and its subconsultants must perform services in accordance with those standards of care that are generally recognized as being used by competent persons in Consultant's area of specialty in the State of California.
 - b. Consultant and its subconsultants must perform 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.
2. Unless the requirements for the Scope of Services described in this Agreement are specifically modified in writing, Consultant must provide its services and deliverables as required.

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3. The Consultant shall provide staff designated in Revised Attachment One, Consultant's Key Staff and Subconsultants. Any designated staff changes proposed by Consultant may be approved at the administrative staff level by the District Representative.

C. Confidentiality

1. Due to the nature of the services the Consultant will provide under the Agreement, there may be disclosure to the Consultant of detailed information about the District'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.
2. The Consultant understands and acknowledges that District staff members providing information to the Consultant do so with the understanding that such information will be handled appropriately. In the event the Consultant receives such restricted or confidential information, the Consultant will limit access to the information to only those of the Consultant's employees, its subcontractors, and its subconsultants authorized by the District to have the information.
3. Consultant will notify the District's Project Manager immediately of any request by any third party to have access to the information, and will not disclose the requested information without first receiving express written authorization from the District's Project Manager. The requirements of this section will survive completion, termination, suspension, and expiration of the Agreement.

D. Program Management

1. The Program Manager for the District is Katherine Oven, Deputy Operating Officer.
2. The Program Manager for Consultant is as indicated in Revised Attachment One of this Revised Appendix One.
3. The District's Program Manager or his designee is the only person authorized to accept Consultant's deliverables on behalf of the District.

E. Task Orders

1. Supplemental Services will be assigned to the Consultant through issuance of Task Orders. After Supplemental Services to be performed under this Agreement are identified and communicated to Consultant by

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the District Program Manager, the Consultant will prepare a proposed Task Order. The proposed Task Order must identify the following:

- a. Description of the services, including deliverables;
 - b. The total not-to-exceed amount for Consultant to complete the services, including estimated number of hours per assigned staff to complete the services;
 - c. Proposed staff that will be assigned to complete the services, including resumes if not previously provided to the District Program Manager;
 - d. Estimated cost of each reimbursable expense, including any applicable fees;
 - e. Time schedule for completing the services; and
 - f. Copies of applicable state, federal, and local permits required to complete the services, unless previously provided to the District Program Manager.
2. The Consultant agrees that the not-to-exceed amount 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 authorized representatives of both Parties.
 3. The Consultant must not commence performance of services on a Task Order until it has been approved by authorized representatives of both Parties and notice to proceed has been issued by the District. 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 the District for an individual Task Order will not exceed the amount agreed to in the Task Order.

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F. Conflict of Interest

1. Consultant represents that there exists no actual or potential conflict of interest concerning the services to be performed under this Agreement.
2. Consultant represents that Consultant's performance under the Agreement does not require the breach of any agreement or obligation to keep in confidence the proprietary information of another party.
3. Consultant will not bring to the District or use in the performance of Consultant's duties under the 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 the District, for the possession and use of such materials.
4. 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 will not act as a consultant or expert for any party in support of any potential or active claim or legal action against the District by such party.
5. Consultant and its subconsultants, their parent companies, their subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant or its subconsultants shall not submit a proposal or perform any services under a proposal:
 - (i) for any contract to be awarded for program management or design, CEQA assessment/documentation, design-build bridging document preparation, permitting, design-build, P3, construction management or the construction of any of the following projects or components thereof.
 - a. Ford and Coyote Valley Facilities
 - b. Conveyance Facilities
 - c. Los Gatos Recharge Ponds Facilities
 - d. Mid-Basin Injection Facilities
 - e. Westside injection Facilities
 - f. Lexington Pipeline;

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- (ii) in response to any request for proposal or District solicitation developed or prepared by or with the assistance of Consultant, and its subconsultants, their parent company, their subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant or its subconsultants;
- (iii) for any single or sole source products/services related to the services under this Agreement, or have a financial stake in any single or sole source products/services resulting from this Agreement.

G. Term & Termination

This paragraph G. Term and Termination and the following paragraph H. Consultant's Compensation Upon Termination or Suspension, of Article IV. Additional Terms and Conditions, replaces the second paragraph stated in the Standard Consultant Agreement portion of this Agreement, at Section VI. CHANGES IN THE WORK.

1. Term & Automatic Termination

This Agreement encompasses all services for which Consultant is responsible to provide within the time limits and not-to-exceed amount 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 amount of any Task Order.

2. District's Rights

- a. Suspension: District may, by written notice to Consultant, suspend any or all services pursuant to this Agreement or to any individual Task Order. District may subsequently terminate this Agreement or any Task Order for convenience, or determine to proceed. If a decision to proceed is not made within ninety (90) days 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: District may, by written notice to Consultant, terminate all or part of this Agreement or any Task Order at any time for District'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 section H.,

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Consultant's Compensation Upon Termination of Suspension, referenced below.

- 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 thirty (30) days (or a reasonable extension thereof, if requested, which extension will not be unreasonably withheld) after receipt of written notice from District specifying such failure or violation, District 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 District'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 District are in addition to any other rights and remedies provided by law, this Agreement, or a Task Order.
- H. Consultant's Compensation Upon Termination or Suspension. In the event of termination of this Agreement or any Task Order, or suspension of services by District, Consultant shall receive compensation based on satisfactory performance, accepted by the District Program Manager, as follows:
- 1. For Direct Labor—Consultant shall be entitled to receive compensation for all authorized direct labor performed prior to termination pursuant to the provisions of this Agreement or Task Order and all authorized labor expenses incurred to demobilize from the Program after the date of termination.
 - 2. For Reimbursable Expenses—Consultant shall be entitled to receive compensation for all authorized Reimbursable Expenses incurred prior to termination and all authorized expenses incurred to demobilize from the Program after the date of termination.
 - 3. In no event shall the total compensation paid for any item of service exceed the payment specified in the applicable Task Order for that item of service.

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- I. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION STATEMENT OF ECONOMIC INTEREST FORM 700 ("FORM 700"): Upon District'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 in a manner prescribed by the District, an Assuming Office Statement. The Assuming Office Statement shall be filed:
 - a. Within thirty (30) calendar days of the effective date of this Agreement; and
 - b. Within thirty (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 the District, an amendment to their Form 700 any time 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 an Annual Statement, in a manner prescribed by the District, during the District's annual filing season as determined by the District;
 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 the District, a Leaving Office Statement with the District when one of the following occurs:
 - a. Upon termination of this Agreement; and
 - b. Within thirty (30) calendar days of Consultant employees, officers, agents, subconsultants, and subcontractors vacating a designated filing position (i.e., removed from the Program, promotion, demotion, transfer to non-designated position, end of employment, or as a result of changes in designated filer positions in the District's Conflict of Interest Code).

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5. Consultant understands and agrees that its employees, officers, agents, subconsultants, and subcontractors may be disqualified from providing services to the District pursuant to the California Political Reform Act, Gov. Code Sections 81000 et. seq. and Government Code Section 1090. If any of Consultant's employees, officers, agents, Subconsultants, and subcontractors are disqualified from providing services, on written notice from District's Program Manager, Consultant will have fifteen (15) calendar days to remove that employee(s), officer(s), agent(s), subconsultant's, and subcontractor's person from the Project and provide a replacement acceptable to the District.
6. Further, 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 the District is deemed a material breach and may result in termination of the Agreement for cause.

- J. District Quality and Environmental Management System (QEMS) Fact Sheet
(See Revised Attachment Four to Revised Appendix One)

As an on-site provider of services that has the potential to result in significant environmental impacts, Consultant is required to review the QEMS Fact Sheet, incorporated herein by this reference hereto, with any of the employee(s), sub-contractor(s), and/or subconsultant(s) ("Staff") performing services on behalf of the District, and make Staff aware of the District's Quality and Environmental Policy and their role and responsibility in achieving conformity with the expectations.

- K. Release of Information Prohibited

The Consultant is not permitted to provide any information concerning the Program to the media nor anyone other than authorized District personnel. The Consultant will not release any information pertinent to the Project under design or construction for publication, public disclosure, or in any other manner without first obtaining clearance and a release in writing from the District. Any media inquiry at any time to Consultant relating to any matter concerning services provided or requested to be provided under this Agreement will be referred immediately to the District. Consultant will not communicate with the media regarding any such matter.

- L. Formation of Agreement

Formation of an Agreement between the Parties requires accomplishment of the following:

1. Execution of the Agreement by Consultant.

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX ONE SCOPE OF SERVICES

2. Submission by the Consultant, and acceptance by the District, of evidence of all required insurance coverages and documents.
3. Submission by the Consultant, and acceptance by the District, of evidence of all required Form 700 documents, if applicable.
4. Submission by the Consultant, and acceptance by the District, of evidence of the QEMS Awareness and Training certification (See Revised Attachment Four to Revised Appendix One).
5. Submission by the Consultant, and acceptance by the District, of all required Non-Disclosure Agreements ("NDA") or Personal Non-Disclosure Agreements ("PNDA") documents, if applicable.
6. Submission by the Consultant, and acceptance by the District, of a Health and Safety Plan, if applicable.
7. Any other requirements that are deemed necessary by the District.
8. Execution of the Agreement by the District.

No contract between the Parties is formed until all eight actions items have been accomplished to the satisfaction of the District. The District will not issue a Notice-to-Proceed until all required documents have been submitted and accepted by the District, if applicable.

M. Notices

All notices will be deemed to have been given when made in writing and when delivered or mailed to the representatives of the District and the Consultant at their respective addresses as follows:

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AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX ONE SCOPE OF SERVICES

District:

Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638
Attention: Ms. Katherine Oven, Deputy Operating Officer
Water Utility Capital Division
Telephone: (408) 630-3126
E-mail: KOven@valleywater.org

Consultant:

HDR Engineering, Inc.
100 Pringle Ave, Suite 400
Walnut Creek, CA 94596
Attention: Ms. Holly Kennedy, PE, Senior Vice President
Telephone: (925) 974-2500
E-mail: Holly.Kennedy@hdrinc.com

N. Good Neighbor

The District always strives to be a good neighbor to the community adjacent to its facility. The Consultant will take steps so that disturbance by its actions to neighbors is minimized. The Consultant, its staff, and subconsultants will always communicate and interact with the members of the public in a polite and professional manner.

O. Revised Appendix One—Scope of Services Attachments

The following listed Attachments referred to herein are incorporated in this Revised Appendix One—Scope of Services as though set forth in full:

Revised Attachment One-Consultant's Key Staff and Subconsultants (REVISED)
Revised Attachment Two-Dispute Resolution (REVISED)
Revised Attachment Three-Task Order Template (REVISED)
Revised Attachment Four-QEMS Fact Sheet (REVISED)

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**AMENDMENT NO. 1 TO AGREEMENT A3933A
REVISED ATTACHMENT ONE
TO REVISED APPENDIX ONE
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

1. Consultant's Key Staff assigned to the Project are as follows:

Name	Project Role	Contact Information
Phillippe Daniel	Program Director	phillippe.daniel@hdrinc.com
Dolly Chen	Deputy Program Manager	Dolly.Chen@hdrinc.com
John Buttz	Project Delivery Lead	John.Buttz@hdrinc.com
Jeff Lawrence	Senior Technical Lead – Pipelines	Jeff.Lawrence@hdrinc.com
Ali Hasan	Project Controls	ali.hasan@hdrinc.com
Betty Dehoney	Sr. Environmental Lead	betty.dehoney@hdrinc.com
Leslie Tice	Sr. Environmental Lead	Leslie.Tice@hdrinc.com
Christopher Behr	Risk Management	christopher.behr@hdrinc.com
Rich Stratton	Senior Technical Lead – Treatment	Rich.Stratton@hdrinc.com
Derek Gardels	Project Delivery	Derek.Gardels@hdrinc.com
Renee Anale	Controller	Renee.Anaele@hdrinc.com

2. If necessary and appropriate, Consultant will employ subconsultants it deems appropriate to the complexity and nature of the required Services. All subconsultants must, if their specialty is licensable, be licensed by the State of California to perform their specific Services. Consultant must obtain District's approval of all subconsultants. Upon District's request, Consultant must provide copies of all subconsultant contract agreements. Any delegation or subcontracting of any services by Consultant will not operate to relieve Consultant of its responsibilities under this Agreement.
3. Consultant Key Staff and Subconsultants
- A. Consultant's key staff and subconsultants assigned to perform Services are identified in this Revised Attachment One to Revised Appendix One, Scope of Services.
- B. The Project team organization chart and delegated responsibilities of each team member will be submitted to the District 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 the District's approval of all subconsultants. Upon the District'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.

**AMENDMENT NO. 1 TO AGREEMENT A3933A
REVISED ATTACHMENT ONE
TO REVISED APPENDIX ONE
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

- 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 the District, on written notice from the District, Consultant will have fifteen (15) calendar days to remove that person from the Project and provide a replacement acceptable to the District.
- F. Consultant will not charge the District for the time it takes Consultant's replacement personnel to obtain the District-specific Project knowledge in the possession of the person(s) being replaced.
- G. Consultant's Key Staff

The District 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. The District 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. The District'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 the District for such work; such approval will be confirmed in writing.

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AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED ATTACHMENT TWO TO REVISED APPENDIX ONE DISPUTE RESOLUTION

1. CONSULTANT'S QUESTIONS AND CONCERNS

Questions regarding the terms, conditions and services relating to this Agreement will be decided by the District who will furnish the decisions to Consultant in writing within thirty (30) days after receiving a written request from Consultant.

2. DISPUTE RESOLUTION

A. Alternative Dispute Resolution (ADR)

1. District intends to use 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 District.

3. NEGOTIATIONS BEFORE AND DURING MEDIATION

Negotiations to resolve disputes before and during mediation are initiated for settlement purposes only and are not binding unless otherwise agreed by District and Consultant.

4. VOLUNTARY MEDIATION

A. In the event a dispute or issue is not resolved by the Internal Review process stated in the Standard Consultant Agreement, Section VIII. Resolution of Disputes, District and Consultant agree to attempt to resolve the matter by mediation. The External Review paragraph of Section VIII. is hereby deleted.

B. Said mediation is voluntary, non-binding, and intended to provide an opportunity for the Parties to evaluate each other's cases and arrive at a mutually agreeable solution.

C. These provisions relating to voluntary mediation shall not be construed or interpreted as mandatory arbitration.

5. INITIATION OF MEDIATION

A. Any Party to a dispute or claim may initiate mediation by notifying the other Party or Parties in writing.

6. REQUEST FOR MEDIATION

A. 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.

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED ATTACHMENT TWO TO REVISED APPENDIX ONE DISPUTE RESOLUTION

7. SELECTION OF MEDIATOR

- A. Upon receipt of a written request for mediation, unless otherwise agreed by the Parties, within fourteen (14) Days, the Parties will confer to select an appropriate mediator agreeable to all Parties.
- B. 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.

8. QUALIFICATIONS OF A MEDIATOR

- A. Any mediator selected must have expertise in the area of the dispute and be knowledgeable in the mediation process.
- B. 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.
- C. 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.

9. VACANCIES

- A. If any mediator becomes unwilling or unable to serve, another mediator will be selected unless the parties agree otherwise.

10. REPRESENTATION

- A. Any Party may be represented by person(s) of their choice who must have full authority to negotiate.
- B. The names and addresses of such person(s) must be communicated in writing to both Parties and to the mediator.

11. TIME AND PLACE OF MEDIATION

- A. The mediator will set the time of each mediation session.
- B. The mediation will be held at a convenient location agreeable to the mediator and the Parties, as determined by the mediator.
- C. All reasonable efforts will be made by the Parties and the mediator to schedule the first session within sixty (60) Days after selection of the mediator.

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED ATTACHMENT TWO TO REVISED APPENDIX ONE DISPUTE RESOLUTION

12. IDENTIFICATION OF MATTERS IN DISPUTE

- A. The Parties shall comply with the process as required by the mediator, with regard to providing the mediator with 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.
- B. 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.

13. AUTHORITY OF MEDIATOR

- A. 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.
- B. The mediator is authorized to conduct joint and separate meetings with the Parties and to make oral and written recommendations for settlement.
- C. 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.
- D. 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.

14. PRIVACY

- A. Mediation sessions are private.
- B. The Parties and their representatives may attend mediation sessions.
- C. Other persons may attend only with the permission of the Parties and with the consent of the mediator.

15. CONFIDENTIALITY

Except as provided by California or federal law or regulation:

- A. The mediator will not divulge confidential information disclosed to a mediator by the Parties or by witnesses in the course of the mediation.

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED ATTACHMENT TWO TO REVISED APPENDIX ONE DISPUTE RESOLUTION

- B. All records, reports, or other documents received by a mediator while serving as mediator, are confidential.
- C. 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.
- D. 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:
 - 1. Views expressed or suggestions made by the other Party with respect to a possible settlement of the dispute.
 - 2. Statements made by the other Party in the course of the mediation proceedings.
 - 3. Proposals made or views expressed by the mediator.
 - 4. Whether the other Party had or had not indicated willingness to accept a proposal for settlement made by the mediator.

16. NO STENOGRAPHIC RECORD

- A. There shall be no stenographic record of the mediation.

17. TERMINATION OF MEDIATION

- A. 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.

18. EXCLUSION OF LIABILITY

- A. No mediator shall be a necessary Party in judicial proceedings related to the mediation.

19. INTERPRETATION AND APPLICATION OF THESE MEDIATION PROVISIONS

- A. The mediator will interpret and apply these mediation provisions insofar as they relate to the mediator's duties and responsibilities.

AMENDMENT NO. 2 TO AGREEMENT A3901G
REVISED ATTACHMENT TWO TO REVISED APPENDIX ONE
DISPUTE RESOLUTION

20. EXPENSES

- A. The expenses of witnesses for each Party must be paid by the Party producing the witnesses.
- B. 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.

21. COMPENSATION FOR PARTICIPATION IN MEDIATION

- A. Neither Consultant nor the District is entitled to compensation for time spent in or for negotiations or mediation to resolve questions or disputes between Consultant and District arising out of this Agreement.

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AMENDMENT NO. 2 TO AGREEMENT A3901G

**REVISED ATTACHMENT THREE TO REVISED APPENDIX ONE
TASK ORDER TEMPLATE**

Task Order No. _____

Title: _____

Agreement: Standard Consultant Agreement _____ ("Agreement") Between the Santa Clara Valley Water District ("District") and _____ ("Consultant"), dated _____.

District: _____

Consultant: _____

Dollar Amount of Task Order: Not-to-Exceed \$ _____

1. Upon full execution of this Task Order No. _____, as set forth in the Revised Appendix One, Scope of Services, Article IV. Additional Terms and Conditions, paragraph E. Task Orders, and the issuance of a notice to proceed by the District, 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 the District.
 - 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.
 - d. Project schedule for completing the scope of Services.
3. The Consultant shall be compensated at fixed fees or at the hourly rates established in Revised Appendix Two, Fees and Payments, of the Agreement. The Consultant agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted in the Attachment A.

AMENDMENT NO. 2 TO AGREEMENT A3901G

**REVISED ATTACHMENT THREE TO REVISED APPENDIX ONE
TASK ORDER TEMPLATE**

4. This Task Order will become effective on the date of full execution by authorized representatives of the Parties and remain in effect until the earlier of: completion of the tasks set forth in Attachment A or [expected completion date].
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 the District.
6. The 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.
 - a. The Scope of Services described in this Task Order is considered by the District to be "Public Works" requiring the payment of prevailing wages. See Revised Appendix Two, Fees and Payments, Article IV. Terms and Conditions, paragraph #O. Prevailing Wages.
 - b. In accordance with the prevailing wage laws, the Director of the California Department of Industrial Relations has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes available to the particular craft, classification, or type of workers employed on the Project. These rates are set forth in the latest determination obtained from the Director, which is on file in the District's Office of the Clerk of the Board of Directors and incorporated herein by reference the same as though set forth in full. The rates are also available on the State of California Department of Industrial Relations website at <http://www.dir.ca.gov>.
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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AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED ATTACHMENT FOUR TO REVISED APPENDIX ONE QUALITY AND ENVIRONMENTAL MANAGEMENT SYSTEM FACT SHEET

Fact sheet

Quality and Environmental Management System (QEMS)



What is ISO?

The International Organization for Standardization (ISO) is the world's largest developer of voluntary international standards, which are state of the art specifications for products, services, and good practices, helping make industry more efficient and effective. For the Santa Clara Valley Water District's (district) customers and public, this means greater confidence in consistent, high quality products and services the district provides.

The district has extensive history of ISO commitment, having first been registered to ISO 9001 in 2002 for Quality Management Systems and to ISO 14001 in 2004 for Environmental Management Systems.

Principles of ISO

The district's management system is implemented based on the following ISO principles:

- **Customer Focus:** customer satisfaction.
- **Leadership on purpose and direction:** management creates engagement.
- **Involvement of people at all levels:** everyone is involved.
- **Process approach to resources and activities:** process consistency and stability.
- **Systems approach to management:** plan the work; work the plan.
- **Continual improvement as a permanent objective:** seek regular, constant improvement.
- **Factual approach to decision making:** ensure the facts before making decisions.
- **Mutually beneficial relationships:** if they fail, then the organization fails.

What are the Benefits of ISO?

- Improves efficiency and productivity.
- Reduces variation, waste, inefficiencies, and defects.
- Facilitates continual improvement.
- Improves process consistency and stability.
- Improves employee motivation and participation.
- Improves customer confidence and satisfaction.
- Improves conformity to quality and environmental requirements.

District's Quality and Environmental Policy

The Santa Clara Valley Water District is committed to organizational excellence and environmental stewardship, and as such, maintains an integrated Quality and Environmental Management System (QEMS) conforming to ISO standards. The QEMS supports the organization's continual improvement through the development of a robust employee knowledge base, which ensures continuity of daily operations and facilitates succession planning. Compliance with this policy is the responsibility of each individual working for or on behalf of the District.

Purpose

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

Customers

Meet customer requirements and enhance customer satisfaction.

Environmental Stewardship

Provide environmental stewardship through prevention of pollution and minimizing and managing environmental impacts by setting and regularly reviewing quality and environmental objectives.

Continual Improvement

Ensure the QEMS is regularly monitored and improved in accordance with ISO requirements to ensure that all District products and services offer the highest level of quality while maximizing the District's environmental stewardship efforts.

Compliance

Compliance with Board policies and statutory and regulatory requirements related to the District's quality and environmental processes.

Policy, Objectives, and Targets

Ensure this policy is documented, maintained, and implemented, and, in addition to the District's quality and environmental objectives and targets, reviewed for continuing suitability through periodic Management Reviews.

Awareness and Competence

Ensure, through workforce development, training, communication, and succession planning, that each individual working for and on behalf of the District has the awareness, skills, and knowledge to carry out this policy in a manner that maximizes effectiveness, ensures continuity of daily operations, promotes continual improvement, and contributes to environmental stewardship.

Public

Ensure this policy is available to the public.

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AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED ATTACHMENT FOUR TO REVISED APPENDIX ONE QUALITY AND ENVIRONMENTAL MANAGEMENT SYSTEM FACT SHEET

District's Significant Environmental Aspects

For each type of activity, product, or service, the district has identified its unique environmental aspects and determined the most significant environmental aspects that have or could have a significant environmental impact.

Management recognizes the following two major activities, within the scope of the QEMS, as having or could have a significant impact on the environment:

Bulk Chemical Storage

The district water treatment plants utilize several bulk chemicals in the water treatment process. The chemical of greatest concern, which could create a significant impact, is 19.5% aqueous ammonia. This chemical is regulated under the California Accidental Release Program. This chemical is singled out for greater control because accidental releases have the potential to create offsite consequences that could spread to residential neighborhoods adjacent to the water treatment plants.

Construction of water utility and flood protection capital projects

Construction of water utility infrastructure and flood protection projects can involve significant changes to riparian environments and other landforms. The district recognizes the impact of these changes by integrating projects into watersheds as a whole, ensuring that ecological functions and processes are supported, ensuring that the quality and availability of water are protected for ecological and water supply functions, and that environmental impacts of projects are avoided, minimized, or mitigated.

District's Quality and Environmental Objectives

The district has identified operational objectives throughout the organization. Specifically, in support of ISO, the district analyzes and determines goals for meeting customer product requirements and overall environmental goals consistent with the environmental policy.

The following in-scope quality and environmental objectives act as a general framework for continual improvement in the organization.

Quality Objectives:

- Prepare and respond effectively to flood emergencies countywide to protect life and property.
- Current and future water supply for municipalities, industries, agriculture, and the environment is reliable.
- Reliable high quality drinking water is delivered.
- Maintain effective relationships with the retailer and other stakeholders to ensure high quality, reliable drinking water.
- Provide natural flood protection for residents, businesses, and visitors.
- Protect parcels from flooding by applying an integrated watershed management approach that balances environmental quality and protection from flooding.

Environmental Objectives:


- Prepare for and respond to emergencies that threaten local waterways.
- Reduce greenhouse gas emissions to achieve carbon neutrality by 2020.

Environmental Impacts

Pollution prevention is the cornerstone of ISO's environmental standard. ISO requires that every individual working for or on behalf of the District is responsible for being aware of how their work could impact or potentially impact the environment. ISO specifies that staff, vendors, and contractors are aware of the QEMS policy, the District's significant environmental aspects, and the impacts of their work on the environment. Processes and programs are designed and implemented to help control environmental impacts resulting from District operations and therefore, deviating from these could have unintended adverse impacts on the environment.

Assessing the QEMS for Effectiveness



To ensure that the district is continually improving its QEMS and conforms to the ISO standards, regularly scheduled audits of the system are conducted by an external third-party. This organization, known as a registrar, audits the QEMS and makes findings based on interviews and review of district procedures and records. Any deviations from the ISO standards are captured as non-conformities and require the district to take the necessary corrective and preventive actions to prevent reoccurrence. If the district is found to be in conformance to the ISO standards of which it is registered, the registrar recommends certification.





CONTACT US

For more information, contact us at (408) 265-2600 or by email at ISOMgtRep@valleywater.org. Or use our **Access Valley Water** customer request and information system at valleywater.org to find out the latest information on district projects or to submit questions, complaints or compliments directly to a district staff person.

Follow us on:

 /scvwd  /valleywater  /valleywater



 To get eNews, text **VALLEYWATER** to 22828

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AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX TWO FEES AND PAYMENTS

I. GENERAL

- A. Payment for all services performed by Consultant to the satisfaction of the District as described in Appendix One, Scope of Services and Revised Appendix One of this Agreement will be based on the Total Not-to-Exceed (NTE) Fees stated in this Revised Appendix Two for the completion of the associated tasks. The District will make payments to the Consultant according to the terms provided for in this Appendix. Payments made by the District to the Consultant for services rendered will be considered full compensation for all personnel, materials, supplies, subconsultant(s), and equipment including reimbursable, travel, and per diem expenses incurred by the Consultant to complete the work.

II. TOTAL AUTHORIZED FUNDING

- A. Total payment for services performed, as described Appendix One, Scope of Services and Revised Appendix One, will not exceed a total amount of **\$8,077,765** during the term of this Agreement. Under no conditions will the total compensation to the Consultant exceed this NTE amount without prior written approval in the form of an amendment to this Agreement executed by the District's Board of Directors ("Board"), or Chief Executive Officer, or designee, as authorized by the Board. The Consultant guarantees that it will complete the contracted Scope of Services for the total not-to-exceed (NTE) Amount stated herein.

III. COST BREAKDOWN

- A. The not-to-exceed total compensation of this Agreement consists of the following task fee breakdown. No services will be performed or fees paid by the District to the Consultant for Supplemental Services without prior written authorization by the District as stated in Appendix One, Scope of Services and Revised Appendix One.

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AMENDMENT NO. 2 TO AGREEMENT A3901G**REVISED APPENDIX TWO
FEES AND PAYMENTS****COST BREAKDOWN
ORIGINAL AGREEMENT THROUGH AMENDMENT NO. 1***

Task #	Task Description	Original Not-to-Exceed Fee
1	Fast Start Activities	\$347,312
2	Core Project Management Activities	\$1,025,130
3	Early Value Engineering	\$101,290
4	Environmental and Permitting Planning	\$301,669
5	Provide Support for Public-Private Partnership (P3) Procurement	\$112,137
6	Support Workforce Development	\$44,861
7	Supplemental Services	\$304,116
	Other Direct Expenses	\$75,000
	Total Not-to-Exceed Amount	\$2,311,515

*Note: Amendment No. 1 did not revise the Not-to-Exceed Fees.

