

Memorandum of Understanding

**Confidential
Employees Bargaining
Unit**

Dublin San Ramon Services District
And
Confidential Employees Bargaining Unit

December 26, 2011 – April 30, 2017

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MEMORANDUM OF UNDERSTANDING
between
DUBLIN SAN RAMON SERVICES DISTRICT
and
CONFIDENTIAL EMPLOYEES Bargaining Unit

This Memorandum of Understanding (the "MOU") between the Dublin San Ramon Services District (the "District") and the Confidential Employees Bargaining Unit (the "CEBU"), collectively the "Parties" is entered into pursuant to the provisions of Section 3500 et seq. of the Government Code of the State of California.

The Employee Relations Officer (the General Manager of the District under the Employer-Employee Relations Resolution) is the representative of the District in matters concerning employer-employee relations.

CEBU, a new bargaining unit that formed on December 2, 2006, is a formally recognized employee group including those employees whose positions are designated as Confidential by the District.

SUMMARY OF CONFIDENTIAL DESIGNATION

The confidential designation of selected positions protects the confidentiality of the District's bargaining process and strategy, both in general contract negotiations and in day-to-day interaction with employee unions and associations. The employees who occupy positions designated as confidential serve as essential support members to the management team and their confidentiality is assured by their exclusion from any organized bargaining unit.

DEFINITION

The term "confidential employee" identifies those employees who are regularly required to assist District managers responsible for developing and implementing District policies within the area of labor relations. A confidential employee is an employee who normally participates or assists in writing and/or preparing policies affecting employees' wages, hours, and working conditions; or an employee who regularly has advance knowledge of decisions which affect labor relations; or who processes information relating to the District's confidential labor relations matters.

CRITERIA

The following factors are used (in their totality) to determine those positions to be designated as confidential:

- A. The duties assigned to these positions include responsibility for providing clerical and/or technical support to managers who regularly participate in labor negotiations as a chief negotiator or team member; processing paperwork relating to labor negotiations, notes, research, management proposals, contract costing, strategies and plans, strike contingency plans, salary surveys, and problems within departments which are addressed during negotiations.

- B. Responsibility for processing paperwork relating to the disposition of union/association grievances, Skelly hearings, letters of reprimand, counseling memos, employee background checks, and other documents including those relating to all other forms of employee discipline.

The Parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the employees in said representation unit and have freely exchanged information, opinions and proposals, and have endeavored to reach an agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

The Parties acknowledge that the package of wages and benefits specified herein, which were agreed to during the meet and confer process which led to this MOU, are a package which together provide the agreed upon market level total cash equivalent compensation.

This MOU has been presented to the District Board of Directors as the joint recommendation of the undersigned Parties for salary and employee benefit adjustments for the period referenced in Section 19 -Term.

The wages, hours and conditions of employment for the CEBU shall be as follows:

Section 1. Salaries and Cash Benefits

1.1 Salaries

Salaries for each classification shall be in five (5) steps of A through E with Step E being the highest salary. There shall be 5% difference between steps. The "E-Step" salaries for the CEBU classifications shall be in accordance with Attachment A, which is incorporated herein and made a part of this MOU.

1.2 Job Classifications

Classifications as titled in Attachment A, with the exception of the Human Resources Analyst I/II, were created with the adoption of the CEBU MOU dated September 24, 2007. In accordance with the District's Employee-Employer Relations Ordinance (EERO), the Board of Director's approval on May 17, 2011, and the District/CEBU side-letter agreement dated May 31, 2011, the Human Resources Analyst I/II job classification was moved from the Professional Employees' Bargaining Unit (PEBU) to the Confidential Employees' Bargaining Unit (CEBU), retroactive to March 4, 2011. The parties shall meet and confer on the job classifications in accordance with District Personnel Rules. The parties shall meet and confer on the compensation in accordance with this MOU.

1.3 Annual Salary Adjustments

Salaries shall be adjusted in accordance with the methodology described in Attachment A, which is incorporated herein and made a part of this MOU.

1.4 Entrance Salary

Except as herein otherwise provided, the entrance salary shall be the minimum salary for the class to which that person is appointed. When circumstances warrant, the General Manager may recommend, and the Board may approve, an entrance salary that is more than the minimum salary. The Board's decision shall be final.

1.5 Step Increases

(a) No Automatic Step Increase

No step increase in salary shall be automatic merely upon completion of a specified period of service. All step increases shall be based on merit as established by record of the employee's performance and shall require approval of the Senior Manager in whose department or group the employee is assigned.

(b) Timing of Increases – Full-Time Employees

Subject to the provisions of this Section, a full-time employee shall receive said increases in salary, on the employee's anniversary date, according to the following plan:

- Step B upon successful completion of twelve (12) months' service in Step A and Senior Manager's approval.
- Step C upon completion of twelve (12) months' service in Step B and Senior Manager's approval.
- Step D upon completion of twelve (12) months' service in Step C and Senior Manager's approval.
- Step E upon completion of twelve (12) months' service in Step D and Senior Manager's approval.

(c) Timing of Increases – Part-Time Employees

Subject to the provisions of this Section, a part-time employee shall receive said increases in salary, in accordance with the District's Personnel Rule for Part-Time Employment.

1.6 Salary Increase Upon Promotion

When an employee in this bargaining unit is moved from one classification to a classification with a higher maximum salary, the salary in the higher classification shall be the minimum salary for that classification, unless that minimum is lower

than, or the same as, the employee's salary at the time of reclassification. In that event, the employee shall receive the next higher step within the pay range of the higher classification, which is at least five percent (5%) greater than the employee's present rate.

An active employee who is appointed to a CEBU position, such as a reclassification or promotional appointment, shall be subject to 'Y-rating' of their salary if the employee's current salary is higher than the Step E rate for the new position. In the event of Y-rating, the employee's salary will be frozen at the employee's current pay rate until such time as the market Step E rate for the employee's new CEBU position is adjusted higher than the employee's Y-rated salary. Y-rated employees shall only receive ½ of CPI as determined in Section A-3.

