MEMORANDUM OF UNDERSTANDING

BETWEEN THE

ORANGE COUNTY SANITATION DISTRICT

AND THE

ORANGE COUNTY EMPLOYEES ASSOCIATION

FOR THE

ENGINEERING UNIT

July 1, 2022 through June 30, 2025

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MEMORANDUM OF UNDERSTANDING

BETWEEN THE

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AND THE

ORANGE COUNTY EMPLOYEES ASSOCIATION

FOR THE

ENGINEERING UNIT

In accordance with the provisions of California Government Code Sections 3500, et seq., and Resolution No. OCSD 18-18 of the Orange County Sanitation District's (OC San) Board of Directors, OC San's authorized representative has met and conferred in good faith with representatives of the Orange County Employees Association (OCEA) for the Engineering Unit. These meetings have resulted in an agreement and understanding to recommend that the employees represented by OCEA accept these terms and conditions, and that the Board of Directors adopt by Resolution the changes and additions to the wages, hours, and conditions of employment for the employees represented by OCEA as set forth in this Agreement.

ARTICLE 1. - RECOGNITION

1.1 This Agreement, effective July 1, 2022, is entered into between the Orange County Sanitation OC San, referred to hereinafter as the "OC San," and the Orange County Employees Association, referred to hereinafter as "OCEA."

1.2 OC San recognizes the Orange County Employees Association as the exclusive recognized employee organization for matters within the scope of representation for the following classifications, as set forth in Exhibit "A" (attached hereto and incorporated by reference), as well as additional classes as may be added hereafter by OC San.

ARTICLE 2. - DURATION

2.1 This Agreement shall be binding on OC San and OCEA when approved and adopted by OC San's Board of Directors. This Agreement shall terminate on June 30, 2025. Any issue regarding the question of exclusive representation of a recognized employee organization shall be brought pursuant to the Employer-Employee Relations Resolution (EERR), Resolution No. OCSD 18-18.

ARTICLE 3. - SUCCESSOR AGREEMENT

3.1 The Group shall submit in writing its initial proposal for a successor agreement 60 days prior to the expiration date of this Agreement.

ARTICLE 4. - OCEA ACCESS

4.1 An OCEA Representative shall have access to OC San's facilities during working hours for the purpose of assisting Unit employees in processing grievances or investigating matters arising out of the application of provisions of this Agreement. The OCEA Representative must obtain authorization for each visit in advance from the Director of Human Resources, or designee.

4.2 The OCEA shall provide the Director of Human Resources, or designee, with a list of Representatives who are authorized to request access under this article, and shall notify the Director of any changes in that list.

4.3 OCEA access shall not interfere with OC San's operations, or with the work of employees in any manner. OC San reserves the right to restrict access in certain areas designated as confidential or secure.

ARTICLE 5. - OCEA RIGHTS

5.1 The OCEA may designate employees to act as representatives for employees covered by this Agreement. The OCEA shall furnish the Director of Human Resources, or designee with the names of employees selected as representatives and shall update the list as necessary. An alternate representative may be designated to act in the absence of the regular representative. Employees not listed on the roster of representatives provided to OC San by the OCEA may not act as representatives.

5.2 Representatives shall not perform non work-related duties on work time without the prior approval of their immediate supervisor. Neither OC San nor the OCEA shall interfere with, intimidate, restrain, coerce or discriminate against employees because of the exercise or non-exercise of their rights to engage in OCEA activity.

ARTICLE 6. – OC SAN RIGHTS

6.1 OC San inherent rights, powers, functions, duties, responsibilities and authority related to a managerial or administrative character are reserved to OC San in its exercise of management decision-making, except as specifically modified by the express provisions of this Memorandum. OC San rights include, but are not limited to, the exclusive right to consider the merits, necessity or organization of any service or activity provided by law, or administrative order; determine the mission of its constituent departments, commissions and boards; set standards of service, determine the procedures and standards of selection for employment and promotion; establish and implement performance standards; direct its employees; take disciplinary action for proper cause; layoff employees from duty because of lack of work or lack of funds; maintain the efficiency of OC San operations; determine the methods, means and personnel by which OC San operations are to be conducted; determine the content of job classifications; classify and reclassify positions; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

6.2 OC San retains all authority and rights conferred on it by law, or other legal sources, except to the extent that such authority is explicitly waived by the express terms of this agreement. OC San exercise of its management rights hereunder shall not be subject to appeal or meeting and conferring, however, that the exercise of such rights does not preclude OCEA from appealing or meeting and conferring the practical consequences or impacts that OC San decisions have on wages, hours, and other terms and conditions of employment.

ARTICLE 7. - NONDISCRIMINATION IN EMPLOYMENT

7.1 There shall be no unlawful discrimination in the application of the provisions of this Agreement with regard to actual or perceived race, color, religion, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, age, physical or mental disability, medical condition, genetic information, marital status, or military or veteran status, or any other lawfully protected class. To the extent required by law or by OC San's rules or regulations, this provision of the Agreement shall be applied to all members of the unit without regard to any protected classification.

ARTICLE 8. - SMOKE-FREE WORK ENVIRONMENT

8.1 OC San endorses and supports the right of all employees to work in a healthy and safe environment free of recognized hazards. In view of the hazards associated with smoking and the potentially harmful effect it has on the health and well being of OC San employees and their families, smoking and the use of tobacco (cigarettes, cigars, e-cigarettes ["vaping"] and related tobacco products and technologies) is not acceptable within OC San facilities, and may occur only in areas posted for smoking.

ARTICLE 9. - SAFETY

9.1 It is the duty of OC San to provide and maintain a safe place of employment. OCEA shall cooperate by encouraging all employees covered by this Agreement to perform their work in a safe manner. It is the duty of all employees covered by this Agreement, in the course of performing their assigned duties, to be alert to unsafe practices, equipment, and conditions, and to follow the safety regulations and requirements

of OC San, and to report any unsafe practices or conditions to their immediate supervisors. An employee shall not be required to perform work that is unsafe.

ARTICLE 10. - DISCIPLINE AND DISMISSAL

10.1 Discipline may occur when any of the following actions are taken for just cause with respect to any employee in the unit: verbal reprimand, written reprimand, suspension without pay; reduction in pay, demotion to a classification with a lower maximum rate of pay or dismissal.

10.2 Dismissal, for purposes of this Article, is the separation of a non-probationary employee initiated by OC San for just cause.

10.3 A Notice of Intent is not required when the disciplinary action involves a verbal reprimand or written reprimand.

10.4 A Notice of Intent is required and will be given to an employee whenever the disciplinary action involves a suspension without pay, a reduction in pay, a demotion to a classification with a lower pay grade, or dismissal. The notice will be given to the affected employee either by delivery in person or by Certified Mail sent to the employee's last known address. Such personal delivery or mailing shall be presumed to provide actual notice to the affected employee. The Notice of Intent shall indicate the date on which it was personally delivered or deposited in the mail, which shall be the date of issuance.

10.5 The Notice of Intent shall contain the following: (1) a description of the disciplinary action intended and the effective date of the action; (2) the reasons for the proposed action;(3) a copy of the charges and materials upon which the action is based; and, (4) a statement of the employee's right to respond, either verbally or in writing to the person initially imposing the discipline or to a OC San management representative with authority to make an effective recommendation on the proposed action, the person to whom any response must be directed, and the fact that such response must be received within ten (10) business days of the date of issuance of the notice. The Notice shall also advise the employee of his or her right to representation.

10.6 Prior to the effective date of the proposed disciplinary action, the employee shall be given an opportunity to respond either verbally or in writing to a management representative with authority to make an effective recommendation on the proposed action. After review of an employee's response, OC San shall notify the employee in writing of the action that shall be taken. Such action may not involve discipline more severe than that described in the Notice of Intent; however, OC San may reduce discipline without further notice. Further clarification of the disciplinary policies and procedures are covered in OC San's Personnel Policies & Procedures Manual.

10.7 Dismissal shall be preceded by at least one (1) written reprimand, except in those situations in which the employee knows or reasonably should have known that the performance or conduct was unsatisfactory. Such performance or conduct may involve, but is not limited to, dishonesty, possession, use, sale or being under the influence of drugs or alcohol, theft or misappropriation of OC San property or funds, fighting on the job, insubordination, acts endangering people or property, "no call/no show" or other serious misconduct. OC San may substitute documented suspensions without pay for written reprimands.