**COST BREAKDOWN
ORIGINAL AGREEMENT THROUGH AMENDMENT NO. 2***

Task	Description	Original Total NTE Fees	Amendment No. 2 NTE Fees	Amendment No. 2 Total Fixed NTE Fees
1	Fast Start Activities (COMPLETED)	\$347,312	\$0	\$347,312
2	Project Management (RENAMED AND REVISED)	\$1,025,130	\$815,546	\$1,840,676
3	Early Value Engineering (COMPLETED)	\$101,290	\$0	\$101,290
4	Environmental and Permitting (RENAMED AND REVISED)	\$301,669	\$231,851	\$533,520
5	Provide Support for P3 Procurement (REVISED)	\$112,137	\$1,689,091	\$1,801,228
6	Support Workforce Development (REVISED)	\$44,861	\$76,382	\$121,243
7	Supplemental Services (REVISED)	\$304,116	\$929,931	\$1,234,047

AMENDMENT NO. 2 TO AGREEMENT A3901G**REVISED APPENDIX TWO
FEES AND PAYMENTS**

Task	Description	Original Total NTE Fees	Amendment No. 2 NTE Fees	Amendment No. 2 Total Fixed NTE Fees
8	Development of Performance Requirements (NEW)	\$0	\$1,764,763	\$1,764,763
	Other Direct Expenses	\$75,000	\$258,686	\$333,686
Total Not-to-Exceed Amount		\$2,311,515	\$5,766,250	\$8,077,765

*Note: Amendment No. 1 did not revise the Not-to-Exceed Fees.

IV. TERMS AND CONDITIONS

Payments for work completed, as described in Appendix One and Revised Appendix One—Scope of Services, will be based on the following terms:

- A. District will pay for services provided by the Consultant according to the schedule of rates for professional, technical, and administrative personnel as listed below in the Hourly/Unit Rate Schedule.
- B. The stated hourly rates are effective for the term of this Agreement unless otherwise revised as indicated. After twelve (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 the Consultant and the District, provided Consultant submits written notice to District of Consultant's request to revise the hourly rates ninety (90) calendar days prior to the anniversary date of this Agreement or as otherwise provided in the hourly rate chart. Both Parties will use as a benchmark for negotiations the percent change for the previous twelve (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 3%, whichever is less. A negative index will result in rates remaining the same. Such rate revisions are subject to written approval by the District Deputy Operating Officer.

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AMENDMENT NO. 2 TO AGREEMENT A3901G**REVISED APPENDIX TWO
FEES AND PAYMENTS****HOURLY/UNIT RATE SCHEDULE**

Classification	Original Agreement September 2015	Effective October 1, 2016 through September 30, 2017	Effective October 1, 2017 through March 31, 2018	Effective April 1, 2018 through March 31, 2019
PRIME – HDR				
Company Officer	\$309.00	\$318.27	\$327.82	\$337.65
Project Director	\$308.41	\$317.66	\$327.19	\$337.01
P3 Lead	\$299.00	\$307.97	\$317.21	\$326.73
Senior Technical Lead	\$290.00	\$298.70	\$307.66	\$316.89
Senior Environmental Lead	\$288.17	\$296.82	\$305.72	\$314.89
Program Controls	\$240.00	\$247.20	\$254.62	\$262.26
Technical Lead	\$230.00	\$236.90	\$244.01	\$251.33
Risk Management	\$222.68	\$229.36	\$236.24	\$243.33
Senior Project Engineer	\$195.00	\$200.85	\$206.88	\$213.09
Environmental Lead	\$185.00	\$190.55	\$196.27	\$202.16
Project Engineer	\$165.00	\$169.95	\$175.05	\$180.30
GIS/CAD Lead	\$160.00	\$164.00	\$168.92	\$174.83
Analyst	\$150.00	\$154.50	\$159.14	\$163.91
Associate Engineer	\$135.00	\$139.05	\$143.22	\$147.52
CAD Designer	\$135.00	\$139.05	\$143.22	\$147.52
Controls	\$138.50	\$142.66	\$146.94	\$151.35
Administration	\$90.00	\$92.70	\$95.48	\$98.34

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX TWO FEES AND PAYMENTS

- C. Upon the written approval of the District's Deputy Operating Officer referenced herein, unused fees from a completed or cancelled task may be reallocated to a task that has not yet been completed, provided the Agreement Total Not-to-Exceed Fees is not exceeded.
- D. Transferring fees from a task not yet completed to a different task is not permitted.
- E. Upon the written approval of the District's Deputy Operating Officer referenced herein, the scope of services described in a task may be reduced or eliminated. If the scope of services 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.
- F. Any reduction or elimination of tasks and any inter-task transfers will be clearly noted and described in the subsequent monthly progress report to the District.
- G. 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.
- H. Expenses incurred by the Consultant for subconsultants providing professional services and for subcontractors, including lab services, will be reimbursed at actual cost plus 5.0%. Consultant shall provide invoices for all lab services regardless of cost.
- I. All other direct expenses not included in overhead including, but not limited to, mapping, rendering, printouts, leased equipment, mailing and delivery services, printing services, film and processing, plotting, and supplies, will be billed monthly at cost linked to each Agreement Task, as approved by the District's Program Manager.
- J. Automobile travel mileage expenses will be paid at the current IRS rate. District will not reimburse Consultant and its subconsultants for mileage and travel time to and from District Headquarters and surrounding campus located at 5700 Almaden Expressway, San Jose, California. District will reimburse Consultant and its subconsultants for mileage incurred from District Headquarters or Consultant's and subconsultants' firm addresses, whichever is closer to the destination, to Program/Project site(s) and, if directed or authorized by the District, to meeting locations such as community outreach meetings, partnering meetings, Dispute Review Board meetings, and meetings with regulatory agencies, if directed or authorized by the District.
- K. Consultant's monthly invoices will be prepared in accordance with the terms of this Revised Appendix Two and the Standard Consultant Agreement Section IV, FEES AND PAYMENTS. The invoices will represent work performed and reimbursable costs incurred during the identified billing period; be consistent with Appendix One and Revised Appendix One; and include the following:
 - a. Personnel Category and employee name itemized with all labor charges by Scope of Service Task.

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX TWO FEES AND PAYMENTS

- b. Direct charges by Scope of Service Task.
 - c. Consultant's summary of the amount Consultant has been billed by their subconsultants and subcontractors and further detailed by Scope of Service Task.
 - d. Direct charges must reflect actual fees versus the Agreement not to exceed fees in this Revised Appendix Two.
- L. Before submitting monthly invoices, the Monthly Progress Report and draft invoice (in Adobe PDF format) will be provided by the Consultant for preliminary review by the District Program Manager. Upon preliminary approval by the District, the Consultant will mail the complete signed and dated hardcopy invoice, including all supporting documentation. District'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.
- M. Invoices will include a summary of labor expenditures, direct costs, and billed subconsultant charges. Billing statements, transmitted separately from the Monthly Progress Reports, will be organized such that the billing categories correspond with the Scope of Services tasks.
- N. District's Program Manager will review invoice within five (5) working days of receipt, address any questions with Consultant's Construction Manager, and approve the undisputed amount of the invoice within ten (10) working days of receipt of the invoice. District will pay undisputed invoices within thirty (30) calendar days from date invoice is approved by District's Program Manager.
- O. Prevailing Wages
- 1. A portion of the Services to be performed pursuant to this Agreement may be considered "Public Works" subject to California Labor Code Section §1771, et. seq. and the applicable implementing regulations.
 - 2. Labor Code Section §1720 includes "Inspection and Land Surveying" in its definition of "Public Works." If Consultant's Services includes such work, Consultant and its Subconsultants must comply with all Labor Codes applicable to prevailing wages.
 - 3. The Consultant and its Subconsultants shall not engage in the performance of public work, as defined in California Labor Code Section 1771.1, unless currently registered and qualified to perform public work pursuant to California Labor Code Section 1725.5.
 - 4. 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

AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX TWO FEES AND PAYMENTS

will not be entitled to any adjustment in compensation rates in the event there are adjustments to the General Prevailing Wage Rates.

5. 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.
 6. All records or documents required to be kept to verify statutory compliance with the prevailing wage requirement such as certified payroll records must be made available for audit at no cost to the District, at any time during regular business hours, upon written request by the District.
- P. Consultant's services will be performed by its staff members and subconsultants' staff members at the lowest hourly rates commensurate with the complexity of the required services.
- Q. Consultant's attention is directed to Section IV of the Standard Consultant Agreement regarding FEES AND PAYMENT and the corresponding retention clause.
- R. Small Business Enterprise (SBE) Participation

This Agreement provides for the Consultant to include California Department of General Services certified Small/Micro Businesses in the performance of the services, estimated to be 10% or more of the Total Not to Exceed Amount stated in this Revised Appendix Two and Consultant agrees to use its best efforts to meet this goal.

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AMENDMENT NO. 2 TO AGREEMENT A3901G

REVISED APPENDIX THREE SCHEDULE OF COMPLETION

1. This Agreement commences on the date specified in the introductory paragraph of the Standard Consultant Agreement portion of this Agreement. The term of this Agreement expires **March 31, 2021** unless, prior to its expiration, its term is modified by a written amendment hereto, signed by both Parties.
2. Consultant will commence Tasks listed in Appendix One and Revised Appendix One of this Agreement upon receipt of the Notice-to-Proceed (NTP) issued by the District.
3. Consultant will perform and complete the Services described in Appendix One, Scope of Services and Revised Appendix One, in accordance with the Project Schedule table as shown below. Consultant will coordinate services with the District to provide the timeline of all tasks and subtasks including the site visits, document review, meetings and Deliverables.
4. The approved Program Schedule will be monitored monthly. Changes to the schedule for performance of Tasks and Deliverables are subject to advance written approval by District. Consultant's attention is directed to District's Standard Consultant Agreement, Section VII, DELAYS AND EXTENSIONS.
5. Program Delays—The Consultant will make all reasonable efforts to comply with the Program Schedule as shown here in Revised Appendix Three. In the event the Program Schedule will be delayed, Consultant will notify the District 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 in its discretion grant a reasonable adjustment in the Program Schedule. This language will prevail should any conflict or discrepancy occur between this provision and the Standard Consultant Agreement portion of this Agreement, Section VII, DELAYS AND EXTENSIONS.
6. District's Program Manager and Consultant may agree to modify the schedule specified for Consultant's performance as a written administrative modification to the Agreement and such approval will be confirmed in writing.

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AMENDMENT NO. 2 TO AGREEMENT A3901G

**REVISED APPENDIX THREE
SCHEDULE OF COMPLETION**

PROGRAM SCHEDULE

Task	Description	Duration from NTP (Weeks)
1	Fast Start Activities	COMPLETED
2	Project Management (RENAMED AND REVISED)	Duration of Agreement
3	Early Value Engineering	COMPLETED
4	Environmental and Permitting (RENAMED AND REVISED)	164
5	Provide Support for Public-Private Partnership (P3) Procurement (REVISED)	164
6	Support Workforce Development (REVISED)	164
7	Supplemental Services (REVISED)	Duration of Agreement
8	Development of Performance Requirements (NEW)	164

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**AMENDMENT NO. 3
TO
AGREEMENT FOR FINANCIAL ADVISORY SERVICES A3611A
BETWEEN SANTA CLARA VALLEY WATER DISTRICT
AND
PUBLIC RESOURCES ADVISORY GROUP, INC.**

This Amendment No. 3 ("Amendment No. 3"), effective as of the date it is fully executed by the Parties amends the term and conditions of the Agreement for Financial Advisory Services A3611A dated October 1, 2012, as amended by Amendment No. 1 dated January 14, 2016 ("Amendment No. 1") and Amendment No. 2 dated May 2, 2016 ("Amendment No. 2") (collectively, the "Agreement"), between SANTA CLARA VALLEY WATER DISTRICT ("District") and PUBLIC RESOURCES ADVISORY GROUP, Inc. ("PRAG"), collectively the "Parties."

WHEREAS, Clean Energy Capital Securities, LLC. ("CEC") is a subcontractor of PRAG; and

WHEREAS, on January 12, 2016, the District Board authorized the Chief Executive Officer (CEO) to negotiate and execute Amendment No. 1 to increase the contract amount by \$1,331,000 for a total of \$2,256,000 financial advisory services from PRAG, \$1,331,000 of which may be used to procure CEC's services to support the District's public-private partnership procurement efforts for the Expedited Purified Water Program and other advisory services as directed by the District; and

WHEREAS, on May 2, 2016, the Chief Executive Officer approved Amendment No. 2 to clarify that the maximum dollar amount payable to CEC for current and future services rendered per Board authorization on January 12, 2016 is \$1,450,000, which is comprised of the estimated future work effort cost of \$1,331,000 plus \$119,000 in CEC services rendered prior to Amendment No. 1.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein and notwithstanding anything to the contrary in the Agreement, PRAG and the District hereby agree as follows:

1. In the Agreement, replace each reference to "FINANCIAL ADVISOR" with "PRAG".
2. In the Agreement, delete Section 2, which was previously modified by Amendment No. 1, in its entirety and replace with the following:
 2. The term of this Agreement commences on October 1, 2012, and expires on December 31, 2025, unless said term is modified by a written amendment hereto, signed by both Parties.
3. In the Agreement, add PRAG DISCLOSURE as Section 22 with the following:
 - A. Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-10, on Investor and Municipal Advisory Client Education and Protection, which became effective on October 13, 2017, PRAG shall at least once each calendar year or on any other period of time as required by MSRB which may be amended from time to time, provide the District with certain written information and statements identified in Rule G-10, including the following statements:

- 1) PRAG is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the MSRB; and
 - 2) Within the MSRB website at www.msrb.org, the District may obtain the Municipal Advisory client brochure. The posted brochure describes the protections that may be provided by the MSRB rules along with how to file a complaint with financial regulatory authorities.
4. In the Agreement, delete Section 12 of Exhibit B, which was previously added to the Agreement by Amendment No. 1, in its entirety and replace with the following:

12. PRAG's subcontractor Clean Energy Capital Securities, LLC ("CEC") shall provide the District with services on an as-needed basis to support the District's use of the public-private partnership procurement methodologies available under California law ("P3 Procurement") to develop the District's Expedited Purified Water Program and other advisory services as directed by the District. PRAG shall require CEC to agree, in writing, to terms and conditions of this Agreement. CEC's updated estimated scope of work, time to completion, and cost is attached to Amendment No. 3 as Attachment 1 and will be included as part of this Section 12. The estimated billable amount does not represent a commitment by the District to expend said amount. Instead, the District will pay CEC on a time and material basis at the hourly rates set forth in EXHIBIT C, Hourly Fee Schedule, for services that CEC actually provides the District, subject to a total not to exceed amount of \$2,860,000, which is comprised of work paid to-date of \$530,000 plus an increase of up to \$2,330,000. The District makes no guarantee as to the amount of services it will seek from CEC.

5. In the Agreement, delete Section 18 in its entirety and replace with the following:

18. The District 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, PRAG 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. PRAG'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 American's with Disabilities Act of 1990; the Rehabilitation Act of 1973 (Sections 503 and 504); the Age Discrimination Act of 1975 (42 U.S.C. sec. 6101 et seq.); the California Fair Employment and Housing Act (Government

Code Section 12900 et. seq.); and California Labor Code Sections 1101 and 1102. PRAG must designate a specific position within its organization to be responsible for assuring nondiscrimination and non-harassment as provided in this Agreement. PRAG must investigate all complaints directed to it by District. District will refer complaints in writing and PRAG will advise District in writing when such investigations are concluded. The scope of such investigations must include all appropriate officers, employees, and agents of PRAG, as well as all subcontractors, subconsultants, and material suppliers of PRAG. In cases where such investigation results in a finding of discrimination, harassment, or hostile work environment, PRAG must take prompt, effective disciplinary action against the offender.

6. In the Agreement, Exhibit C, delete Section A in its entirety and replace with the following:

A. The maximum amount payable by the District under this Agreement is \$5,666,000. No more than \$2,860,000 may be expended for CEC services to support the District's public-private partnership procurement efforts for the Expedited Purified Water Program and other advisory services as directed by the District from the \$5,666,000 maximum Agreement amount. Any portion of the amounts allocated for the CEC services that is not spent on CEC services may be available for other services under this Agreement.

7. In the Agreement, add to Section C of Exhibit C the following:

iv) Compensation adjustments starting on October 1, 2021 will be applied to the Hourly Fee Schedule and Flat-Fee Rate Schedule. Commencing on October 1, 2021, and on each successive October 1st thereafter, the amounts in the Hourly Fee Schedule and Flat Fee Rate Schedule, except for the Bidding on Investment and Negotiate Guaranteed Investment Contracts fees, (collectively, the "Adjustable Fees"), shall be adjusted based upon fluctuations in the Consumer Price Index determined by the Bureau of Labor Statistics (the "BLS"), specifically the CPI-All Urban Consumers, All items in the Core Based Statistical Area ("CBSA") of San Francisco-Oakland-Hayward, CA, not seasonally adjusted with a base period: 1982-84=100 (the "CPI"), rounded to the nearest dollar per fee, not to exceed an increase of 3% over the then current fee. Future changes by the BLS to the CBSA impacting the CPI will result in applying the CBSA which is closest to the City of San Jose to the CPI. For sake of clarity, the parties acknowledge that the current CBSA for the CPI is San Francisco-Oakland-Hayward, CA.

Commencing on October 1, 2021, each Adjustable Fee for the period of October 1 of that year through September 30 of the following year will be increased by the product of (1) the quotient of (A) difference between (i) the CPI for October of that year less (ii) the October 2020 CPI divided by (B) the October 2020 CPI and multiplied by (2) each Adjustable Fee, rounded to the nearest whole dollar, with a not to exceed increase of 3% of the fees established as of October 1 of the previous year.

8. All other terms and conditions of Agreement A3611A, Amendment No. 1, and Amendment No. 2 not otherwise amended as stated in this Amendment No. 3 remain in full force and effect.

(SIGNITURES ON FOLLOWING PAGE)


IN WITNESS WHEREOF, the Parties have executed this Amendment No. 3 to Agreement A3611A, as amended and agree to its terms upon the date the last Party signs this Amendment No. 3.

**SANTA CLARA VALLEY WATER
DISTRICT**

Richard Santos
Chair/board of Directors

Date

**PUBLIC RESOURCES ADVISORY
GROUP, Inc**



Edmund Soong
Executive Vice President

 1/30/18

Date

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Attachment 1 to Amendment No. 3

Task	Description	Estimated Cost	Estimated Start Date	Estimated Completion Date
1	Support District through P3 Termsheet Development <ul style="list-style-type: none"> - Prepare / revise / maintain P3 Termsheet - Supporting quantitative / proforma analysis - Coordinate respondent feedback - Review for consistency with IRS tax requirements - Coordinate input from CSJ and other stakeholders - Support MOU with CSJ as needed - Coordinate legal / engineering involvement - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$199,200	Oct-17	Jun-18
2	Valuation Analysis and Advisory - Phase 1 and 2 <ul style="list-style-type: none"> - Review materials provided by the District - Research market comparables - Develop financial model / incorporate comments / revise / finalize - Develop valuation report / incorporate comments / revise / finalize - Incorporate engineering study to be subcontracted by CEC - Board Meeting support (est. \$60,000) - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$304,200	Dec-17	Aug-18
3	Support District through P3 RFQ Update <ul style="list-style-type: none"> - Solicit and Review Qualifications updates - Develop P3 RFQ Update/ Incorporate comments / revise / finalize - Develop P3 distribution list - Develop P3 / DB evaluation criteria - Review of SOQs - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$109,500	Dec-17	Mar-18
4	Valuation Analysis and Advisory - Phase 3 <ul style="list-style-type: none"> - Support presentations, external communications - Support development and execution of negotiation strategy - Prepare and maintain termsheets - Prepare and maintain financial models - Support documentation and contracting - Develop recommendations and reports as needed - Incorporate engineering study to be subcontracted by CEC (est. \$300,000) - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$626,880	Sep-18	Sep-20

Attachment 1 to Amendment No. 3

5	Support District through P3 RFP <ul style="list-style-type: none"> - Develop P3 RFP / Incorporate comments / revise / finalize - Develop termsheet for Development Period Agreement - Coordinate drafting of Development Period Agreement - Coordinate drafting of Water Services Agreement - Coordinate communication with Respondents - Support private activity analysis - Coordinate input from CSJ and other stakeholders - Develop P3 evaluation criteria - Coordinate review process / interviews / initial negotiations - Develop recommendations and reports as needed - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$177,600	Apr-18	Dec-19
6	Support District through Development Period <ul style="list-style-type: none"> - Support negotiations / finalize Development Period Agreement - Support negotiation / finalize Water Services Agreement - Support communications with P3 entity - Support review and negotiation of key P3 entity contracts (EPC Contract, O&M Agreement) - Financial modeling / development of water unit pricing model - Support communication with City - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$241,200	Dec-19	Sep-20
7	Support District through Financing Period <ul style="list-style-type: none"> - Support underwriter selection - Support rating agency process - Support preparation / negotiation of financing documents - Support preparation of offering documents - Support negotiations with Subordinated Bondholder - Financial Modeling / quantitative analysis - Coordinate with other consultants and advisors - Support communication with P3 entity and financing team - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$306,000	Mar-20	Dec-20
8	Support District through Construction Period / Initial Operating Period <ul style="list-style-type: none"> - Prepare post-bond-sale analysis - Develop monthly billing model - Support review and monitoring of construction - Provide review and financial advisory on an as-needed-basis - Board Meeting support - Participate in calls/meetings as reasonably directed by the District - Such other services as are reasonably requested by District 	\$365,420	Dec-20	Dec-25
Total Not-to-Exceed Amount		\$2,330,000		

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INSTALLMENT PURCHASE AGREEMENT

by and between the

SANTA CLARA VALLEY WATER DISTRICT

and the

SANTA CLARA VALLEY WATER DISTRICT
PUBLIC FACILITIES FINANCING CORPORATION

Dated as of [December 1, 2017]

relating to

\$ _____
SANTA CLARA VALLEY WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION
(WATER UTILITY SYSTEM IMPROVEMENT PROJECTS)
SERIES [2018A]

INSTALLMENT PURCHASE AGREEMENT

This INSTALLMENT PURCHASE AGREEMENT, made and entered into as of [December 1, 2017], by and between the SANTA CLARA VALLEY WATER DISTRICT, a flood control and water district organized and existing under the laws of the State of California (the "District"), and the SANTA CLARA VALLEY WATER DISTRICT PUBLIC FACILITIES FINANCING CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation").

W I T N E S S E T H:

WHEREAS, the District owns and operates that certain Water Utility System as described in this Installment Purchase Agreement;

WHEREAS, on February 23, 2016, the Board of Directors of the District adopted Resolution No. 16-10 entitled "A Resolution of the Board of Directors of the Santa Clara Valley Water District Providing for the Allocation of Water Utility System Revenues and Establishing Covenants to Secure the Payment of Obligations Payable from Net Water Utility System Revenues" as amended and supplemented from time-to-time (the "Water Utility Parity System Master Resolution");

WHEREAS, the District proposes to finance certain facilities within the District Water Utility System commonly referred to as an advanced water treatment facility, including treatment facilities, transmission facilities for both groundwater recharge and direct potable reuse and related facilities, as more particularly described in Exhibit A hereto (collectively, the "Project");

WHEREAS, the Corporation has agreed to assist the District to finance the Project;

WHEREAS, the District and the Corporation have duly authorized the execution of this Agreement;

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Installment Purchase Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Installment Purchase Agreement; and

NOW, THEREFORE, IN CONSIDERATION OF THESE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any amendment hereof or supplement hereto and of any report or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the

terms defined herein. Unless the context otherwise requires, all capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Trust Agreement or in the Water Utility Parity System Master Resolution.

Authorized District Representative

The term “Authorized District Representative” means the Chair of the Board of Directors or Chief Financial Officer, Treasury/Debt Officer of the District or such other officer or employee of the District or other person who has been designated as such representative by resolution of the Board of Directors of the District.

Continuing Disclosure Agreement

The term “Continuing Disclosure Agreement” means the Continuing Disclosure Agreement, by and between the District and U.S. Bank National Association, as dissemination agent, relating to the Certificates, as originally executed and as it may from time to time be amended or supplemented in accordance therewith.

Corporation

The term “Corporation” means the Santa Clara Valley Water District Public Facilities Financing Corporation.

Event of Default

The term “Event of Default” means an event described in Section 8.1.

Installment Payment Date

The term “Installment Payment Date” means the Business Day prior to June 1 and December 1 of each year, commencing the Business Day prior to _____, 2018.

Installment Payments

The term “Installment Payments” means the Installment Payments scheduled to be paid by the District under and pursuant hereto.

Installment Purchase Agreement

The term “Installment Purchase Agreement” means this Installment Purchase Agreement, dated as of [December 1, 2017], by and between the District and the Corporation, as originally executed and as it may from time to time be amended or supplemented in accordance herewith.

Law

The term “Law” means the Santa Clara Valley Water District Act, Chapter 1405 of Statutes of 1951 of the State of California, as amended.

Net Proceeds

The term “Net Proceeds” means, when used with respect to any insurance, self-insurance or condemnation award, the proceeds from such award remaining after payment of all expenses (including attorneys fees) incurred in the collection of such proceeds.

Project

The term “Project” means those certain advanced water treatment facilities, including treatment facilities, transmission facilities for both groundwater recharge and direct potable reuse and related facilities, as more particularly described in Exhibit A attached hereto.

Purchase Price

The term “Purchase Price” means the amount to be paid by the District to the Corporation for the purchase of the Project under the terms hereof, as provided in Section 4.1 hereof.

Acquisition and Construction Fund

The term “Acquisition and Construction Fund” means the fund referred to by that name established pursuant to Section 3.4.

Special Counsel

The term “Special Counsel” means a firm of attorneys which are nationally recognized as experts in the area of municipal finance.

Water Utility Parity System Master Resolution

The term “Water Utility Parity System Master Resolution” shall have the meaning ascribed thereto in the second WHEREAS clause in this Installment Purchase Agreement.

Section 1.2. Definitions in the Water Utility Parity System Master Resolution. Except as otherwise herein defined and unless the context otherwise requires, each of the capitalized terms used in this Installment Purchase Agreement shall have the same meaning set forth therefor in the Water Utility Parity System Master Resolution. With respect to any defined term which is given a different meaning under this Installment Purchase Agreement than under the Water Utility Parity System Master Resolution as used herein it shall have the meaning described herein.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations by the District. The District makes the following representations:

(a) The District is a flood control and water district organized and existing under the laws of the State of California.

(b) The District has full legal right, power and authority to enter into this Installment Purchase Agreement and carry out its obligations hereunder, to carry out and consummate all transactions contemplated by this Installment Purchase Agreement, and the District has complied with the provisions of the Law in all matters relating to such transactions.

(c) By proper action, the District has duly authorized the execution, delivery and due performance of this Installment Purchase Agreement.

(d) The execution and delivery of this Installment Purchase Agreement and the consummation of the transactions herein contemplated will not violate any provision of law, any order of any court or other agency of government, or any indenture, material agreement or other instrument to which the District is now a party or by which it or any of its properties or assets is bound, or be in conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement or other instrument, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the District.

(e) The District has determined that it is necessary and proper within the terms of the Law that the District acquire the Project in the manner provided for in this Installment Purchase Agreement, to provide essential water services and facilities to the persons residing within the areas benefited by such improvements.

Section 2.2. Representations and Warranties by the Corporation. The Corporation makes the following representations and warranties:

(a) The Corporation is a nonprofit public benefit corporation validly organized and existing under the laws of the State of California.

(b) The Corporation has full legal right, power and authority to enter into this Installment Purchase Agreement and to carry out and consummate all transactions contemplated by this Installment Purchase Agreement, and the Corporation has complied with the provisions of the law in all matters relating to such transactions.

(c) By proper action, the Corporation has duly authorized the execution, delivery and due performance of this Installment Purchase Agreement.

(d) The execution and delivery of this Installment Purchase Agreement and the consummation of the transactions herein contemplated will not violate any provision of law, any order of any court or other agency of government, or any indenture, material agreement or other instrument to which the Corporation is now a party or by which it or any of its properties or assets is bound, or be in conflict with, result in a breach of or constitute a default (with due notice or the passage of time or both) under any such indenture, agreement or other instrument, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Corporation.