1.7 Deferred Compensation Incentive

Through the Term of this MOU only, the District will contribute on behalf of each employee an amount equal to one-hundred percent (100%) of the first \$2,500 that the employee voluntarily contributes to the Employee's 457 Plan account. Said payment will be made on the same payday as the employee elects to make voluntary contributions to the Plan.

On the last pay date of the calendar year 2016, the District will no longer contribute on behalf of the employee to the Employee's 457 Plan account.

For CEBU employees actively employed with the District on November 1, 2011, the District will contribute on behalf of each eligible employee a lump sum of \$2,000 into each employee's 457 Plan account. The deposit will occur on the first pay date of the calendar year 2012 for dissolution of all District contractual obligations prior to January 1, 2012, pertaining to pay for performance in FY2012 and FY2013.

Example:

Pay Period	PP#	Pay Date	CY	
12/12/11 – 12/25/11	27	12/30/11	2011	
12/26/11 - 01/08/12	1	01/13/12	2012	* Pay date that 457 lump sum will be deposited
01/09/12 - 01/22/12	2	01/30/12	2012	

Section 2. Hours of Work

The regular workweek shall consist of forty (40) hours. Such schedule shall be worked on a regular basis. CEBU employees may have flexible work schedules in conformance with District Personnel Rules and subject to approval by the Employee's supervisor, department manager, and/or General Manager.

Section 3. Overtime and Compensatory Time

3.1 Authorization

All overtime worked must be approved in advance by the General Manager or his or her designated representative.

3.2 Overtime Pay

a) Non-Exempt Employees

Those positions that are "Non-Exempt" as of the Effective Date of this MOU are listed in Attachment C, which is hereby incorporated and made a part of this MOU. All overtime worked by employees designated as "Non-Exempt" in accordance with the Fair Labor Standards Act must be approved in advance by the General Manager, or designated representative.

Any authorized time worked in excess of the Non-Exempt employee's regular workweek shall be compensated at the rate of one and one-half (1-1/2) times the employee's regular straight-time rate of pay. This Section 3.2 shall be subject to the Overtime Rule of the District Personnel Rules and Regulations. Holiday pay and Employee Leave Bank pay will count as time worked for purposes of computing overtime pay. Holiday pay is defined as scheduled District holidays

b) Exempt Employees

Those positions that are "Exempt" as of the Effective Date of this MOU are listed in Attachment C, which is hereby incorporated herein and made a part of this MOU. Positions designated as "Exempt" in accordance with the Fair Labor Standards Act shall not receive overtime pay.

3.3 Compensatory Time

An employee shall be allowed to accrue up to a maximum of eighty (80) hours of compensatory time annually. The maximum amount of hours a non-exempt employee may keep in their compensation time bank shall be capped at 80 hours. Employees may request compensatory time off even though overtime is required to cover the employee's shift. The times during the calendar year at which an employee shall take compensatory time shall be determined by the employee's supervisor with due regard to the wishes of the employee and in particular regard to the need of the District. The coverage employee may not accrue compensatory time for said time worked and will be paid at the overtime rate.

3.4 Out-of-Class Pay

An employee who is assigned in writing by the General Manager or designated representative, and who performs all of the duties of a position having a higher salary range, will be paid the first step of the higher range, which is at least five

percent (5%) higher than the employee's present salary; during the period of the out-of-class written assignment during which the employee performs the full range of the duties of the higher classification.

(a) Exempt Employees

When an exempt employee has been performing the full range of duties of a higher classification for more than ten (10) consecutive working days, said employee shall be temporarily promoted to the higher position with retroactive pay to the first day of said assignment.

(b) Non-Exempt Employees

Acting assignments in CY2012 and CY2013 will be made after three (3) working days of uninterrupted absence, such as vacation or long-term illness or injury. When a non-exempt employee is expected to perform the full range of duties of a higher classification for more than three (3) consecutive working days, said employee shall be temporarily promoted to the higher position with retroactive pay to the first day of said assignment. In all subsequent calendar years of the remaining term of this MOU acting assignments will be made after one (1) work day.

3.5 Temporary Promotions

Compensation provided under this section shall be salary only, as outlined in Section 3.4. All benefits will continue at the level of the employee's regular position.

Section 4. Health and Welfare

4.1 Medical

(a) Health Care Insurance

The District is committed to provide health care (medical) insurance to each CEBU employee. The District currently obtains its health insurance through CalPERS and shall endeavor to continue that coverage for the duration of this MOU. If it is unable to do so, the District will endeavor to obtain coverage that is comparable to the CalPERS program coverage. In that event, the parties will meet and confer in good faith to revise Section 4.1(b) in a manner that is essentially equivalent to the arrangement identified therein for CalPERS coverage. The District shall endeavor to provide a health care insurance program that has at least two choices for coverage for Health Maintenance Organizations (HMO) and two choices for Preferred Provider Organizations (PPO) Plans. The lowest cost HMO and lowest cost PPO shall be the "Base Plans." In the event that this level of coverage does not remain reasonably available during the term of this MOU, the Parties shall meet and confer in good faith to amend this Section 4.1 of the MOU.

(b) District Health Care Premium Maximum Contribution

District shall pay employee Health Care Premiums up to a maximum amount not to exceed the District "Maximum Contribution" for each level (employee only, employee plus one dependent, and employee plus two or more dependents).

Payment by District shall be for employee or employee plus eligible dependents, whichever represents the employee's situation. The employee shall pay the balance of the cost incurred in excess of the Health Care Premium Maximum Contribution, including any administrative fees or service charges.

The District Maximum Contribution health care baselines are as follows:

Employee	\$473
Employee + one	\$946
Family	\$1,230

Note: Baselines established using District maximum contributions in 2007.

Each year, upon notification of new premiums by the District's health care provider, the District will identify the lowest cost HMO and PPO plans that are offered under the Bay Area Region plan or a successor provider and are available in Alameda County. The higher cost plan of the two (Base Plan) will form the basis for the calculation to determine the new District Health Care Premium Maximum Contribution for that plan year.