10.7.1 Employees who fail to provide any notice to their supervisor and fail to report to work as scheduled shall be considered "no call/no show" and shall be subject to discipline, up to and including termination. Employees who fail to provide any notice to their supervisor and fail to report to work for three (3) or more consecutive days will be considered to have abandoned their job and shall be subject to discipline up to and including termination.

10.8 If a Notice of Intent is upheld and the disciplinary action is imposed, the employee may request a post-disciplinary hearing. The request must be submitted to the Director of Human Resources, or designee, within ten (10) business days following the effective date of the disciplinary action (for suspensions, the effective date shall be the first business day following the final day of the suspension). The Director of Human Resources, or designee, shall schedule a post disciplinary hearing with the General Manager or a hearing officer selected by the General Manager. The hearing officer may not be an employee of OC San. The hearing officer will provide a written, advisory decision to the General Manager. The General

Manager may uphold the disciplinary action that has been taken or may reduce such discipline without the issuance of a further Notice of Intent. The decision of the General Manager shall be final.

10.9 Disciplinary action documentation shall be placed in an employee's personnel file in the Human Resources Department. Documentation regarding verbal and written reprimands may be removed from an employee's personnel file twenty-four (24) months subsequent to the date of issuance, provided that there has been no recurrence of a similar incident during the period. If the Director of Human Resources, or designee, agrees to remove disciplinary action documentation from an employee's personnel file, such documentation shall be retained in a separate file by the Human Resources Department for the purpose of showing that progressive discipline has been followed or in support of OC San's proposed discipline.

10.10 Verbal reprimands and written reprimands may only be reviewed under this Agreement through the Problem Solving Procedure. Nothing in this article shall be construed as a waiver of any statutory or constitutional rights.

10.11 A reduction in pay or demotion to a classification with a lower pay grade that is not a result of performance deficiencies (for example, reclassifications, "bumping" associated with layoffs, reasonable accommodation) shall not be considered discipline.

ARTICLE 11. - GRIEVANCE PROCEDURE

11.1 A grievance is any complaint that management has violated a specific provision of this Agreement, except that, in accordance with Article 10 above, discipline which requires a Notice of Intent may not be reviewed under this Grievance Procedure.

11.2 A grievance may be brought to the attention of OC San by an individual employee within the Unit or by the OCEA. OC San may not bring a grievance through this procedure. Grievances brought by two (2) or more employees, and concerning the same incident, issue, or course of conduct, or multiple grievances brought by the same employee may, upon mutual agreement of OC San and the OCEA, be consolidated for the purposes of this procedure.

11.3 Employees are encouraged prior to bringing forward a formal grievance, to discuss the issue with the Director of Human Resources, or designee, in an effort to bring about an informal resolution.

11.4 An employee may be self-represented or be represented by the OCEA at all steps of the Grievance Procedure, unless specifically agreed otherwise by the OCEA and the employee. OC San shall provide a copy of all written grievance settlements to the OCEA. Any reference to days in this article implies business days.

11.4.1 Step 1. An employee will submit his/her complaint in writing to his/her immediate supervisor or designee within ten (10) days of the occurrence of the event giving rise to the complaint, or within ten (10) days from the time that the employee became aware of such event. The supervisor, or designee, shall attempt to resolve the issues surrounding the complaint, and respond in writing to the employee within ten (10) days.

11.4.2 Step 2. If the grievance is not settled at Step 1, it may be submitted in writing to the employee's Division Manager, or designee, with a copy provided to the Director of Human Resources or designee. This request for formal review must be presented on a form provided by OC San within ten (10) days of the conclusion of Step 1. The written grievance must:

a) Identify the specific management act to be reviewed;

b) Specify how the employee was adversely affected;

c) List the specific provisions of the MOU that were allegedly violated and state how they were violated;

d) Specify the remedy requested; and

e) Provide the date of attempts at informal resolution and the name of the supervisor or individual involved.

11.4.2.1 The Division Manager, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.

11.4.3 Step 3. If a grievance is not settled under Step 1 or 2, it may be presented to the employee's Department Director, or designee, for review and written response. The request for formal review must be presented on a form provided by OC San within five (5) days of the conclusion of Step 1 or 2, and must contain the information specified in Step 2 above. A copy of each written communication on a grievance will be filed with the Director of Human Resources, or designee. The employee's Department Director, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.

11.4.4 Step 4. If the grievance cannot be resolved under Step 3, it may be presented to an Assistant General Manager, or designee, within five (5) days from the date the Step 3 finding was issued. The Assistant General Manager, or designee, shall respond in writing to the employee within ten (10) days after the date the grievance is received.

11.4.5 Step 5. Appeal to the General Manager, or designee, is the final step in the Grievance Procedure. If the grievance cannot be resolved under Step 4, it may be presented to the General Manager, or designee, within five (5) days from the date the Step 4 finding was issued. The General Manager, or designee, shall respond in writing to the employee within ten (10) days after the date of the grievance is received.

11.5 General Provisions: An employee shall be given reasonable time off without loss of pay to present and process a grievance. If an employee is represented by the OCEA, the OCEA may designate one employee to present and process the grievance. The employee representative shall be given reasonable time off without loss of pay to perform this responsibility. Absence from work shall be approved only if it does not cause disruption to OC San operations. However, if the time requested cannot be provided, an alternate time shall be arranged.

11.5.1 Failure of a management representative to respond within the appropriate time limit shall provide a basis for the employee appealing to the next step. If a grievance is not presented or appealed within the time limits, it shall be considered resolved on the basis of the preceding response. The Director of Human Resources, or designee, may be petitioned in writing to waive the step or time requirements provided sufficient cause exists.

11.5.2 Resolution may be agreed upon at any stage of the grievance process. However, the OCEA shall be notified prior to the resolution of any formal grievance matter.

ARTICLE 12. - PROBLEM SOLVING PROCEDURE

12.1 Employees may bring problems to the attention of OC San managers through the Problem Solving Procedure. This Procedure was developed to encourage and facilitate the resolution of employee concerns in a responsive and fair manner, and may be used to attempt to resolve issues that may not be subjected to the Grievance Procedure. Any reference to days in this article implies business days.

12.2 Employees should discuss concerns regarding issues that are not grievable with their supervisor as soon as possible. The supervisor shall review the situation or decision, and provide a written response within five days from the date they were notified of the problem.

12.3 If the problem is not resolved to the employee's satisfaction, the employee may file a written statement concerning the problem with the Director of Human Resources, or designee, within ten (10) days of receipt of the supervisor's decision. Upon request of either party, a meeting shall be held to define issues and establish the remedies sought. The employee shall be provided a written response within ten (10) days after his or her statement is received. Time limits may be extended for cause upon mutual consent of the parties, and the decision of the Director of Human Resources, or designee, is final.

ARTICLE 13. - SALARY ADJUSTMENTS AND COMPENSATION

13.1 Each pay grade is divided into five (5) steps, with an approximate 5.0% difference between each step.

13.2 Pay increases will only apply to eligible employees in an active payroll status on the effective date of implementation. Eligible employees will not receive retroactivity if active payroll status becomes effective after the date of implementation.

13.3 Merit Pay

13.3.1 Step Increase Pay – Bargaining unit employees will be eligible for Step Increase Pay based upon receipt of year-end performance appraisal ratings issued by the assigned supervisor. Step Increase Pay will be paid according to the following:

13.3.1.1 Eligible - Employees must have a proficient year-end performance appraisal to receive a one (1) step base-building salary increase until earning placement at step five (5).

13.3.1.2 Ineligible - Employees who are placed on a Performance Improvement Plan (PIP) due to a needs improvement performance review on the year-end appraisal or who are on a PIP at the time of the year-end appraisal period will remain at their current step until the PIP is satisfactorily completed.

13.3.1.3 Performance Management Program: The performance management program includes three (3) rating categories (exceeds, proficient, needs improvement) for performance appraisals.

