MEMORANDUM OF UNDERSTANDING

Between

MERCED IRRIGATION DISTRICT

and

LOCAL UNION 1245

of

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

AFL-CIO

TERM: April 1, 2011 through March 31, 2013

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MEMORANDUM OF UNDERSTANDING

The Merced Irrigation District is a public agency within the meaning of Section 3501(c) of the Government Code of the State of California. After consultation in good faith with representatives of Local Union 1245, International Brotherhood of Electrical Workers, AFL-CIO, an employee organization within the meaning of Section 3501(a) of the Government Code, the Board of Directors of the Merced Irrigation District adopted a procedure whereby it verified that Local 1245, I.B.E.W., did in fact represent employees employed by the District. Further, the District has formally acknowledged the Union as the recognized employee organization with respect to wages, hours and other terms and conditions of employment with respect to all of its employees covered by this Memorandum of Understanding. The Board of Directors of the District has designated the Labor Committee of the District to meet and confer in good faith with its employees and representatives of Local Union No. 1245, International Brotherhood of Electrical Workers, AFL-CIO to exchange freely information, opinions and proposals and to endeavor to reach agreement on matters relating to employment conditions, including, but not limited to, wages, hours and other terms and conditions of employment. The Labor Committee has met and conferred in good faith regarding wages, hours and other terms and conditions of employment with representatives of Local 1245, I.B.E.W., the recognized employee organization.

PREAMBLE: MANAGEMENT RIGHTS

Subject to State Law and the provisions of the Merced Irrigation District Employee/Employer Relations Policy, the rights of the District through its Board of Directors and Management include, but are not limited to:

The exclusive right to determine the mission of its constituent departments; Set standards and level of service; Determine the procedures and standards of selection for employment; Maintain the efficiency of the District operations; Determine the methods of financing; Determine the types of District issued equipment and technology to be used; determine and/or change the facilities, methods, technology, means, and organizational structure; To adopt rules of conduct and penalties for violation thereof; Determine the number of locations, relocations and types of operations, processes and materials to be used in carrying out all District functions, and; Take all necessary actions to carry out its mission in emergencies.

The above management rights clause does not indicate a change in District policy, instead, it clarifies existing rights previously established and reserved by the District. Notwithstanding the above, the management rights may be exercised by the District only to the extent not in conflict with the provisions of this MOU, which provisions are subject to the grievance procedures herein.

Notwithstanding the conditions of employment that fall within the scope of representation subject to the Myers-Milias-Brown Act, in accordance with the Preamble Management Rights provision of this Memorandum of Understanding, the District maintains the right to adopt the rules of conduct and penalties for violation thereof. The parties recognize that it is not possible to list all of the circumstances that may lead to disciplinary action. The District may take action from withholding annual salary advancement, suspension, reduction in pay, up to and including discharge from employment.

ARTICLE I
DEFINITIONS

1.1 "District Officers" are those elected as provided in the Water Code of the State of California and consist of the Board of 5 Directors.

1.2 "Appointed Officers" are appointed by the Board of Directors and serve at the pleasure of the Board.

1.3 "Department Heads", for the purpose of the MOU, are those employees consisting of the Deputy General Manager, DGM Water Resources, Director of Administrative Services, DGM Energy Resources, Director of Regulatory Compliance and Government Affairs, Director of Finance and Accounting, Manager of Water Operations, Director of Parks and Recreation, General Counsel, Assistant Manager of Water Operations, Manager of Engineering and Operations, Energy Resources, Maintenance Superintendent, Equipment and Materials Superintendent, Manager of Engineering Water Resources, Parks Superintendent, Hydro-Electric Project Manager, Manager of Engineering and Operations Electrical Services, Information Technology Manager, Public Benefits Programs and Major Account Manager. "Supervisors" consist of the Controller, Supervising Engineer, Electric Distribution Supervisor, Customer Service Supervisor, Public Relations Coordinator, Risk Management Specialist and Senior Rangers.

1.4 "Employees" for purposes of this Memorandum of Understanding shall mean all persons employed by the District, other than appointed officers, Department Heads, office clerical employees, supervisors, professional and management employees, and confidential employees as defined in the Public Organizations Act. Employees will be designated as regular, probationary, temporary or part-time, depending upon the purpose for which they were hired and their length of continuous service with the District.