ARTICLE III

ACQUISITION AND/OR CONSTRUCTION, SALE AND CONVEYANCE OF THE PROJECT

Section 3.1 Acquisition and/or Construction, Sale and Conveyance of the Project. (a) The Corporation hereby agrees to acquire and/or construct the Project for and to sell and convey the Project to the District. In order to implement this provision, the Corporation hereby appoints the District as its agent for the purpose of acquisition and construction of the Project and, subject to such construction, the District hereby agrees to enter into such construction contracts and purchase orders as may be necessary, as agent for the Corporation, to provide for the acquisition and construction of the Project. The District hereby further agrees that it will cause the acquisition and construction of the Project to be diligently prosecuted with all practical dispatch and in an expeditious manner.

After the execution and delivery of the Certificates and the deposit of the proceeds of such Certificates with the Trustee, the District shall, as agent of Corporation, use its best efforts to cause the acquisition and construction of the Project to be completed as soon as possible, unforeseeable delays beyond the reasonable control of the District only excepted.

(b) The District may add, delete or substitute other improvements for the facilities listed in Exhibit A hereto, but only if the District first files with the Corporation and Trustee a statement of the District;

(1) identifying the improvements to be substituted and the improvements to be added; and

(2) stating that the estimated costs of construction, acquisition and installation of the added, deleted or substituted improvements are not less than such costs for the previously planned and/or the Corporation has sufficient funds advanced by the District or Certificates proceeds to construct and/or acquire the substituted or added improvements; and

(3) stating that such added, deleted or substituted improvements will not reduce the Installment Payments payable hereunder or adversely affect the payment of principal and interest evidenced by the Certificates.

Notwithstanding the foregoing, it is hereby expressly understood and agreed that the Corporation shall be under no liability of any kind or character whatsoever for the payment of any cost or expenses incurred by the District for the acquisition and construction of the Project and that all such costs and expenses shall be paid by the District.

Section 3.2. Purchase and Sale of the Project. In consideration for the Installment Payments as set forth in Section 4.2, the Corporation agrees to sell, and hereby sells, to the District, and the District agrees to purchase, and hereby purchases, from the Corporation, the Project at the Purchase Price specified in Section 4.1 hereof and otherwise in the manner and in accordance with the provisions of this Agreement.

Section 3.3. Title. All right, title and interest in each component of the Project shall vest in the District immediately upon acquisition thereof. Such vesting shall occur without further action by the Corporation or the District and the Corporation shall, if requested by the District or, if

necessary to assure such automatic vesting, deliver any and all documents required to assume such vesting.

Section 3.4. Acquisition and Construction Fund. There is hereby established with the District the Acquisition and Construction Fund. Amounts on deposit in the Acquisition and Construction Fund may be used and withdrawn by the District for the payment for the payment of Costs of Issuance, for the costs of the acquisition or construction of the Project or to reimburse the District for previous costs expended in the acquisition or construction of the Project.

Within the Acquisition and Construction Fund the District may establish such accounts therein as it shall determine in order to provide for the accounting of any component or group of components constituting a portion of the Project, including the Costs of Issuance Account.

When all Costs of Issuance have been paid and the acquisition and construction of the Project has been completed, the District shall transfer any remaining balance of money in the Acquisition and Construction Fund to the Trustee and request that the Trustee deposit in the Certificate Rebate Fund an amount to the extent necessary to pay Rebutable Arbitrage and any remaining balance shall be deposited by the Trustee in the Payment Fund and applied as provided in the Trust Agreement.

ARTICLE IV

INSTALLMENT PAYMENTS

Section 4.1. Purchase Price.

(a) The Purchase Price to be paid by the District hereunder to the Corporation is the sum of the principal amount of the District's obligations hereunder plus the interest to accrue on the unpaid balance of such principal amount from the effective date hereof over the term hereof, subject to prepayment as provided in Article VII.

(b) The principal amount of the payments to be made by the District hereunder is set forth in Exhibit B hereto.

(c) The interest to accrue on the unpaid balance of such principal amount is as specified in Section 4.2 and Exhibit B hereto, and shall be paid by the District as and constitute interest paid on the principal amount of the District's obligations hereunder.

Section 4.2. Installment Payments.

(a) The District shall, subject to any rights of prepayment provided in Article VII, pay to the Corporation, from available Water Utility System Revenues as provided in Section 3.1 hereof and in Section 2.2(b) of the Water Utility Parity System Master Resolution, the Purchase Price in Installment Payments to such date in the amounts and on the Installment Payment Dates to be determined upon execution and delivery of the Certificates. Upon execution and delivery of the Certificates, the Installment Payments are to be applied to the payment of the principal and interest evidenced and represented by the Certificates and Installment Payments shall be made in amounts that are sufficient, but no more than sufficient, to pay the scheduled payments of principal and interest evidenced and represented by the outstanding Certificates. If and to the extent that, on any Installment Payment Date, there are amounts on deposit in a fund established under the Trust

Agreement for the payment of principal and interest represented by the Certificates, which amounts are not being held for the payment of specific Certificates, said amounts shall be credited against the Installment Payment due on such date. If all or a portion of the Certificates are no longer outstanding as a result of prepayment, early retirement through purchase by the District or the Corporation or defeasance of such Certificates, the schedule of Installment Payments to be determined upon execution and delivery of the Certificates shall be deemed to have been modified so that the Installment Payments are sufficient, but no more than sufficient, to pay the scheduled payments of principal and interest evidenced and represented by the outstanding Certificates. Upon any such prepayment, purchase or defeasance, the District shall recalculate Installment Payments and shall provide the Trustee with a modified schedule of Installment Payments.

(b) Each Installment Payment to be paid upon execution and delivery of the Certificates shall be paid to the Trustee, as assignee of the Corporation, on or before the Business Day prior to the applicable Installment Payment Date, in lawful money of the United States of America, in funds which will be immediately available following payment. In lieu of depositing with such Trustee all cash to meet its Installment Payment due and payable on the next succeeding Installment Payment Date, the District may deposit with the Trustee, securities or investments, which will mature on or before the next succeeding Interest Payment Date in an amount which, together with the cash then available to pay the principal and interest represented by the Certificates, will be sufficient to pay the interest and principal due on said Interest Payment Date. In the event the District fails to make any of the payments required to be made by it under this section, such payment shall continue as an obligation of the District until such amount shall have been fully paid and, to the extent permitted by law, the District agrees to pay the same with interest accruing thereon at the rate of ten percent (10%) per annum.

(c) Upon execution and delivery of the Certificates, the obligation of the District to make the Installment Payments will become absolute and unconditional, and until such time as the Purchase Price shall have been paid in full (or provision for the payment thereof shall have been made pursuant to Article IX), the District shall not discontinue or suspend any Installment Payments required to be made by it under this section when due, whether or not the Project or any component thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Installment Payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

ARTICLE V

WATER UTILITY SYSTEM REVENUES

Section 5.1. Pledge. The Installment Purchase Agreement is intended to be a “Contract” under the Water Utility Parity System Master Resolution and shall be secured by the pledge and the liens created in the Water Utility Parity System Master Resolution.

Section 5.2. Allocation. In order to carry out and effectuate the pledge contained in the Water Utility Parity System Master Resolution, upon execution and delivery of the Certificates, the District shall pay, in accordance with Section 2.2 of the Water Utility Parity System Master Resolution, from the Net Water Utility System Revenues to the Trustee, as assignee of the Corporation, the Installment Payments as and when due hereunder.

ARTICLE VI

COVENANTS OF THE DISTRICT

Section 6.1. Compliance with Installment Purchase Agreement and Water Utility Parity System Master Resolution. The District will punctually pay the Installment Payments in strict conformity with the terms hereof, and will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by it, and will not terminate the Installment Purchase Agreement for any cause including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of California or any political subdivision of either or any failure of the Corporation to observe or perform any agreement, condition, covenant or term contained herein required to be observed and performed by it, whether express or implied, or any duty, liability or obligation arising out of or connected herewith or the insolvency, or deemed insolvency, or bankruptcy or liquidation of the Corporation or any force majeure, including acts of God, tempest, storm, earthquake, war, rebellion, riot, civil disorder, acts of public enemies, blockade or embargo, strikes, industrial disputes, lock outs, lack of transportation facilities, fire, explosion, or acts or regulations of governmental authorities.

The District will faithfully observe and perform all the agreements, conditions, covenants and terms contained in the Water Utility Parity System Master Resolution and in this Installment Purchase Agreement required to be observed and performed by it, and it is expressly understood and agreed by and between the parties to this Installment Purchase Agreement that, subject to Section 10.7 hereof, each of the agreements, conditions, covenants and terms contained the Water Utility Parity System Master Resolution and this Installment Purchase Agreement is an essential and material term of the purchase of and payment for the Project by the District pursuant to, and in accordance with, and as authorized under, the Law.

Section 6.2. Tax Covenants. The District covenants and agrees to contest by court action or otherwise any assertion by the United States of America or any department or agency thereof that the interest evidenced and represented by the Certificates is includable in gross income of the recipient under federal income tax laws. Notwithstanding any other provision of this Trust Agreement, absent an opinion of Special Counsel that the exclusion from gross income of interest evidenced and represented by the Certificates will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The District will take no action or refrain from taking any action or make any use of the proceeds of the Certificates or of any other moneys or property which would cause the Certificates to be “private activity bonds” within the meaning of Section 141 of the Code;

(b) Arbitrage. The District will make no use of the proceeds of the Certificates or of any other amounts or property, regardless of the source, or take any action or refrain from taking any action which will cause the Certificates to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(c) Federal Guaranty. The District will make no use of the proceeds of the Certificates or take or omit to take any action that would cause the Certificates to be “federally guaranteed” within the meaning of Section 149(b) of the Code;

(d) Information Reporting. The District will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code;

(e) Hedge Bonds. The District will make no use of the proceeds of the Certificates or any other amounts or property, regardless of the source, or take any action or refrain from taking any action that would cause either the Certificates to be considered “hedge bonds” within the meaning of Section 149(g) of the Code unless the District takes all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest evidenced and represented by the Certificates for federal income tax purposes; and

(f) Miscellaneous. The District will take no action or refrain from taking any action inconsistent with its expectations stated in that certain Tax Certificate executed by the District in connection with the execution and delivery of the Certificates and will comply with the covenants and requirements stated therein and incorporated by reference herein.

Section 6.3. Against Encumbrances. The District will pay or cause to be paid when due all sums of money that may become due or purporting to be due for any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the District, in, upon, about or relating to the Project and will keep the Project free of any and all liens against any portion of the Project or the Corporation interest therein. In the event any such lien attaches to or is filed against any portion of the Project or the Corporation interest therein, the District will cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the District desires to contest any such lien it may do so. If any such lien shall be reduced to final judgment and such judgment or any process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and such stay thereafter expires, the District will forthwith pay or cause to be paid and discharged such judgment. The District will, to the maximum extent permitted by law, indemnify and hold the Corporation harmless from, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorneys’ fees) as a result of any such lien or claim of lien against any portion of the Project or the Corporation interest therein.

Section 6.4. Payment of Claims. The District will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien on the Water Utility System Revenues or any part thereof or on any funds in the hands of the District which might impair the security of the Installment Payments, but the District shall not be required to pay such claims if the validity thereof shall be contested in good faith.

Section 6.5. Compliance with Contracts. The District will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be performed by it contained in all contracts for the use of the Project and all other contracts affecting or involving the Project to the extent that the District is a party thereto.

Section 6.6. Protection of Security and Rights of the Corporation. The District will preserve and protect the security hereof and the rights of the Corporation to the Installment Payments hereunder and will warrant and defend such rights against all claims and demands of all persons.

Section 6.7. Additional Protection for Officers of the Corporation. The District will, to the maximum extent permitted by law, indemnify and hold the Corporation and each of its directors and officers harmless from, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorneys' fees) as a result of entering into this Installment Purchase Agreement.

Section 6.8. Further Assurances. The District will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Corporation of the rights and benefits provided to it herein.

Section 6.9. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Agreement, failure of the District to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificate (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificate for federal income tax purposes.

ARTICLE VII

PREPAYMENT OF INSTALLMENT PAYMENTS

Section 7.1. Prepayment.

(a) The District may prepay from the Net Proceeds, on any date, all or any part of the principal amount of the unpaid Installment Payments at a prepayment price equal to the sum of the principal amount prepaid plus accrued interest with respect thereto to the date of prepayment without premium.

(b) The District may prepay the Installment Payments with respect to the Certificates in the order as directed in a written request of the District to the Trustee, as a whole or in part, on any date on or after December 1, 20__ from any available funds. The principal amount of such unpaid Installment Payments is payable at a prepayment price equal to the principal amount of such Installment Payments to be prepaid plus accrued interest with respect thereto to the date of prepayment without premium.

(c) The District may prepay the Installment Payments with respect to the Certificates in the order as directed in a written request of the District to the Trustee, as a whole or in part, on any date on or after December 1, 20__ from any available funds. The principal amount of such unpaid Installment Payments is payable at a prepayment price equal to the principal amount of

such Installment Payments to be prepaid plus accrued interest with respect thereto to the date of prepayment without premium.

Notwithstanding any such prepayment, the District shall not be relieved of its obligations hereunder, including its obligations under Article IV, until the Purchase Price shall have been fully paid (or provision for payment thereof shall have been provided to the written satisfaction of the Corporation).

Section 7.2. Method of Prepayment. Before making any prepayment pursuant to Section 7.1(a), the District may, within five (5) days following the event permitting the exercise of such right to prepay or creating such obligation to prepay, give written notice to the Corporation and the Trustee describing such event and specifying the date on which the prepayment of the Certificates will be paid, which date shall be not less than forty-five (45) days nor more than sixty (60) days from the date such notice is given, unless such prepayment must occur on an Interest Payment Date, in which case such date shall be the next Interest Payment Date with respect to which notice of prepayment may be timely given pursuant to the Trust Agreement.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF THE CORPORATION

Section 8.1. Events of Default. If one or more of the following Events of Default shall happen, that is to say --

(1) if default shall be made by the District in the due and punctual payment of any Installment Payment when and as the same shall become due and payable;

(2) if default shall be made by the District in the performance of any of the agreements or covenants required herein to be performed by it, and such default shall have continued for a period of thirty (30) days after the District shall have been given notice in writing of such default or, if such default is not reasonably susceptible to cure within thirty (30) days after notice thereof, such default shall have continued for a period of sixty (60) days; or

(3) if the District shall file a petition or answer seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if a court of competent jurisdiction shall approve a petition filed with or without the consent of the District seeking arrangement or reorganization under the federal bankruptcy laws or any other applicable law of the United States of America or any state therein, or if under the provisions of any other law for the relief or aid of debtors any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property; or

(4) declaration of an “event of default” under any Contract or Bond as provided by the terms of such Contract or Bond.

Section 8.2. Remedies of the Corporation.

The Corporation shall have the right --

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any member of the District's Board of Directors, officer or employee thereof, and to compel the District or any such member of the District's Board of Directors, officer or employee to perform and carry out its or his duties under the Law and the agreements and covenants required to be performed by it or him contained herein;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Corporation; or

(c) by suit in equity upon the happening of an Event of Default to require the District and any member of the District's Board of Directors, officers and employees to account as the trustee of an express trust.

Section 8.3. Non-Waiver. Nothing in this article or in any other provision hereof shall affect or impair the obligation of the District, which is absolute and unconditional, to pay the Installment Payments to the Corporation at the respective due dates from the Water Utility System Revenues and the other amounts herein committed for such payment, or shall affect or impair the right of the Corporation, which is also absolute and unconditional, to institute suit to enforce such payment by virtue of the contract embodied herein.

A waiver of any default or breach of duty or contract by the Corporation shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Corporation to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Corporation by the Law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Corporation.

If any action, proceeding or suit to enforce any right or exercise any remedy is abandoned or determined adversely to the Corporation, the District and the Corporation shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 8.4. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by law.

ARTICLE IX

DISCHARGE OF OBLIGATIONS

Section 9.1. Discharge of Obligations.

(a) all or any portion of the Installment Payments shall have become due and payable in accordance herewith or a written notice of the District to prepay all or any portion of the Installment Payments shall have been filed with the Trustee; and

(b) there shall have been deposited with the Trustee at or prior to the Installment Payment Dates or date (or dates) specified for prepayment, in trust for the benefit of the Corporation or its assigns and irrevocably appropriated and set aside to the payment of all or any portion of the Installment Payments, sufficient moneys and Defeasance Securities, the principal of and interest on which when due will provide money sufficient to pay all principal, prepayment premium, if any, and interest of such Installment Payments to their respective Installment Payment Dates or prepayment date or dates as the case may be; and

(c) provision shall have been made for paying all fees and expenses of the Trustee;

then and in that event, the right, title and interest of the Corporation herein and the obligations of the District hereunder shall, with respect to all or such portion of the Installment Payments as have been so provided for, thereupon cease, terminate, become void and be completely discharged and satisfied (except for the right of the Corporation and the obligation of the District to have such moneys and such Defeasance Securities applied to the payment of such Installment Payments).

In such event, upon request of the District, the Trustee shall cause an accounting for such period or periods as may be requested by the District to be prepared and filed with the District and shall execute and deliver to the District all such instruments as may be necessary or desirable to evidence such total or partial discharge and satisfaction, as the case may be, and, in the event of a total discharge and satisfaction, the Trustee shall pay over to the District, after payment of all amounts due the Trustee pursuant to the Trust Agreement, as an overpayment of Installment Payments, all such moneys or such Defeasance Securities held by it pursuant hereto other than such moneys and such Defeasance Securities, as are required for the payment or prepayment of the Installment Payments, which moneys and Defeasance Securities shall continue to be held by the Trustee in trust for the payment of the Installment Payments and shall be applied by the Trustee to the payment of the Installment Payments of the District.

ARTICLE X

MISCELLANEOUS

Section 10.1. Liability of District Limited to Water Utility System Revenues. Notwithstanding anything contained herein, the District shall not be required to advance any moneys derived from any source of income other than as provided in the Water Utility Parity System Master Resolution for the payment of the Installment Payments or for the performance of any agreements or covenants required to be performed by it contained herein. The District may, however, but in no event shall be obligated to, advance moneys for any such purpose so long as such moneys are derived from a source legally available for such purpose and may be legally used by the District for such purpose.

The obligation of the District to make the Installment Payments is payable as provided in the Water Utility Parity System Master Resolution, and does not constitute a debt of the District or of the

State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Section 10.2. Benefits of Installment Purchase Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the District, the Corporation or the assigns of the Corporation any right, remedy or claim under or pursuant hereto, and any agreement or covenant required herein to be performed by or on behalf of the District or the Corporation shall be for the sole and exclusive benefit of the other party.

Section 10.3. Amendments.

(a) This Agreement may be amended in writing as may be mutually agreed by the District and the Corporation, and upon execution and delivery of the Certificates, by the Owners of a majority in aggregate principal amount of Certificates outstanding; provided that upon execution and delivery of the Certificates, no such amendment shall (a) extend the payment date of any Installment Payment, or reduce the amount of any Installment Payment without the prior written consent of the Owner of each Certificate so affected, (b) reduce the percentage of Certificates the consent of the Owners of which is required for the execution of any amendment of this Installment Purchase Agreement or (c) reduce the percentage of the consent of the owners or holders of outstanding Bonds and Contracts of which is required to provide consent to any amendment or modification of the Water Utility Parity System Master Resolution as set forth in Section 10.3(b) below.

This Installment Purchase Agreement and the rights and obligations of the District and the Corporation hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution by the District and the Corporation, without the written consent of any Owners, but only to the extent permitted by law and only upon receipt of an unqualified opinion of Special Counsel selected by the District and approved by the Corporation to the effect that such amendment or supplement is permitted by the provisions of this Installment Purchase Agreement and is not inconsistent with this Installment Purchase Agreement and does not adversely affect the exclusion of interest on the Certificates received by the Owners from gross income for federal income tax purposes, and only for any one or more of the following purposes --

(1) to add to the covenants and agreements of the Corporation or the District contained in this Installment Purchase Agreement other covenants and agreements thereafter to be observed or to surrender any right or power herein reserved to or conferred upon the Corporation or the District, and which shall not materially adversely affect the interests of the Owners of the Certificates;

(2) to cure, correct or supplement any ambiguous or defective provision contained in this Installment Purchase Agreement or in regard to questions arising under this Installment Purchase Agreement, as the Corporation or the District may deem necessary or desirable and which shall not materially adversely affect the interests of the Owners of the Certificates; or

(3) to make such other amendments or modifications which shall not materially adversely affect the interests of the Owners of the Certificates.

The District shall promptly deliver, by first class mail, a copy of any amendment to this agreement to S&P.

(b) The Water Utility Parity System Master Resolution may be amended or modified by the District at any time by a supplemental resolution thereto, including but not limited to, modifications, amendments or supplements (i) to add to the agreements and covenants of the District other agreements and covenants to be observed, or to surrender any right or power therein reserved to the District, or (ii) to cure, correct or supplement any ambiguous or defective provision contained therein, or (iii) to resolve questions arising thereunder as the District may deem necessary or desirable, and which do not materially adversely affect the interests of the owners of outstanding Bonds and Contracts. Such amendments or modifications shall become binding with the written consent of the owners or holders of a majority of the aggregate principal amount of all outstanding Bonds and Contracts, without respect to whether a majority of the owners or holders of the aggregate principal amount of any individual series of Bonds or any individual Contract has so approved such amendment or modification. Written consent of such amendment or modification shall be filed by the District with the applicable Trustee for such outstanding Bonds or Contracts. The District shall give notice of any such amendment or supplement to each Rating Agency then rating the Certificates.

Section 10.4. Successor Is Deemed Included in all References to Predecessor. Whenever either the District or the Corporation is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the District or the Corporation, and all agreements and covenants required hereby to be performed by or on behalf of the District or the Corporation shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 10.5. Waiver of Personal Liability. No official, officer or employee of the District shall be individually or personally liable for the payment of the Installment Payments, but nothing contained herein shall relieve any official, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

Section 10.6. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith" and other words of similar import refer to the Installment Purchase Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

Section 10.7. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District or the Corporation shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof.

Section 10.8. Assignment. This Installment Purchase Agreement and any rights hereunder may be assigned by the Corporation, as a whole or in part, without the necessity of obtaining the prior consent of the District. The assignment of this Installment Purchase Agreement to the Trustee shall be done solely in its capacity as Trustee under the Trust Agreement.

Section 10.9. Net Contract. The Installment Purchase Agreement shall be deemed and construed to be a net contract, and the District shall pay absolutely net during the term hereof the Installment Payments and all other payments required hereunder, free of any deductions and without abatement, diminution or setoff whatsoever.

Section 10.10. California Law. This Installment Purchase Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 10.11. Notices. All written notices to be given hereunder shall be given by first class mail, postage prepaid, courier or hand delivery to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

If to the
District: Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, California 95118
Attention: Treasury/Debt Officer

If to the
Corporation: Santa Clara Valley Water District
Public Facilities Financing Corporation
c/o Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, California 95118
Attention: District Counsel

Section 10.12. Effective Date. This Installment Purchase Agreement shall become effective upon its execution and delivery, and shall terminate when the Purchase Price shall have been fully paid or when there are no longer any Certificates Outstanding.

Section 10.13. Execution in Counterparts. This Installment Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and attested this Agreement by their officers thereunto duly authorized as of the day and year first written above.

SANTA CLARA VALLEY WATER DISTRICT

By: _____
Authorized Officer

(SEAL)

Attest:

Clerk of the Board of Directors

**SANTA CLARA VALLEY WATER DISTRICT
PUBLIC FACILITIES FINANCING
CORPORATION**

By: _____
President

(SEAL)

Attest:

Secretary

EXHIBIT A

DESCRIPTION OF THE PROJECT

The Project includes, but is not limited to, the following District facilities and projects related to the Advanced Purified Water Program, including treatment facilities, transmission facilities for both groundwater recharge and direct potable reuse and related facilities:

Project

SVAWP Expansion. Expansion of the Silicon Valley Advanced Purification Center to a capacity of approximately 16 to 32 million gallons per day. \$_____

Ford Recharge Ponds Project. Construction of a 4,200 acre-feet/year groundwater recharge project and satellite advanced water purification facility. \$_____

Mid-Basin Injection Wells Project. Construction of injection wells to be used in connection with the Los Gatos Recharge Ponds Project, the Westside Injection Wells Project and/or the Central Pipeline Project. \$_____

Los Gatos Recharge Ponds Project. Construction of injection wells and conveyance pipelines to direct purified water to the McGlincey, Budd Avenue, Sunnyoaks, Camden, Oka and Page recharge ponds. \$_____

Westside Injection Wells Project/Central Pipeline Project. Construction of pipeline and related facilities to expand the indirect potable reuse program to the District's Westside injection wells and connect directly to the District's Central Pipeline. \$_____

Sunnyvale IPR Project. Construction of additional pipeline and related facilities to connect to Sunnyvale's Water Pollution Control Plant in order to deliver purified water for groundwater recharge. \$_____

Estimated Total Cost \$_____

EXHIBIT B

PURCHASE PRICE

1. The principal amount of payments to be made by the District hereunder is \$_____.
2. The installment payments of principal and interest with respect to the Certificates are payable in the amounts and on the Installment Payment Dates as follows:

<u>Installment Payment Date</u> <u>(One Business Day Prior To)</u>	<u>Installment Payments</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
		\$	\$

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TRUST AGREEMENT

by and among the

SANTA CLARA VALLEY WATER DISTRICT

and the

SANTA CLARA VALLEY WATER DISTRICT
PUBLIC FACILITIES FINANCING CORPORATION

and

U.S. BANK NATIONAL ASSOCIATION,
as trustee

Dated as of [December 1, 2017]

RELATING TO

\$_____

SANTA CLARA VALLEY WATER DISTRICT
REVENUE CERTIFICATES OF PARTICIPATION
(WATER UTILITY SYSTEM IMPROVEMENT PROJECTS)
SERIES [2018A]

TRUST AGREEMENT

THIS TRUST AGREEMENT, dated as of [December 1, 2017], by and among the SANTA CLARA VALLEY WATER DISTRICT, a flood control and water district duly organized and existing under and by virtue of the laws of the State of California (the “District”), the SANTA CLARA VALLEY WATER DISTRICT PUBLIC FACILITIES FINANCING CORPORATION, a nonprofit public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the “Corporation”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association existing under and by virtue of the laws of the United States, as trustee (the “Trustee”);

WITNESSETH:

In consideration of the mutual covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this section shall for all purposes hereof and of any amendment hereof or supplement hereto and of the Certificates and of any certificate, opinion, request or other document herein or therein mentioned have the meanings herein specified, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein. Capitalized undefined terms used herein shall, unless the context otherwise requires, have the meanings ascribed thereto in the Water Utility Parity System Master Resolution or the Installment Purchase Agreement.

Authorized Denominations

The term “Authorized Denominations,” means \$5,000 and any integral multiple thereof.

Authorized Officer

The term “Authorized Officer” means the Chief Executive Officer/General Manager of the District, the Chief Financial Officer or the Treasury/Debt Officer.

Beneficial Owners

The term “Beneficial Owners” means those individuals, partnerships, corporations or other entities for whom the Participants have caused the Depository to hold Book-Entry Certificates.

Book-Entry Certificates

The term “Book-Entry Certificates” means the Certificates registered in the name of the nominee of DTC, or any successor securities depository for the Certificates, as the registered owner thereof pursuant to the terms and provisions of Section 2.10 hereof.

Business Day

The term “Business Day” means a day of the year which is not a Saturday or Sunday, or a day on which banking institutions located in California are required or authorized to remain closed, or on which the Federal Reserve system is closed.

Certificate of the Corporation

The term “Certificate of the Corporation” means an instrument in writing signed by the President or the Secretary of the Corporation, or by any other officer of the Corporation duly authorized for that purpose.

Certificate of the District

The term “Certificate of the District” means an instrument in writing signed by the Chair of the Board of Directors or an Authorized Officer, or by any other official of the District duly authorized for that purpose.

Certificate Payment Date

The term “Certificate Payment Date” means, with respect to any Certificate, the Certificate Payment Date designated therein, which is the June 1 on which the principal component of the Installment Payments becomes due and payable.

Certificates

The term “Certificates” means the Santa Clara Valley Water District Revenue Certificates of Participation (Water Utility System Improvement Projects), Series [2018A], delivered in the aggregate principal amount of \$_____.

Certificate Year

The term “Certificate Year” means the period of twelve consecutive months from each September 2 to September 1 in any year during which Certificates are or will be Outstanding; provided, however, that the final Certificate Year shall end on the date on which the Certificates are fully paid or prepaid.

Code

The term “Code” means the Internal Revenue Code of 1986, as amended, and any regulations, rulings, judicial decisions, and notices, announcements, and other releases of the United States Treasury Department or Internal Revenue Service interpreting and construing it, or any applicable regulations adopted under the Internal Revenue Code of 1954, as amended.