January 1st of each calendar year through the last month of the term of this MOU, with the exception of CY2012 in which the new cost-sharing formula will commence on February 1, 2012, CEBU employees will share in the cost of future health care premium increases above the baseline as described in the example below. Cost increases will be shared 60% by the District and 40% by the employee, with the employee's maximum share of the cost of the Base Plan limited to a 20% share. Each year's Base Plan premium will be compared to the baselines established above. The new Maximum Contribution will be calculated by adding 60% of the increase to the baseline to establish the Maximum Contribution for that year. If at any time the calculated Maximum Contribution is less than 80% of the Base Plan cost, the Maximum Contribution will be 80% of the Base Plan for that year.

This example is illustrated below in table form:

	Premium	Increase from Base	DSRSD Share of Increase	CEBU Share of Increase	District Maximum Contribution	District % of Premium
Base amount	\$ 1,230					
2012	\$ 1,587	\$ 357	\$ 214	\$ 143	\$ 1,444	91%

CEBU employees will pay those amounts in excess of the District Health Care Premium Maximum Contribution and the premium of the plan they select. The District's Base Plan premium will always be greater than or equal to the baseline. Employees may select other health plans as they are made available and pay the additional amount between the Base Plan contribution and the premium for the selected alternative plan.

Base plan amounts will be rounded to the nearest dollar.

In the Fall of 2013 and upon notice of either party, the District or CEBU shall meet and confer regarding the impact of health care premiums paid under this section (1) by either party if (1) the maximum projected employee contribution in 2014 for plans available in the CalPERS Bay Area Region results in either: a) two HMOs with a cost of more than \$500 per month for EE+2 coverage, or, b) a cost of two PPOs with a cost of more than \$500 per month for EE+2 coverage (excluding PERSCare PPO) or, (2) there are projected to be significant impacts on either party related to the implementation of the Federal Health Care Act in 2014.

(c) Post-Retirement Premiums

The District shall provide health care (medical) insurance to each CEBU employee that retires from the District and meets all eligibility requirements. The District shall contract with CalPERS to provide post-retirement health benefits through the CalPERS Vesting Program for Retiree Health Care as detailed in Attachment B. All District employees hired after the effective date of this agreement shall be enrolled in the Vesting Program. Employees hired prior to that date will be offered the option, on an annual basis, to opt into the program. Payment of said insurance shall be subject to a vesting schedule established from time to time by either the District or the health care provider; whichever has the authority. Any CEBU employee who has previously elected to vest under the prior Local 39 MOU shall be required to vest under the PERS vesting program that will be enacted in accordance with the MOU approved by all Parties on September 19, 2007.

(d) Changes to the Law

In the event Federal or State legislation that provides health care coverage for employees covered by this agreement is enacted into law during the term of this MOU, and such legislation has an adverse impact on either party, the Parties shall meet and confer regarding the impact of such legislation on the MOU.

(e) Waiver of Coverage

A CEBU employee, who chooses to do so, may elect in writing to forgo medical coverage through the District and receive in cash via the payroll system the monthly amount listed in the table below for the coverage he/she is eligible to receive from the District and in accordance with the Public Employees' Medical and Hospice Care Act Program. Such payment may be made on a monthly or per pay period basis as determined by the District. Said election must be made for the employee as well as his or her dependents.

Eligibility for participation in this program shall be governed by the Guidelines for the Share the Savings Program in the District's Personnel Rules.

	Monthly Amounts				
	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016 and subsequent years
Employee	\$266.00	\$235.54	\$205.07	\$174.61	\$144.15
Employee + 1	\$532.00	\$471.07	\$410.15	\$349.22	\$288.29
Employee + family	\$692.00	\$612.75	\$533.50	\$454.25	\$375.00

(f) Cafeteria Plan

If, during the term of this MOU, either Party provides notice to the other that it desires to implement a Cafeteria Plan through which health care premiums could be fully or partially paid, the Parties shall meet and confer in good faith to amend this Section 4.1 of the MOU.

4.2 Dental

The District shall provide dental care benefits covering the employee, spouse, and eligible dependents.

4.3 Retiree Dental

The District shall provide retiree dental care benefits for employees (and eligible dependents) who retire from the District and whose first date of employment was before July 1, 2014.

4.4 Life Insurance

(a) Amount

The District shall provide each employee with Life Insurance. The amount of the life insurance to be provided shall be equal to two (2) times an employee's annual salary, rounded up to the nearest \$1,000, to a maximum of \$400,000. The imputed cost of coverage in excess of \$50,000 will be included in Employee's income, using the IRS Premium Table, and are subject to applicable Federal and State taxes.

(b) Additional Coverage

In addition to the life insurance provided at District expense, the District shall make arrangements for employees to purchase additional life insurance for themselves or their dependents at employee cost.

4.5 Short-Term and Long-Term Disability

The District shall provide each employee with Short-Term and Long-Term Disability Insurance. The Short-Term Disability Insurance shall provide for sixty percent (60%) of regular weekly salary, to a maximum of \$1,667 weekly benefit, after a 29-day waiting period. Benefits continue for a maximum of one year, if totally disabled. Integration of short-term insurance benefits and sick leave is to be automatic; the District may not waive integration. Long-Term Disability Insurance shall provide 66-2/3% of regular monthly salary to a maximum of \$6000 monthly benefit after 365 days of short-term disability coverage. Both Short- and Long-Term disability Insurance benefits cease the day the termination of employment occurs.

4.6 Vision Care

The District shall provide each employee with vision care benefits covering the employee, spouse, and eligible dependents.

4.7 Retiree Vision Care

Vision care will not be provided to employees who retire from the District other than as specified under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

4.8 IRS 125

The District shall continue the IRS 125 plan for employee funded expense reimbursement and allow employee contributions up to the maximum extent permitted by law as well as allowable pre-tax deductions for employee-paid premiums associated with eligible health care costs.

4.9 Changes to Providers of Employee Benefit Plans

The District intends to periodically evaluate the Health and Welfare plans currently available to employees to determine if similar or better coverage may be available at lower cost to the District. The District may substitute new insurance carriers or arrange for self-insurance provided that the overall coverage is similar or better as specified in this MOU.

Section 5. Safety Equipment

Employees that are required to wear safety shoes, personal protective equipment (PPE), or uniform clothing will be provided with these items purchased by the District as deemed necessary by the employee's supervisor for the performance of their job duties.