1.5 A "Regular Employee" is defined as an employee that works full time in a regularly established bargaining unit classification and has satisfactorily completed a twelve (12) month probationary period. After the passage of six (6) months probation, employees shall be eligible for District benefits as set forth in the MOU.

1.6 A "Probationary Employee" is defined as an employee hired in a classification that has been regularly established. A probationary employee will receive not less than the minimum rate for the job and will be eligible for holiday pay. Upon completion of twelve (12) months of satisfactory continuous service with the District, a probationary employee will be given the status of regular employee from the date of hire. During the probationary period of twelve (12) months, the probationary employee may be terminated with cause, and his/her termination will not be subject to the Grievance Procedure.

1.7 "Part-Time Employee" is defined as an employee who is hired at an hourly rate of pay approved by the Board of Directors of the District. A part-time employee will not be eligible for holiday pay and shall accrue no benefits. A part-time employee is hired to perform a specific function for a specific period of time, not to exceed one year. A part-time employee will not work more than thirty hours in any workweek. A part-time employee is hired subject to payroll deductions for all mandated items. Hours of work shall be assigned by their immediate supervisor. A part-time employee may be terminated at any time, with or without cause and such termination shall not be subject to the Grievance Procedure.

1.8 "Temporary Employee" is defined as an employee who is hired for occasional or seasonal work, for a period not to exceed one hundred eighty (180) days. A temporary employee will receive not less than the minimum rate of pay for the job. A temporary employee will not be eligible for holiday pay and may purchase health benefits at their option. A temporary employee is hired subject to payroll deductions for all mandated items. A temporary employee may be terminated at any time, with or without cause and such termination shall not be subject to the Grievance

Procedure. The provisions of this paragraph do not apply to full-time employees serving in a temporary change of classification.

1.9 "Pay Periods." Pay Periods are biweekly; payroll checks are issued every other Friday.

1.10 No Strike/No Lock Out – To the extent, if any, that any of the employees of the District are permitted by the laws of the State of California to engage in any type of strike activity, under no circumstances will the Union or its agents cause or permit its members to cause, nor will any employee take part in any strike, slowdown, stoppage of work, or other economic action of any type whatsoever against the District during the term of this Agreement. The District will not lock out the employees during the term of this Agreement.

ARTICLE II
UNION RECOGNITION

2.1 The District formally acknowledges the Union as the recognized employee organization within the meaning of Section 3501(b) of the Government Code, with respect to wages, hours and other terms and conditions of employment for all of its employees within the following described unit:

> All regular employees of the Merced Irrigation District, Merced, California, excluding all office clerical employees, supervisors, professional employees, management and confidential employees, as set forth in Section 1.3 and as defined in the Public Organizations Act.

2.1 (a) It is agreed that neither the District nor the Union shall unlawfully discriminate against any employee because of race, religion, color, sex, gender identity, sexual orientation, national origin, ancestry, citizenship status, uniformed service member status, marital status, pregnancy, age, medical condition, assertion of rights under FMLA/CFRA and physical or mental disability (whether perceived or actual), Union membership or non-membership, or legally protected Union activity, or any other category protected by law.

2.2 Employees of the District shall have the right to form, join and participate in the activities of the employee organization of their own choosing for the purpose of representation of all matters of employer-employee relations, including, but not limited to, wages, hours and other terms and conditions of employment. Employees of the District shall also have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District. Nothing herein shall prohibit any employee from appearing on his/her own behalf in his/her employment relations with the District. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against because of his/her exercise of these rights.

2.3 In consideration for the services as their representative, each regular employee covered by this Agreement who is not a member of the Union shall, as a condition of continued employment, pay to the Union each month a sum equal to that paid by employees in the bargaining unit who are Union members, which amount shall be limited to the amount of the Union's regular and monthly dues and its general and uniform assessment. Such payments shall commence thirty (30) days following the date of the execution of this Agreement. Upon written request from the Union, the District shall terminate the employment of any employee who does not comply with the foregoing.