13.3.2 Development Pay – Employees under this Agreement will be eligible for Development Pay. Development Pay is a non-base building pay type that will be distributed in a lump-sum amount each pay period. Employees must have a proficient year-end performance appraisal to be eligible for the following Development Pay types:

- Education – Eligible employees who obtain or who have obtained a degree of approved subjects at an accredited college or university will receive $20.76 per pay period for an associate degree and $41.53 per pay period for an undergraduate degree. The maximum amount of Education pay is fixed at $41.53 per pay period.

- Certification/License – Eligible employees who obtain or who have obtained an OC San approved certification or license will receive $15.24 per pay period per certificate or license with a maximum of three (3) certificates and/or licenses. The maximum amount of certification/license pay for any combination of certificates and/or licenses is fixed at $45.72 per pay period.

13.3.2.1 The overall maximum Development Pay for education, certification and/or licenses is fixed at $87.25 per pay period.

13.3.2.2 Employees who are placed on a PIP due to a needs improvement performance review on the year-end performance appraisal are not eligible for Development Pay until the PIP is satisfactorily completed.

13.3.2.3 Employees who are placed on a PIP due to needs improvement performance outside the year-end appraisal will have all Development Pay suspended until the PIP is satisfactorily completed. The return of Development Pay will not be retroactive.

13.4 Salary Range Adjustments

13.4.1 Effective the first pay period in July 2022, employees under this Agreement will receive salary range adjustments at a flat rate of 4.5%.

13.4.2 Effective the first pay period in July 2023, employees under this Agreement will receive salary range adjustments at a flat rate of 4.0%.

13.4.3 Effective the first pay period in July 2024, employees under this Agreement will receive salary range adjustments at a flat rate of 3.5%.

13.5 One-Time Lump Sum Payment – Employees hired or promoted into the Group as of the last day of the first full pay period in July 2022 will receive a $1,500 one-time payment.

ARTICLE 14. - SEVERANCE PAY

14.1 Except for disciplinary cause or release from probation, when a full-time employee is terminated by action of OC San, the employee shall be notified in writing two (2) weeks prior to the effective separation date. In the event OC San does not give such notification, the employee shall be entitled to severance pay in accordance with the formula set forth below:

14.1.1 Full-time, regular employees shall be entitled to eight (8) hours pay for each full calendar month of continuous employment not to exceed one hundred sixty (160) hours pay.

14.1.2 Employees in limited term or part-time positions, probationary employees and employees who are separated for cause, are not eligible for severance pay under any circumstances.

ARTICLE 15. - DEFERRED COMPENSATION

15.1 Employees may participate in OC San's approved deferred compensation plan subject to IRS requirements, and in accordance with all guidelines for voluntary participation established by OC San management.

15.2 Effective the first full pay period in July 2022, employees covered by OCERS Plans B and U and who participate in the deferred compensation plan, are eligible to receive up to a $160 per month matching OC San contribution.

ARTICLE 16. - HOLIDAYS

16.1 The days listed below are observed by OC San as holidays. Employees will receive holiday pay if their entire scheduled work shift immediately preceding and following the holiday are in a paid payroll status, meaning the employee worked those shifts or utilized paid time off in lieu of working those shifts. When an employee's work schedule requires that they work on an observed holiday, the employee will be paid at the employee's regular rate of pay for the holiday, and will also receive overtime pay at the rate of one and one half (1.5) times their regular hourly rate for all hours actually worked. Employees may also elect to receive Holiday Compensatory Time Off on an hour for hour basis rather than receive holiday pay if requested by December 31 of the prior year on the Holiday Comp Cashout Form. When a holiday occurs on an employee's regular scheduled day off, the employee will accrue compensatory time off for the amount of hours normally scheduled for that day Employees with a compensatory time off balance in excess of fifty (50) hours as of the last pay period ending in October will receive a mandatory payout for the hours that exceed fifty (50).

HOLIDAY
New Year's Day
Martin Luther King, Jr. Day
President's Day
Memorial Day
Independence Day
Labor Day

Veteran's Day
Thanksgiving Day
Day after Thanksgiving
Day before Christmas
Christmas Day
Floating Holiday** (refer to Section 16.2)

16.2 Employees will be granted "Floating Holiday" hours equal to and no less than one (1) regular workday during each calendar year. Floating Holiday hours may be utilized in one quarter (.25) hour increments. New employees shall be granted a “Floating Holiday” on a pro rata basis in the first calendar year of service per the following table:

Hire Date	Percent
1st Quarter (January-March)	100%
2nd Quarter (April-June)	75%
3rd Quarter (July-September)	50%
4th Quarter (October-December)	0%

16.3 Employees must use the “Floating Holiday” within the calendar year it is granted, and it is not subject to cash out or eligible for any mandatory payout regardless of reason. Every effort will be made to approve an employee's request for a "Floating Holiday" off providing sufficient notice is given.

ARTICLE 17. – HOURS OF WORK

17.1 For record keeping and accounting purposes, the “workweek” for full-time employees is 40 hours per 168-hour period, to be paid on a biweekly payroll basis of 80 hours worked. Employee work periods may be scheduled in shifts of four 9-hour days and one 4-hour day each workweek (9/80 schedule), five 8-hour days each workweek (10/80), four 10-hour days each workweek (8/80), or three 12-hour days and one 4-hour day each workweek (7/80). The starting and ending times of individual employees’ workweeks may vary.

17.2 Employees shall receive ten-minute rest periods twice in a nine-hour shift, and three times for a shift of more than ten hours. Meal and rest periods may not be avoided or accrued for the purpose of obtaining time off or shortening the regular shift. If an employee reports to work as scheduled and was not notified that their hours had been changed, he or she shall receive two hours pay at the overtime rate.

17.3 OC San may, at its sole discretion, change an employee’s work schedule with thirty (30) days written notice to the affected employee.

17.4 OC San may provide the option of telecommuting, as set forth in the Telecommuting Policy.

ARTICLE 18. - CALL-BACK PAY

18.1 When an employee is called back to work by OC San management without prior notice, and the employee has completed his or her normal work shift and left the work station, or when prior notice is given but the work begins on the same day at least three hours after completion of the regular shift, the employee shall receive a minimum of three hours of call back pay. The three hours minimum, whether or not actually

worked, shall be paid at the rate of one and one half times the regular hourly rate. Employees who are called back a second time within a normal shift period are considered to be working for the duration of that shift.

ARTICLE 19. - STANDBY PAY

19.1 Standby is time during which an employee is not required to be at the work location or at the employee's residence but is required to be available for immediate return to work. Standby assignments shall first be made on a voluntary basis. A volunteer standby list shall be established by classification and job location. Standby assignments shall be made from the list of employees who are competent and experienced, in alphabetical order, on a rotating basis. In the event that no one volunteers, OC San shall assign standby by job classification and work location from employees who are competent and experienced on a rotational basis. An employee placed on standby shall be compensated at the rate of five hundred (500) dollars per week, and shall receive Call Back pay when they are actually called to work.

ARTICLE 20. – INSURANCE

20.1 OC San will provide healthcare and welfare insurance benefits.

20.2 All insurance coverage shall become effective on the first day of the month following date of hire, regardless of hire date. An open enrollment period shall be held annually.

20.3 Medical Insurance

20.3.1 OC San will provide medical health insurance coverage through a Health Maintenance Organization (HMO) medical insurance plan and a Preferred Provider Organization (PPO) medical insurance plan.

20.3.2 Regular, full-time employees:

20.3.2.1 OC San shall contribute 90% of employee only premiums for the HMO medical health plan and 80% of employee only premiums for the PPO medical health plan. OC San will contribute 80% of the employee +1 dependent and full family premiums for the HMO and PPO medical plans. Any change in insurance rates shall be shared equally in same ratio as OC San and employees currently pay premiums. Before the renewal of any OC San's sponsored health insurance plan, the parties agree to meet and confer as to changes in the plan.

20.3.3 OC San may reopen negotiations at any time during the term of the MOU to address the impact of the Affordable Care Act (ACA), provided that no change may be made by OC San unless such change is either (1) mandated by the ACA, or (2) mutually agreed upon by the parties.

20.4 Life Insurance

OC San shall pay the full premium for $50,000 term life insurance on each employee.

