

January 1, 2023 – December 31, 2027



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made and entered into between Mesa Water District, hereinafter referred to as "Mesa Water" and the Mesa Water District Employees Association, hereinafter referred to as "MWDEA", affiliated with the Orange County Employees Association.

The parties have met and conferred in good faith regarding the wages, hours, and other terms and conditions of employment of the Mesa Water employees represented by MWDEA. This MOU is entered into for the purpose of memorializing agreements reached between Mesa Water and MWDEA. The provisions of this MOU shall be effective January 1, 2023 through December 31, 2027, unless otherwise specified. Except as modified herein or by approved subsequent Side Letter Agreement, all other wages, benefits, and working conditions will remain the same.

TERM: The term of this MOU shall be January 1, 2023 through December 31, 2027.

COMPENSATION: The salary increase for employees covered by this agreement will be adjusted as follows:

- 2023: Five percent (5%) effective starting in the pay period ending on January 12, 2023; a \$2,000 one-time lump sum payment to be paid in the pay period following ratification of this MOU
- 2024: Four percent (4%) effective starting in the pay period ending on January 11, 2024
- 2025: Three percent (3%) effective starting in the pay period ending on January 9, 2025
- 2026: Three percent (3%) effective starting in the pay period ending on January 1, 2026
- 2027: Three percent (3%) effective starting in the pay period ending on January 14, 2027; a salary adjustment may be made effective starting in the pay period ending on January 14, 2027 depending on the results of the Classification and Compensation Study

CLASSIFICATION AND COMPENSATION STUDY: Mesa Water will schedule and endeavor to complete a Classification and Compensation Study by December 31, 2026; and should the Study be completed by that time and the Mesa Water Board of Directors (Board) subsequently authorizes implementation of the Study results, the Study results would be implemented effective starting in the pay period ending on January 14, 2027. Should the Study not be completed by December 31, 2026, then the Study results would be retroactively implemented to the pay period ending on January 14, 2027. The salary target for each classification will be 8.5% above the median of the market based on the Study results. The Board shall determine implementation of the Classification and Compensation Study results. Prior to implementation of the Study results, Mesa Water will meet with the MWDEA to discuss the results of the Study. There is no promise of any specific action that shall result from such meeting.

FLEX CREDITS/BENEFITS: Flex Credits shall be adjusted for employees covered by this agreement as follows:

- Increase to \$2,200 per month effective starting in the pay period ending on January 12, 2023
- Increase to \$2,400 per month effective starting in the pay period ending on January 9, 2025

If Mesa Water provides enhanced benefits at any time during this contract to any other employee group, the same benefits shall be extended to MWDEA.

DEFERRED COMPENSATION MATCH 401(A): Employees covered by this agreement may receive a dollar for dollar match up to 3.5% of their salary per calendar year effective starting in the pay period ending on January 12, 2023.

DUTY PAY: The Standby Duty Program will increase in pay to \$70 per day (\$490 per week), and recognized District Holidays shall be \$100 per day effective starting in the pay period ending on January 12, 2023.

VACATION CASH OUT: Employees covered by this agreement who have used 40 hours of vacation time in the prior calendar year shall be allowed 80 hours of vacation cash out per year.

MWDEA employees will be able to participate in the vacation cash-out program effective January 1, 2024. The Irrevocable Vacation Time Cash-Out Election Form must be submitted by December 31, 2023.

Cash-outs are made twice a year, the last pay period ending in June, and on the last check received in December. Vacation hours must have been accrued in the same year and before the cash-out date.

BOOT ALLOWANCE: Mesa Water’s Safety Boot Allowance shall be increased to \$400 per year effective starting in the pay period ending on January 12, 2023. Additionally, should boots become worn down and in an unsafe or unusable condition in less than a year, employees covered by this agreement may be allowed to purchase new boots with the same \$400 limit, pending Manager’s verification of the condition of the prior boots and approval.

EMPLOYEE RULES & REGULATIONS: Mesa Water’s Employee Rules and Regulations will be updated to reflect the changes needed to implement this MOU. Mesa Water and MWDEA agree to review and finalize the proposed changes to the Employee Rules and Regulations once the MOU has been approved by the Board.

PERFORMANCE EVALUATION RATING SYSTEM COMMITTEE: Mesa Water, MWDEA, and the Supervisor/Confidential (S/C) group will create a joint committee to listen to and discuss improvements to the performance evaluation process, which will include the following parameters, unless mutually agreed upon otherwise:

- The committee shall be limited to no more than six total individuals, with no more than two representatives from each group: Mesa Water, MWDEA, and S/C;
- The committee will meet no more than three times in total, for no more than one hour per session;
- The committee will expire May 1, 2023; and
- There is no promise of any specific action that shall result from this committee.


MOU COMMITTEE: Mesa Water and MWDEA will create a joint committee to listen to and discuss improvements to the MOU document, which will include the following parameters, unless mutually agreed upon otherwise:

- The committee shall be limited to no more than four total individuals, with no more than two representatives from each group: Mesa Water and MWDEA;
- The committee will meet no more than three times in total, for no more than one hour per session;
- The committee will expire May 1, 2023; and
- There is no promise of any specific action that shall result from this joint committee.

Tentative agreement was reached on December 13, 2022, then ratified by MWDEA membership on December 28, 2022 and approved by the Board on January 11, 2023.

MESA WATER DISTRICT

ORANGE COUNTY EMPLOYEE
ASSOCIATION/MESA WATER DISTRICT
EMPLOYEES ASSOCIATION

DocuSigned by:

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Paul E. Shoenberger, P.E. Date
 General Manager

DocuSigned by:

 2BDA3154CBA24F9... 1/11/2023

Aaron Peardon Date
 OCEA Senior Labor Relations Representative

DocuSigned by:
Denise Garcia 1/11/2023
F61DD5296C8E4B5...
Denise Garcia Date
Chief Administrative Officer

DocuSigned by:
Carlos Rosales 1/11/2023
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Carlos Rosales Date
OCEA Lead Organizer

DocuSigned by:
Camille Shehadeh 1/11/2023
465E8CF696E5465...
Camille Shehadeh Date
Human Resources Analyst

DocuSigned by:
Kyle Barker 1/12/2023
86845C8F48F3464...
Kyle Barker Date
MWDEA Representative at Large

DocuSigned by:
Alison Wade 1/11/2023
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Alison Wade Date
Human Resources Analyst

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Epuni Hinnebusch Date
MWDEA Representative at Large

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Stryder Huff Date
MWDEA Representative at Large

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Cherlynn Hurdle Date
Representative at Large

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Kathy Pham Date
Representative at Large