2.4 Union representatives will be permitted access to District property to confer with District employees on matters of employer-employee relations, but such representatives shall not interfere with the work in progress.

2.5 The District recognizes the Union's right to appoint Shop Stewards. The Union agrees to notify the District in writing as to such Shop Stewards' identities and of subsequent appointments, if any. The parties agree that employees appointed as Shop Stewards for and by the Union shall, nevertheless, be required to and shall work full time in their respective classifications and shall not interrupt the work of other employees. A steward may, with the permission of his/her supervisor, leave his/her work during working hours for reasonable periods to investigate pending grievances and to present said grievances to representatives of the District, provided, however, that no steward shall leave his/her job while his/her presence is necessary for the safe conduct and efficiency of the operations in which he/she is engaged.

2.6 The District shall permit the Union to use the bulletin boards at the District Office, Franklin Yard, Exchequer Powerhouse and the Parks Department for the purpose of posting notices pertaining to Union business, provided, however, that no matter derogatory to the District shall be posted thereon.

2.7 The District recognizes the right of employees to attend Union meetings. However, if a Union meeting is scheduled during the assigned shift of an employee, he/she will need to make arrangements with his/her supervisor for the period he/she will be absent from work.

2.8 Joint Assistance. In the application and administration of this agreement, both parties shall have the right to call upon each other for assistance in interpretation or discussion of any problem which affects an employee or group of employees. The District and the Union shall honor such requests promptly in an effort to seek a harmonious solution to such problems that may arise. Further, the District and the Union shall cooperate in promoting harmony and efficiency among District employees.

2.9 The District shall deduct from their wages the regular membership dues of employees who are members of the Union and who individually and voluntarily authorize such deductions in writing in accordance with the provision of Section 1157.3 of the Government Code of the State of California. The District will notify the Union when an employee has completed his/her probationary period.

Dues deductions shall be made from each payroll period of each month, and a check for the total deduction, less a cost for administration, together with a list of employees covered, shall be submitted to the Financial Secretary of Local Union No. 1245, International Brotherhood of Electrical Workers, AFL-CIO, 30 Orange Tree Circle, Vacaville, CA 95696, on or before the tenth day of the following month.

The form of check-off authorization shall be approved by both the District and the Union.

2.10 All non-IBEW bargaining personnel shall not perform the work normally assigned to employees in the IBEW Local 1245 bargaining unit except during: (1) instruction or training; (2) testing new or modified equipment or processes; (3) checking the quality or quantity of work; (4) emergencies; and (5) incidental assistance.

ARTICLE III
HOURS

3.1 All employees will receive full time employment for each workweek employed, provided they report for duty and are capable of performing their work. This is not to be interpreted to mean that the District does not retain the right to lay off or release employees on account of lack of work or other valid reasons pursuant to Section 11.1.

3.2 Employees shall report for work at their regularly established District headquarters and shall return thereto at the conclusion of the day's work, and the time spent in traveling between such headquarters and the job site shall be considered as time worked.

3.3 Except as otherwise provided, the workweek is defined to consist of seven (7) consecutive calendar days and the basic workweek is defined to consist of five (5) workdays of eight (8) hours each and shall begin Monday and run through Friday. The regular hours of work for all employees, working out of Franklin Yard shall be from 7:00a.m. to 3:30p.m A meal period of thirty (30) minutes will be from 12:00 to 12:30p.m., provided, however, that the regular lunch period may be advanced or delayed one (1) hour or less when work must necessarily be performed during the regular lunch period. Such a change in the lunch period shall not be deemed to require the payment of overtime. There will be two (2) fifteen (15) minute breaks in the workday, one (1) in the morning and one (1) in the afternoon. Break time will not be accumulated beyond the morning and afternoon break. If a break period is not taken, the employee is not entitled to an earlier quitting time or payment of overtime.