20.5 Short Term Disability

OC San shall provide a non-work related, short-term disability indemnity plan that provides benefits for employees equal to California's State Disability Insurance (SDI) program for up to twenty-six (26) weeks following a fourteen (14) calendar day waiting period.

20.6 Long Term Disability

20.6.1 OC San shall provide a non-work related, long-term disability indemnity plan that pays two-thirds of the employee's rate of pay in effect at the time of such disability, not to exceed

$5,000 per month, up to age 65, following a 90-day waiting period of continuous disability, at such time that an employee completes five (5) years of service.

20.6.2 For participants age 64 and younger, the maximum period of payment is based on the Social Security Act retirement age of 65. For participants age 65 and older, the maximum period of payment is specified. The specified periods and additional information about coverage is included in OC San's long-term disability plan contract accession on the intranet.

20.6.3 No combination of disability or sick leave pay shall result in more than an employee's regular rate of pay. Employees may not receive short-term and long-term disability benefits at the same time. An employee who is otherwise not eligible for OC San paid Long Term Disability may purchase such coverage at his or her own expense.

20.7 Dental Insurance

OC San will contribute 80% of employee only and 80% of full family premiums for dental insurance.

20.8 Vision Insurance

OC San shall provide a vision insurance plan for regular, full-time employees and eligible dependents.

20.9 Retiring Employees

20.9.1 OC San shall pay, for employees hired prior to July 1, 1988, two and one-half (2.5) months' premium for each year of continuous service of a retiring employee towards the premium costs of coverage for the employee and eligible dependents under OC San's medical plan.

20.9.2 In the event OC San adds additional optional insurance plans, OC San's share of the premium shall be the same as for existing plans as set forth above. In the event OC San changes underwriters for existing insurance plans, OC San's share of the premium shall be the same as for existing insurance plans as set forth above.

20.9.3 OC San will continue to implement the retiree medical health premium offset program wherein the cost of health premiums are offset by $10 per month for every full year of continuous service up to a maximum of 25 years or $250 per month. Employees hired on or after August 1, 2011 shall not be eligible for the retiree medical health premium offset.

20.9.4 Continuous service is calculated based on benefitted employment. Time as an intern or in non-benefited status shall not count toward continuous service.

ARTICLE 21. - REIMBURSEMENT ACCOUNT

21.1 Section 125 of the Internal Revenue Code permits employees to use pre-tax dollars to pay for their portion of the cost of benefits under the Plan through salary redirection arrangements. The options available under the flexible benefits program are listed below. This is a brief overview of the different options. For complete information regarding Flexible Spending Accounts, employees must refer to the plan booklet available in the Human Resources Department.

21.2 Group Insurance Premiums

Group insurance premiums that are paid by salary redirection can be made on a pre-tax basis.

21.3 Medical Care Reimbursement Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a Medical Care Reimbursement Account for purposes of reimbursing himself or herself for payment of health care costs not otherwise covered by his or her medical insurance.

21.4 Dependent Care Assistance Account

The purpose of this account is to provide a method through which the employee can accumulate pre-tax funds in a Dependent Care Assistance Account for purposes of reimbursing himself or herself for childcare expenses or day care for a disabled dependent.

ARTICLE 22. - OVERTIME

22.1 Employees shall be notified as soon as practicable after OC San decides upon the need for overtime or additional work. OC San may require the performance of overtime. In the event no qualified employee wishes to work overtime, OC San's management may select employees with the ability to perform the work by inverse seniority. OC San managers shall attempt to evenly distribute overtime among employees based upon an employee's ability to perform the overtime work.

22.2 For the purposes of overtime calculation, all time charged to unscheduled sick leave shall not be counted as time worked. Pay for overtime time shall not occur until after actual work time of forty (40) hours in a seven (7) day workweek is reached.

ARTICLE 23. - PROBATIONARY PERIOD

23.1 All new employees serve an initial probationary period beginning with the date of hire and extending to at least the first day of the pay period following one year of employment without a break in service. Extended absence without pay, short-term and long-term disability and Workers' Compensation leave does not provide an opportunity to judge an employees' capability to meet performance expectations for a position, and thus the time spent on such leaves shall not be included towards completion of the probationary period and may result in an extension.

23.2 Employees who are rehired following a break in service must complete a new probationary period whether or not one was previously completed.

23.3 New employees serving their initial probationary period shall be eligible for Development Pay and/or certification/license reimbursement the first day of the pay period following six months of employment without a break in service.

23.4 An employee may be released during his or her initial probationary period at the discretion of OC San without recourse to the Grievance, Discipline or Appeal Procedure (i.e., an employee is "at-will" during his/her initial probationary period). Employees within the initial probationary period do not have any property rights in their job during probation and may be separated with or without cause.

23.5 Employees who are reassigned or laterally transferred will serve a probationary period of six months. The "probationary period" shall not divest an employee of his/her property rights in his/her former position. Rejection of probation during this period shall result in the employee reverting to his/her former assignment and/or position.

ARTICLE 24. - PROMOTIONS

24.1 A promotion is the appointment of an employee to another classification with a higher maximum rate of pay. OC San will determine whether a vacant position shall be filled as an open or promotional opportunity or recruitment. Whenever OC San intends to fill a position by promotion, OC San shall post the opportunity for a minimum of ten (10) business days. Employees must apply during the period of posting. Notices shall be posted on OC San's intranet.

24.2 A promoted employee shall serve a promotional probationary period lasting at least until the first day of the pay period six months after the effective date of the promotion. At any time during the promotional probationary period, an employee may be returned to his or her previous position. The promotional probation period may be extended by mutual agreement between the employee and OC San's management for up to ninety (90) days. If an employee is promoted during his or her initial probationary

period, the period shall be extended until at least the first day of the pay period six months after the effective date of the promotion.

24.3 Promoted employees will receive the equivalent of a step increase in pay, not to exceed the top of the range for the new classification or the minimum rate of the new classification whichever is greater.

ARTICLE 25. - RETIREMENT

25.1 OC San shall continue participation in the Orange County Employees Retirement System (OCERS), wherein all full-time employees are considered members. The following retirement program is in effect pursuant to the contract between OCERS and OC San.

25.1.1 Employees hired on or after September 21, 1979 and before August 1, 2011: OC San will continue to contract with OCERS to provide the 2.5% @ 55 benefit formula (Plan H) based on the highest consecutive thirty-six (36) months average earnings, past and future service.

25.1.1.1 OC San will continue to pay 3.5% of an eligible employee's base salary toward the employee's contributions to OCERS.

25.1.2 Employees hired on or after August 1, 2011 and before January 1, 2013: OC San will contract with OCERS to provide the 1.667% @ 57.5 benefit formula (Plan B) based on the highest consecutive thirty-six (36) months average earnings, past and future service.

25.1.2.1 OC San will pay 0% of an eligible employee's base salary towards the employee's contribution to OCERS.

25.1.3 Employees hired on or after January 1, 2013: OC San will contract with OCERS to provide the 2.5% @ 67 benefit formula (Plan U - PEPRA) based on the highest consecutive thirty-six (36) months average earnings, past and future service.

25.1.3.1 OC San will pay 0% of an eligible employee's base salary towards the employee's contribution to OCERS.

25.2 All monies actually contributed into the retirement system by an employee shall be deducted from gross salary for taxation purposes in accordance with Internal Revenue Code provisions.

ARTICLE 26. - SHIFT DIFFERENTIAL

26.1 Employees who are regularly assigned to work a night shift that consists of 50% or more of their hours between 6:00 p.m. and 6:00 a.m. and who actually work that shift shall receive a shift differential of $2.50 per hour.

ARTICLE 27. - LEAVE-OF-ABSENCE WITH PAY

27.1 Vacation Leave

27.1.1 Except as otherwise provided, regular full-time employees accrue vacation leave, beginning with the first day of employment, in accordance with the following schedule:

Years of Service	Hours-Biweekly	Hours-Annual
In years 0 through 1	3.08	80
In years 2 through 4	3.08	80
In years 5 through 10	4.62	120
In year 11	4.93	128
In year 12	5.24	136

In year 13	5.54	144
In year 14	5.85	152
In year 15	6.16	160
In year 16	6.46	168
In year 17	6.77	176
In year 18	7.08	184
In year 19	7.39	192
In year 20 and over	7.69	200

27.1.2 Part-time employees accrue vacation leave on a pro-rata basis as set forth in OC San Policy.

27.1.3 Vacation leave may only be utilized in increments of one-quarter hour or more. Vacation leave is accrued for all paid hours, including hours actually worked and hours in a paid-leave payroll status.