Corporate Trust Office of the Trustee

The term “Corporate Trust Office of the Trustee” means the principal corporate trust office of the Trustee in San Francisco, California or such other or additional offices as may be specified to the District by the Trustee in writing.

Costs of Issuance

The term “Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the District or the Corporation relating to the execution, sale and delivery of the Certificates and the execution and delivery of the Installment Purchase Agreement, including administrative fees, filing and recording costs, settlement costs, interest rate swap termination payments, printing costs, reproduction and binding costs, initial fees and charges of the Trustee (including legal fees), financing discounts, legal fees and charges, and surety premium, as applicable, fees and charges, financial and other professional consultant fees and expenses, costs of rating agencies or credit ratings, fees for transportation and safekeeping of the Certificates and charges and fees in connection with the foregoing.

Defeasance Securities

The term “Defeasance Securities” means: (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, and (4) pre-refunded municipal obligations rated not lower than the rating on securities described in clause (2) above.

Delivery Date

The term “Delivery Date” means the date on which the Certificates are delivered to the original purchaser thereof.

Depository

The term “Depository” means the securities depository acting as Depository pursuant to Section 2.10 hereof.

District

The term “District” means the Santa Clara Valley Water District, a flood control and water district duly organized and existing under and by virtue of the laws of the State of California.

DTC

The term “DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the Certificates.

Event of Default

The term “Event of Default” shall have the meaning specified in Section 9.02.

Fiscal Year

The term “Fiscal Year” means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other annual accounting period hereafter selected and designated by the Board of Directors of the District as the Fiscal Year of the District.

Fitch

The term “Fitch” means Fitch, Inc., its successor and assigns, and if such corporation shall for any reason no longer perform the functions of a securities rating agency such term shall be deemed to refer to any other nationally recognized rating agency designated by the District.

Information Services

The term “Information Services” means national information services that disseminate securities redemption notices; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the District may specify in a certificate to the Trustee.

Interest Payment Date

The term “Interest Payment Date” means each June 1 and December 1, commencing _____, 2018, provided, however, if an Interest Payment Date with respect to the Certificates is not a Business Day, interest shall be payable on the next succeeding Business Day, and provided further that the amount paid with respect to Certificates on such succeeding Business Day shall be for the same number of days as if paid on the Interest Payment Date which was not a Business Day.

Investment Agreement.

The term “Investment Agreement” means an investment agreement supported by appropriate opinions of counsel; provided the provider thereof or the guarantor thereof is rated, at the time of execution, equal to at least the Minimum Rating by two of three Rating Agencies.

Letter of Representations or Representation Letter

The term “Letter of Representations” or “Representation Letter” means the letter of the District delivered to and accepted by the Depository on or prior to the Delivery Date as Book-Entry Certificates setting forth the basis on which the Depository serves as depository for such Book-Entry Certificates, as originally executed or as it may be supplemented or revised or replaced by a letter to a substitute Depository.

Maximum Annual Debt Service

The term “Maximum Annual Debt Service” means the maximum annual principal and interest payments under the Installment Purchase Agreement allocable to a particular series of Certificates for any Fiscal Year.

Minimum Rating

The term “Minimum Rating” means “A+”, “A1” or A+” by S&P, Moody’s or Fitch, respectively.

Moody’s or Moody’s Investors Service

The term “Moody’s Investors Service” or “Moody’s” means Moody’s Investors Service, its successors and assigns, and if such corporation shall for any reason no longer perform the functions of a securities rating agency, such terms shall be deemed to refer to any other nationally recognized rating agency designated by the District.

Nominee

The term “Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.10 hereof.

Opinion of Counsel

The term “Opinion of Counsel” means a written opinion of special counsel, appointed and paid by the Corporation or the District.

Outstanding

The term “Outstanding,” when used as of any particular time with reference to Certificates of each series, means (subject to the provisions of Section 8.02) all Certificates theretofore or thereupon executed by the Trustee pursuant hereto, except --

- (1) Certificates theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (2) Certificates paid or deemed to have been paid within the meaning of Section 10.01 hereof; and
- (3) Certificates in lieu of or in substitution for which other Certificates shall have been executed by the Trustee and delivered pursuant hereto.

Owner

The term “Owner” means any person who shall be the registered owner of any Outstanding Certificate, as shown on the registration books required to be maintained by the Trustee pursuant to Section 2.08 hereof.

Participants

The term “Participants” means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds Book-Entry Certificates as securities depository.

Payment Fund

The term “Payment Fund” means the Payment Fund established pursuant to Section 4.01 hereof.

Permitted Investments

The term “Permitted Investments” means any of the following, if and to the extent permitted by law and by any policy guidelines promulgated by the District.

The following obligations may be used as Permitted Investments for all purposes, including defeasance investments in refunding escrow agreements.

- (a) Cash insured at all times by the Federal Deposit Insurance Corporation; and
- (b) Obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including: U.S. treasury obligations; All direct or fully guaranteed obligations; Farmers Home Administration; General Services Administration; Guaranteed Title XI financing; Government National Mortgage Association (GNMA); and State and Local Government Series or direct obligations of the World Bank.

Any security used for defeasance must provide for the timely payment of principal and interest and cannot be callable or prepayable prior to maturity or earlier redemption of the rated debt (excluding securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date).

The following obligations may be used as Permitted Investments for all purposes other than defeasance investments in refunding escrow accounts.

- (c) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including: Export-Import Bank; Rural Economic Community Development Administration; Federal Farm Credit Bureau; U.S. Maritime Administration; Small Business Administration; U.S. Department of Housing & Urban Development (PHAs); and Federal Housing Administration and Federal Financing Bank;
- (d) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America: Senior debt obligations issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC); Obligations of the Resolution Funding Corporation (REFCORP); Senior debt obligations of the Federal Home Loan Bank System; and Senior debt obligations of other Government Sponsored Agencies;
- (e) U.S. dollar denominated deposit accounts, federal funds and bankers’ acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of “P-1” by Moody’s, “A-1” by S&P and “F1” by Fitch and maturing not more than 360 calendar days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);
- (f) Commercial paper which is rated at the time of purchase in the single highest classification, “P-1” by Moody’s, “A-1” by S&P or “F1” by Fitch and which matures not more than 270 calendar days after the date of purchase;

- (g) Investments in a money market fund rated “AAm”, “AAAm” or “AAAm-G” or better by S&P, Fitch or Moody’s, including such funds for which the Trustee or an affiliate provides investment advice for other services;
- (h) Pre-refunded Municipal Obligations defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice:
 - (1) which are rated, based on an irrevocable escrow account or fund (the “escrow”), in the highest rating category of Moody’s, S&P or Fitch, or any successors thereto; or
 - (2) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (b) above, which escrow may be applied only to the payment of such principal and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;
- (i) The following municipal obligations: (1) revenue obligations of states or any department, board, agency or authority thereof rated “A1” or better by Moody’s, “A+” or better by S&P or “A+” or better by Fitch; (2) general obligations of states rated “A3” or better by Moody’s, “A-” or better by S&P or “A-” or better by Fitch; (3) adjustable rate revenue obligations of states or any department, board, agency or authority thereof rated “P-1” or better by Moody’s, “A-1+” or better by S&P or “F-1”+ or better by Fitch; (4) fixed rate revenue obligations of any political subdivision of the State or entity owned, operated or controlled by such a political subdivision rated “A1” or better by Moody’s, “A+” or better by S&P or “A+” or better by Fitch; or (5) adjustable rate revenue obligations of any political subdivision of the State or entity owned, operated or controlled by such a political subdivision rated “P-1” or better by Moody’s, “A-1+” or better by S&P or “F-1+” by Fitch;
- (j) Investment Agreements;
- (k) the Local Agency Investment Fund of the State, created pursuant to Section 16429.1 of the California Government Code, to the extent that the Trustee is authorized to register such investment in its name;
- (l) Local Government Investment Pools (LGIP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code § 6509.7. To be eligible for purchase, the pool must meet the requirements of Government Code § 53601(p); and

- (m) Certificates of deposit insured by the Federal Deposit Insurance Corporation.
- (n) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. Investments under this subdivision shall be rated “AA” or better by S&P and Fitch or “Aa2” or better by Moody’s.

The value of the above investments shall be determined as provided in the definition of “Value”.

Prepayment Date

The term “Prepayment Date,” shall mean the date fixed for prepayment of Certificates.

Rating Agencies

The term “Rating Agencies” means S&P, Fitch and Moody’s.

Rebate Fund

The term “Rebate Fund” means the fund by that name established pursuant to Section 4.01 hereof.

Record Date

The term “Record Date” means the fifteenth day of the month preceding an Interest Payment Date, whether or not such day is a Business Day.

S&P or Standard & Poor’s Ratings Services

The term “Standard & Poor’s Ratings Services” or “S&P” means Standard & Poor’s Ratings Services, its successors and assigns, and if such corporation shall for any reason no longer perform the functions of a securities rating agency, such terms shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

Securities Depositories

The term “Securities Depositories” means The Depository Trust Company; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the District may designate in a Written Request of the District delivered to the Trustee.

Securities Exchange Act

The term “Securities Exchange Act” means the Securities Exchange Act of 1934, as amended.

State

The term “State” means the State of California.

Tax Certificate

The term “Tax Certificate” means the Tax Certificate related to the Certificates delivered by the District on the Delivery Date, as the same may be amended or supplemented in accordance with its terms.

Trust Agreement

The term “Trust Agreement” means this Trust Agreement, dated as of [December 1, 2017], by and among the District, the Corporation and the Trustee, as originally executed and as it may from time to time be amended or supplemented pursuant to the provisions hereof.

Trustee

The term “Trustee” means U.S. Bank National Association, a national banking association existing under and by virtue of the laws of the United States of America, or any other association or corporation which may at any time be substituted in its place as provided in Section 7.02.

U.S. Governmental Securities Business Day

“U.S. Government Securities Business Day” means any day except for a Saturday, a Sunday, or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading U.S. government securities.

Value

“Value,” shall be determined as of the end of each month, means that the value of any investments, which shall be the face amount thereof, plus accrued interest.

Water Utility Parity System Master Resolution

“Water Utility Parity System Master Resolution” means the Water Utility Parity System Master Resolution, Resolution No. 16-10 adopted by the Board of Directors of the District on February 23, 2016, as such resolution may be supplemented and amended from time-to-time.

Written Request of the Corporation

The term “Written Request of the Corporation” means an instrument in writing signed by the President or the Secretary of the Corporation, or by any other officer of the Corporation duly authorized for that purpose.

Written Request of the District

The term “Written Request of the District” means an instrument in writing signed by the Chair of the Board of Directors or an Authorized Officer of the District, or by any other official of the District duly authorized for that purpose.

SECTION 1.02. Equal Security. In consideration of the acceptance of the Certificates by the Owners thereof, the Trust Agreement shall be deemed to be and shall constitute a contract between the Trustee and the Owners to secure the full and final payment of the interest and principal and prepayment premiums, if any, evidenced and represented by the Certificates, subject to the agreements, conditions, covenants and provisions contained herein; and all agreements, conditions, covenants and provisions set forth herein to be performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to benefit, protection or security of any Certificates over any other Certificates by reason of the number or date thereof or the time of execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

CONDITIONS AND TERMS OF CERTIFICATES

SECTION 2.01. Authorization of Certificates. The Trustee is hereby authorized and directed, upon receipt of a Written Request of the District to execute and deliver the Certificates in the aggregate principal amount of \$_____, evidencing individual interests in Installment Payments to be paid by the District under the Installment Purchase Agreement.

SECTION 2.02. Denominations, Method and Place of Payment and Dating of Certificates. The Certificates shall be dated the Delivery Date and shall be issued only in fully registered Certificates in denominations of five thousand dollars (\$5,000) or any integral multiple thereof, and shall mature on the dates and in the principal amounts and bear interest at the rates as set forth in the schedule set forth in Section 2.03 hereof. The interest, principal and prepayment premiums, if any, evidenced and represented by the Certificates shall be payable in lawful money of the United States of America. The interest evidenced and represented by the Certificates shall be payable on their respective Interest Payment Dates by check mailed by the Trustee to the respective Owners thereof as shown in the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 at the close of business on the Record Date next preceding each Interest Payment Date (except that in the case of an Owner of one million dollars (\$1,000,000) or greater in aggregate principal amount of Outstanding Certificates, such payment may, at such Owner’s written request, be made by wire transfer of immediately available funds to an account within the United States in accordance with written instructions provided by such Owner prior to the applicable Record Date), and the principal and prepayment premiums, if any, evidenced and represented by the Certificates shall be payable on their respective Certificate Payment Dates or on prepayment prior thereto by check delivered by the Trustee upon surrender thereof by the respective Owners thereof at the Corporate Trust Office of the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal and prepayment premiums, if any, evidenced and represented by such Certificate shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability evidenced and represented by such Certificate to the

extent of the sum or sums so paid. All Certificates paid pursuant to the provisions of this section shall be cancelled by the Trustee and shall not be redelivered.

SECTION 2.03. Payment Dates of Certificates. The Certificates evidence and represent interest from the Interest Payment Date next preceding the date of execution thereof by the Trustee, unless such date of execution is after the Record Date, in which case they shall evidence and represent interest from such Interest Payment Date; provided, however, with respect to the first Interest Payment Date, the Certificates shall evidence and represent interest from the Delivery Date; provided, further, that if as of the date of execution of any Certificate interest shall not have been paid when due with respect to any Outstanding Certificates, interest shall be payable from the Interest Payment Date to which interest has been paid or made available for payment with respect to such Outstanding Certificates.

The Certificates shall have Certificate Payment Dates of June 1 in the years and shall evidence and represent principal components of Installment Payments in the amounts, with interest thereon at the rates, as follows:

<i>Certificate Payment Date</i> (June 1)	<i>Principal Amount</i>	<i>Interest Rate</i>
	\$	%

The interest evidenced and represented by the Certificates shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months and shall become due and payable on the respective Interest Payment Dates, beginning on the Interest Payment Date following their respective execution dates and continuing to and including their Certificate Payment Dates or on prepayment prior thereto, and shall evidence and represent in sum the portions of the Installment Payments constituting interest components becoming due and payable on the Interest Payment Dates in each year.

The principal and prepayment premiums, if any, evidenced and represented by the Certificates shall become due and payable on their respective Certificate Payment Dates or on prepayment prior thereto, and shall evidence and represent in sum the portions of the Installment Payments constituting principal and prepayment premium components, if any, becoming due and payable on the Certificate Payment Dates or on prepayment prior thereto in each year.

SECTION 2.04. Forms of Certificates. The Certificates, together with the assignment to appear thereon, shall be substantially in the form set forth on Exhibit A hereto, with appropriate or necessary insertions, omissions and variations as permitted or required hereby.

SECTION 2.05. Execution of Certificates. The Certificates shall be executed by the Trustee by the manual signature of an authorized officer of the Trustee.

SECTION 2.06. Transfer and Payment of Certificates. Any Certificate may, in accordance with its terms, be transferred in the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender, at the Corporate Trust Office of the Trustee, of such Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. Whenever any Certificate or Certificates shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Certificates of like series and of authorized denominations of the same Certificate Payment Date evidencing and representing the same aggregate principal amount. The Trustee shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer as a condition precedent to the exercise of such privilege.

The Trustee may deem and treat the Owner of any Certificate as the absolute owner of such Certificates for the purpose of receiving payment thereof and for all other purposes, whether such Certificates shall be overdue or not, and the Trustee shall not be affected by any notice or knowledge to the contrary; and payment of the interest and principal and prepayment premium, if any, evidenced and represented by the Certificates shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge liability on such Certificate to the extent of the sum or sums so paid.

The Trustee shall not be required to register the transfer of (i) any Certificates during the period established by the Trustee for selection of Certificates for prepayment, or (ii) any Certificate which has been selected for prepayment in whole or in part.

SECTION 2.07. Exchange of Certificates. Certificates may be exchanged at the Corporate Trust Office of the Trustee for a Certificate evidencing and representing a like aggregate principal amount of Certificates of authorized denominations of the same series and maturity. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange as a condition precedent to the exercise of such privilege.

The Trustee shall not be required to exchange (i) any Certificates during any period established by the Trustee for selection of Certificates for prepayment, or (ii) any Certificates which has been selected for prepayment in whole or in part.

SECTION 2.08. Registration Books. The Trustee will keep at its office sufficient books for the registration of the ownership, transfer and exchange of the Certificates which shall at all times be open to inspection by the District, the Corporation or any Owner or his agent duly authorized in writing during normal business hours with reasonable prior notice, and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register the ownership or transfer and exchange of the Certificates in such books as hereinabove provided.

SECTION 2.09. Mutilated, Destroyed, Stolen or Lost Certificates. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner thereof, shall thereupon execute and deliver a new Certificate of like series, tenor, and Authorized Denominations of the same Certificate Payment Date evidencing and representing the same aggregate principal amount in exchange and substitution for the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be cancelled by the Trustee.

If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner, shall thereupon execute and deliver a new Certificate of like series, tenor and Authorized Denominations of the same Certificate Payment Date evidencing and representing the same aggregate principal amount in lieu of and in substitution for the Certificate so lost, destroyed or stolen.

The Trustee may require payment of a reasonable sum for each new Certificate executed and delivered under this Section and of the expenses which may be incurred by the District and the Trustee in the premises. Any Certificate executed and delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately

entitled to the benefits of this Trust Agreement with all other Certificates executed and delivered under this Trust Agreement. Neither the District, the Corporation nor the Trustee shall be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same.

SECTION 2.10. Special Covenants as to Book-Entry Only System for Certificates.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.10, all of the Certificates initially executed and delivered shall be registered in the name of Cede & Co., as nominee for DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Certificates registered in the name of Cede & Co. shall be made on each Interest Payment Date for such Certificates to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) The Certificates initially shall be executed and delivered in the form of a single executed fully registered certificate for each stated maturity of each series of such Certificates, representing the aggregate principal amount of the Certificates of such maturity. Upon initial issuance, the ownership of all such Certificates shall be registered in the registration records maintained by the Trustee pursuant to Section 2.08 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the District, the Corporation and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Certificates registered in its name for the purposes of payment of the principal or prepayment price and interest evidenced and represented by the Certificates, selecting the Certificates or portions thereof to be prepaid, giving any notice permitted or required to be given to Owners hereunder, registering the transfer of the Certificates, obtaining any consent or other action to be taken by Owners of the Certificates and for all other purposes whatsoever; and neither the Trustee, the District nor the Corporation or any paying agent shall be affected by any notice to the contrary. Neither the Trustee, the District nor the Corporation or any paying agent shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.10, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Certificates under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or prepayment price or interest evidenced and represented by the Certificates, (iii) any notice which is permitted or required to be given to Owners of Certificates hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial prepayment of the Certificates, or (v) any consent given or other action taken by DTC as Owner of Certificates. The Trustee shall pay all principal and premium, if any, and interest evidenced and represented by the Certificates only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge the District's obligations with respect to the payment of the principal and premium, if any, and interest evidenced and represented by the Certificates to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Certificates will be transferable to such new nominee in accordance with subsection (f) of this Section 2.10.

(c) In the event that the District determines that the Certificates should not be maintained in book-entry form, the Trustee shall, upon the written instruction of the District, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, the Certificates will be transferable in accordance with subsection (f) of this Section 2.10. DTC may determine to discontinue providing its services with respect to the Certificates or a portion thereof, at any time by giving written notice of such discontinuance to the District or the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Certificates will be transferable in accordance with subsection (f) of this Section 2.10. If at any time DTC shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor securities depository is not appointed by the District within 90 days after the District receives notice or becomes aware of such condition, as the case may be, then this Section 2.10 shall no longer be applicable and the Trustee shall execute and deliver certificates representing the Certificates as provided below. Whenever DTC requests the District and the Trustee to do so, the Trustee and the District will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Certificates then Outstanding. In such event, the Certificates will be transferable to such securities depository in accordance with subsection (f) of this Section 2.10, and thereafter, all references in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Certificates Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and premium, if any, and interest with respect to each such Certificate and all notices with respect to each such Certificate shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Trustee is hereby authorized and requested to execute and deliver the Representation Letter and, in connection with any successor nominee for DTC or any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Trust Agreement.

(f) In the event that any transfer or exchange of Certificates is authorized under subsection (b) or (c) of this Section 2.10, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Certificates to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.06 and 2.07. In the event the Certificates are issued to Owners other than Cede & Co., its successor as nominee for DTC as holder of all the Certificates, another securities depository as holder of all the Certificates, or the nominee of such successor securities depository, the provisions of Sections 2.06 and 2.07 shall also apply to, among other things, the registration, exchange and transfer of the Certificates and the method of payment of principal, premium, if any, and interest evidenced and represented by the Certificates.

ARTICLE III

PREPAYMENT OF CERTIFICATES

SECTION 3.01. Prepayment. The Certificates shall be subject to prepayment prior to their stated maturities only as set forth below:

(a) **Extraordinary Prepayment from Insurance or Condemnation Proceeds.** The Certificates are subject to extraordinary prepayment by the District on any date prior to their respective Certificate Payment Dates, upon notice as hereinafter provided, as a whole or in part by lot within each Certificate Payment Date, in such order of prepayment as the District may determine, in integral multiples of Authorized Denominations, from payments made by the District from the net proceeds received by the District due to the damage, destruction or condemnation of all or any portion of the Water Utility System, at a prepayment price equal to the sum of the principal amount or such part thereof evidenced and represented by the Certificates to be prepaid, plus accrued interest evidenced and represented thereby to the date fixed for prepayment, without premium.

(b) **Optional Prepayment.** The Certificates with Certificate Payment Dates on or after June 1, 20__ are subject to optional prepayment prior to their respective Certificate Payment Dates by the District on any date on or after December 1, 20__, upon notice as hereinafter provided, as a whole or in part by lot in such order of maturity as the District may determine, in integral multiples of five thousand dollars (\$5,000), from any source of available funds, at a prepayment price equal to 100% of the principal amount to be prepaid, plus interest, if any, accrued with respect thereto to the date of prepayment, without premium.

SECTION 3.02. Selection of Certificate for Prepayment. If less than all Outstanding Certificates maturing by their terms on any one date are to be prepaid at any one time, and no other method of selection is specified in Section 3.01 above, the Trustee shall select the Certificates of such maturity date to be prepaid in any manner that it deems appropriate and fair and shall promptly notify the District in writing of the numbers of the Certificates so selected for prepayment. For purposes of such selection, Certificates shall be deemed to be composed of \$5,000 multiples and any such multiple may be separately prepaid or redeemed. In the event the term Certificates are designated for prepayment, the District may designate which sinking account payments are allocated to such prepayment.

SECTION 3.03. Notice of Prepayment. Notice of prepayment shall be given by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the prepayment date to (i) the respective Owners of the Certificates designated for prepayment at their addresses appearing on the registration books of the Trustee, (ii) the Securities Depositories and (iii) the Information Services; provided, however, that so long as a book-entry system is used for the Certificates, the Trustee will send notice of prepayment only to the Securities Depositories and Information Services. Notice of prepayment to the Securities Depositories shall be given by registered mail, other electronically secure means, or any other method agreed upon and notice of prepayment to the Information Services shall be given by mail, other electronically secure means, or any other method agreed upon. Each notice of prepayment shall state the series, prepayment date, the prepayment price, if any, the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity is to be prepaid, the distinctive certificate numbers of the Certificates of such maturity to be prepaid and, in the case of Certificates to be prepaid in part only, the respective portions of the principal amount thereof to be prepaid. Each such notice shall also state that on the prepayment date

there will become due and payable on the Certificates to be prepaid, all of the principal amount thereof on the prepayment date, and that from and after such prepayment date interest evidenced and represented by the Certificates shall cease to accrue, and shall require that such Certificates be then surrendered at the address of the Trustee specified in the prepayment notice. Failure by the Trustee to give notice pursuant to this Section to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for prepayment. Failure by the Trustee to give notice of prepayment pursuant to this Section to any one or more of the respective Owners of any Certificates designated for prepayment shall not affect the sufficiency of the proceedings for prepayment with respect to the Owners to whom such notice was given.

In the event of prepayment of Certificates (other than sinking fund prepayments), the Trustee shall give notice of optional prepayment, other than any notice that refers to Certificates that are to be prepaid from proceeds of a refunding bond issue, only if sufficient funds have been deposited with the Trustee to pay the applicable prepayment price of the Certificates to be prepaid. The District shall give the Trustee written notice of its intention to optionally prepay Certificates at least 30 days prior to the intended Prepayment Date. In the event the District elects to optionally prepay the Certificates in part, it shall deliver to the Trustee a schedule of revised Installment Payments and mandatory prepayments.

The District may, at its option, prior to the date fixed for prepayment in any notice of optional prepayment rescind and cancel such notice of prepayment by Written Request of the District and the Trustee shall give notice of such cancellation to the recipients of the notice of prepayment being cancelled.

SECTION 3.04. Effect of Prepayment. If notice of prepayment has been duly given as aforesaid and money for the payment of the prepayment price of the Certificates called for prepayment is held by the Trustee in Payment Fund, then on the prepayment date designated in such notice, Certificates shall become due and payable, and from and after the date so designated interest evidenced and represented by the Certificates so called for prepayment shall cease to accrue, and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the prepayment price thereof. Any prepayment of Certificates pursuant to Section 3.01 hereof shall cause the schedule of Installment Payments set forth in Exhibit B to the Installment Purchase Agreement to be recalculated by the District in accordance with Section 4.2 of the Installment Purchase Agreement. Such schedule shall be furnished by the District to the Trustee. All Certificates prepaid, pursuant to the provisions of this Article shall be cancelled by the Trustee and shall be delivered to, or upon the order of, the District and shall not be redelivered.

ARTICLE IV

ESTABLISHMENT OF FUNDS; DEPOSIT AND APPLICATION OF PROCEEDS

SECTION 4.01. Establishment of Funds. The Trustee shall establish and maintain the following special trust funds to be held by the Trustee: (i) the Payment Fund and (ii) the Rebate Fund.

SECTION 4.02. Delivery of Certificates. The Trustee is hereby authorized to execute and deliver the Certificates to the purchaser thereof upon receipt of a Written Request of the District (concurring in by the Corporation) and upon receipt of the proceeds of sale thereof.

SECTION 4.03. Application of Proceeds. Upon the receipt of the proceeds of the Certificates when the same shall have been duly executed and delivered, the Trustee shall transfer to the District the amount of \$_____ for deposit in the Acquisition and Construction Fund. The Trustee may establish a temporary fund or account in its records to facilitate such deposit and transfer.

ARTICLE V

INSTALLMENT PAYMENTS

SECTION 5.01. Pledge of Installment Payments. All Installment Payments shall be paid directly by the District to the Trustee and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof. All Installment Payments received by the Trustee shall be held in trust by the Trustee under the terms hereof. The Installment Payments shall be deposited by the Trustee as and when received in the Payment Fund, which fund the Trustee has established and maintains so long as any Certificates are Outstanding. All money in the Payment Fund shall be held in trust by the Trustee for the benefit of the Owners of the Certificates. The District and the Corporation hereby pledge and grant a lien on the Payment Fund to the Trustee for the benefit of the Owners of the Certificates.

SECTION 5.02. Receipt and Deposit of Installment Payments.

(a) In order to carry out and effectuate the pledge contained herein, subject to the provisions of Section 5.01, the Trustee shall deposit the Installment Payments with respect to the Certificates when and as received in trust in the Payment Fund for the benefit of the Owners of the Certificates. All Installment Payments shall be accounted for through and held in trust. All Installment Payments deposited with the Trustee as herein provided shall nevertheless be allocated, applied and disbursed solely to the purposes and uses hereinafter in this Article set forth, and shall be accounted for separately and apart from all other accounts, funds, money or other resources of the Trustee.

(b) Money in the Payment Fund shall be used and withdrawn by the Trustee for the purpose of paying (i) the interest evidenced and represented by the Certificates as it shall become due and payable (including accrued interest evidenced and represented by the Certificates purchased or prepaid prior to maturity), and (ii) the principal evidenced and represented by the Certificates as it shall become due and payable.

(c) Any moneys which, pursuant to Section 7.1 of the Installment Purchase Agreement, are to be used to prepay the Certificates pursuant to Section 3.01 hereof shall be deposited by the Trustee in the Payment Fund. The Trustee shall, on the scheduled prepayment date, withdraw from the Payment Fund and pay to the Owners entitled thereto an amount equal to the prepayment price of the Certificates to be prepaid on such date plus interest evidenced and represented by the Certificates to the Prepayment Date.