Section 6. Retirement Plan

6.1 Terms of Program

The Retirement Plan between the District and Public Employees Retirement System (PERS) is documented in a separate MOU between CEBU and District entitled "Regarding PERS Retirement Formula Enhancement" dated September 24, 2007 and includes single highest year option and "Local Miscellaneous 2.7% at 55."

6.2 IRS 414(h)(2) Program

The District shall maintain an IRS 414(h)(2) Plan for the term of this MOU.

Section 7. Holidays/Floating Holidays

7.1 General

Employees shall be entitled to take all authorized holidays at full pay, not to exceed eight (8) hours for any one (1) day, provided they are in a full pay status on

both of their regularly scheduled workdays immediately preceding and following the holiday.

(a) Reporting Holiday Leave While on Alternative Work Schedule

Employees who work an alternative work schedule (9/80, 10/40) shall report "holiday" time as eight (8) hours and remaining "holiday" time as ELB (Employee Leave Bank) or Compensatory Time (if accrued).

7.2 Holiday Schedule

The following shall be holidays under this MOU, and shall fall on the calendar or legal date as noted. If a holiday is a calendar day holiday that falls on a Saturday or Sunday, the actual day of the holiday shall be the Friday or Monday before or after that weekend date that corresponds to the date the District shall be closed for business as solely determined by the District.

New Year's Day	(Calendar)
President's Day	(Legal)
Memorial Day	(Legal)
Independence Day	(Calendar)
Labor Day	(Legal)
Thanksgiving Day	(Legal)
Day after Thanksgiving	(Calendar)
Christmas Day	(Calendar)

Section 8. Employee Leave Bank

8.1 Eligibility

All CEBU employees begin accruing Employee Leave (Leave) as defined in Section 8.4 from their hire date.

8.2 Scheduling

The times during the calendar year at which an employee shall take Leave shall be determined by the employee's supervisor with due regard to the wishes of the employee and in particular regard to the need of the District.

8.3 Use

Employees may use Leave on an hour-for-hour (or fraction thereof) basis in any pay period that they have not worked their scheduled hours in accordance with Section 2 of this MOU.

8.4 Employee Leave Accrual Rate

Leave accrues on a pay period basis and the accrual rate is determined by the employee's hire date. Example: For a full-time employee, the accrual rate during their first year of employment is 4.62 hours per pay period.

The following table shows the conversion of the leave into the new system and is based on full-time employment. Leave for part-time employees will be prorated according to number of hours scheduled.

8.5 Crediting of Leave

All employees	Non-exempt Employees			Exempt Employees		
	Annual Days	Annual Hours	Hours PP	Annual Days	Annual Hours	Hours PP
1	15	120	4.62	20	160	6.15
2	16	128	4.92	21	168	6.46
3	17	136	5.23	22	176	6.77
4	18	144	5.54	23	184	7.08
5	19	152	5.85	24	192	7.38
6	20	160	6.15	25	200	7.69
7	21	168	6.46	26	208	8.00
8	22	176	6.77	27	216	8.31
9	23	184	7.08	28	224	8.62
10	24	192	7.38	29	232	8.92
11	25	200	7.69	30	240	9.23
12	26	208	8.00	31	248	9.54
13	27	216	8.31	32	256	9.85
14	28	224	8.62	33	264	10.15
15	29	232	8.92	34	272	10.46
16 & after	30	240	9.23	35	280	10.77

Employee Leave shall be accrued and credited in hours per pay period.

8.6 Use of Leave During the First Six (6) Months of Employment

Up to forty (40) hours of Employee Leave may be taken during the first six (6) months of employment with the District unless a different arrangement is specified in that individual's hiring letter.

8.7 Employee Leave at Termination

Upon termination of employment, an employee shall be paid cash value of his or her accrued Leave at the time of termination in accordance with the above schedule on a pro rata basis.

8.8 Leave Sell Back

Each full-time employee covered by this MOU may sell back leave from the Employee Leave Bank at his or her current rate of pay up to two (2) times per calendar year, up to eighty (80) hours total in that calendar year; provided that there is at least eighty (80) hours remaining after such sell back.

Section 9. Sick Leave

9.1 Benefits

Full-time CEBU employees shall accrue sick leave at the rate of eight (8) hours per month credited in hours per pay period. Sick leave usage shall not be considered as a privilege which an employee may use at his or her discretion, but shall be allowed only in case of necessity of actual sickness or disability in accordance with state law and the District personnel rules, or for the employee's dental, eye, or other physical or medical examination or treatment by a licensed practitioner. Part-time employee's sick leave will be prorated according to their scheduled hours.

9.2 Use

Employees may use sick leave on an hour-for-hour basis (or fraction thereof) in any pay period that they have not worked their scheduled hours in accordance with Section 2 of this MOU. Sick leave may not be used before it is credited and may only be used as outlined in 9.1 above.

9.3 Notification Requirement

If an employee will not be at work as scheduled, he/she must notify the supervisor or designee, within one half (1/2) hour of the time to report for work or at the first opportunity.

9.4 Physician's Certificate or Other Proof

At the discretion of the employee's supervisor, a physician's certificate or personal affidavit may be required for any period of absence for which sick leave is claimed; however, when absence is for more than five (5) consecutive workdays, the employee shall file a physician's certificate or a personal affidavit with the employee's supervisor stating the cause of the absence.

9.5 Family and Medical Care Leave

Family and Medical Care leave shall be administered in accordance with State and Federal Law.

9.6 Sick Leave Incentive Program - PERS Credit

The District shall contract with PERS for "Credit for Unused Sick Leave at Retirement" as specified in the Government Code of the State of California, Section 20965.

Section 10. Leaves of Absence

10.1 Leave Without Pay

The General Manager may grant employees leave of absence without pay for a period not to exceed one (1) year. No leave shall be granted except upon written request of the employee. Such requests shall be submitted to the General Manager. Such leaves shall normally be granted to permit the employee to engage in activities that shall increase his/her value to the District upon return, or because of sickness, injury or personal hardship. Employees may not be granted a leave of absence until all accrued Employee Leave Bank time is taken. Failure on the part of an employee on leave to report promptly at its expiration shall result in dismissal of the employee. Employee leave bank and sick leave credits shall not accrue to an employee on leave of absence. The decision of the General Manager on granting or refusing to grant a leave of absence or extension thereof shall be final and conclusive and shall not be subject to the grievance procedure of this MOU.