27.1.4 When unpaid absences occur, vacation leave accruals will be applied by straight proration of leave accruals based on the number of hours actually worked, and is applicable to all types of leave, whether legally protected or not.

27.1.5 Employees may have a maximum accumulation of 200 hours as of the last day of the final pay period in December of each year. In the event an employee accrues vacation leave in excess of 200 hours, it must be used prior to said December date, all other remaining hours in excess of 200 will be paid to the employee in the first pay period in January at the employee's then current hourly rate of compensation.

27.2 Sick Leave

27.2.1 Definition.- Sick leave is an insurance or protection provided by OC San to be granted to employees in circumstances of adversity to promote the health and welfare of the individual employee. It is not an earned right to take time off from work. Sick leave is defined as the absence from duty of an employee because of a bona fide illness, injury, or pregnancy, or to attend to the illness or injury of a family member as hereinafter defined; or, for an employee who is a victim of domestic violence, sexual assault, or stalking, for the purposes described in Labor Code sections 230(c) and 230.1(a). Temporary employees shall receive sick leave benefits as required by State law.

27.2.2 Method - Sick Leave Accrual. Full-time employees hired prior to November 27, 1981, accrue paid sick leave at the rate of three point five (3.5) hours for each biweekly pay period of continuous service (ninety-one (91) hours per year). Full-time employees hired on or after November 27, 1981, accrue paid sick leave at the rate of three (3.0) hours for each biweekly pay period of continuous service (seventy-eight (78) hours per year), beginning with the first day of employment.

27.2.3 Part-time employees accrue sick leave on a pro-rata basis as set forth in applicable OC San Policy.

27.2.4 When unpaid absences occur, sick leave accruals will be applied by straight proration for leave accruals based on the number of hours actually worked, and is applicable to all types of leave, whether legally protected or not.

27.2.5 Annual Payoff - Employees may elect annually to be paid for any unused sick leave hours accrued through the last pay period ending in October at their current hourly rate according to the following payoff schedule or as specified in a Memoranda of Understanding.

Accrued Sick Leave Hours	**Rate of Payoff**
0-100	0%

101-240	25%
241-560	35%
Over 560 (mandatory)	50%

27.2.6 Employees who terminate for any reason other than retirement or death shall be compensated for any accrued and unused sick leave according to the above schedule. Employees who retire or decease with twenty (20) years or more of service shall be paid at the one hundred percent (100%) rate for all accrued and unused sick leave. Employees who retire or decease with less than twenty (20) years of service will be paid at the seventy-five percent (75%) rate for all accrued and unused sick leave.

27.2.7 Permissible Uses - Sick leave may be applied only to:

A. Absence due to illness, injury or pregnancy of an employee.

B. Absence due to medical and dental office appointments of an employee when approved by the employee's supervisor.

C. Absence for the care of the employee's father, father-in-law, mother, mother-in-law, brother, sister, husband, wife, domestic partner, child, child of domestic partner, grandparent, grandchild, legal guardian, or any family member with whom the employee resides.

D. Absence due to a job-related injury.

E. Absence related to an employee who is a victim of domestic violence, sexual assault, or stalking, for the purposes described in Labor Code sections 230(c) and 230.1(a).

27.2.8 General Provisions - To qualify for sick leave pay, the employee must notify OC San at or in advance of the time the employee is scheduled to report for duty. Minimum charge to the employee's sick leave account shall be one-quarter hour increments.

Human Resources and department management shall be responsible for control of abuse of the sick leave privilege. If notified in advance, the employee may be required, at any time, to furnish a certificate issued by a licensed physician or nurse, or other satisfactory evidence of illness; however, for absences of ten consecutive working days or more, a request for leave and a medical statement, on prescribed forms, stating expected date of return must be submitted to Human Resources. Upon return to work, a written doctor's release must be submitted to Human Resources. For absences of one or more working days in an unpaid status, a request for leave and a medical statement, on prescribed forms, stating expected date of return must be submitted to Human Resources.

If the need for leave is due to the employee's serious health condition, as defined in the Family and Medical Leave Act ("FMLA") or the California Family Rights Act ("CFRA"), the certification requirement shall comply with the provisions of these Acts.

27.3 Jury Duty Leave

27.3.1 Any full-time, including probationary, employee who is called for jury duty shall, upon request on prescribed forms, be entitled to his or her regular pay for those hours of absence due to performance of the jury duty for a period up to twenty-two (22) working days.

27.3.2 Prior to jury duty service, each employee must complete a time off request through OC San's timesheet system and provide a copy of the summons to his or her supervisor. To be entitled to receive regular pay for such jury leave, the employee must report for work at OC San for time not actually retained on jury unless there is less than ½ of their regular shift remaining. Employees are not compensated for jury duty occurring on scheduled days off.

27.4 Witness Leave

27.4.1 Any full-time, including probationary, employee, who is required to be absent from work by a subpoena properly issued by a court, agency or commission legally empowered to subpoena witnesses, which subpoena compels his or her presence as a witness, except in a matter wherein he or she is named as a defendant or plaintiff or as an expert witness, shall, upon approval of an online time off request , be entitled the time necessary to comply with such subpoena, provided any fees received for such service, exclusive of mileage, are submitted to OC San for deposit in the General Fund of OC San.

27.4.2 An employee so subpoenaed must submit a copy of the subpoena to his or her supervisor and complete an online time off request form in order to be eligible for pay for such absence. To be entitled to receive regular pay for such witness leave, the employee must report for work at OC San for time not actually retained on witness service of one hour or more prior to and/or upon completion of each day's service, exclusive of travel time.

27.5 Military Leave

27.5.1 A request for military leave shall be made upon leave-of-absence forms approved by the Human Resources Department and shall state the date when it is desired to begin the leave-of-absence and the date of anticipated return. A copy of the orders requiring such military service shall be submitted with the request.

27.5.2 Provisions of the Military and Veterans Code of the State of California, Sections 395-395.5 shall govern military leave. In general, current law provides that an employee having one (1) year or more service with a public entity is entitled to military leave with pay not exceeding thirty (30) days per year if the employee is engaged in military duty ordered for purposes of active military training or encampment. An employee who is required to attend scheduled service drill periods or perform other inactive duty reserve obligations is entitled to military leave without pay, not exceeding seventeen (17) calendar days per year, although the employee may, at his or her option, elect to use accrued leave time to attend the scheduled reserve drill periods or to perform other inactive drill period obligations. Employees who participate in weekend military drill duty are not eligible for leave with pay for such activity, but may have their regular work schedule changed to accommodate the required time off.

27.6 Bereavement Leave

27.6.1 Using the online time off request system, any full-time employee, whether probationary or regular, shall receive a maximum of thirty-six (36) hours of paid time for the death or funeral of an immediate family member. Bereavement leave shall be used within six (6) months of the death of the immediate family member. Immediate family member is defined as the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, domestic partner, biological child, adopted child, step-child, child of a domestic partner, grandchild, grandparent, foster parent, foster child, legal guardian, or any family member with whom the employee resides. With reasonable cause, employees may be required to furnish evidence satisfactory to OC San of the family member’s death and the employee’s relationship to the deceased family member. Employees may submit requests for bereavement leave after the six (6) months to the Director of Human Resources or designee, who has the discretion to grant or deny such requests.

27.7 Supplemental Leave

27.7.1 Regular full-time employees in the bargaining unit shall be granted Supplemental Leave in accordance with the following schedule in the first pay period in July:

Years of Service	5 - 9	10 - 14	15 - 19	20 - 24	25+
Supplemental Leave Hours	5	10	15	20	25

27.7.2 Supplemental Leave will be administered in accordance with the following guidelines:

27.7.2.1 Supplemental Leave may be used in one-quarter (0.25) hour increments.

27.7.2.2 Any unused Supplemental Leave, within the fiscal year granted, will not be carried over to the next fiscal year.