SECTION 5.03. Reserved.

SECTION 5.04. Investment of Moneys in Funds. Moneys in the funds established with the Trustee hereunder shall, in accordance with a Written Request of the District, be invested by the Trustee in Permitted Investments. The Trustee may conclusively rely on any direction contained in a Written Request of the District to invest in investments that such investments are Permitted Investments. In the absence of a Written Request of the District, the Trustee shall invest moneys in clause (g) of the definition of Permitted Investments. The obligations in which moneys in said funds are invested shall mature on or prior to the date on which such moneys are estimated to be required to be paid out hereunder. The Trustee shall sell at the best price obtainable or present for redemption any obligations so purchased whenever it may be necessary to do so in order to provide moneys to meet any payment required under this Trust Agreement. Notwithstanding anything herein to the contrary, the Trustee shall not be responsible for any loss from investments, sales or transfers undertaken in accordance with this Trust Agreement. For purposes of determining the amount of deposit in any fund held hereunder, all Permitted Investments credited to such fund shall be valued at the market value thereof. Except as otherwise provided in this Section, Permitted Investments representing an investment of moneys attributable to any fund and all investment profits or losses thereon shall be deemed at all times to be a part of said fund. To the extent that Permitted Investments are registrable securities, such Permitted Investments shall be registered in the name of the Trustee.

The Trustee may act as principal or agent in the acquisition or disposition of investments and may commingle moneys in funds and accounts for the purpose of investment.

The Trustee is hereby authorized, in making or disposing of any investment permitted by this Section, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District will not receive such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

SECTION 5.05. Application of the Rebate Fund.

(a) Absent an opinion of Special Counsel that the exclusion from gross income for federal income tax purposes of interest evidenced and represented by the Certificates will not be adversely affected, the District shall cause to be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to this Section and the Tax Certificate. Within the Rebate Fund, there shall be established two separate accounts designated the "Rebate Account" and the "Alternative Penalty Account." All money at any time deposited in the Rebate Account or the Alternative Penalty Account shall be held by the Trustee in trust for payment to the United States Treasury. All amounts on deposit in the Rebate Fund shall be governed by this Section and the Tax Certificate, unless and to the extent that the District delivers to the Trustee an opinion of Special

Counsel that the exclusion from gross income for federal income tax purposes of interest evidenced and represented by the Certificates will not be adversely affected if such requirements are not satisfied.

(b) The following provisions relate to the Rebate Account and the Alternate Penalty Account of the Rebate Fund:

(1) Rebate Account. The following requirements shall be satisfied with respect to the Rebate Account:

(i) Annual Computation. Within 55 days of the end of each Certificate Year, the District shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148-3 of the Treasury Regulations (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate (e.g., the temporary investments exceptions of Section 148(f)(4)(B) and (C) of the Code), and taking into account whether the election pursuant to Section 148(f)(4)(C)(vii) of the Code (the “1½% Penalty”) has been made), for this purpose treating the last day of the applicable Certificate Year as a computation date, within the meaning of Section 1.148-1(b) of the Treasury Regulations (the “Rebatable Arbitrage”). The District shall obtain expert advice as to the amount of the Rebatable Arbitrage to comply with this Section.

(ii) Annual Transfer. Within 55 days of the end of each applicable Certificate Year, upon the written direction of a representative of the District, an amount shall be deposited to the Rebate Account by the Trustee from any funds legally available for such purpose (as specified by the District in the aforesaid written direction), if and to the extent required so that the balance in the Rebate Account shall equal the amount of Rebatable Arbitrage so calculated in accordance with (i) of this Subsection (b)(1). In the event that immediately following the transfer required by the previous sentence, the amount then on deposit to the credit of the Rebate Account exceeds the amount required to be on deposit therein, upon written instructions from a representative of the District, the Trustee shall withdraw the excess from the Rebate Account and then credit the excess to the Payment Fund.

(iii) Payment to the Treasury. The Trustee shall pay, as directed in writing by a representative of the District, to the United States Treasury, out of amounts in the Rebate Account,

(X) Not later than 60 days after the end of (A) the fifth Certificate Year, and (B) each applicable fifth Certificate Year thereafter, an amount equal to at least 90% of the Rebatable Arbitrage calculated as of the end of such Certificate Year; and

(Y) Not later than 60 days after the payment of all the Certificates, an amount equal to 100% of the Rebatable Arbitrage calculated as of the end of such applicable Certificate Year, and any income attributable to the Rebatable Arbitrage, computed in accordance with Section 148(f) of the Code.

In the event that, prior to the time of any payment required to be made from the Rebate Account, the amount in the Rebate Account is not sufficient to make such payment when such payment is due, the District shall calculate or cause to be calculated the amount of such deficiency and deposit an amount received from any legally available source equal to such deficiency prior to the time such payment is due. Each payment required to be made pursuant to this Subsection (b)(1) shall be made to the Internal Revenue Service Center on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T, or shall be made in such other manner as provided under the Code.

(2) Alternative Penalty Account.

(i) **Six-Month Computation.** If the 1½% Penalty has been elected, within 85 days of each particular Six-Month Period, the District shall determine or cause to be determined whether the 1½% Penalty is payable (and the amount of such penalty) as of the close of the applicable Six-Month Period. The District shall obtain expert advice in making such determinations.

(ii) **Six-Month Transfer.** Within 85 days of the close of each Six-Month Period, upon the written direction of a representative of the District, the Trustee shall deposit in the Alternative Penalty Account from any legally available source of funds (as specified by the District in the aforesaid written direction), if and to the extent required, so that the balance in the Alternative Penalty Account equals the amount of 1½% Penalty due and payable to the United States Treasury determined as provided in Subsection (b)(2)(i) above. In the event that immediately following the transfer provided in the previous sentence, the amount then on deposit to the credit of the Alternative Penalty Account exceeds the amount required to be on deposit therein to make the payments required by Subsection (b)(2)(iii) below, the Trustee, at the written direction of a representative of the District, shall withdraw the excess from the Alternative Penalty Account and credit the excess to the Payment Fund.

(iii) **Payment to the Treasury.** The Trustee shall pay, as directed in writing by a representative of the District, to the United States Treasury, out of amounts in the Alternative Penalty Account, not later than 90 days after the close of each Six-Month Period the 1½% Penalty, if applicable and payable, computed in accordance with Section 148(f)(4) of the Code. In the event that, prior to the time of any payment required to be made from the Alternative Penalty Account, the amount in such account is not sufficient to make such payment when such payment is due, the District shall calculate the amount of such deficiency and direct the Trustee to deposit an amount received from any legally available source of funds equal to such deficiency into the Alternative Penalty Account prior to the time such payment is due. Each payment required to be made pursuant to this Subsection (b)(2) shall be made to the Internal Revenue Service on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038-T or shall be made in such other manner as provided under the Code.

(c) Disposition of Unexpended Funds. Any funds remaining in the Rebate Fund after prepayment and payment of the principal and interest evidenced and represented by the Certificates, the payments described in Subsection (b)(1)(iii) or (b)(2)(iii) (whichever is applicable), may be withdrawn by the District and utilized in any manner by the District.

(d) Survival of Defeasance. Notwithstanding anything in this Section or this Trust Agreement to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance of the Certificates.

(e) Duty of Trustee. The Trustee shall be fully protected and shall be deemed to have complied with the provisions of this Section 5.05 if it complies with the written directions of the District delivered pursuant to this Section 5.05 and the Trustee shall have no responsibility to enforce compliance by the District with the Tax Certificate.

ARTICLE VI

COVENANTS

SECTION 6.01. Compliance with Trust Agreement; Compliance of Laws and Regulations. The Trustee will not execute or deliver any Certificates in any manner other than in accordance with the provisions hereof; and neither the Corporation nor the District will suffer or permit any default by them to occur hereunder, but each will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by them.

The Corporation and the District will faithfully observe and perform all lawful and valid obligations or regulations now hereafter imposed on them by contract, or prescribed by any state or national law, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not be abandoned, forfeited or in any manner impaired.

SECTION 6.02. Accounting Records and Statements. The Trustee shall keep proper books of record and account in accordance with industry standards in which complete and correct entries shall be made of all transactions made by it relating to the receipt, investment, disbursement, allocation and application of the Installment Payments and the proceeds of the Certificates or the obligation which they evidence and represent. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Trustee is to be allocated and shall set forth, in the case of each investment, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, and (d) the amounts and dates of any payments made with respect thereto. Such records shall be open to inspection by any Owner or his agent duly authorized in writing at reasonable hours and under reasonable conditions and upon reasonable written request during the regular business hours of the Trustee on any Business Day. As soon as available after June 30, 2018, and continuing after each June 30th so long as any Certificates are Outstanding, the Trustee will furnish to the Corporation and to any Owner who may so request (at the expense of such Owner) a complete statement covering the receipts, deposits and disbursements of the money held hereunder for the preceding fiscal year. In addition, the Trustee shall provide the District with a monthly

accounting of the funds and accounts held hereunder; provided, that the Trustee shall not be obligated to provide an accounting for any fund or account that (a) has a balance of \$0.00 and (b) has not had any activity since the last reporting date.

SECTION 6.03. Installment Purchase Agreement. The Corporation will at all times maintain and vigorously enforce all of its rights under the Installment Purchase Agreement, and will promptly collect or cause to be collected all Installment Payments as the same become due under the Installment Purchase Agreement, and will promptly and vigorously enforce its rights against any person who does not pay such Installment Payments as they become due under the Installment Purchase Agreement. The Corporation and the District will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Installment Purchase Agreement by the purchaser thereunder.

SECTION 6.04. Other Liens. The District will keep the Project free from judgments, mechanics, and materialmen's liens (except those arising from the acquisition, construction and installation of the Project) and free from all liens, claims, demands and encumbrances of whatsoever prior nature or character to the end that the security for the Certificates provided herein will at all times be maintained and preserved free from any claim or liability which might hamper the District in conducting its business or interfere with the District's operation of the Project, and the Trustee at its option (after first giving the District thirty (30) days written notice to comply therewith and failure of the District to so comply within such period) may (but shall not be obligated to) defend against any and all actions or proceedings in which the validity hereof is or might be questioned, or may pay or compromise any claim or demand asserted in any such action or proceeding; provided, however, that in defending such actions or proceedings or in paying or compromising such claims or demands the Trustee shall not in any event be deemed to have waived or released the District from liability for or on account of any of its agreements and covenants contained herein, or from its liability hereunder to defend the validity hereof and the pledge of the Installment Payments made herein and to perform such agreements and covenants.

SECTION 6.05. Prosecution and Defense of Suits. The District will promptly from time to time take or cause to be taken such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Project, whether now existing or hereafter developing, and shall prosecute or cause to be prosecuted all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and hold the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which it may incur by reason of any such defect, cloud, suit, action or proceeding.

The District will defend against every suit, action or proceeding at any time brought against the Trustee upon any claim arising out of the receipt, application or disbursement of any of the Installment Payments or involving the rights of the Trustee hereunder; provided that the Trustee at its election may appear in and defend any such suit, action or proceeding.

SECTION 6.06. Further Assurances. Whenever and so often as requested to do so by the Trustee, the District will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments, and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the owners all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them hereby.

SECTION 6.07. Recordation and Filing. The District will file, record, register, renew, refile and rerecord all such documents, including financing statements (or continuation statements in connection therewith), as may be required by law in order to maintain at all times a security interest in the money in the Payment Fund hereunder in such manner, at such times and in such places as may be required in order to fully perfect, preserve and protect the benefit, protection and security of the respective Owners and the rights of the Trustee hereunder (with copies of each such document being forwarded to the Trustee), and the District will do whatever else may be necessary or be reasonably required in order to perfect and continue the pledge of and lien on the money in the funds herebefore described.

SECTION 6.08. Tax Covenants. Notwithstanding any other provision of this Agreement, absent an Opinion of Counsel that the exclusion from gross income of interest with respect to the Certificates will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The District will not take or omit to take any action or make any use of the proceeds of the Certificates or of any other moneys or property which would cause the Certificates to be “private activity bonds” within the meaning of Section 141 of the Code.

(b) Arbitrage. The District will make no use of the proceeds of the Certificates or of any other amounts or property, regardless of the source, or take or omit to take any action which would cause the Certificates to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(c) Federal Guarantee. The District will make no use of the proceeds of the Certificates or take or omit to take any action that would cause the Certificates to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(d) Information Reporting. The District will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code.

(e) Miscellaneous. The District will take no action inconsistent with its expectations stated in any Tax Certificate executed with respect to the Certificates and will comply with the covenants and requirements stated therein and incorporated by reference herein.

This Section shall not be applicable to, and nothing contained herein shall be deemed to prevent the District from causing the Trustee to execute and deliver, Certificates the interest with respect to which has been determined by Special Counsel to be subject to federal income taxation.

ARTICLE VII

THE TRUSTEE

SECTION 7.01. Employment and Duties of the Trustee. The Corporation and the District hereby appoint and employ U.S. Bank National Association, in San Francisco, California, as Trustee to receive, deposit and disburse the Installment Payments as provided herein, to prepare, execute, deliver, transfer, exchange and cancel the Certificates as provided herein, to pay the interest and principal and prepayment premiums, if any, evidenced and represented by the Certificates to the

Owners thereof as provided herein and to perform the other obligations contained herein; all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering the Trust Agreement, the Trustee undertakes to perform such obligations (and only such obligations) as are specifically set forth herein, and no implied covenants or obligations shall be read herein against the Trustee.

Prior to any resignation by the Trustee pursuant to Section 7.02, the Trustee will faithfully observe and perform all lawful and valid obligations or regulations now or hereafter imposed on it by contract, or prescribed by any state or federal law, or by any officer, board or commission having jurisdiction or control over the Trustee, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by it, including its right to exist and carry on its business, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not be abandoned, forfeited or in any manner impaired.

Whenever provision is made herein for the cancellation by the Trustee of any Certificates, the Trustee shall destroy such Certificates and deliver a certificate of such destruction to the District.

SECTION 7.02. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) So long as no Event of Default has occurred and is continuing, upon thirty (30) days' written notice to the Trustee, the District may remove the Trustee at any time and shall remove the Trustee at any time requested to do so by an instrument or concurrent instruments in writing, or in the case of the Certificates, the Owners of the Certificates of not less than a majority in aggregate amount of Certificates then Outstanding (or their attorneys duly authorized in writing) or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this Section or shall become incapable of acting, or shall commence a case under any bankruptcy, insolvency or similar law, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take control or charge of the Trustee or its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee, and thereupon shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may resign by giving written notice of such resignation to the District and by giving notice of such resignation by mail, first class postage prepaid, to the Owners at the addresses listed in the certificate register. Upon receiving such notice of resignation, the District shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and shall have accepted appointment within ninety (90) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee, at the expense of the District, or any Owner (on behalf of himself and all other Owners) may petition any court of

competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Trust Agreement shall signify its acceptance of such appointment by executing and delivering to the District and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless, at the written request of the District or of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Trust Agreement and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the District shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, such successor Trustee shall mail a notice of the succession of such Trustee to the trusts hereunder by first class mail, postage prepaid, to the Owners at their addresses listed in the bond register.

(e) Any Trustee appointed under the provisions of this Trust Agreement shall be a trust company or bank having trust powers, having a corporate trust office in California, the combined capital, surplus and undivided profits of such trust company or bank (or in the event that such trust company or bank is a member of a bank holding company system, of its bank holding company) of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

(f) No provision in this Trust Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(g) The Trustee shall not be responsible for the sufficiency, timeliness or payment of the Installment Payments, the maintenance of insurance as required by the Installment Purchase Agreement or reviewing any report or certificate required to be provided hereunder or under the Installment Purchase Agreement.

(h) The Trustee shall not be accountable for the use or application by the District, the Corporation or any other party of any funds which the Trustee has released under this Trust Agreement.

(i) The Trustee may employ attorneys, agents or receivers in the performance of any of its duties hereunder and shall not be answerable for the misconduct of any such attorney, agent or receiver selected by it with reasonable care.

SECTION 7.03. Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (e) of Section 7.02, shall succeed to the rights and obligations of such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 7.04. Compensation and Indemnification. The District shall pay the Trustee, or cause the Trustee to be paid, reasonable compensation for its services rendered hereunder and shall reimburse the Trustee for reasonable expenses (including reasonable fees and expenses of its attorneys) incurred by the Trustee in the performance of its obligations hereunder.

The District agrees, to the extent permitted by law, to indemnify the Trustee and its respective officers, directors, members, employees, attorneys and agents for, and to hold them harmless against, any loss, liability or expense incurred without negligence or willful misconduct on their part arising out of or in connection with the acceptance or administration of the trusts imposed by this Trust Agreement, including performance of their duties hereunder, including the costs and expenses of defending themselves against any claims or liability in connection with the exercise or performance of any of their powers or duties hereunder. Such indemnity shall survive the termination or discharge of the Trust Agreement and resignation or removal of the Trustee.

SECTION 7.05. Liability of Trustee.

(a) The recitals of facts herein and in the Certificates contained shall be taken as statements of the District, and the Trustee assumes no responsibility for the correctness of the same, and makes no representations as to the validity or sufficiency of this Trust Agreement, the Installment Purchase Agreement or of the Certificates, and shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Certificates assigned to or imposed upon it. The Trustee shall, however be responsible for its representations contained in its certificate of execution on the Certificates. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may become the Owner of Certificates with the same rights it would have if it were not Trustee or and, to the extent permitted by law, may act as depositary for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of a majority in aggregate amount of Certificates then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless the Trustee shall have been negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of the Certificates, of not less than 25% in aggregate amount of Certificates, at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Trust Agreement.

(d) The Trustee shall not be liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Trust

Agreement, except for actions arising from the negligence or willful misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until it shall have actual knowledge thereof, or shall have received written notice thereof at the Corporate Trust Office of the Trustee. Except as otherwise expressly provided herein, and subject to Section 7.02, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Certificates, or as to the existence of an Event of Default hereunder or thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it.

(f) The Trustee makes no representations with respect to any information, statement, or recital in, and shall have no liability with respect to, any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Certificates.

(g) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(h) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty.

SECTION 7.06. Right to Rely on Documents. The Trustee shall be protected in acting, and may conclusively rely, upon any notice, resolution, request, requisition, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and need not conduct any independent investigation of the matters covered therein. The Trustee may consult with counsel, who may be counsel but need not of or to the District, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Trust Agreement the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the District, and such Certificate of the District shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Trust Agreement in reliance upon such Certificate of the District, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

SECTION 7.07. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Trust Agreement shall be retained in its possession and shall be subject at all reasonable times to the inspection of the District and any Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

ARTICLE VIII

AMENDMENT OF THE TRUST AGREEMENT

SECTION 8.01. Amendment of the Trust Agreement. (a) This Agreement and the rights and obligations of the District and of the Owners of the Certificates and of the Trustee may be modified or amended at any time by an amendment hereto which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 8.02 hereof, shall have been filed, provided, however, that no such modification or amendment shall (1) extend the stated maturities of the Certificates, or reduce the rate of interest or yields-to-maturity, as the case may be, represented thereby, or extend the time of payment of interest, or reduce the amount of principal represented thereby, or reduce any premium payable on the prepayment thereof, without the consent of the Owner of each Certificate so affected, or (2) reduce the aforesaid percentage of Owners of Certificates whose consent is required for the execution of any amendment or modification of this Agreement, or (3) modify any of the rights or obligations of the Trustee or the Corporation without its written consent thereto.

(b) This Agreement and the rights and obligations of the Corporation and the District and of the Owners of the Certificates may also be modified or amended at any time by an amendment hereto which shall become binding upon adoption, without the consent of the Owners of any Certificates, but only to the extent permitted by law and only for any one or more of the following purposes —

(1) to add to the covenants and agreements of the Corporation or the District contained in this Agreement other covenants and agreements thereafter to be observed or to surrender any right or power herein reserved to or conferred upon the Corporation or the District, and which shall not adversely affect the interests of the Owners of the Certificates;

(2) to cure, correct or supplement any ambiguous or defective provision contained in this Agreement or in regard to questions arising under this Agreement, as the Corporation or the District may deem necessary or desirable and which shall not adversely affect the interests of the Owners of the Certificates; and

(3) to make any other amendments or modifications as may be determined by the District and the Corporation which are not materially adverse to the interests of the Owners of the Certificates.

SECTION 8.02. Disqualified Certificates. Certificates owned or held by or for the account of the Corporation or the District shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Certificates provided in this article, and shall not be entitled to consent to or take any other action provided in this article.

SECTION 8.03. Endorsement or Replacement of Certificates After Amendment. After the effective date of any action taken as hereinabove provided, the Corporation may determine that the Certificates may bear a notation by endorsement in form approved by the Corporation as to such action, and in that case upon demand of the Owner of any Outstanding Certificates and presentation of his Certificate for such purpose at the Corporate Trust Office of the Trustee a suitable notation as to such action shall be made on such Certificate. If the Corporation or the District shall

so determine, new Certificates so modified as, in the opinion of the Corporation or the District, shall be necessary to conform to such action shall be prepared and executed, and in that case upon demand of the Owner of any Outstanding Certificate such new Certificates shall be exchanged at the Corporate Trust Office of the Trustee without cost to each Owner for Certificates then Outstanding upon surrender of such Outstanding Certificates.

SECTION 8.04. Amendment by Mutual Consent. The provisions of this article shall not prevent any Owner from accepting any amendment as to the particular Certificates owned by him, provided that due notation thereof is made on such Certificates.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

SECTION 9.01. Notice of Non-Payment. In the event of delinquency in the payment of any Installment Payments due by the District pursuant to the Installment Purchase Agreement, the Trustee shall, after one business day following the date upon which such delinquent Installment Payment was due, as soon as practicable give written notice of the delinquency and the amount of the delinquency to the District and the Corporation.

SECTION 9.02. Action on Default or Termination. Upon the occurrence of an Event of Default (as that term is defined in the Installment Purchase Agreement), which event shall constitute a default hereunder, and in each and every such case during the continuance of such Event of Default, the Trustee shall be entitled upon notice in writing to the District, to exercise the remedies provided to the Corporation in the Installment Purchase Agreement.

SECTION 9.03. Proceedings by Trustee. Upon the happening and continuance of any Event of Default the Trustee shall do the following:

(a) by mandamus, or other suit, action or proceeding at law or in equity, to enforce its rights against the Corporation or the District or any director, officer or employee of the District, and to compel the Corporation or the District or any such director, officer or employee of the District to observe or perform its or his duties under applicable law and the agreements, conditions, covenants and terms contained herein required to be observed or performed by it or him;

(b) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners; and

(c) by suit in equity upon the happening of an Event of Default hereunder to require the Corporation and the District and the directors, officers and employees of the District to account as the trustee of an express trust.

SECTION 9.04. Non-Waiver. A waiver of any default hereunder or breach of any obligation by the Trustee hereunder or by the Corporation or the District under the Installment Purchase Agreement shall not affect any subsequent default hereunder or any subsequent breach of an obligation by the Trustee hereunder or impair any rights or remedies on any such subsequent default hereunder or on any such subsequent breach of an obligation by the Trustee hereunder. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default hereunder shall impair any such right or remedy or shall be construed to be a waiver of any such

default hereunder or an acquiescence therein, and every right or remedy conferred upon the Trustee by applicable law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee, the Corporation or the District, the Trustee, the Corporation and the District shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

SECTION 9.05. Application of Funds. All moneys on deposit in the funds and accounts held hereunder (other than the Rebate Fund) and all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this article or of Article IV of the Installment Purchase Agreement shall be deposited in segregated accounts in the Payment Fund, and shall be applied by the Trustee in the following order and upon presentation of the several Certificates and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid.

First, Costs and Expenses: ratably to the payment of the costs and expenses of the Trustee and then of the Owners in declaring such Event of Default, including reasonable compensation to its or their agents, accountants and counsel;

Second, Interest: to the payment to the persons entitled thereto of all payments of interest evidenced and represented by the Certificates then due, and, if the amount available shall not be sufficient to pay in full any payment or payments of interest coming due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Third, Principal: to the payment to the persons entitled thereto of the unpaid principal evidenced and represented by any Certificates which shall have become due, whether on the Certificate Payment Date or by call for prepayment, in the order of their due dates, with interest on the overdue principal and interest evidenced and represented by the Certificates to be paid at a rate equal to the rate or rates of interest then applicable to the Certificates if paid in accordance with their terms, and, if the amount available shall not be sufficient to pay in full all the amounts due with respect to the Certificates on any date, together with such interest, then to the payment thereof ratably, according to the amounts of interest, principal and prepayment premiums, if any, due on such date to the persons entitled thereto, without any discrimination or preference.

SECTION 9.06. Remedies Not Exclusive. No remedy conferred herein upon or reserved herein to the Trustee is intended to be exclusive and all remedies shall be cumulative and each remedy shall be in addition to every other remedy given hereunder or now or hereafter existing under applicable law or equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any other applicable law.

SECTION 9.07. No Liability by the Corporation to the Owners. Except as expressly provided herein, the Corporation shall not have any obligation or liability to the Owners with respect to the payment when due of the Installment Payments by the District, or with respect to the observance or performance by the District of the other agreements, conditions, covenants and terms contained in the Installment Purchase Agreement or herein required to be observed or

performed by it, or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it.

SECTION 9.08. No Liability by the District to the Owners. Except for the payment when due of the Installment Payments and the observance and performance of the other agreements, conditions, covenants and terms contained in the Installment Purchase Agreement or herein required to be observed or performed by it, the District shall not have any obligation or liability to the Owners with respect hereto or the preparation, execution, delivery, transfer, exchange or cancellation of the Certificates or the receipt, deposit or disbursement of the Installment Payments by the Trustee, or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it.

SECTION 9.09. No Liability by the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Installment Payments by the District, or with respect to the observance or performance by the District of the other agreements, conditions, covenants and terms contained in the Installment Purchase Agreement or herein required to be observed and performed by the District. The recitals of facts, covenants and agreements contained herein and in the Certificates shall be taken as statements, covenants and agreements of the District and the Corporation, and the Trustee neither assumes any responsibility for the accuracy of the same, nor makes any representations as to the validity or sufficiency of the Trust Agreement or of the certificates nor shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Certificates assigned to or imposed upon the Trustee.

SECTION 9.10. Actions by the Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated, and the Trustee is hereby appointed (and the successive respective Owners, by taking and holding the same, shall be conclusively deemed so to have appointed the Trustee) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any suit, action, or proceeding and to do perform any and all acts and things for and on behalf of the respective Owners, as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact; provided, that the Trustee need not institute any such suit, action or proceeding until it shall have been first provided with indemnity adequate to it.

SECTION 9.11. Power of the Trustee to Control Proceedings. In the event that the Trustee, upon the occurrence of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder whether upon its own discretion, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Certificates with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action.

ARTICLE X

DEFEASANCE

SECTION 10.01. Discharge of Certificates and Trust Agreement.

(a) If the Trustee shall pay or cause to be paid or there shall otherwise be paid to the Owners of any Outstanding Certificates the interest and principal and prepayment premiums, if any, evidenced and represented thereby at the times and in the manner stipulated herein and therein, then such Owners evidenced and represented thereby shall cease to be entitled to the pledge of and lien on the moneys in the Payment Fund, as provided herein, and all agreements, covenants and other obligations of the Corporation and the District to said Owners hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Corporation and the District all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the District all money or securities held by it pursuant hereto which are not required for the payment of the interest and principal and prepayment premiums, if any, evidenced and represented thereby.

(b) Any Outstanding Certificates shall on their Certificate Payment Dates or their dates of prepayment prior thereto be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if there shall be on deposit with the Trustee money held in trust for the benefit of the Owners of such Certificates which is sufficient to pay the interest and principal and prepayment premiums, if any, evidenced and represented by such Certificates payable on and prior to their Certificate Payment Dates or their dates of prepayment prior thereto.