10.2 Jury Duty

An employee summoned to jury duty shall inform his or her supervisor and, if required to report and/or serve, may be absent from duty with full pay only for those hours required to report and/or serve.

10.3 Industrial Disability Leave

(a) General

Employees who suffer any disability arising out of and in the course of their employment, as defined by the Workers' Compensation Laws of the State of California, shall be entitled to disability leave while so disabled for the period of such disability to a maximum of one (1) year or retirement, whichever occurs first. Compensation benefits shall be determined and

paid in accordance with the Workers' Compensation Laws of the State of California; however, if the treating physician advises the injured employee to go home or the employee is admitted and remains in a hospital or clinic for treatment, the employee shall be paid for his/her full shift. Integration of sick leave with Workers' Compensation is to be automatic; the District may not waive integration, and any employee entitled to Workers' Compensation must apply, therefore, before sick leave benefits are payable.

(b) Determination of Coverage

The District reserves the right to withhold payment of any disability benefits until such time it is determined whether or not the illness or injury is covered by Workers' Compensation.

10.4 Funeral Leave

In the event of a death in the immediate family of an employee, he or she shall, upon request, be granted such time off with pay as is necessary to make arrangements for the funeral and attend same, not to exceed three (3) regularly scheduled working days. For the purpose of this Section, the immediate family shall be restricted to father, mother, brother, sister, spouse, child, mother-in-law, father-in-law, grandparents, grandchildren, and stepchild in those cases where a direct child-rearing-parental relationship may be demonstrated. At the request of the District, the employee shall furnish a death certificate and proof of relationship. Sick leave shall not be used for the purpose of Funeral Leave.

10.5 Catastrophic Leave

(a) General

District shall provide a Catastrophic Leave system to assist employees who have exhausted accrued leave time due to a serious or catastrophic illness or injury. The catastrophic leave system shall allow other employees to donate time to the affected employee so that he/she can remain in a paid status for a longer period of time, thus partially ameliorating the financial impact of the illness, injury or condition.

(b) Eligibility

To be eligible for this benefit, the receiving employee must:

- (1) Be a regular, full-time employee who has passed his/her initial District probationary period;
- (2) Have sustained a life-threatening or debilitating illness, injury or condition (physician confirmation may be required by the District);

- (3) Have exhausted all accumulated paid leave including employee leave bank, sick leave, compensatory time off and/or other such leaves;
- (4) Be unable to return to work for at least thirty (30) days; and
- (5) Have applied, and received approval, for a Leave of Absence without Pay for medical reasons.

(c) Benefits

Accrued leave bank and compensatory time off hours donated by other employees shall be converted to sick leave and credited to the receiving employee's sick leave balance on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee. For as long as the receiving employee remains in a paid status, seniority and all other benefits shall continue, with the exception of leave accruals. The total leave credits received by an employee should not exceed three (3) months. However, if approved by the General Manager, the total leave credits may be extended on a case-by-case basis up to an overall maximum of six (6) months.

(d) Guidelines

The following guidelines for Donating Leave Credits to the Receiving Employee:

- (1) Accrued leave bank and compensatory time off may be donated by any employee who has completed his/her initial District probationary period.
- (2) Time donated shall be converted from leave bank or compensatory time off to sick leave and credited to the receiving employee's sick leave balance on an hour-for-hour basis and shall be paid at the rate of pay of the receiving employee.
- (3) The total amount of time donated to one employee by another employee shall not exceed forty (40) hours. The total leave credits received by the employee shall not exceed three (3) months. However, if approved by the General Manager, an extension up to six (6) months total time may be approved.
- (4) Initial leave time donations must be a minimum of eight (8) hours and, thereafter, in four (4) hour increments. An employee cannot donate leave hours that would reduce his/her vacation balance to less than forty (40) hours.
- (5) The use of donated leave hours shall be in consecutive, one-shift increments (i.e., eight (8) hours for a full-time employee working five, eight-hour days per week).
- (6) While an employee is on leave using donated leave hours, no vacation or sick leave hours shall accrue.

- (7) Under all circumstances, time donations received by the employee are forfeited once made. In the event that the receiving employee does not use all transferred leave for a catastrophic illness/injury, any balance shall remain with the receiving employee.

Section 11. Probationary Period

11.1 Nature of Period

All original and promotional appointments shall be subject to a probationary period. The probationary period shall be regarded as a part of the testing process and shall be utilized for closely observing the employee's work, for securing the most effective adjustment of a new employee to his or her position, and for rejecting any probationary employee whose performance does not meet the required standards of work.

11.2 Length

New employees shall serve a probationary period of twelve (12) months. Employees who have already served a District probationary period and have received a promotion into the CEBU or accept a different position within CEBU shall serve a probationary period in that new job for six (6) months. Employees who, immediately prior to appointment, served in a District Limited-Term position that was subsequently converted to a regular District position, shall not be required to complete a probationary period if the Limited-Term position exceeded twelve (12) months. For part-time employees, the probationary period shall be in accordance with the District's Personnel Rule for Part-time Employment.

11.3 Rejection

During the probationary period, a new employee may be rejected at any time by the General Manager without cause and without the right of appeal.

11.4 Reinstatement

Any employee rejected during the probationary period following a promotional appointment shall be reinstated to the former position from which he or she was promoted, provided the employee has not been discharged or disciplined pursuant to this MOU.

Section 12. Layoff and Re-employment

12.1 General

The General Manager may lay off an employee in the CEBU. The General Manager, on the basis of the administrative needs of the District, shall determine the departments and classifications subject to layoff. Within the classifications subject to layoff, the order of layoff shall be determined on the basis of seniority and work performance. Emergency and provisional employees in a class of positions shall be laid off before other persons in the class are laid off.

12.2 Notice

Fifteen (15) calendar days prior to the effective date of the layoff of an employee, the General Manager shall notify the employee of the layoff and a copy of the notice shall be placed in the employee's personnel file.