27.7.2.3 Any unused Supplemental Leave, within the fiscal year granted, is not subject to cash out or eligible for any mandatory payout.

27.7.2.4 Employees who cease to be part of the bargaining unit for any reason will forfeit any unused Supplemental Leave.

27.7.2.5 Employees who are hired or transferred into the bargaining unit shall be granted Supplemental Leave on a pro-rata basis per the following schedule:

Hire/Transfer Date	Percent
July – September	100%
October – December	75%
January – March	50%
April – June	25%

ARTICLE 28. - LEAVE-OF-ABSENCE WITHOUT PAY

28.1 It is the policy of OC San to grant employees leave-of-absences without pay under certain circumstances and in accordance with state and federal benefit entitlement laws. Except as stated below, employees shall not receive compensation during an unpaid leave-of-absence. Employees will not be granted an unpaid leave of absence prior to exhausting all paid leave accrual balances, excluding employees protected by PDL (Pregnancy Disability Leave)/FMLA (Family and Medical Leave Act)/CFRA (California Family Rights Act) for their own serious health condition.

28.2 Using the prescribed forms, approved by OC San management, any full-time, including probationary, or part-time employees with at least fifty-two (52) weeks of service and at least twelve hundred fifty (1,250) hours of service, may be granted an FMLA and/or CFRA leave-of-absence without pay, not to exceed twelve (12) weeks in a rolling twelve (12) month calendar period. A “rolling” twelve (12) month period is measured backward from the date the employee uses the leave. A request for leave of absence without pay must be made upon prescribed forms in all instances where an employee is absent without pay for more than five (5) consecutive working days, or for absences of ten (10) working days or more when using paid sick leave accruals.

28.3 Substitution of Paid Leave

28.3.1 Employees who request FMLA and/or CFRA Leave for qualifying purposes other than the employee’s own serious health condition shall be required to use all accruals, before unpaid leave is granted. Paid time off will not accrue during any pay period that an employee is absent without pay for more than one (1) day.

28.3.2 Paid time off accruals may be used for the care of the employee’s father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, domestic partner, biological child, adopted child, step-child, foster child, legal ward, child of a domestic partner, grandchild, grandparent, foster parent, legal guardian, or any family member with whom the employee resides.

28.4 Permissible Uses

28.4.1 FMLA Leave. FMLA leave may be used for:

28.4.1.1 The birth of a child or to care for a newborn of an employee;

28.4.1.2 The placement of a child with an employee in connection with the adoption or foster care of a child;

28.4.1.3 The care for the employee's father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, sister, step-sister, husband, wife, biological child, adopted child, step-child, foster child, legal ward, child of a domestic partner, grandchild, grandparent, legal guardian, or any family member with whom the employee resides who has a serious health condition, as defined in the Act;

28.4.1.4 The employee's own serious health condition that renders the employee unable to perform the essential functions of his or her position, including incapacity due to pregnancy;

28.4.1.5 A qualifying exigency arising out of the fact that an employee's family member is on covered active duty or called to covered active duty status in the Armed Forces. A qualifying exigency may include activities such as making arrangements for childcare, attending counseling relating to the active duty of the service member, or attending to farewell or arrival arrangements for the service member.

28.4.1.6 The care for the employee's family member or "next of kin" service member of the United States Armed Forces who has a serious injury or illness incurred in the line of duty while on active military duty. This leave may consist of up to twenty-six (26) weeks of unpaid leave during a single twelve (12) month period.

28.4.2 CFRA Leave. CFRA Leave may be used for:

28.4.2.1 The same purposes as FMLA Leave, including the care of a domestic partner or child of a domestic partner, and shall run concurrently with FMLA leave.

28.4.2.2 CFRA may not be used for 1) an employee's incapacity due to pregnancy or, 2)) to care for a family member or next of kin with a serious injury or illness incurred in the line of duty. However, incapacity due to pregnancy may entitle an employee to up to four (4) months of pregnancy disability leave under California's Pregnancy Disability Leave (PDL) law.

28.4.3 General Provisions: Requests for FMLA and CFRA Leave

Where the need for Leave is foreseeable, OC San requests thirty (30) days advance notice.

28.4.4 Medical Certification

As a condition of FMLA and/or CFRA Leave because of a serious health condition, OC San may require certification by the employee's attending physician in accordance with Department of Labor (DOL) regulations.

28.4.5 Medical and Dental Premiums

During FMLA and/or CFRA Leave, OC San shall pay for medical and dental benefits at the same level as coverage would have been provided if the employee was not on leave. The employee shall be required to pay his or her share of medical and dental premiums. Failure to submit a monthly co-payment, in full, within sixty (60) days of the invoice date will result in loss of group coverage. Coverage will be reinstated upon return to active employment.

28.4.6 Reinstatement

Upon expiration of FMLA and/or CFRA Leave, the employee shall be reinstated to the same or a comparable position, unless the employee would not otherwise have been entitled to that

position for reasons unrelated to such leave (e.g., layoff), in which case OC San's obligation to continue health and dental or other benefits shall cease.

28.4.7 OC San Employment of Spouses/Domestic Partners

28.4.7.1 FMLA Leave. Married employees shall be limited to a combined total of twelve (12) weeks FMLA and/or CFRA Leave in a rolling twelve (12) month calendar period for the care of a parent or newly born or placed child.

28.5 General Leave

28.5.1 Employees who have exhausted all paid time off accruals may request to be granted a general leave-of-absence by OC San management to attend to personal matters or for FMLA and/or CFRA qualifying events after the expirations of previously authorized leave.

28.5.2 During a general leave-of-absence, the employee will be required to pay both OC San's and the employee's share of medical and dental premiums.

28.5.3 Failure to submit a monthly co-payment, in full, within sixty (60) days of the invoice date will result in loss of group coverage. Coverage will be reinstated upon return to active employment.

28.6 Return to Work Policy

28.6.1 An employee who has been absent from work due to a medical reason may be subject to a Return-to-Work medical evaluation.

28.6.2 If it is determined that the job demands of the position last held by the employee are not compatible with the employee's restrictions (with reasonable accommodation if the employee is disabled within the meaning of the ADA/FEHA) and the employee is willing to return to work, placement in an alternative position, if available, shall be considered. The employee shall be re-classified as medically disqualified while alternative positions are being considered. Such time off shall be without pay; however, the employee may elect to use accrued leave hours, such as vacation, sick or personal, to receive compensation. Placement of an employee in an alternative position requires a pre-placement medical evaluation for the alternative job.

28.6.3 If it is determined that the job demands of the position last held by the employee are not compatible with the employee's restrictions (and cannot be reasonably accommodated if the employee is disabled within the meaning of ADA/FEHA) and there is not an alternative position, or the employee's restrictions are not compatible with an alternative position, or the employee is not willing to return to work, the employee shall be re-classified as medically disqualified and not permitted to work. Thereafter, the employee shall be retired for disability, if eligible, or dismissed. Such dismissal will not imply disciplinary action for cause. If requested, the employee's file will indicate the employee left for personal reasons.

28.6.4 Bridge of Service

If an employee is dismissed per Section 28.6.3, and then is rehired to a position within OC San within one (1) year, OC San shall bridge the employee's service date. Bridging of service procedures involve adding the total number of days away from work to the employee's original date of hire.

28.6.5 Failure to Return to Work

If, upon the expiration of FMLA and/or CFRA Leave, or any OC San approved extension thereof including General Leave, an employee fails to return to work and no additional leave has been authorized, the employee shall be considered to have automatically resigned from his or her position. In such cases, the employee will receive advance notification of OC San's intent to

implement an automatic resignation.

28.7 Compliance with Law

These Leave-of-Absence provisions shall be interpreted and applied in a manner that is consistent with the provisions of FMLA, CFRA, ADA and all other laws. In the event there is a direct conflict between these provisions, as written or applied, the provisions of law shall govern.