Any Outstanding Certificates shall prior to their Certificate Payment Date or prepayment date thereof be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this section if (1) in case any of such Certificates are to be prepaid on any date prior to their respective Certificate Payment Date, the District shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail, on a date in accordance with the provisions of Section 3.03 of this Trust Agreement, notice of prepayment of such Certificates on said prepayment date, said notice to be given in accordance with Section 3.03 of this Trust Agreement, (2) there shall have been irrevocably deposited with the Trustee either (A) money in an amount which shall be sufficient or (B) Defeasance Securities the interest on and principal of which when paid will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall, as verified by an independent certified public accountant be sufficient to pay when due the interest evidenced and represented by such Certificates on and prior to their respective Certificate Payment Date or prepayment date thereof, as the case may be, (3) in the event such Certificates are not by their terms subject to prepayment within the next succeeding sixty (60) days, the District shall have given the Trustee in form satisfactory to it irrevocable instructions to provide as soon as practicable, a notice to the Owners of such Certificates that the deposit required by clause (2) above has been made with the Trustee and that such Certificates are deemed to have been paid in accordance with this Section and stating the maturity date or prepayment date upon which money is to be available for the payment of the principal of and prepayment premiums, if any, on such Certificates, and (4) in the case of Book-Entry Certificates, the Trustee shall give notice to the Depository of the prepayment of all or part of such Book-Entry Certificates on the date proceeds or other funds are deposited in escrow with respect to such Book-Entry Certificates.

SECTION 10.02. Unclaimed Money. Anything contained herein to the contrary notwithstanding, the Trustee shall notify the District and the Corporation of any money held by the Trustee in trust for the payment and discharge of any of the Certificates which has remained unclaimed for two (2) years after the date when such Certificates have become due and payable, either at their stated maturity dates or by call for prepayment prior to maturity, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee. The Trustee shall at the Written Request of the District repay such money to the District as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Certificates.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Liability of District Limited to Installment Payments. Notwithstanding anything contained herein to the contrary, the District shall not be required to advance any money derived from any source of income other than the Installment Payments as provided herein for the payment of the interest or principal or prepayment premiums, if any, evidenced and represented by the Certificates or for the performance of any agreements or covenants herein contained. The District may, however, advance funds for any such purpose so long as such funds are derived from a source legally available for such purpose.

The Certificates shall be payable solely from the Installment Payments and amounts on deposit in the funds established hereunder (other than amounts on deposit in the Rebate Fund created pursuant to Section 5.07). The Certificates do not constitute a debt or liability of the District or of the State of California and neither the faith and credit of the District nor of the State are pledged to the payment of the principal, or interest evidenced and represented by the Certificates.

SECTION 11.02. Benefits of the Trust Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended or shall be construed to confer upon, or to give or grant to, any person or entity other than the Corporation, the District, the Trustee and the Owners any right, remedy or claim under or by reason hereof. Any agreement or covenant required herein to be performed by or on behalf of the Corporation, the District or any member, officer or employee thereof shall be for the sole and exclusive benefit of the Trustee and the Owners.

SECTION 11.03. Successor is Deemed Included in All References to Predecessor. Whenever herein either the Corporation, the District or any member, officer or employee thereof is named or referred to, such reference shall be deemed to include the respective successor to the powers, duties and functions with respect to the administration, control and management of the Project that are presently vested in the Corporation, the District or such member, officer or employee, and all agreements and covenants required hereby to be performed by or on behalf of the Corporation, the District or any member, officer or employee thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

SECTION 11.04. Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any owner or his attorney of any

declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to make acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn before such notary public or other officer. The ownership of any Certificates and the amount, maturity, number and date of holding the same may be proved by the registration books relating to the Certificates at the Corporate Trust Office of the Trustee.

Any declaration, request or other instrument or writing of the Owner of any Certificate shall bind all future Owners of such Certificate with respect to anything done or suffered to be done by the District in good faith and in accordance therewith.

SECTION 11.05. Waiver of Personal Liability. No member, officer or employee of the District shall be individually or personally liable for the payment of the interest or principal or prepayment premiums, if any, evidenced and represented by the Certificates by reason of their delivery, but nothing herein contained shall relieve any member, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law or hereby.

SECTION 11.06. Acquisition of Certificates by District. All Certificates acquired by the District, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

SECTION 11.07. Destruction of Cancelled Certificates. Whenever provision is made for the return to the District of any Certificates which have been cancelled pursuant to the provisions hereof, Trustee shall destroy such Certificates and furnish to the District a certificate of such destruction.

SECTION 11.08. Funds. Any fund required herein to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such accounts and funds shall at all times be maintained in accordance with sound industry practice and with due regard for the protection of the security of the Certificates and the rights of the Owners. The Trustee may establish such funds and accounts hereunder as it deems necessary or appropriate to perform its obligations under this Trust Agreement.

SECTION 11.09. Article and Section Readings and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder" and other words of similar import refer to the Trust Agreement as a whole and not to any particular article, section, subdivision or clause hereof.

SECTION 11.10. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the District, the Corporation or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants or such portions thereof shall be null and void and shall be deemed separable

from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof or of the Certificates, and the Owners shall retain all the benefit, protection and security afforded to them hereunder or any applicable provisions of law. The District, the Corporation and the Trustee hereby declare that they would have executed and delivered the Trust Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the delivery of the Certificates pursuant hereto irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

SECTION 11.11. Execution in Several Counterparts. This Trust Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the District, the Corporation and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

SECTION 11.12. Law Governing. This Trust Agreement shall be governed exclusively by the provisions hereof and by the laws of the State as the same from time to time exist.

SECTION 11.13. Notices. All approvals, authorizations, consents, demands, designations, notices, offers, requests, statements or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States first-class postage prepaid, namely:

If to the Trustee:

U.S. Bank National Association
One California Street, Suite 1000
San Francisco, California 94111
Attention: Global Corporate Trust Services

If to the Corporation:

Santa Clara Valley Water District
Public Facilities Financing Corporation
c/o Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, California 95118
Attention: District Counsel

If to the District:

Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, California 95118
Attention: Treasury/Debt Officer

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be signed by one of their officers thereunder duly authorized, all as of the day and year first above written.

SANTA CLARA VALLEY WATER DISTRICT

(SEAL)

By: _____
Authorized Officer

ATTEST:

Clerk of the Board of Directors

SANTA CLARA VALLEY WATER DISTRICT
PUBLIC FACILITIES FINANCING
CORPORATION

(SEAL)

By: _____
President

ATTEST:

Secretary

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

EXHIBIT A

[FORM OF CERTIFICATE OF PARTICIPATION]

No. R-__

\$_____

Revenue Certificate of Participation
(Water Utility System Improvement Projects)
Series [2018A]
Evidencing and Representing a Proportionate,
Undivided Interest of the Owner Hereof
in Installment Payments to Be Made
by the
SANTA CLARA VALLEY WATER DISTRICT
to the
Santa Clara Valley Water District Public Facilities Financing Corporation
under and pursuant to the
Installment Purchase Agreement

<i>Interest Rate</i>	<i>Maturity Date</i>	<i>Dated Date</i>	<i>CUSIP</i>
_____%	June 1, ____	_____, 2018	80168F__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

THIS IS TO CERTIFY that the Registered Owner (specified above) of this Certificate of Participation (the "Certificate") is the owner of an undivided interest in the right to receive the Installment Payments (as defined below) payable by the Santa Clara Valley Water District (the "District") pursuant to the Installment Purchase Agreement (described below) on the maturity date specified above (subject to any right of prior prepayment provided for) the principal sum specified above, together with interest evidenced and represented hereby at the interest rate per annum specified above on _____, 2018, and on each December 1 and June 1 thereafter (the "Interest Payment Dates") from the Interest Payment Date next preceding the date of execution hereof, unless such date of execution is during the period commencing after the fifteenth day of the month preceding an Interest Payment Date (the "Record Date") through and including the next succeeding Interest Payment Date, in which event this Certificate shall represent interest from such Interest Payment Date and with respect to the first Interest Payment Date, this Certificate shall represent interest from the Dated Date until the principal evidenced and represented hereby shall have been paid; provided, however, that if on the date of execution of this Certificate, interest is then in default on the Certificates, this Certificate shall evidence interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Certificate.

The principal evidenced and represented by this Certificate shall be payable (without notice of payment to the registered owner hereof) in lawful money of the United States of America at the Corporate Trust Office (as defined in the Trust Agreement) of U.S. Bank National Association,

(herein, together with any successor as trustee under the hereinafter defined Trust Agreement, called the "Trustee") upon presentation and surrender of this Certificate.

Payment of interest evidenced and represented by this Certificate due on or before the maturity or prior prepayment hereof shall be made to the person in whose name this Certificate is registered, as of the Record Date preceding the applicable Interest Payment Date, on the registration books kept by the Trustee at its Corporate Trust Office such interest to be paid by check mailed by first class mail by the Trustee on such Interest Payment Date to the registered owner at his address as it appears on such books; provided that upon the written request of an Owner of \$1,000,000 or greater in aggregate principal amount of outstanding Certificates received by the Trustee prior to the applicable Record Date, interest shall be paid by wire transfer in immediately available funds to an account within the United States of America. Interest evidenced and represented by this Certificate shall be payable in lawful money of the United States of America. Interest on the Certificates shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Certificate is one of a duly authorized issue of Certificates of Participation of the District designated as the "Revenue Certificates of Participation (Water Utility System Improvement Projects), [2018A]" in the aggregate principal amount of _____ Dollars (\$_____), all of like tenor and date (except for variations relating to Certificates (as may be required to designate varying numbers, maturities and interest rates) (the "Certificates"), under and pursuant to the provisions of a trust agreement, dated as of [December 1, 2017] (the "Trust Agreement"), by and among the District, the Santa Clara Valley Water District Public Facilities Financing Corporation (the "Corporation") and the Trustee (copies of which are on file at the Corporate Trust Office of the Trustee).

The Certificates are executed and delivered to provide funds for financing public facilities of the District and to reimburse the District for previous amounts expended on the financing of public facilities. The Certificates are payable solely from installment payments (the "Installment Payments") paid by the District for the purchase of the Project pursuant to an Installment Purchase Agreement, dated as of [December 1, 2017], by and between the District and the Corporation (the "Installment Purchase Agreement"), including interest or profits from the investment of money in certain funds established under the Trust Agreement for the payment of the Certificates (other than amounts on deposit in the Rebate Fund) and amounts on deposit in the funds established under the Trust Agreement (other than amounts on deposit in the Rebate Fund). The Installment Payments do not constitute a debt or liability of the District or of the State of California in contravention of any constitutional or statutory debt limit and neither the faith and credit of the District nor of the State of California are pledged to the payment of the principal or interest evidenced and represented by the Certificates.

The Certificates are subject to extraordinary prepayment by the District on any date prior to their respective Certificate Payment Dates, upon notice as hereinafter provided, as a whole or in part by lot within each Certificate Payment Date, in such order of prepayment as the District may determine, in integral multiples of five thousand dollars (\$5,000) and any integral multiple thereof and from net proceeds of insurance awards or condemnation proceedings received by the District due to the damage, destruction or condemnation of all or any portion of the Water Utility System under the circumstances and upon the conditions and terms prescribed in the Trust Agreement and in the Installment Purchase Agreement, at a prepayment price equal to the sum of the principal amount or such part thereof evidenced and represented by the Certificates to be prepaid, plus accrued interest evidenced and represented thereby to the date fixed for prepayment, without premium.

The Certificates with Certificate Payment Dates on or after June 1, 202_ are subject to optional prepayment prior to their respective Certificate Payment Dates by the District on any date on or after December 1, 202_, upon notice as hereinafter provided, as a whole or in part by lot in such order of maturity as the District may determine, in integral multiples of five thousand dollars (\$5,000), from any source of available funds, at a prepayment price equal to 100% of the principal amount to be prepaid, plus interest, if any, accrued with respect thereto to the date of prepayment, without premium.

Notice of prepayment of this Certificate shall be given by the Trustee not less than twenty (20) days nor more than sixty (60) days prior to the prepayment date to (i) the respective Owners of the Certificates designated for prepayment at their addresses appearing on the registration books of the Trustee (ii) the Securities Depositories and (iii) the Information Services subject to and in accordance with provisions of the Trust Agreement with respect thereto. If notice of prepayment has been duly given as aforesaid and money for the payment of the above-described prepayment price is held by the Trustee, in the Payment Fund then this Certificate so called for prepayment shall, on the prepayment date designated in such notice, become due and payable at the above-described prepayment price; and from and after the date so designated, interest evidenced and represented on this Certificate shall cease to accrue and the registered owner of this Certificate shall have no rights in respect hereto except to receive payment of the prepayment price hereof.

This Certificate is transferable only in the books required to be kept for that purpose at the Corporate Trust Office of the Trustee by the registered owner hereof in person or by his duly authorized attorney, upon surrender of this Certificate together with a duly executed written instrument of transfer in a form approved by the Trustee and thereupon a new fully registered Certificate or Certificates will be executed and delivered, by the Trustee of like series and of authorized denominations of the same Certificate Payment Date evidenced and representing the same aggregate principal amount a Certificate will be issued to the transferee in exchange therefor. This Certificate may be exchanged at the Corporate Trust Office of the Trustee for the same aggregate principal amount evidenced and represented by a Certificate of authorized denominations. The Trustee shall not be required to register the transfer of or exchange (i) any Certificates during the period established by the Trustee for the selection of Certificates for prepayment, or (ii) any Certificate which has been selected for prepayment in whole or in part.

The Trustee may treat the registered owner hereof as the absolute owner hereof all purposes, whether or not this Certificate shall be overdue, and the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest and principal prepayment premiums and represented by the Certificate shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability evidenced and represented by this Certificate to the extent of the sum or sums so paid.

The Trust Agreement and the rights and obligations of the District, the Corporation and of the registered owners of the Certificates may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Trust Agreement, but no such modification or amendment shall (i) extend the maturity of this Certificate or reduce the rate of interest or yields-to-maturity, as the case may be hereon or extend the time of payment of interest, or reduce the amount of principal hereon, or reduce any premium payable on the prepayment hereon without the consent of the registered owner of this Certificate, (ii) reduce the percentage of Owners of Certificates whose consent is required for the execution of any amendment or modification or, (iii) modify any rights or

obligations of the Trustee of the Corporation without its prior written assent thereto, all as more fully set forth in the Trust Agreement.

If the Trustee shall pay or cause to be paid or there shall otherwise be paid to the registered owners of any outstanding Certificates the interest and the principal and the prepayment premiums, if any, evidenced and represented thereby at the times and in the manner stipulated herein and in the Trust Agreement, then the registered owners of such Certificates shall cease to be entitled to the pledge of and lien on the moneys in the Payment Fund, as provided in the Trust Agreement, and all agreements, covenants and other obligations of the Corporation and the District to the registered owners of such Certificates under the Trust Agreement shall thereupon cease, terminate and become void and be discharged and satisfied.

This Certificate shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until executed and dated by the Trustee.

The District certified that all acts and proceedings required by law necessary to make this Certificate, when executed by the Trustee and duly issued, the valid, binding and legal special obligation of the District have been done and taken, and have been in all respects duly authorized.

The Trustee has executed this Certificate solely in its capacity as Trustee under the Trust Agreement and not in its individual or personal capacity. The Trustee is not liable for the obligations evidenced by the Certificates except from amounts held by it in its capacity as Trustee under the Trust Agreement.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized officer of the Trustee as of the date set forth below.

Date of Execution: _____, 2018

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

[FORM OF ASSIGNMENT TO CERTIFICATES]

For value received the undersigned hereby sells, assigns and transfers unto _____

(name, address and social security number or other identifying number)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTE: The signature(s) to this Assignment must correspond with the name(s) as written upon the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

NOTE: Signature(s) must be guaranteed by an eligible guarantor institution

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EXHIBIT A FORM OF CERTIFICATE OF PARTICIPATION

File No.: 18-0083

Agenda Date: 3/21/2018

Item No.: *4.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Asset Management Program Update.

RECOMMENDATION:

Receive an update on the Asset Management Program.

SUMMARY:

The Board of Directors has adopted the following Board Governance Policies that provide guidance on managing and maintaining District assets:

EL-6. The BAOs shall protect and adequately maintain corporate assets.

6.4. Maintain an Asset Management Program

In support of EL-6, the Board has requested an annual update on the District's Asset Management Program.

The District owns, operates, and maintains water utility, watershed and administrative assets in support of the District's mission. Water utility assets include the equipment and components that make up the District's dams, pipelines, pump stations, water treatment plants, purification center, recharge ponds, and wells. Watershed assets include creek reaches and sub-reaches; and the levees, floodwalls, and assets such as fish ladders that lie along a creek reach. Administration assets include the District's administration buildings and grounds, information technology (IT) equipment, and fleet equipment and vehicles. Each of these assets must be maintained, repaired, and periodically replaced to keep facilities functioning properly to provide a continued level of service to the community.

The District implements individual asset management programs for its three business areas: water utility, watershed, and administration. Prior asset management program updates to the Board on March 28, 2017 and June 13, 2017 described the water utility asset management program. This update will provide an overview of the watershed and administration asset management programs.

An overview of the District's asset management program history, concepts, standards, and computerized maintenance management system (CMMS) is provided in Attachment 1.

Watershed Asset Management Program

The District maintains and is continuously improving a registry of watershed assets that includes each creek's reaches, sub-reaches, banks, levees, and beds. Additional detail regarding assets below creeks' banks such as bank lining, weirs, outfalls, and fish facilities will continue to be added to the registry over time.

The District regularly inspects the condition of creek assets where it has responsibility. Typically, inspections are done annually, though some creeks are inspected less frequently. Creek inspectors look for erosion, sediment accumulation, woody and trash debris blockage, vegetation, and burrowing rodent damage among other problems. Staff reviews collected inspection data to identify locations where stream maintenance projects are needed. A team of operations and maintenance staff reviews and prioritizes potential projects, and ultimately identifies and budgets for projects that are proposed for implementation under the District's Stream Maintenance Program (SMP) in the next SMP work season, subject to regulatory agencies' approvals; or as part of the Watersheds Asset Rehabilitation Program.

The Watersheds Asset Rehabilitation Program is comprised of small capital improvement projects to maintain the integrity of existing flood protection facilities by conducting annual erosion repair and animal conflict repair work. Repairing and maintaining creek banks helps reduce potential failures and stabilizes the life cycle of existing creek channels. Work locations may change from year to year depending on winter storms, associated higher stream flows, and the potential for increased erosion. To the extent possible, work under this program is performed under permits of the Stream Maintenance Program.

In addition, the District is documenting level of service requirements for each creek. A creek's level of service may include any design flow rates, environmental permit requirements, and water supply in-stream recharge capacity. The levels of service are an important input to creek maintenance guidelines, which describe the maintenance activities, such as sediment or vegetation removal, required to provide the specified level of service for each creek. The District is in the process of updating maintenance guidelines based on the documented levels of service. Of 36 creeks that require updated maintenance guidelines, the District has completed 19 level of service documents, has updated 17 maintenance guidelines, and is on pace to complete the remainder by 2021.

The District is also developing creek-specific asset management plans to identify long-term capital rehabilitation and replacement needs for each creek. Plans have been developed for six creeks, and the District plans to continue to develop a plan for one creek per year. See Attachment 2 for a table summarizing which creeks have completed level of service, maintenance guidelines, and asset management plans.

Administration Asset Management Program

The administration asset management program is in an earlier stage of development than the water utility or watersheds programs. The District has established programs to manage its fleet, information technology, and facilities assets. These programs were developed at the unit or project level, and work is progressing to integrate these efforts into the larger District-wide Asset Management Program.

Fleet

The District has had a functioning asset management program for its fleet and heavy equipment assets for many years. All fleet and equipment assets are inventoried in the Districts Computerized Maintenance Management System (CMMS), Maximo. The inventory includes 180 Class I Light Duty vehicles, 81 Class II Medium/Heavy Duty vehicles, 25 Class III Heavy Duty Construction Equipment, and 500 Class IV Light construction and miscellaneous support equipment. Vehicles and heavy equipment are maintained and replaced regularly per optimized schedules that have been developed over time based on experience.

Information Technology

The District maintains an asset inventory for its hardware, software, and telecommunications assets in Maximo. The inventory contains almost two thousand assets including personal computers, servers, radios, software, tablets, routers, switches, printers and copiers. Hardware and telecommunication assets are typically replaced prior to failure at pre-determined schedules. For example, most servers are replaced every five years. Maintenance of information technology (IT) assets is typically administered through annual maintenance agreements. Staff plans to further review management strategies for the IT assets in the next few years.

Facilities

The asset inventory for the buildings and grounds on the District's Almaden and Winfield campuses is being improved to meet district-wide asset management standards. The updated inventory will include approximately one thousand assets. Facilities staff has monitored condition and performed maintenance using the Maximo work order system for many years. A formal condition assessment program and maintenance work plan similar to the water utility and watershed programs will be developed in the next two to three years, once the asset inventory is updated.

Next Steps

The District will continue to implement and improve its asset management programs and will provide regular Board updates on the status of the programs. In the next few years, the watershed asset management program will focus on completing level of service documentation for all creeks to inform the maintenance guideline updates, and continuing development of long-term creek asset management plans. The administration asset management program will focus on completing the asset inventory for the District's Almaden and Winfield campuses, and developing formal condition assessment and maintenance work planning processes for these assets.

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: Asset Management Program Overview

Attachment 2: Summary of Creeks

Attachment 3: PowerPoint

*Handout 4.2-A: D. Muirhead

UNCLASSIFIED MANAGER:

Kurt Arends, 408-630-2284

Attachment 1: Asset Management Program Overview

Asset Management Program Update

March 27, 2018

In 2011, the District began an effort to standardize its asset management programs by implementing internationally recognized asset management standards in three core business areas: water utility, watershed, and administration. The foundation of the program is the Environmental Protection Agency's (EPA) ten-step asset management planning model, shown in Figure 1. This ten-step model adheres to guidelines set forth in several internationally recognized asset management standards including the International Infrastructure Management Manual (IIMM); the British Standards Institution's Publicly Available Specification for asset management (PAS 55); and, the International Organization for Standardization's guidelines for asset management (ISO 55000).

The District's Asset Management Program (Program) seeks to optimize asset renewal strategies and minimize the total cost of owning assets while providing expected service levels and operating at an acceptable level of risk. The goal of the Program is to optimize management of District assets. The Program does not seek to completely eliminate risk and failure, because it would be impractical and require substantial investments to do so. Asset management also helps make sound financial investments, plan for major aging infrastructure replacements, prevent loss of asset specific knowledge, and substantiate rate increases.

An asset fails when it can no longer provide required services, typically due to one of the following failure modes:

1. Mortality – asset cannot provide service due to its physical condition
2. Capacity – asset's designed capacity does not meet demands
3. Level of Service – asset cannot provide quality or quantity of service expected by customers or prescribed in policy or contractual obligations
4. Efficiency failure – there is a more economical alternative for providing service

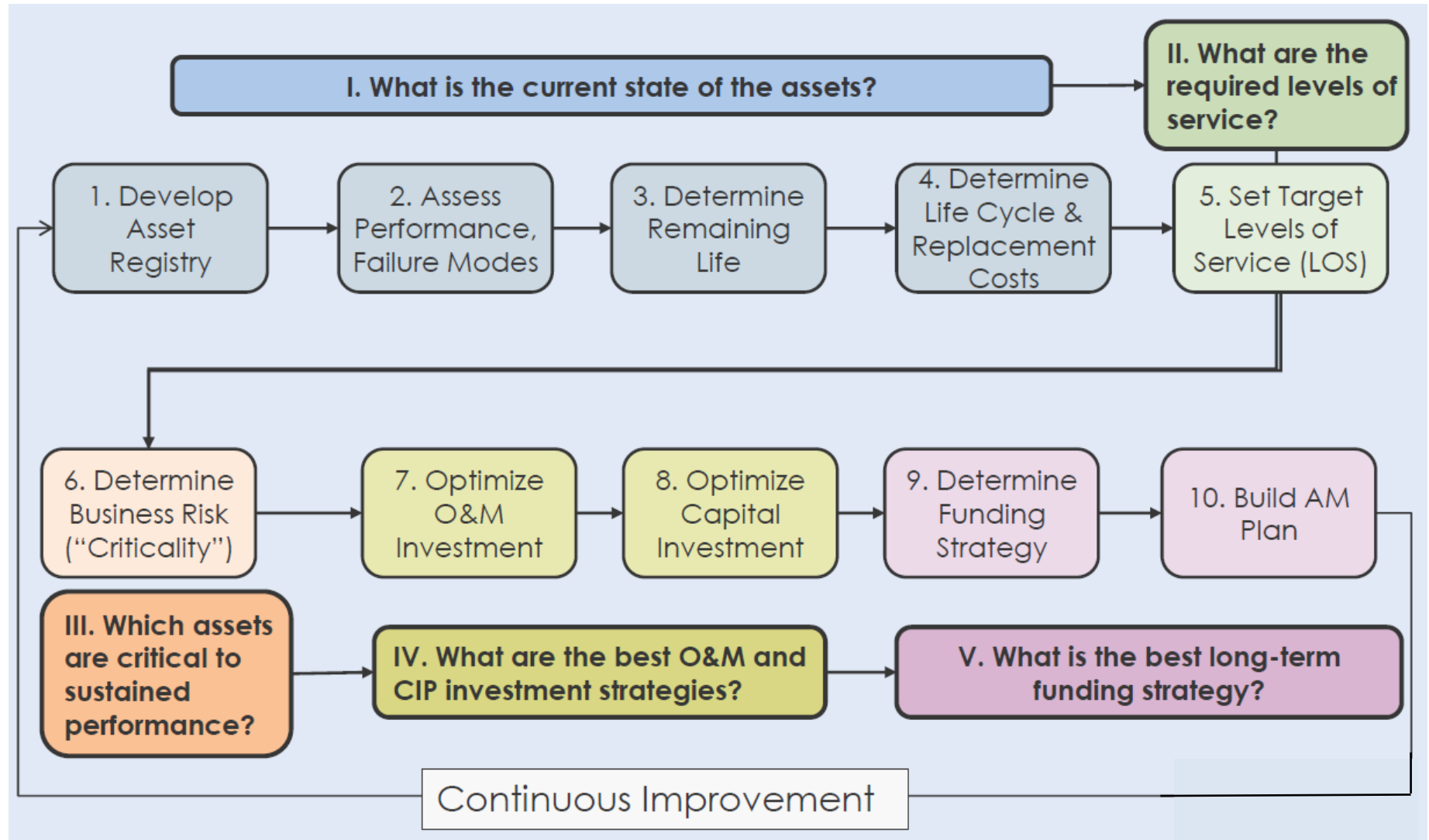
The Program generally focuses on addressing physical mortality, and relies on master planning efforts to assess capacity, level of service, and efficiency failures. As such, master plans are equally important in maintaining the District's assets.

Computerized Maintenance Management System

The success of the District's asset management programs is dependent on having an effective computerized maintenance management system (CMMS). The hub of the District's CMMS is its Maximo software system. Maximo is the District's primary system for maintaining its asset inventory and managing maintenance work.

Last fiscal year (FY17), the District successfully upgraded the Maximo software to the latest available version, 7.6. This fiscal year (FY18), the District is deploying unique 'sites' within Maximo for each business area, such as Fleet, Water Treatment Plant Maintenance, Watershed Maintenance, Raw Water Maintenance, and Facilities. These groups have different business processes, and therefore different workflows within Maximo. The multiple sites within Maximo allow each unique business area to customize its maintenance workflows and security permissions. Next fiscal year (FY19), the Maximo site set-up will continue, and the District plans to implement a mobile Maximo software so that field staff can easily access and edit work orders at their work sites.

Figure 1. 10-Step Asset Management Planning Model



Attachment 2: Summary of Creeks with Completed Level of Service (LOS), Maintenance Guidelines (MG), and Asset Management Plans (AMP)

Asset Management Program Update

3/27/2018

			LOS Documented	MG Updated	AMP Completed*
Coyote Watershed	1	Berryessa Creek	X	X	
	2	Calera Creek			
	3	Coyote Creek			
	4	Los Coches Creek			
	5	Lower Penitencia Creek	X	X	
	6	Lower Silver Creek			
	7	Piedmont Creek	X		
	8	Thompson Creek			
	9	Upper Penitencia Creek	X		X
	10	Upper Silver Creek	Draft in MG	X	
Guadalupe Watershed	11	Alamitos Creek	X	X	
	12	Canoas Creek	Draft in AMP		X
	13	Greystone Creek			
	14	Guadalupe River	Draft in AMP		X
	15	Golf Creek	X	X	
	16	Los Gatos	X	X	
	17	Randol Creek			
	18	Ross Creek	X	X	
Lower Peninsula Watershed	19	Adobe Creek	X	X	
	20	Barron Creek	X		
	21	Calabazas Creek			
	22	Matadero Creek	X	X	
	23	Permanente Creek			
	24	San Francisquito Creek			
	25	Stevens Creek	X	X	X
Uvas/Llagas Watershed	26	Edmundson Creek	X	X	
	27	Jones Creek			
	28	Lions Creek	X	X	
	29	Llagas Creek	X	X	
	30	Madrone Channel			
	31	North Morey Channel			
	32	Princevalle Drain	X	X	
	33	South Morey Channel			
	34	Uvas-Carnadero Creek	Draft in AMP	X	X
	35	West Branch Llagas Creek	X	X	
West Valley Watershed	36	Regnart Creek	X		X
	37	San Tomas Aquino	X	X	
	38	Saratoga Creek			
	39	Sunnyvale East Channel			
	40	Wildcat Creek			

*All AMPs are DRAFT documents because they were developed before MGs were/are updated, and will be revised in the future based on updated MGs.