12.3 Re-Employment

An employee who has performed satisfactorily and who is laid off shall be eligible for re-employment in other positions which require basically the same qualifications and involve basically the same duties and responsibilities as the position from which the employee is laid off.

12.4 Termination after Layoff

Service with the District shall be terminated by discharge, resignation or six (6) consecutive months of unemployment with the District.

12.5 No Benefits

An employee who is laid off shall not accrue or be eligible for any benefits including, but not limited to, Employee Leave, holidays, medical, dental, life insurance, and vision care. Any employees re-employed after a layoff shall be credited back any accrued sick leave that the employee did not receive compensation for at the time of layoff.

Section 13. Discharge and Discipline

13.1 Right of Discharge and Discipline

The District shall have the right to discharge and discipline any employee for dishonesty, insubordination, drunkenness, incompetence, willful negligence, failure to perform work as required or to observe the District's safety and personnel rules and regulations, which must be conspicuously posted and not in derogation of the

MOU, or for engaging in strikes, individual or group slowdowns or work stoppages, or refusal to accept overtime, or for violating or ordering the violation of the MOU. Discipline shall be implemented within sixty (60) calendar days of the District completing the District investigation of the situation causing the problem.

13.2 Appeals

If an employee feels he or she has been unjustly disciplined or discharged, he or she shall have the right to appeal his or her case through the Appeals Process. Such appeal must be filed with the General Manager in writing, within ten (10) calendar days from the date of discipline or discharge and unless so filed the right of appeal is lost.

13.3 Reason for Discipline

Any disciplined employee in the CEBU group shall be furnished the reason for the disciplinary action in writing.

13.4 Adjustment Board

In the event of an employee appeal on a matter involving discipline, including matters of suspension, demotion, and discharge, such appeal shall be submitted to an Adjustment Board comprised of two (2) employee representatives and two (2) representatives of the District. If an Adjustment Board is unable to arrive at a majority decision, the employee may require that the appeal be referred to a Hearing Officer for advisory opinion.

13.5 Administrative Hearing

(a) General

An employee may refer any appeal that remains unresolved after the Adjustment Board to an Administrative Hearing. A request for a Hearing shall be in writing to the General Manager within thirty (30) calendar days after receipt of the decision of the Adjustment Board.

(b) Selection of Hearing Officer

On or after the date of the notice to proceed with a non-binding administrative hearing, the District shall request the State Mediation and Conciliation Service or the American Association of Arbitrators to provide a list of seven (7) impartial persons to act as a Hearing Officer. Representatives of the two (2) Parties shall meet within ten (10) calendar days after receipt of such list to select an arbitrator (this may be done by telephone). If there is no mutual agreement on one of the listed hearing officers, then the two (2) Parties shall alternately strike a hearing officer's

name from the list of seven (7) and shall then repeat this procedure. The remaining person shall be the duly selected hearing officer. The procedure to determine who strikes the first name shall be determined by lot. If either party refuses to participate in the selection process, the other party shall make a selection of a hearing officer from the list.

(c) Hearing Officer's Decision

Upon conclusion of the administrative hearing, the hearing officer shall provide both the General Manager and the employee, and the CEBU group representative with copies of his or her decision on the merits of the appeal with references to, and a discussion of, the evidence presented. The hearing officer's decision shall be an advisory opinion only, non-binding on either party; provided that if neither party refers the appeal to the Board of Directors within thirty (30) calendar days of receipt of the hearing officer's decision, the hearing officer's decision shall become final. The hearing officer's fees and expenses shall be borne equally by the Parties. If either party requires a transcript, that party shall bear the entire cost of such transcript.

13.6 Board of Directors

Any appeal which has not been resolved by the procedures hereinabove set forth may be referred by either party to the Board of Directors within thirty (30) calendar days of receipt of the hearing officer's advisory opinion for final decision. Each party may submit written comment or argument regarding the hearing officer's opinion, not to exceed five (5) pages in length, for the Board's review and consideration. The Board of Directors shall render a decision, which shall be final, within sixty (60) calendar days of receipt of the request for Board review.

Section 14. Personnel Files

An employee, or his or her representative on presentation of written authorization from the employee, shall have access to the employee's personnel file on request. The District shall furnish the employee copies of all performance evaluation reports and letters of reprimand or warning prior to placement of such documents into the employee's personnel file. The employee may be required to acknowledge the receipt of any document entered into his or her personnel file without prejudice to subsequent arguments concerning the contents of such documents.

Section 15. Grievance Procedure

15.1 General

(a) Definition

A grievance shall be defined as any dispute arising during the term of the MOU which involves the interpretation or application of any provision of this MOU during its term, excluding all ordinances, resolutions, policies, rules and regulations, the subject of which is not specifically covered by the provisions of this MOU. Such excluded ordinances, resolutions, policies, rules and regulations shall not be subject to the Grievance Procedure.

(b) Changes to MOU are Non-Grievable

Proposals to add to or change this MOU or written agreements or addenda supplementary hereto shall not be grievable and no proposal to modify, amend or terminate this MOU, nor any matter or subject arising out of or in connection with such proposal, may be referred for grievance under this Section, and no Adjustment Board shall have the power to amend or modify this MOU or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

(c) Changes to and Interpretations of MOU

No changes in the MOU or interpretations thereof (except interpretation resulting from Adjustment Board proceedings hereunder) shall be recognized unless mutually agreed to by the General Manager and the CEBU.

(d) Pay Claims

All grievances involving or concerning payment of compensation shall be filed in writing and no adjustments shall be retroactive for more than sixty (60) calendar days from the date of filing.

15.2 Initial Discussions

Any employee who believes that he or she has a grievance must inform his or her immediate supervisor of the complaint along with a copy to the Organizational Services Manager, and discuss the nature of the complaint with the immediate supervisor prior to elevating the grievance for resolution to the top management official in the department in which he or she works. The grievance is to be presented in writing within thirty (30) calendar days of the date that the employee became aware, or should have become aware, of the act or occurrence. If the issue is not resolved within the department, the procedures hereafter specified may be invoked.