ARTICLE 29. - CLASSIFICATION STUDIES

29.1 An employee who believes his/her position is not properly classified may submit a written request to the Department Director asking that a classification study be conducted. The Department Director will acknowledge the request in writing and review the request for accuracy, and forward it to the Director of Human Resources, or designee, for consideration and response. Classification studies will only be conducted twice a year in November and during the budget process; therefore, classification study requests shall be submitted October 1st for the November review and according to the Finance budget schedule. OC San's management may also conduct classification studies at their discretion to ensure that the duties and responsibilities of all employees are appropriately allocated within the classification structure.

29.1.1 The findings of the Human Resources Department and the decision by the General Manager are final and not subject to the appeal, problem-solving or grievance processes.

29.1.2 All classification study findings regarding existing classifications are subject to approval by the General Manager; findings recommending a new job classification range are subject to approval by OC San's Board of Directors. The recommendations of the classification study shall be implemented in the first pay period immediately following the completion of the study, unless the recommendations require action be taken by the Board of Directors prior to implementation. In such event, the recommendations shall be implemented in the first pay period immediately following authorization by the Board.

29.2 Y-Rating

29.2.1 In the event the duties and responsibilities of a position are allocated to a lower paid classification, the salary of the incumbent of that position shall remain unchanged (Y-rated) in accordance with the following table:

Years of Service	Term of Y-Rate
0-3	1 year
4-5	2 years
6-10	3 years
11-20	4 years
20 or more	5 years

29.2.2 Y-rating based on the above schedule shall be granted for all reclassifications where employees are working in a job classification with a lower maximum rate of resulting from changes to OC San's staffing requirements, organizational structure or "bumping" associated with layoffs. Y-rating shall not apply in cases involving disciplinary actions or voluntary changes to a job classification with a lower maximum rate of pay.

29.2.3 The Y-rate shall remain in effect until the salary range for the new classification equals or exceeds the employee's Y-rated salary, or until the term of the Y-rate expires in accordance with the table above. If the Y-rate expires before the employee's salary falls within the range of the new

classification, the employee shall be placed at the top of the range. Employees become eligible for merit increases and range adjustments when the Y-rate is no longer in effect.

29.3 Z-Rating

29.3.1 Employees allocated to classifications with a lower range maximum than their current salary as a result of OC San's comprehensive Classification Study results implemented effective July 12, 2002 will have their salary remain unchanged (z-rated) until such time that the range maximum of their salary range exceeds or equals their current salary.

29.3.2 If a position is allocated to a higher paid classification, and the incumbent is promoted to that level, his or her salary will be placed at the step of the new range that is nearest a one-step increase, not to exceed the maximum rate of pay.

29.4 Reopener: OC San and OCEA agree to reopen this Agreement to meet and confer regarding the comparison agencies used for any classification and compensation studies.

ARTICLE 30. - DRIVER'S LICENSE

30.1 Employees who are required by OC San to drive must notify their supervisor and the Human Resources Risk Management Division immediately upon receipt of any suspension or revocation of their California Driver's License privileges. Failure to do so could result in disciplinary action up to and including separation.

30.2 If an employee whose license is suspended or revoked and is unable to perform his or her regular duties and responsibilities notifies OC San in a timely fashion, an attempt shall be made to place the employee in an equal or lower level position for which he or she is qualified. Placement in the range of the new classification is subject to OC San management's discretion.

30.3 OC San will continue to pay the license renewals and physical examination costs of Class A & B licenses that are specifically required by OC San.

ARTICLE 31. - LAYOFF PROCEDURE

31.1 Nothing herein shall be construed to require OC San to fill vacant, budgeted positions nor to prohibit OC San from eliminating vacant positions from the budget. OC San reserves the right to reassign staff to other positions in instances involving job restructuring, reorganization or due to lack of work.

31.2 The layoff procedure outlined below shall be followed if OC San finds it necessary to layoff personnel who were hired after January 1, 2000 and for any layoffs which occur after November 1, 2002.

31.3 If, in the sole discretion of OC San management, personnel reductions are necessary, layoff order and recall lists shall be developed based upon job classification, priority of function, job performance, individual qualifications and seniority. The OCEA and employees subject to layoff shall be provided with at least two weeks notification in writing, whenever possible.

31.4 Employees in classifications subject to layoff may request a voluntary demotion to any previously held position for which they remain qualified. Such requests must be made in writing to the Human Resources Department within five (5) days of receipt of the Layoff Notice. The salary of an employee who voluntarily demotes shall be unchanged, except that it may not exceed the maximum rate of the range for the lower level classification.

31.5 Recall lists shall be developed for all classifications experiencing personnel reductions, and shall be maintained for a period of two years from the date of layoff. Individuals shall be placed on the list in the inverse order of layoff, so that the last person laid off is the first recalled. When a vacancy occurs in a classification for which a Recall list exists, an offer of reemployment shall be made to the individual on the top of the list. That individual must respond to the offer within five days, or the offer shall be made to the

next person on the list. An individual who either does not respond or refuses three consecutive offers shall have their name removed from the list.

31.6 All notification and responses must be in writing and delivered either in person or by Certified Mail. It is the responsibility of all employees to keep the Human Resources Department informed of their current address, or where they may be contacted.

ARTICLE 32. - LIGHT DUTY

32.1 An employee who is released by a physician to perform limited duties because of a temporary disability may be assigned to light duty at the discretion of OC San. Light duty may consist of duties other than those normally performed by the employee and that are within the employee's medical restrictions. An employee assigned to light duty will be paid the regular wage rate for the job classification to which he or she was assigned prior to being temporarily disabled.

ARTICLE 33. - MEDICAL EXAMINATION

33.1 When there is reasonable evidence to suggest that an employee is impaired in a manner that endangers their own health or safety, or that of others, OC San may require that employee to be examined or evaluated by a health care provider. The purpose of such examination must be job related. Any examination under this provision shall be conducted on OC San time and at OC San expense. An employee may submit an independent medical opinion regarding the individual's condition and addressing his or her ability to competently perform the duties of the position. This information shall be reviewed and considered by a competent medical authority in arriving at a decision regarding the individual's continued employment in the position.

ARTICLE 34. - MILEAGE ALLOWANCE

34.1 Approved use of a personal vehicle for OC San business shall be reimbursed at the current IRS rate.

ARTICLE 35. - ACTING PAY

35.1 Employees who are assigned by OC San management to perform the duties of a position at a higher level for a period of at least eighty (80) consecutive hours shall be eligible for a one step salary increase, or the first step of the range for the higher level classification, whichever is greater. The higher rate of pay begins with the hour eighty-one (81), and continues until the assignment ends or the six (6) month limitation has been reached at which time a determination will be made as to whether the position should or should not be posted. Requests for acting pay require the approval of the Department Director and the Director of Human Resources, or designee. The eighty (80) hour eligibility period may be waived at the discretion of the General Manager.

ARTICLE 36.

(This Article intentionally left blank.)

ARTICLE 37. - PERSONNEL FILES

37.1 Employees have the right to inspect their personnel file in the Human Resources Department during the normal office hours of the Human Resources Department, by appointment. Employees who wish to correct allegedly erroneous information in their file, or request that items related to disciplinary matters be removed after the indicated time period has elapsed, should submit a request in writing to the Director of Human Resources, or designee. It is the responsibility of each employee to keep the personal information in his or her file current, including home address, telephone number and person to contact in an emergency.

ARTICLE 38. – BULLETIN BOARDS

38.1 The OCEA may use the bulletin boards located at Plant 1 and Plant 2, which are designated for use by employee groups to post notices to OC San employees, provided that: (a) no controversial matter which is critical of or derogatory to OC San, its employees, officers or Directors may be posted; (b) nothing posted by OC San may be removed; (c) the OCEA shall remove its notices after a reasonable length of time; and (d) only a reasonable number of notices shall be posted.

ARTICLE 39. - RELEASE TIME FOR MEET AND CONFER SESSIONS

39.1 A maximum of three (3) employees covered by this Agreement and appointed by the OCEA shall be granted reasonable release time for attending meet and confer sessions at the bargaining table. Release time shall not be compensated for any hours that exceed the employee's regularly scheduled hours of work.

39.2 The OCEA shall provide the Director of Human Resources, or designee, with the names of employees requiring meet and confer release time in advance of the meet and confer session. The release time shall be granted provided that the needs of OC San permits the time away from assigned work.