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Asset Management Program Update

SCVWD Board of Directors
March 27, 2018



Asset Management Program Goals

- ▶ Optimize asset renewal strategies
- ▶ Minimize total cost of owning assets
- ▶ Continue to provide expected service levels
- ▶ Operate at an acceptable level of risk
- ▶ Help make sound financial investments
- ▶ Plan for major aging infrastructure replacements
- ▶ Prevent loss of asset specific knowledge
- ▶ Identify future funding needs

Watershed Asset Management Program



279 miles of District fee or easement channel



43.5 miles of concrete lined channels



101 miles of levees



Other individual assets (fish ladders, bank lining, weirs, etc)

Watershed Asset Management Program


- ▶ Ongoing asset registry improvement and creek inspections
 - ▶ Creek inspections inform SMP projects
- ▶ Level of Service documentation
 - ▶ Inform maintenance guidelines
- ▶ Individual creek asset management plans
 - ▶ Identify long term asset rehabilitation needs

Administration Asset Management Program



Fleet: Vehicles and Heavy Equipment

Information Technology: Hardware, Software, Telecommunications



Facilities: Almaden/Winfield Campus with 11 buildings spanning 262,000 square feet over 46.7 acre area

Santa Clara Valley
Water District



Administration Asset Management Program

- ▶ IT: Inventory is complete, maintenance agreements are in place, and assets are replaced on set schedules
- ▶ Fleet and equipment: Inventory is complete and maintenance program is mature
- ▶ Facilities: Maintenance work order system in place
 - ▶ Improving registry and developing condition assessment program and maintenance work plan

Michele King

From: doug.muirhead@stanfordalumni.org
Sent: Monday, March 19, 2018 12:58 PM
To: Clerk of the Board
Subject: SCVWD Agenda Comment Form

Agenda Comment Form

Current Date:	03-19-2018
Name:	Doug Muirhead
Address:	
City:	Morgan Hill
State:	CA
Zip Code:	95037-5657
Telephone:	Ext:
Email Address:	doug.muirhead@stanfordalumni.org
Agency, Business or Group (if applicable):	Public
Contact:	Attention: Clerk of the Board
Board Meeting Date:	03/21/18
Board Item Number:	4.2
I would like to:	No Position-Comment Only
Comments:	Do the Disaster Recovery and Business Continuity plans identify assets critical to recovery and continuity and thus set a lower threshold for the failure modes? --- Asset Management Program: An asset fails when it can no longer provide required services, typically due to one of the following failure modes: Mortality – asset cannot provide service due to its physical condition Capacity – asset's designed capacity does not meet demands Level of Service – asset cannot provide quality or quantity of service expected by customers or prescribed in policy or contractual obligations Efficiency failure – there is a more economical alternative for providing service

File No.: 18-0144

Agenda Date: 3/21/2018

Item No.: *5.4.

BOARD AGENDA MEMORANDUM

SUBJECT:

Overview of the District's Water Infrastructure, Wholesale Supply and Financial Projections.
(Previously Listed as Item 5.3)

RECOMMENDATION:

That the Santa Clara Valley Water District Board of Directors and Milpitas City Council direct their respective staff to continue their commitment to meaningful engagement in pursuit of new and innovative partnership opportunities for the continued delivery of a safe, and reliable water supply in Santa Clara County.

SUMMARY:

This item describes various programs that the Santa Clara Valley Water District (District) provides in support and partnership with the City of Milpitas (City) as they provide a safe and reliable water supply in the City.

As the groundwater management agency and primary water resources agency for Santa Clara County (County), the District has a mission to provide safe, clean water for Silicon Valley. In 2012, the Board adopted the Water Supply and Infrastructure Master Plan (Water Master Plan) which outlines the District's strategy for providing a reliable and sustainable future water supply for the County and ensuring new water supply investments are effective and efficient. The three key elements of the Water Master Plan strategy are 1) secure existing supplies and infrastructure, 2) optimize the use of existing supplies and infrastructure, and 3) expand water conservation and recycled water use to meet future increases in demands.

The District's Water Master Plan is intended to be updated every five years to adjust to changing conditions. Based on recent analyses, the County could experience shortages of up to 30 percent during extended droughts as demands increase, even with full implementation of the 2012 Water Master Plan. District staff is in the process of updating the Water Master Plan to present the strategies needed to meet the District's water supply reliability goal.

Water Supply Overview

To meet the future water needs and promote greater resource diversity, the District continues to

explore additional water supply and water demand reduction options. Pursuing supply diversity helps minimize the potential risks of groundwater overdraft and subsidence, as well as overreliance on imported water supplies. Projects being considered include additional water conservation, potable reuse, surface and groundwater storage, stormwater capture, additional recharge ponds, dry year options, etc.

Currently, the District's water supply portfolio includes 55% imported water sources, 40% local water sources (groundwater, treated), and 5% recycled water. Similarly, the water portfolio for the City is comprised of 55% Hetch Hetchy Water, 36% District Treated Water, and 9% Recycled Water. It is important to note that like the District, the City is planning to increase its use of recycled water in its supply portfolio.

Infrastructure Overview

The District operates a complex infrastructure and integrates natural and constructed systems to capture and convey raw and treated water. The District's system can deliver about 300 million gallons of raw water and 200 million gallons of treated drinking water every day. The District's distribution system includes 10 reservoirs, 3 pump stations, 142 miles of pipelines, 4 water treatment plants, 393 acres of recharge ponds, and 275 miles of jurisdictional streams.

The District plans to invest approximately \$2.1 Billion in its 5-year Capital Improvement Program to ensure the reliability of our water supply infrastructure. Some of the current/recent capital investments include:

- ❖ 10-Year Pipeline Inspection & Rehabilitation Program - This Program involves the inspection, planning, design, and renewal of the District's pipelines and tunnels to rehabilitate distressed pipe sections as required, and replace old valves, flow meters, pipeline appurtenances assemblies, and piping, as appropriate. In the next two years, the Program work will include the Cross Valley Pipeline, Calero Pipeline, and the Central Pipeline.
- ❖ Penitencia Force Main/Delivery Main Seismic Retrofit - This recently-completed project included the replacement of about 900 lineal feet of each of three pipelines - the 60-inch diameter Penitencia Force Main, 66-inch diameter Penitencia Delivery Main, and 72-inch diameter South Bay Aqueduct, currently conveying raw and treated water to and from the Penitencia Water Treatment Plant. The Project has reduced the potential damage to and post-earthquake recovery time of the pipelines and the associated vault structures.
- ❖ Anderson Dam Seismic Retrofit - The District is in the process of retrofitting four of its dams and associated infrastructure to meet current seismic design standards and other Division of Safety of Dam (DSOD) design and operational criteria. The current estimated investment for these four projects is \$780M. Anderson Dam is the largest of the District's dams, with a retrofit cost of \$550M. Anderson Dam's project work will include excavation and reconstruction of its embankments; replacement of the intake structure and installation of two new outlet pipes; and replacement of the emergency spillway structure.

Anderson Dam Construction and Potential Flooding Impact on Coyote Creek

The Anderson Dam construction project is estimated to be a 4- to 5-year endeavor. During two consecutive winter seasons during this construction period, the dam embankment will be about 80 feet below its current height of 647 feet above sea level. Watershed runoff generated by winter storms in those two seasons will have to be conveyed directly to Coyote Creek to prevent the interim dam from being overtopped. To do this, the District will construct a diversion tunnel from the bottom of Anderson Reservoir to Coyote Creek as part of this project. The volume of water diverted through the tunnel will be controlled by the District. Statistical simulations have been conducted as part of the project planning to determine an operating rule curve for the interim dam during those two winter seasons. Based on nearly 40 years of historic rainfall data at Anderson Dam 100,000 simulations of annual rainfall were modeled. The results indicate that 98% of the flows diverted from the Anderson/Coyote Watershed to Coyote Creek would be no greater than 1,000 cubic feet per second (cfs). Before Anderson Dam construction begins, the District's Office of Emergency Services will establish communication protocols with the cities of San Jose and Milpitas to share real-time flow diversion information and to provide warning, as necessary, of higher-than-normal diversions in the event of heavy, back-to-back storm systems.

Water Conservation Overview

The District's water conservation program is a key part of its core business, reducing demand by approximately 73,000 acre-feet in FY2018. Water use efficiency programs reduce demand on existing water and energy supplies, helping to lessen the costs and environmental impacts of developing additional supplies. Conservation program elements include a variety of rebate programs for home, landscaping, and businesses as well as service calls and conservation tools. The District plans to increase water conservation contribution savings to 110,000 acre-feet per year by 2040.

Future Opportunities

California Water Fix - The Board has agreed to participate in the California WaterFix project subject to 7 guiding principles. This will allow the District to continue to work with the state and our partner water agencies to negotiate the best deal for the County and ensure the resulting project adheres to our conditions and the Board's guiding principles for participation.

No Regrets Package - On September 19, 2017, the Board authorized staff to begin planning for implementation of the projects and programs in the Water Supply Master Plan's "No Regrets" package. The package consists of the following water conservation and stormwater capture projects:

- Advanced metering infrastructure,
- Graywater Rebate Program expansion,
- Leak repair incentives,
- New Development Model Ordinance, and
- Stormwater capture (agricultural land recharge, stormwater recharge in the Cities of San Jose and Saratoga, rain barrel rebates, and rain garden rebate).

How Water Supply Services Are Funded

The District is the groundwater management agency and primary wholesale water provider in the County. The District actively manages the groundwater basins by replenishing them with local and imported water, and by operating surface water treatment plants that provide "in-lieu" recharge. A complex system that includes 10 reservoirs, 142 miles of pipelines, 4 water treatment plants, and 3

pump stations, helps keep water flowing across the county.

The cost to operate and maintain this system is reimbursed primarily through groundwater charges and treated water charges paid by water retail customers. Groundwater charges differ depending on the “zone of benefit.” The North County (Zone W-2) is defined as the portion of the County north of the Coyote Valley. The South County (Zone W-5) is defined as the portion of the County extending from Coyote Valley to Gilroy.

Resolution 99-21 guides staff in the development of the overall pricing structure based on principles established in 1971. The general approach is to charge the recipients of the various benefits for the benefits received. More specifically, pricing is structured to manage surface water, groundwater supplies and recycled water conjunctively to prevent the over use or under use of the groundwater basin.

Each year, the Board establishes groundwater production charges as well as 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. Staff’s proposed groundwater charge increase for North County Zone W-2 for Fiscal Year 2018-19 equates to an increase of \$3.92 per month to the average household and is driven by critical infrastructure repair and replacement needs such as those listed in this memo, and efforts to bolster water supply reliability (this does not include any increase from the retail provider).

Below are the key upcoming dates for the groundwater charge setting process. The schedule calls for adopting the budget and groundwater production charges on May 8, 2018, which would become effective on July 1, 2018.

Mar 21:	Water Retailers Meeting (Groundwater Production Charge recommendation)
Apr 10:	Board Meeting (Open Public Hearing on Groundwater Production Charges)
Apr 11:	Water Commission Meeting (Groundwater Production Charge recommendation)
Apr 12:	Board Meeting (Continue Public Hearing on Groundwater Production Charges to South County)
Apr 24:	Board Meeting (Continue and Conclude Public Hearing)
Apr 25-27:	Board Meetings - Budget Work Study Sessions
May 8:	Board Meeting (Adopt Groundwater Production Charges, Budget & CIP)

FINANCIAL IMPACT:

There is no fiscal impact from this presentation.

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.

File No.: 18-0144

Agenda Date: 3/21/2018
Item No.: *5.4.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Nina Hawk, 408-630-2736

Overview on Water Infrastructure, Wholesale Supply and Financial Projection

Joint Meeting with City of Milpitas - March 21, 2018

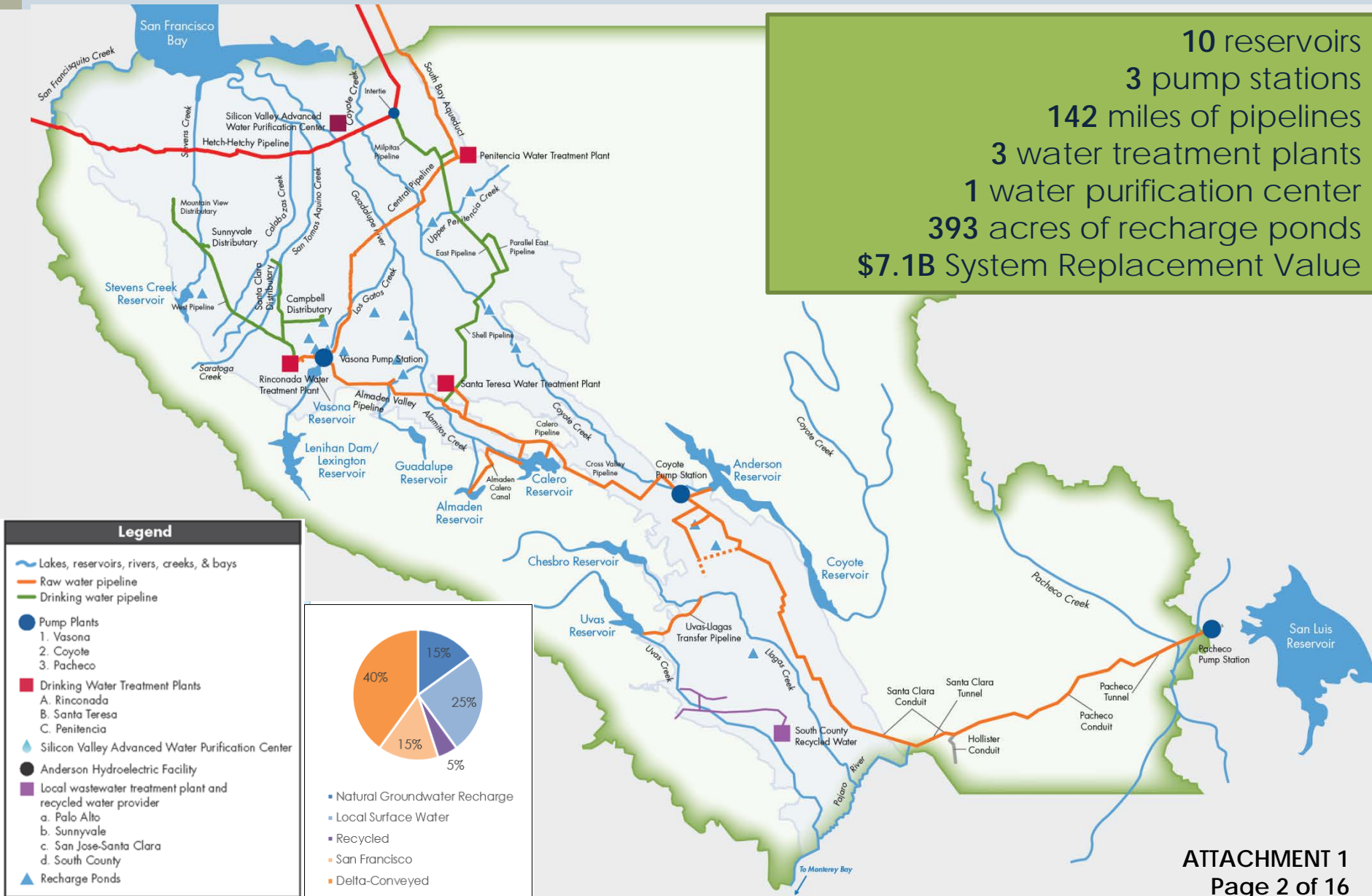
Santa Clara Valley
Water District



ATTACHMENT 1
Page 1 of 16

A comprehensive, flexible water system

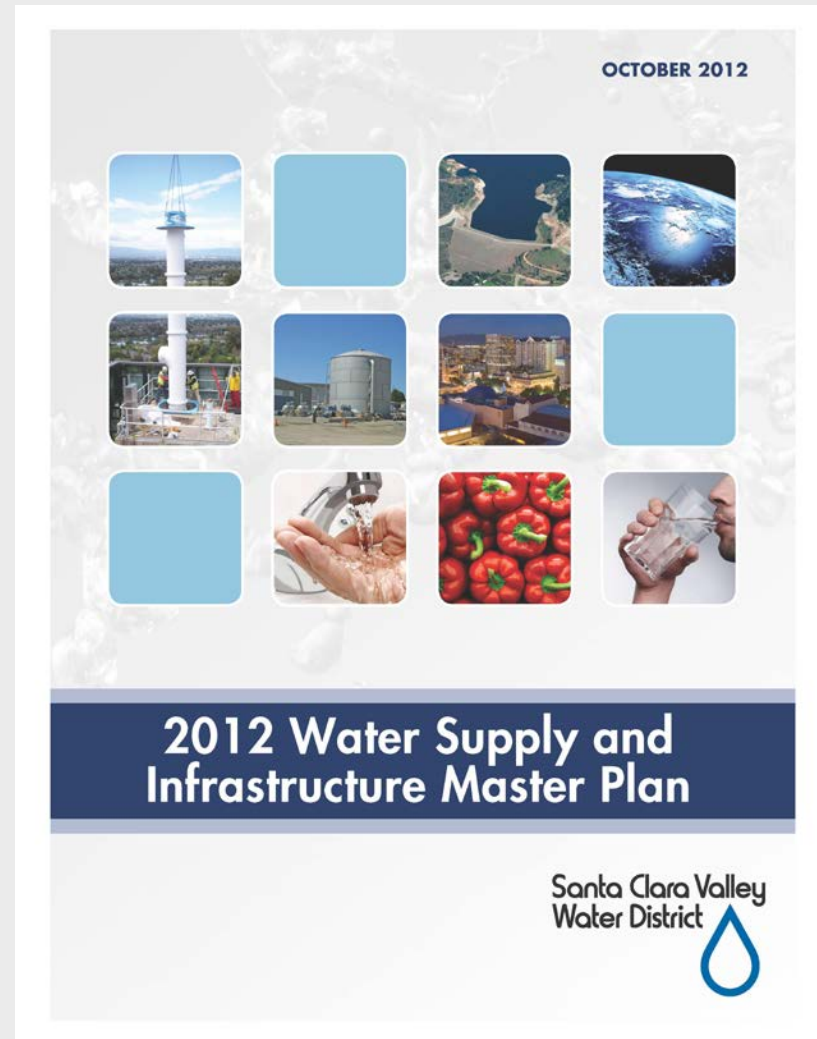
10 reservoirs
3 pump stations
142 miles of pipelines
3 water treatment plants
1 water purification center
393 acres of recharge ponds
\$7.1B System Replacement Value



2012 Master Plan “Ensure Sustainability” Strategy

Level of service goal – Meet 90% of demands in droughts

- ▶ Secure existing system
 - ▶ Dam retrofits, asset management, pipeline repair, maintain imports
- ▶ Optimize existing system
 - ▶ New recharge, new pipelines
- ▶ Expand conservation and reuse
 - ▶ Graywater, potable reuse



Water Supply Master Plan Update

Analysis shows declining reliability

Average Water Supply Conditions

	2020	2040
Demands (AF)	360,000	402,000
Average Annual Supply (AF)	374,000	366,000
Shortfall (AF)	0	36,000

Drought Water Supply Conditions

	2020	2040
Demands (AF)	360,000	402,000
Minimum Drought Supply (AF)	255,000	250,000
Maximum Shortfall (AF)	105,000 (29%)	152,000 (38%)

Evaluated about 40 projects for filling gaps

- ▶ Conservation and demand management
- ▶ Stormwater capture and reuse
- ▶ Onsite reuse
- ▶ Potable reuse
- ▶ Recycled water
- ▶ Groundwater recharge ponds
- ▶ Raw water pipelines
- ▶ Ag land fallowing
- ▶ Storage, inside and outside county
- ▶ Desalination
- ▶ Dry year options/transfers
- ▶ Water contract purchase
- ▶ California WaterFix

"No Regrets" package is cost-effective and broadly supported

- ▶ Advanced Metering Infrastructure
- ▶ Gray Water Program Expansion
- ▶ Leak Repair Incentive
- ▶ New Development Model Ordinance
- ▶ Stormwater Capture and Reuse
 - ▶ Ag Land Recharge
 - ▶ Rain Barrel Rebate
 - ▶ Rain Garden Rebate
 - ▶ San Jose Recharge
 - ▶ Saratoga Recharge

Total District Cost	\$100 million
Additional Water Conservation Savings	10,000 AF
Additional Water Supply Yield	1,000 AF
Unit Cost	\$400/AF

Multiple decision points, including

- ▶ Prop 1 storage funding – Summer 2018
- ▶ California WaterFix permits – Winter 2018
- ▶ Select P3 entity for potable reuse - 2019
- ▶ Annual supply and demand review – Summer
- ▶ Annual CIP, budget, and water charge process begins – Fall
- ▶ Finalize update to Water Supply Master Plan – late 2018

Key Water Supply Projects



**Dam Seismic Retrofits/Improvements
(\$780 Million)**



**RWTP Reliability Improvements
(\$290 Million)**



**Expedited Purified
Water Program
(\$1 Billion via P3
Delivery Method)**

Project Overview

Anderson Dam Existing Configuration

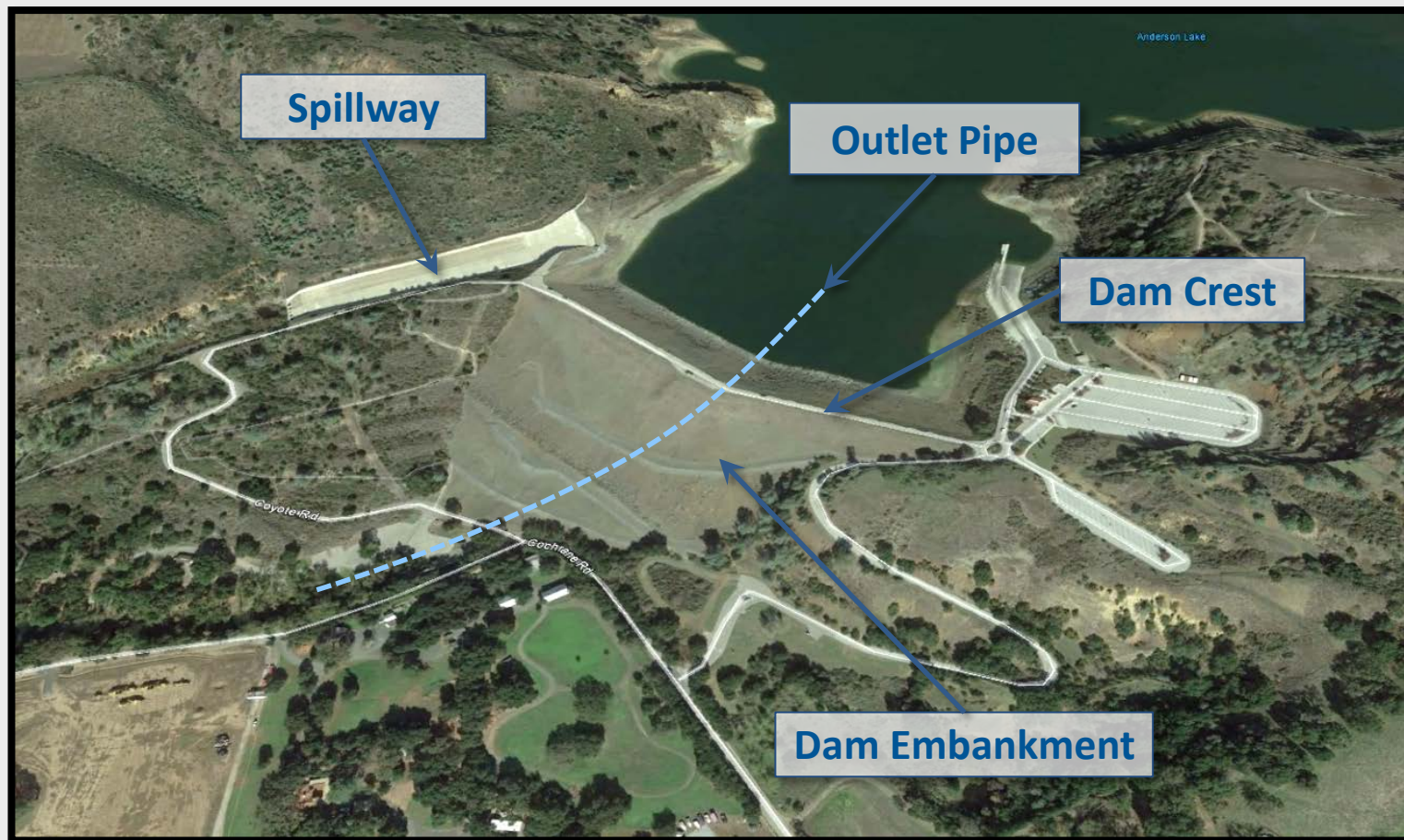
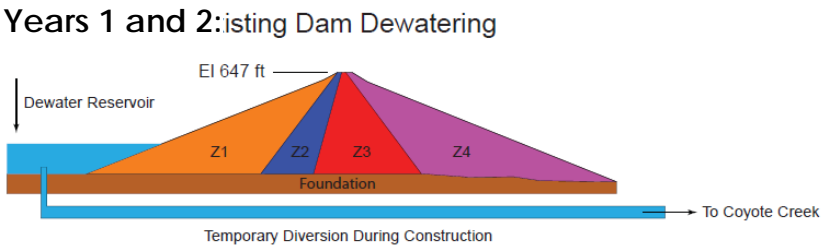
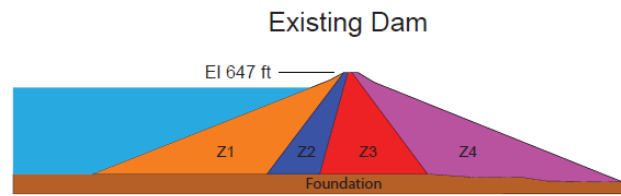
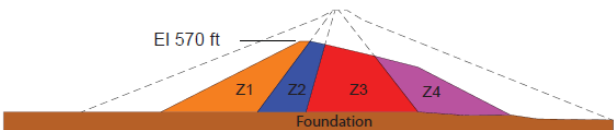


Image Source: Google Earth

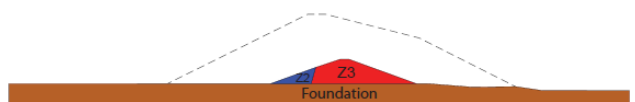
Anderson Dam Embankment Construction Sequence



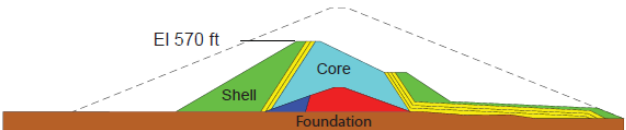
Year 3: April - October
Stage 1 Excavation



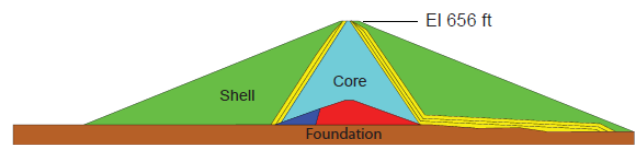
Year 4: April - June
Stage 2 Excavation



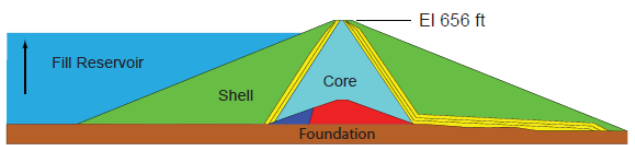
Year 4: July - October
Stage 2 Fill



Year 5: April - October
Stage 3 Fill



Final Configuration



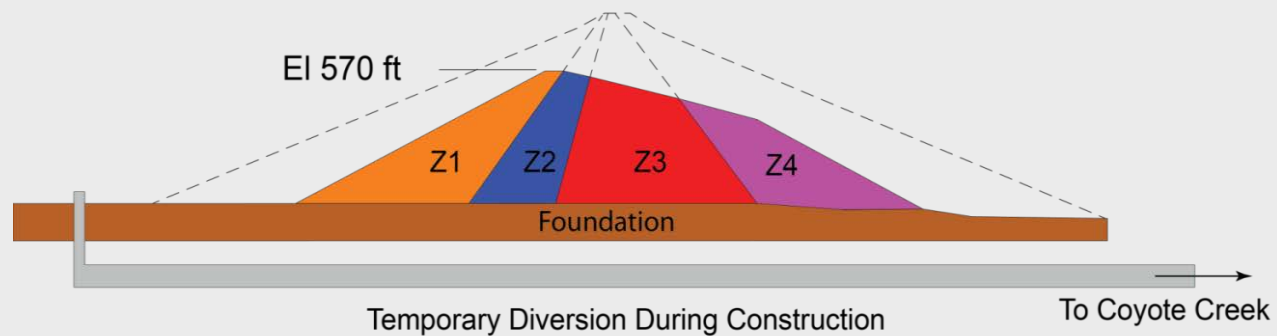
Downstream Releases during Anderson Construction

► Key Objectives:

- Operate flow diversion pipe to minimize risk to interim dam
- Minimize downstream flood risk.