15.3 Adjustment Board

(a) General

In the event the employee and the District are unable to reach a mutually satisfactory accord on any grievance (as the term "grievance" is hereinabove defined), which arises and is presented during the term of the MOU, such grievance shall be submitted to an Adjustment Board comprised of two (2) employee representatives and two (2) representatives of the District.

(b) No Decision by Adjustment Board

If an Adjustment Board is unable to arrive at a majority decision, either the employee or the District may require that the grievance be referred to the General Manager.

(c) Jurisdiction

No Adjustment Board shall entertain, hear, decide or make recommendations on any dispute involving a position over which a recognized employee organization has jurisdiction unless such dispute falls within the definition of a grievance as hereinabove set forth in the first paragraph of this Section.

15.4 Referral to District Manager

The recognized employee organization, which has jurisdiction over the position directly affected by the grievance, may notify the General Manager in writing that a grievance exists, and in such notification, state the particulars of the grievance and, if possible, the nature of the determination that is desired. No grievance may be processed under this Section that has not first been filed and investigated in pursuance of Sections 15.2 and 15.3. A grievance that remains unresolved after it has been submitted in writing to the General Manager may be heard before a Hearing Officer for an advisory opinion.

15.5 Administrative Hearing

(a) General

Any grievance that remains unresolved after consideration by the General Manager may be referred to an Administrative Hearing Officer for a non-binding opinion on the merits of the grievance. A notice to invoke an administrative hearing shall be in writing to the General Manager within

thirty (30) calendar days after receipt of the decision of the General Manager.

(b) Selection of Hearing Officer

The hearing officer for a grievance matter shall be selected according to the same procedure as specified for an appeal of discharge/discipline.

(c) Hearing Officer's Decision

Upon conclusion of the administrative hearing the hearing officer shall provide both the General Manager and the employee and the CEBU group representative with copies of his or her decision on the merits of the appeal with references to, and a discussion of, the evidence presented. The hearing officer's decision shall be an advisory opinion only, non-binding on either party, provided that if neither party refers the appeal to the Board of Directors within thirty (30) calendar days of receipt of the hearing officer's decision, the hearing officer's decision shall become final. The hearing officer's fees and expenses shall be borne equally by the Parties. If either party requires a transcript, that party shall bear the entire cost of such transcript.

15.6 Board of Directors

Any grievance which has not been resolved by the procedures hereinabove set forth may be referred by either party to the Board of Directors within thirty (30) calendar days of receipt of the hearing officer's advisory opinion for final decision. Each party may submit written comment or argument regarding the hearing officer's opinion, not to exceed five (5) pages in length, for the Board's review and consideration. The Board of Directors shall render a decision, which shall be final, within sixty (60) calendar days of receipt of the request for Board review.

Section 16. Miscellaneous Provisions

16.1 Outside Employment

No employee shall engage in employment that may constitute a conflict of interest for the employee or the District. No employee shall apply himself or herself whatsoever to any outside employment during his or her regular working hours. Any person while in the employment of someone other than the District shall wear no emblem, badge, uniform or other employee identification.

16.2 Part-Time

All wages, hours and conditions of employment governed by this MOU shall be

prorated and/or adjusted for part-time employees in accordance with District's Part-Time Rules and Procedures.

16.3 Re-Opener

On or about October 1 of each year of the Memorandum of Understanding (MOU), except for 2012, either party may request to meet and confer regarding one (1) non-economic item.

16.4 Professional Organizations

For each employee covered by this MOU, the District will pay for the employee's membership in up to two (2) professional/technical organizations related to the employee's classification. The District will also pay for one (1) professional/technical organization meeting per month, within the greater Bay Area, that the employee may choose to attend and in which the employee is a member. If the meeting occurs during regular work hours, the employee will receive compensation during attendance. If the meeting is during non-regular work hours, the employee will not be compensated for attendance. Other memberships and attendance will be determined on a case-by-case basis by the employee's supervisor.

Section 17. Separability of Provisions

Should any Section, clause or provision of this MOU be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such Section, clause or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this MOU. Upon such invalidation, the Parties agree to meet and confer concerning substitute Sections, clauses, or provisions for those rendered or declared illegal or invalid.

Section 18. Past Practices and Status of this MOU

18.1 Continuance of Working Conditions

Continuance of working conditions and practices not specifically authorized by ordinance or resolution of the Board of Directors is not guaranteed by this MOU.

18.2 Status of this MOU

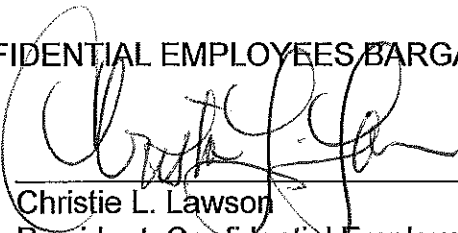
This MOU constitutes the entire understanding between the Parties hereto as to all matters hereof, and supersedes all existing Memoranda of Understandings, negotiations, prior discussions, preliminary agreements and understandings, whether written or oral, between the District and the CEBU group.

Section 19. Term

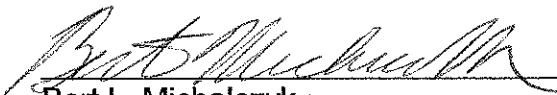
It is mutually agreed that the terms herein are effective on and until the dates indicated below or the dates specifically identified elsewhere in this MOU as those dates may relate to specific provisions. or where not indicated as of the effective date of this MOU. When not specifically covered in this MOU, the existing unmodified policies, resolutions, rules, regulations and ordinances of the District, shall apply and with the terms of this MOU constitute the wages, hours and working conditions for those employees represented for the period of December 26, 2011 through April 30, 2017.

Made and entered into this 20th day of December, 2011.

CONFIDENTIAL EMPLOYEES BARGAINING GROUP

By  Date 12-20-11
Christie L. Lawson
President, Confidential Employees Bargaining Unit

DUBLIN SAN RAMON SERVICES DISTRICT

By  Date 12-20-11
Bert L. Michalczyk
General Manager

ATTEST: 
Nancy Gamble Hatfield, District Secretary

ATTACHMENT A

SALARY SCHEDULE AND METHODOLOGY, REVISIONS TO SALARY SCHEDULE AND AGENCIES USED FOR SALARY SURVEY COMPARABLES

A-1 Baseline Salary

Monthly "E-Step" salaries are as shown below for each position as of December 25, 2011, prior to the initial adjustment as described in A-3 below.