ARTICLE 40. - USE OF OC SAN FACILITIES

40.1 OC San facilities may be used by the OCEA with prior notice to the Director of Human Resources, or designee, for the purpose of holding meetings, to the extent that such use does not interfere with normal OC San operations. The OCEA agrees to pay for the cost of any additional custodial or security services.

ARTICLE 41. - SCOPE OF BARGAINING

41.1 OC San and the OCEA acknowledge that during the negotiations, which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to all proper subjects within the scope of representation. Therefore, OC San and the OCEA, for the term of this Agreement, except as otherwise provided herein, each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter contained in this Agreement.

ARTICLE 42. - IMPASSE PROCEDURES

42.1 If either OC San or OCEA declares that an impasse exists in the meet and confer process, the party so declaring may initiate the impasse procedure by providing the other party with a written request for an impasse meeting, together with a statement of its position on all issues. An impasse meeting shall be scheduled and held between the parties within fourteen (14) calendar days or as soon as practicable to:

42.2 Review the position of the parties in a final effort to reach agreement on a memorandum of understanding, and if the impasse is not resolved, to discuss the immediate utilization of impasse procedures outlined herein.

43.3 Impasse procedures are:

43.3.1 Mediation: If the parties mutually agree to submit the dispute to the State Mediator and Conciliation Service, all mediation proceedings shall be private and occur as soon as practicable. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues.

43.3.2 Fact-Finding: If the parties fail to resolve the dispute through mediation, the parties may agree to submit the impasse to fact finding as soon as practicable. The cost of a fact finder and other mutually incurred costs shall be mutually shared by OC San and OCEA.

43.3.3 Board Actions: If the parties fail to resolve the impasse, the dispute shall be sent to OC San's Board of Directors for resolution. Each party shall submit its written proposal on all issues to the

Board. The Board may take such action to resolve the impasse as it deems appropriate to the public interest. Any action taken by the Board to resolve the impasse shall be final and binding.

ARTICLE 43. - SEVERABILITY

43.1 Notwithstanding any other provisions in this Agreement, in the event that any article, section or subsection of this Agreement shall be declared invalid by any court or by any state or federal law or regulation, or should a decision by any court or any state or federal law or regulation diminish the benefits provided by this Agreement, or impose additional obligations on OC San, OC San and OCEA shall meet and confer on the affected article, section or subsection. In such event, all other articles, sections or subsections of this Agreement not affected shall continue in full force and effect.

ARTICLE 44. - UNIFORMS

44.1 OC SanOC San shall provide and maintain ten (10) uniform pants and shirts, which may include the name of the employee and OC San's seal, at no cost to employees whose duties require that they wear uniforms. OC San will also provide lab coats as required by the lab manager.

44.2 Employees covered by this agreement shall receive a safety boot allowance in the amount of $225 at the beginning of each fiscal year.

44.3 All employees who are issued uniforms must wear them during the performance of their regular duties. Other clothing appropriate to the occasion, as determined by OC San management, may be worn when attending business meetings. Failure to wear required clothing, shoes and safety equipment may be cause for disciplinary action.

ARTICLE 45. - SUBSTANCE ABUSE POLICY

45.1 OC San's Substance Abuse Policy will apply to all unit members. OC San may adopt or implement rules, regulations and policies to be in compliance with federal and state laws. In such cases, notification will be provided to the bargaining unit prior to implementation.

45.2 Department of Transportation (DOT) Regulations

45.2.1 Every driver who operates a commercial motor vehicle in interstate or intrastate commerce, and is subject to the commercial driver's license requirements of the Department of Transportation, Federal Highway Administration CFR Part 382 is subject to OC San's Anti-Drug and Alcohol Program. OC San will ensure that all alcohol or controlled substances testing conducted under the Substance Abuse and Alcohol Misuse Plan complies with the procedures set forth in CFR Part 40.

45.3 OC San's Substance Abuse Policy

45.3.1 Any employee may be subject to discipline, up to and including termination, for any alcohol screen test that indicates an alcohol concentration level of 0.02% or greater.

ARTICLE 46. - DUES DEDUCTIONS

46.1 OC San shall deduct from each regular paycheck and remit to OCEA the dues, initiation fees and assessments for each employee who voluntarily authorizes such deduction in writing. Such authorizations must be filed by the end of the pay period prior to the period for which the deduction is requested.

46.2 OC San shall provide the OCEA a quarterly list of the names of those employees for whom it has made deductions. In addition, OC San shall provide the names and addresses of new employees and the names of employees who have terminated within the previous quarter.

ARTICLE 47.

(This Article intentionally left blank)

ARTICLE 48. - PEACEFUL RESOLUTION OF DISPUTES

48.1 During the term of this Memorandum, or any subsequent period when impasse resolution procedures are in progress or recommendations resulting from such procedures are being considered by the parties, OC San agrees it shall not lockout employees in this bargaining unit, and OCEA agrees that it shall neither advocate, encourage or participate in any strike, including sympathy strike, or work stoppages, nor encourage employees to refrain in whole or in part from the full, faithful and proper performance of their duties of employment.

ARTICLE 49.

(This Article intentionally left blank)

ARTICLE 50. - WORKPLACE VIOLENCE AND WEAPONS POLICY

50.1 OC San's Workplace Violence and Weapons Policy will apply to all unit members.

ARTICLE 51. - RESIGNATION

51.1 Employees resigning from OC San are expected to give a minimum of two (2) weeks advanced written notice prior to leaving. OC San may accept in writing any verbal or written resignation at any time and deem such resignation irrevocable. Voluntary written termination of employment with OC San is automatically deemed irrevocable after seventy-two (72) hours from the receipt of the resignation, except by approval of the Director of Human Resources, or designee.

ARTICLE 52.

(This Article intentionally left blank)

ARTICLE 53. - LABOR MANAGEMENT COMMITTEE

53.1 Orange County Employees Association (OCEA) and the Orange County Sanitation OC San (OC San) hereby agree to meet within two (2) months from the OC San Board approval of this MOU to discuss the structure and process of a Labor Management Committee at OC San. Absent mutual agreement regarding the structure and process of a Labor Management Committee, the parties will defer discussions to the time when a successor MOU is raised.

SIGNATURE PAGE

2022 – 2025
MEMORANDUM OF UNDERSTANDING
BETWEEN THE
ORANGE COUNTY SANITATION DISTRICT
AND THE
ORANGE COUNTY EMPLOYEES ASSOCIATION
FOR THE
ENGINEERING UNIT

Executed: _____

OCEA ENGINEERING UNIT	ORANGE COUNTY SANITATION DISTRICT
Danielle Chau (Aug 1, 2022 18:22 PDT) Danielle Chau, Labor Representative	laura Kalty (Aug 10, 2022 07:34 PDT) Laura Drottz Kalty, Lead Negotiator
Alisha Greene (Aug 2, 2022 10:32 PDT) Alisha Greene, Labor Representative	Celia Chandler, Director of Human Resources
Robert (Mickey) Whitney (Aug 9, 2022 10:46 PDT) Robert (Mickey) Whitney, Senior Construction Inspector	Laura Maravilla, Human Resources & Risk Manager
Dana Andrews (Aug 10, 2022 06:51 PDT) Dana Andrews, Senior Construction Inspector	Janine Aguilar, Human Resources Supervisor
	Andrew Nau, Human Resources Supervisor
	Thys DeVries, Principal Human Resources Analyst
	Stephanie Barron, Senior Human Resources Analyst

Exhibit A

ENGINEERING UNIT

Classification	Pay Grade	Effective 1-Jul-22		Effective 14-Jul-23		Effective 12-Jul-24	
		MIN	MAX	MIN	MAX	MIN	MAX
Safety Inspector	78	$54.63	$66.40	$56.82	$69.06	$58.81	$71.48
Senior Construction Inspector	78	$54.63	$66.40	$56.82	$69.06	$58.81	$71.48
Engineering Associate	76	$51.99	$63.21	$54.07	$65.74	$55.96	$68.04
Construction Inspector	74	$49.51	$60.17	$51.49	$62.58	$53.29	$64.77
Engineering Technician	70	$44.85	$54.52	$46.64	$56.70	$48.27	$58.68