► Based on 100,000 simulations, annual risk of diversion releases greater than:

- ❖ 500 cfs = 30%
- ❖ 1,000 cfs = 2%
- ❖ 2,000 cfs = 0.4%
- ❖ 5,000 cfs = 0.03%



Why do well owners pay SCVWD to pump water from the ground?

CONSTRUCTION AT ANDERSON RESERVOIR, 1951



\$550M Seismic Retrofit under way at Anderson

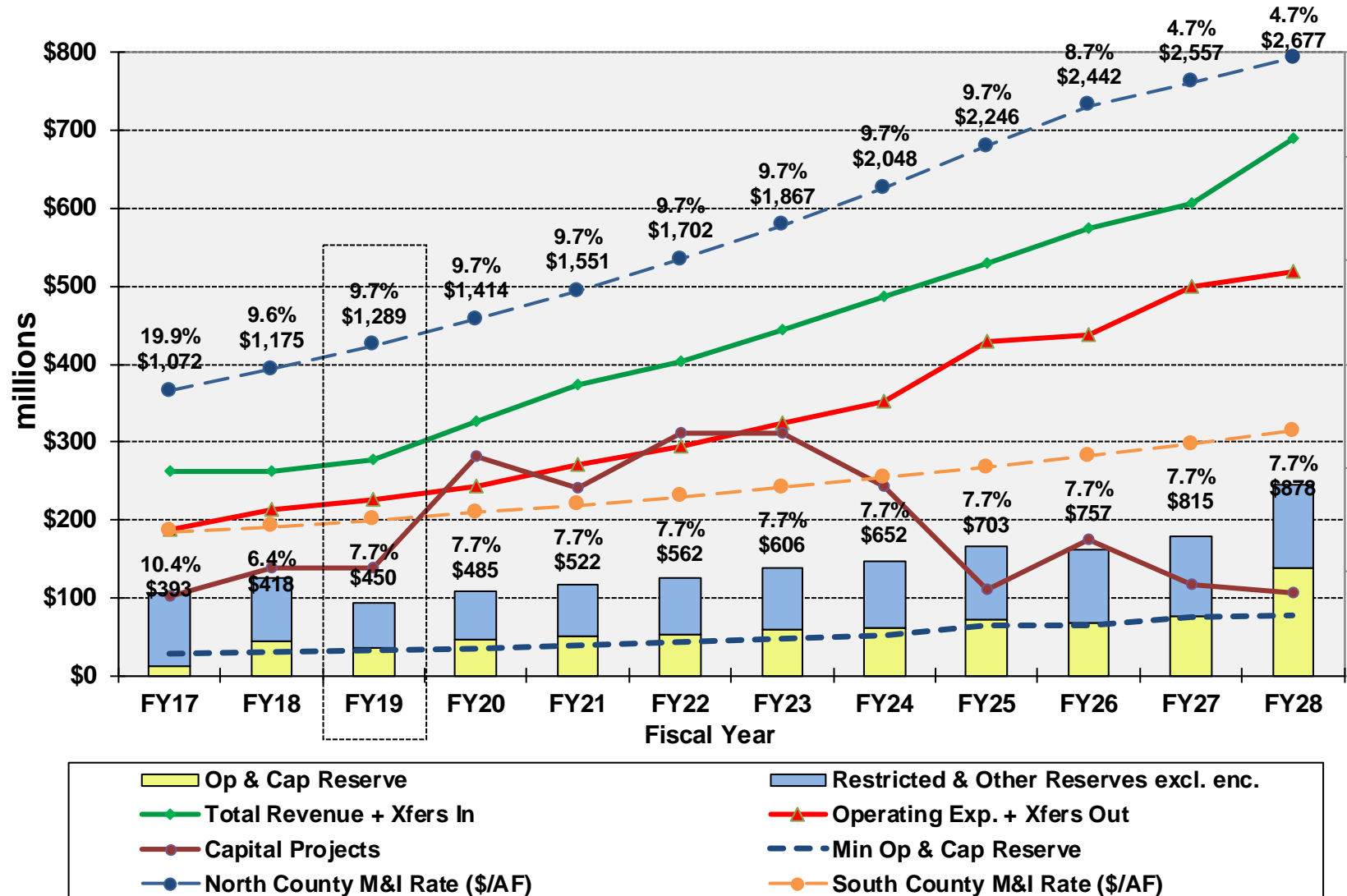
- ▶ Local rainfall cannot sustain Santa Clara County water needs
- ▶ Planning in early 1900's called for construction of reservoirs to capture rainwater to percolate into the ground
- ▶ Groundwater Production Charge is a reimbursement mechanism
 - ▶ pays for efforts to protect and augment water supply

Many activities ensure safe, reliable groundwater supplies

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



Financial Analysis: Proposed Groundwater Production Charge Projection



FY 2018-2019 Schedule

Jan 9	Board Meeting: Preliminary Groundwater Charge Analysis
Jan 17	Water Retailers Meeting: Preliminary Groundwater Charge Analysis
Jan 24	Water Commission Meeting: Prelim Groundwater Charge Analysis
Feb 13	Board Meeting: Review draft CIP & Budget development update
Feb 23	Mail notice of public hearing and file PAWS report
Mar 21	Water Retailers Meeting: FY 19 Groundwater Charge Recommendation
Apr 2	Ag Water Advisory Committee
Apr 3	Landscape Committee Meeting
Apr 10	Open Public Hearing
Apr 11	Water Commission Meeting
Apr 12	Continue Public Hearing in South County
Apr 24	Conclude Public Hearing
Apr 25-27	Board Meeting: Budget work study session
May 8	Adopt budget & groundwater production and other water charges

Summary

- Groundwater Production Charge projection driven by infrastructure repair & replacement, and water supply reliability investments
- Proposed FY 19 Groundwater Production Charge increase equates to an increase of \$3.92 per month in North County to average household

File No.: 18-0138

Agenda Date: 3/21/2018

Item No.: *5.5.

BOARD AGENDA MEMORANDUM

SUBJECT:

Opportunities for Coordination and Collaboration on Projects Benefiting Milpitas (District 3).
(Previously Listed as Item 5.4)

RECOMMENDATION:

That the Board and City Council acknowledge District and City staff efforts and provide direction to work collaboratively on land rights exchanges, recreational trail planning, and recreation and flood protection benefits.

SUMMARY:

Santa Clara Valley Water District (District) and City of Milpitas (City) own fee title lands and easements along waterways in City. Both agencies have improvements along or near waterways that provide flood protection and municipal services for City residents and businesses. Both agencies need collaboration and cooperation to continue building and maintaining their infrastructure for the benefit of City residents and businesses. There have been challenges in the past at the staff level in implementing District and City's projects in exchanging land rights, planning of trails and flood protection work.

Exchanging Land Rights

As the two agencies proceed with land rights transactions for on-going projects, it's important to dedicate resources and direct staff to resolve outstanding land rights transactions. There are land rights transactions that have been unresolved for more than ten years due to different expectations on appropriate land rights to be provided to or accepted by each agency. Resolution of these land rights exchanges would ensure that each agency has appropriate rights to access and maintain the infrastructure and improvements installed as part of the completed projects.

For water supply infrastructure constructed by the District, the District has expectations to obtain sufficient land rights over its pipeline infrastructure where located on City property to properly maintain, inspect, reconstruct, and operate its facilities to provide continuous service of water. The City would like to provide the District with a revocable license or permit for the portions of District water supply infrastructure located on City property.

District and City land rights intersect at road crossings of flood protection facilities. Identification of

roles and responsibilities would help clarify the type of land interest acquired or retained by each agency. The District's understanding has been that the City's responsibility is for the roadway infrastructure, including culverts and bridges (i.e. the structure itself, including concrete, wingwalls, pavement, etc.), and the District's responsibility is to maintain the channel for flow conveyance (i.e. sediment or debris removal) through those structures. For new road crossings, the District's practice has been to have the City obtain a road easement over the District's fee title or obtain fee title and have the District reserve an easement for flood protection purposes. However, the City's understanding is that City constructed road infrastructure includes the pavement section, but not the culvert or bridge supporting the pavement and, therefore, City constructed culverts or bridges required to build a new road within an existing flood protection facility should be maintained by the District while the City will maintain the pavement on top of the culvert or bridge.

Staff requests that City Council and the District Board discuss the policy issue surrounding land rights and maintenance responsibilities, and following discussion, delegate authority to the City Manager and Chief Executive Officer (CEO) to develop an agreement between the District and City that reflects both agencies' responsibilities and requirements for land rights transactions.

Recreational Trail Planning

In accordance with Board Resolution No. 74-38, "Declaring Policy Governing Joint Public Use of District Facilities," the District supports public creek-side trail development by providing District lands at no cost to the City for construction of trail improvements with the understanding that the District flood protection and stream stewardship obligations take precedent over recreational uses. Creation of creek-side trails that balance the needs of the District while providing the public an enjoyable off-street recreational experience requires sufficient study and planning of alignments to identify constraints and opportunities and plan a viable trail that addresses both. Recreational uses, if not properly planned, can negatively impact District improvements and operations and result in a less than optimal recreational experience. These impacts are felt by the public through increased maintenance costs and increased staff time to complete maintenance activities resulting in longer duration trail closures and missed opportunities to provide trail amenities.

The City has identified possible trail alignments in high level documents such as the Milpitas Transit Area Specific Plan, however, master plans for the various trails identified have not yet been developed. District staff's experience is that developers are conditioned to include trail design as part of their project based on high level alignments that are then implemented one small section at a time. Site specific trail evaluation and construction feasibility examined in such small sections makes it difficult for the District to comprehensively evaluate impacts on District operations and collaborate on how to best place bridges and trailheads to balance the District's operations with the recreational interests. Master trail planning also provides an opportunity to engage the community in the development of trails that best serve them and provide meaningful connections that work with flood protection operations.

Staff requests the City Council and District Board discuss the policy issue surrounding comprehensive trail planning that includes community and District engagement, and direct City and District staff to increase collaborative efforts toward comprehensive trail planning and implementation

between the agencies.

Recreation and Flood Protection

The District provides flood protection for residents of Santa Clara Valley. The District performs this function by constructing improvements and preserving the flood conveyance capacity on those improved channels. The District removes sediment, manages in-stream vegetation, and repairs creek bank erosion on improved channels that have been analyzed, designed and constructed to ensure they can carry a specific flood event.

For recreational trails along District flood protection channels, existing Joint Use Agreements between the two agencies provide for the City to install and maintain recreational elements and to relocate them as required for District flood protection purposes. Confirmation of these agreements and direction to staff of both agencies to uphold respective commitments made in these agreements facilitates better working relationships and reduces delay costs to construction and maintenance work to be implemented by both agencies.

When the District constructs new flood protection projects, the District works with cities to provide flood protection improvements in a manner that is least impactful to the community, functionally and aesthetically. However, the District has previously been required to provide and maintain recreational improvements as conditions of approval to construct flood protection improvements. These types of requirements are more applicable to conditions such as those that may be imposed on developers to mitigate development impacts on city resources and provide for public improvements commensurate with those development impacts. District flood protection projects are in themselves public improvement projects that do not impose adverse impacts on city resources, such as a new residential, commercial or industrial development would in terms of increased traffic or population.

It is current District policy that recreational improvements are to be installed and maintained by the City under joint use agreement. Staff recommends that the Board and City Council consider and discuss the policy issue of approval requirements with respect to recreation and flood protection improvement projects, and direct the City Manager and District CEO to implement policy direction that meets both agencies' needs.

NEXT STEPS

Staff will implement direction by District Board of Directors and City Council for the areas described in this memorandum.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under the California Environmental Quality

Act (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:

Melanie Richardson, 408-630-2035

File No.: 18-0139

Agenda Date: 3/21/2018

Item No.: *5.6.

BOARD AGENDA MEMORANDUM

SUBJECT:

2018 Legislative Efforts and Recommended Positions on State Legislation: Senate Bill 881 (Wieckowski) Shoreline Subventions, Senate Bill 1301 (Beall) Expedited Permitting and Transparency for Human Life Safety Projects, and Assembly Bill 1889 Santa Clara Valley Water District Act Revisions. (Previously Listed as Item 5.5)

RECOMMENDATION:

- A. That the Board and City Council direct District and City staff to work together on advocacy efforts on water supply, flood protection, and other issues of mutual interest, including letter of support on bills and/or rulemaking actions, advocacy with federal and state elected officials and regulatory agency officials, and other actions; and
- B. That the City Council consider supporting Senate Bill 881, Senate Bill 1301, and Assembly Bill 1889.

SUMMARY:

Securing adequate funding, authorization, and permits for flood protection and water supply projects is difficult and requires advocacy efforts at the federal and state levels to move projects forward to completion. The District pursues these advocacy efforts year-round by meeting with federal, state and regulatory officials to advocate for funding, authorization, and permits for these projects. The City of Milpitas (City) has a long history of partnering with the District to advocate for such projects by sending letters of support on grant applications, federal funding requests, and other advocacy efforts for these projects. Recently, the City has partnered with the District on a number of advocacy efforts, including the South San Francisco Bay Shoreline Project and the Upper Berryessa Creek Flood Protection Project.

Recognizing the importance of joint advocacy efforts in advancing critical water supply, flood protection, and environmental stewardship projects, staff recommends that the City Council consider supporting three District-sponsored state legislative bills that benefit the City and the region, outlined below.

SB 881 (Wieckowski): South San Francisco Bay Shoreline Project - State Flood Subventions Authorization

This bill will add the South San Francisco Bay Shoreline Project to the list of authorized flood control projects that receive state flood subventions funding. The Shoreline Project will provide resiliency to

sea level rise, restore former salt ponds to tidal marsh, complete missing segments of the San Francisco Bay Trail, and will increase flood protection for Silicon Valley where a 100-year coastal flood event could cause \$6.14 billion in damages.

This bill would allow the District to receive an estimated \$4 to \$7 million in from the state for flood subventions reimbursements. State subventions reimburse costs such as rights-of-way and relocations for flood control, recreation, fish and wildlife enhancements, and temporary work area easements for construction staging and hauling routes.

This project is important to the City of Milpitas and to the shoreline region as a whole because it will provide flood protection from both extreme storm events and, over the longer term, sea level rise. This benefits not just the city's residents who live in Milpitas, but also Milpitas residents who work in any of the shoreline cities, as this project will protect not just homes, but also the businesses along the shoreline, as well as the infrastructure along the shoreline which includes Highway 237 (a critical commuter transportation artery) and the Regional Wastewater Facility. In addition, it will provide environmental restoration and recreational benefits for both the city's residents and the region as a whole. Consequently, this bill is also important to the City of Milpitas because it could save the project between \$4 and \$7 million local dollars, that would instead be paid for by the State. See Attachment 1 - Map of Shoreline Project.

SB 1301 (Beall) Flood Risk Reduction & Dam Safety Enhancement - Transparent & Expeditious Permitting for Human Life Safety

This bill would require a state agency to expedite permit processing and approval for projects that will maintain or improve human life safety protection through flood risk reduction or reduction of risk of dam failure. Expediting permits when human life safety or high value assets of national importance are threatened by flood risk could save lives and prevent catastrophic loss.

As the City is aware, state agencies often are understaffed and underfunded, and as a result, permits issued by state agencies are delayed months and sometimes years for some water supply and flood protection projects. The most recent example of this is with the Upper Berryessa Creek Flood Risk Mitigation Project, which was delayed for several months by a state agency. This critical project protects the Milpitas BART station as well as Milpitas homes and businesses, yet it was delayed by a state agency for almost a year while they conducted reviews and analysis that should have been performed during the California Environmental Quality Act (CEQA) process-after CEQA already had concluded for this project. This resulted not just in delays to the project and the benefits it confers to the City's and region's residents, businesses, and commuters, but also a lack of public input and involvement in that post-CEQA review and analysis by the state agency.

This bill seeks to remedy such delays by expediting certain human life safety projects, such as high-hazard dams (e.g., Anderson Dam's Seismic Retrofit Project, anticipated construction start date Fiscal Year 2021), flood protection projects in flood-prone watersheds (e.g., Coyote Creek, anticipated construction start date Fiscal Year 2021), high-risk tidal flood zones of national economic importance (e.g., the Shoreline Project, anticipated construction start date Fiscal Year 2019), and others that meet specific criteria. **NOTE:** this bill would not exempt any projects from CEQA, and in fact require any project seeking expediting to have completed CEQA before seeking an expedited permit. The bill also includes a transparency provision that requires certain state agencies to report

to the Legislature and the public their average permit processing times for designated permits. This provides an additional tool by which to measure regulatory performance.

This bill is important to the City as it can help accelerate critical life safety projects such as those listed above that will help provide flood protection to the City's residents and businesses, while ensuring that the projects are in full compliance with CEQA.

AB 1889 (Caballero) Santa Clara Valley Water District Act Revisions

This bill would amend the Santa Clara Valley Water District Act to make three important reforms: 1) To improve fairness in parcel tax exemption processing; 2) To help ensure a socio-economically, fairly compensated, diverse Board of Directors, and 3) To ensure if a vacancy occurs on the Board, it is filled by a resident from the geographic district where the vacancy occurs. Each reform is detailed below.

- 1) Reforms Parcel Tax Exemption Process for Low-Income Seniors and the Disabled. AB 1889 would clarify that the District need only verify low-income status once, and that the taxpayer's eligibility for the parcel tax exemption may remain in effect until the District is notified of a change in eligibility or has reason to believe the taxpayer is not eligible for the exemption.
- 2) Reforms the District Board of Directors Duties and Meeting Allowance. AB 1889 defines the duties of a Director and increases the number of meeting days for which a Director is eligible for remuneration from up to 10 days per month to 20 days per month, reflecting the actual number of working days required for the position. Directors often must work long hours without remuneration and that means the only people who can realistically serve on the Board are either retired or independently wealthy, which limits the socioeconomic diversity of the Board.
- 3) Reforms District Board Vacancy Appointments. AB 1889 will require that the appointment to a vacant seat on the District Board be made from the geographic district in which the vacancy exists rather than from anywhere in Santa Clara County, ensuring that the geographic district is represented by a resident of that district.

This bill is important to the City as it will streamline and simplify the parcel tax exemption process for low-income seniors and disabled residents of Milpitas, it will enable the District Board of Directors to more fully dedicate themselves to the increased number of expanding scope of responsibilities of the office and will increase the capacity of Directors to provide more public oversight of the District's water supply, flood control, and groundwater management programs for the residents of Milpitas, and ensure appropriate community representation.

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.

File No.: 18-0139

Agenda Date: 3/21/2018
Item No.: *5.6.

ATTACHMENTS:

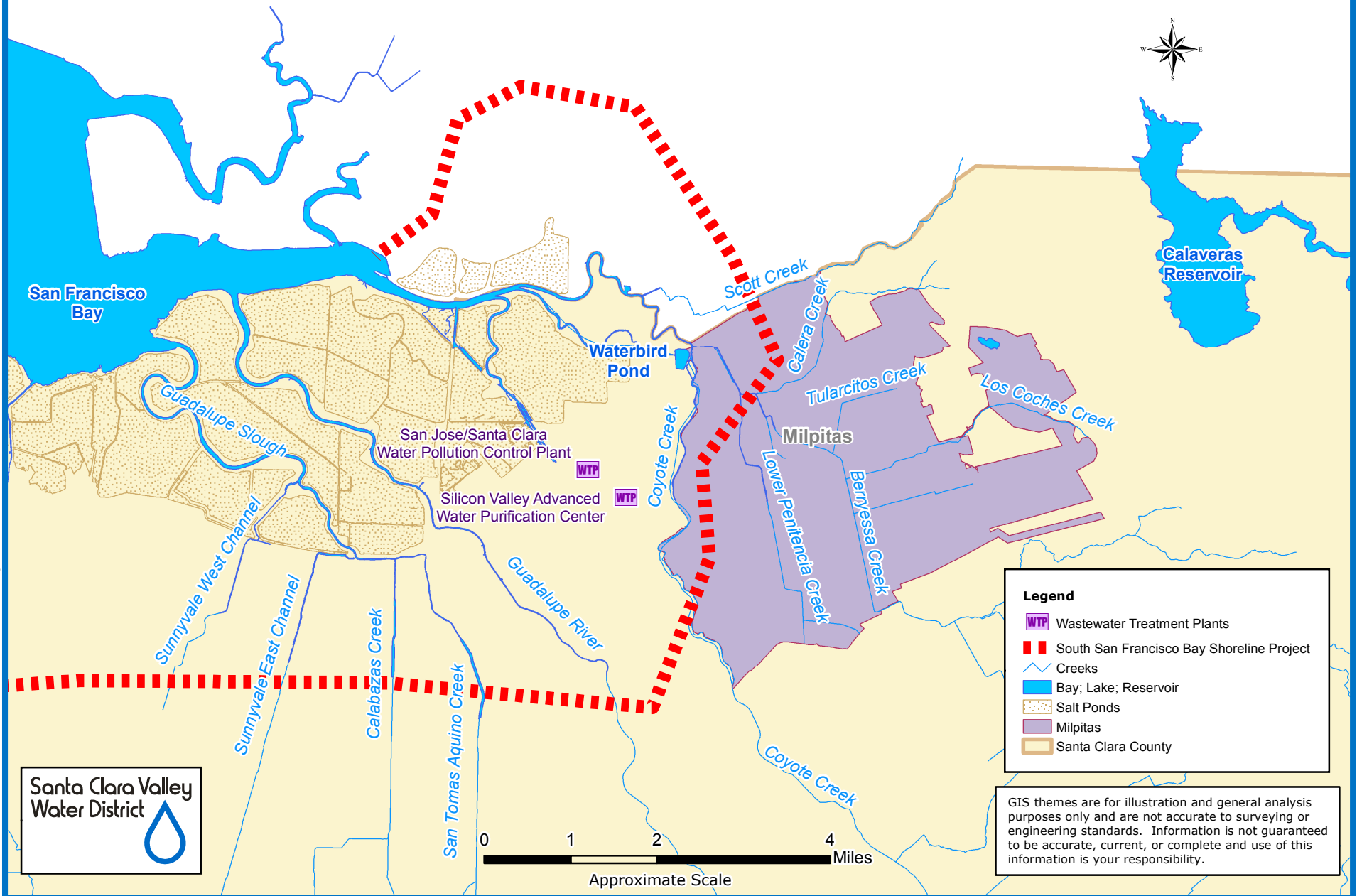
Attachment 1: Map of Shoreline Project

UNCLASSIFIED MANAGER:

Rachael Gibson, 408-630-2884

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South San Francisco Bay Shoreline Project



File No.: 18-0146

Agenda Date: 3/21/2018

Item No.: *5.7.

BOARD AGENDA MEMORANDUM

SUBJECT:

Emergency Services Coordination. (Previously Listed as Item 5.6)

RECOMMENDATION:

That the Board and City Council direct District and City staff to commit to ongoing and strengthened coordination and partnership on emergency activities and service.

SUMMARY:

The five-person Emergency Services Unit is responsible for the District's emergency operations. This includes leading the development of plans, conducting emergency management trainings and exercises, ensuring the availability of resources, and collaborating with other agencies.

The unit also has responsibility for the Emergency Operations Center (EOC). In addition to the EOC, the District also has two Department Operations Centers (DOCs) that are utilized to directly support field operations in Watershed and Water Utility.

The DOCs are managed within the Watershed and Water Utility Divisions of the District and are activated independently or in coordination with the EOC, depending upon the nature of the emergency/issue. When a DOC is activated, staff in the DOC often interact and collaborate with employees from other entities such as District retailers or County agencies such as HazMat/Fire and the City of Milpitas.

Some emergencies that the District could respond to include floods, levee or facility issues, water contamination, water supply disruption, pipeline damage, underground storage subsidence, dam failure and earthquake.

One of the lessons of the 2017 floods was the importance of collaborating with and communicating effectively with other agencies. Over the past year, through collaboration, open communication, and development of close professional ties, the District and the City of San Jose have developed a robust Emergency Action Plan (EAP) to respond to future incidents.

EAPs are scenario-specific and are based on streams, dams and affected locations. The District has also embarked on a program to develop EAPs for sites that are prone to flooding in collaboration with

relevant municipalities or other agencies. These Joint EAPs clarify responsibilities of the District and the municipalities/agencies.

Another important initiative is the District's active monitoring of storms and the development of metrics to ascertain the likelihood of floods. These efforts are designed to provide the District with the ability to better prepare for and respond to rapidly changing situations.

To prepare for future incidents, the Emergency Services Unit has initiated an aggressive training program. With the intent of enhancing their knowledge, District staff assigned to the EOC have recently participated in a series of classes on the basic EOC roles. Staff have also attended trainings based upon function. For example, a course specific to Logistics was well-attended in February 2018. It allowed attendees to dive deeper into their roles and identify gaps in their documentation or ability to fulfill potential demands in the aftermath of a major event. Additional trainings and exercises are planned for the future, as is the District's participation in our stakeholder agencies' events.

Response Structure

The District utilizes the Incident Command System (ICS), Standardized Emergency Management System (SEMS), and National Incident Management Systems (NIMS) for consistency in terminology, communications, and overall structure. These are the systems used by municipalities, which are based on emergency response best practices.

Personnel Resources

Over 160 District personnel are assigned to the EOC. Included in the roster is a wide range of categorical technical specialists. Some examples include pipeline emergency, levees, water quality, meteorology/hydro, and dam safety.

The District's EOC Public Information Branch, which is managed by the Public Information Officer, has well-developed capabilities. The functions within this branch include Information Gathering and Dissemination, Government Relations, CEO/Board Support, Media Relations, and Call Center Operations.

The District has redundant communication capabilities to communicate with District staff: hardline phone, text messaging, pagers, hand-held radio, County radios (Control 10), amateur radio, satellite phone, and mass notification (Blackboard Connect).

Equipment Resources

The District's construction equipment is based on watershed and creek management activities. Some examples of available equipment include excavators, dump trucks, loaders, backhoes and cranes. These are some of the resources that could potentially be requested as mutual aid to support a response outside of the District.

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: PowerPoint

UNCLASSIFIED MANAGER:

Anil Comelo, 408-630-2470



Santa Clara Valley
Water District



Emergency Operations

March 21, 2018

Response Structure

Incident Command System (ICS)
Standardized Emergency Management System (SEMS)
National Incident Management System (NIMS)

Emergency Operations Center (EOC),
Department Operation Centers (DOCs)

Based on Watershed and Water Utility functions

Potential Emergencies (examples)

Watershed

- Flooding
- Levee or other facility issue

Water Utility

- Water contamination
- Water supply disruption
- Pipeline damage
- Underground storage subsidence

Water Utility and Watershed

- Dam failure
- Earthquake



Resources (personnel)

- 160+ assigned to EOC
- Technical Experts (Watershed and Utility)
- Public Information Branch

*Communication redundancy

Resources (equipment)

- Excavators
- Dump Trucks
- Loaders
- Backhoes
- Cranes
- More...



Resources Cont. (equipment)



Emergency Action Plans (EAPs)

Scenario Specific – streams, dams, locations

Inundation Maps and Downstream Contact Lists

Activation Levels, scenario data and monitoring

Lessons Learned from 2017 Flood

EAPs, Multi-Agency Coordination (MAC)

Coordination with Emergency Operations Plan (EOP)

Emergency Services Unit

- Unit Consists of Manager and four staff
- Emergency Planning, Training and Exercise
- EOC Readiness
- City and County Collaboration and Coordination