CLASSIFICATION	Monthly Salary (E-Step)
Administrative Assistant I - Confidential	\$5,701.00
Administrative Assistant II - Confidential	\$6,272.00
Administrative Technician – Confidential	\$6,684.00
HR Technician	\$6,684.00
HR Analyst I	\$7,679.00
HR Analyst II	\$8,447.00

A-2 Basis of Compensation

The basis of compensation will be the 60th percentile of total compensation.

Total compensation at other agencies is defined as base salary plus employer-paid member contributions for retirement, employer contributions to employee 457 plans and other cash-based compensation such as auto allowances.

Total compensation at the District is defined as baseline salary plus two-thousand five-hundred dollars (\$2,500) as an estimate for employer maximum annual contributions to employee 457 plan.

A-3 Annual Adjustment to Baseline Salary

Effective on the first day of the first pay period of the calendar year 2012 through 2017, all steps of the Salary range shall be adjusted by the percent change in the CPI Index (Consumer Price Index – All Urban Wage Earners, Not Seasonally Adjusted, San Francisco-Oakland-San Jose, CA, All Items 1982-84=100, series ID CWURA422SAO) for the twelve (12) month period of October of the calendar year two years prior to the adjustment and October of the calendar year immediately prior to the adjustment. During the term of the MOU, in the event that CPI is less than 0.0% for the twelve month period ending October 31, the "floor" for CPI shall be 0.0%.

Example:

Pay Period	PP#	Pay Date	CY
12/12/11 – 12/25/11	27	12/30/11	2011
12/26/11 – 01/08/12	1	01/13/12	2012
01/09/12 – 01/22/12	2	01/30/12	2012

* Effective date of CPI adjustment

A-4 Total Compensation Surveys

All total compensation surveys for new positions shall be conducted by District in accordance with Compensation Survey Procedures in Section A-5.

A-5 Compensation Survey Procedures

Surveys will be conducted in a manner consistent for all District's bargaining units except surveys for CEBU will incorporate only base salary plus two thousand five hundred dollars \$2,500 as an estimate for employer average annual contributions to employee 457 plan (total compensation). (At the end of the Term of this MOU, the District will no longer include the \$2,500 estimate for employer average annual contributions to employee 457 plan in the basis of total compensation at the District.) Surveys will be done for the benchmark positions in each classification and other levels in the classification will be indexed from the benchmark positions. The compensation benchmark will be the sixtieth percentile (60) of the comparable positions at the survey agencies.

Total compensation at other agencies is defined as base salary plus employer paid member contributions for retirement, employer contributions to employee 457 plans and other cash-based compensation such as auto allowances.

The following list of agencies shall be used for comparables when salary surveys are required under this MOU.

EBMUD	ACWD
Delta Diablo	Livermore
Union San	Pleasanton
Oro Loma	CCWD
CCCSD	

ATTACHMENT B

Employer Contribution for Post-Retirement Health Benefits

The District shall provide post-retirement health benefits in accordance with Government Code Section 22825.5 described as follows.

- (a) Notwithstanding Section 22825, the percentage of employer contribution payable for post-retirement health benefits for any employee of a contracting agency subject to this section shall, except as provided in subdivision (b), be based on the member's completed years of credited State service at retirement as shown in the following table:

Credited Years	Percentage of Employer Contribution
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20 or more	100%

This subdivision shall apply only to employees who retire from service and, except as provided in paragraph (6), who are first employed after this Section becomes applicable to their employer. The application of this subdivision to those employees shall be subject to the following provisions:

- (1) The employer's contribution with respect to each annuitant shall be adjusted by the employer each year. Those adjustments shall be based upon the principle that the employer's contribution for each annuitant shall not be more than one hundred percent (100%) of the premium applicable to him/her, nor less than an amount equal to one hundred percent (100%) of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone plus ninety percent (90%) of the weighted average of the additional premiums required for enrollment of family members in the four (4) health benefits plans that have the largest number of enrollments during the fiscal year to which the formula applied.

- (2) The employer shall have, in the case of employees represented by a bargaining unit, reached an agreement with that bargaining unit to be subject to this Section.
 - (3) The employer shall certify to the Board, in the case of employees not represented by a bargaining unit, that there is not an applicable memorandum of understanding.
 - (4) The credited service of any employee for the purposes of determining the mean State service as defined in Section 20069, except that not less than five (5) years of that service shall be performed entirely with that employer.
 - (5) The employer shall provide the Board any information requested that the Board determines is necessary to implement this Section.
 - (6) The employer may, once each year without discrimination, allow all employees who were first employed before this Section became applicable to the employer to individually elect to be subject to the provisions of this Section and the employer shall notify the Board which employees have made that election.
- (b) Notwithstanding subdivision (a), the contribution payable by an employer subject to this Section shall be equal to one hundred percent (100%) of the amount established pursuant to paragraph (1) of subdivision (a) on behalf of any annuitant who either:
- (1) Retired for disability.
 - (2) Retired for service with twenty (20) or more years of service credit entirely with that employer, regardless of the number of days after separation from employment. The contribution payable by an employer under this paragraph shall be paid only if it is greater than, and made in lieu of, any contribution payable to the annuitant by any other employer under this part.
- The Board shall establish application procedures and eligibility criteria under this subdivision.
- (c) This Section shall not apply to any contracting agency nor to its employees and annuitants unless and until the agency files with the Board a resolution of its governing body electing to be so subject. The resolution shall be adopted by a majority vote of the governing body and shall be effective at the time provided in the Board's regulations.

ATTACHMENT C

List of Non-Exempt and Exempt Positions

The following positions are Non-Exempt positions as determined by application of the Fair Labor Standards Act:

Administrative Assistant I/II – Confidential
Administrative Technician - Confidential
Human Resources Technician
Human Resources Analyst I

The following position is an Exempt position as determined by application of the Fair Labor Standards Act:

Human Resources Analyst II