3.4 The workweek and the hours of work of park employees and Distribution System Operators (during the irrigation season only) shall be regularly scheduled and may start on any day of the week and any hour of the day. The DSO schedule during the irrigation season is defined to consist of seven consecutive workdays being from mid shift on Thursday to mid shift on the following Thursday and the basic workweek is defined to consist of three workdays of twelve hours and one workday of six hours with the next consecutive workweek consisting of one workday of six hours and three workdays of twelve hours, the work schedule includes two hours of scheduled overtime each workweek. A meal period of sixty minutes will occur at mid shift. Flexibility of the meal period and break periods are as defined in 3.3 above. Effective January 1, 2012, the workweek will be mid shift on Friday to mid shift on the following Friday. The District and Union further agree to discuss the Park Rangers work schedule and how and when it can be changed.

3.5 A Department Head may require any employee in his/her department to perform service in excess of five (5) days per week when public necessity or convenience so requires.

3.6 The regular hours of work may be changed by mutual agreement between the District and the Shop Steward. Such changes in the regular hours of work shall not be deemed to require the payment of overtime.

3.7 Employees within the same classification and work group may exchange workdays and/or hours when the supervisor in charge gives his/her approval thereto, provided that any such exchange takes place within two (2) consecutive pay periods of the employees involved and does not require the payment of overtime compensation.

3.8 Overtime is defined as (a) time worked in excess of forty (40) hours in a workweek; (b) time worked in excess of eight (8) hours on a regularly scheduled workday (except Distribution System Operators during the irrigation season); (c) time worked on a non-workday; (d) emergency or other work outside of regular hours of work on a workday; and (e) time worked on a holiday. Overtime shall be computed to the nearest one-half (1/2) hour. No combination of above shall exceed 2 times regular pay.

3.9 Any employee called out to work outside his/her normal working hours will be paid a minimum of three (3) hours at the overtime rate of one and one-half (1-1/2) times his/her straight time rate of pay. In no event will an employee be paid for a second minimum call out before the three (3) hours have elapsed from the previous minimum three (3) hour call out. The District will pay double time for flood fighting work performed after dark (sunset) and will furnish meals for flood fighting crews.

3.10 Overtime shall be compensated for in pay or in equivalent time off at the option of the employee.

3.11 Compensatory Time off Policy: Subject to the following limitations, any regular employee eligible for overtime pay may choose to accept compensatory time off (CTO) in lieu of cash compensation for earned overtime. CTO will be granted at the rate of one and one half (1-1/2) hours of straight time compensation for each hour of overtime earned.

(a) The maximum accumulation of CTO at any time shall be limited to 240 straight time hours.

(b) An employee shall decide whether earned overtime will be recorded as overtime, CTO or an equivalent combination prior to submission of his/her next time sheet.

(c) An employee request to use accumulated CTO shall be granted at the sole discretion of the Department Supervisor with due consideration to both the wishes of the employee and the efficient conduct of District business. Two (2) working days written notice is required. However, if the Supervisor feels the workload is such that shorter notice is acceptable, he/she may grant CTO accordingly.

(d) CTO shall not be used in the same pay period in which it is earned.

(e) CTO may not be used in lieu of vacation required to be taken in accordance with Section 6.2.

(f) Effective March 1, 2012 and thereafter, all earned but unused CTO in excess of eighty (80) hours shall be paid to employees by March 1st of each year and there shall be no carry-over of CTO from February 28th to March 1st in excess of eighty (80) hours. Hours paid out on March 1st will be paid out at the prior year's rate

3.12 The District shall endeavor to distribute overtime as equally as practicable within a classification and post the overtime distribution list monthly.

3.13 An employee will receive a meal in the following circumstances:

a) Where the employee is called in to work for four (4) or more hours on emergency work, at the fourth hour and at five hour intervals thereafter.

b) Employees will be given their first meal period of one half (1/2) hour at four (4) hours and an additional meal periods of one half (1/2) hour every five (5) hours of work or fraction thereof.

3.14 If an employee has worked for eight (8) hours or more outside of their regular day shift or worked eight (8) hours or more during non-scheduled work hours during the fifteen (15) hour period immediately preceding the beginning of his/her regular work hours on a workday, he/she shall be entitled to a rest period of eight (8) consecutive hours on the completion of such work.

a) There shall be included as hours worked in such fifteen (15) hour period as described above any travel time to which the employee is entitled when emergency or prearranged work is performed.
b) If the eight (8) hour rest period in whole or in part overlaps the employee's regular work hours, he/she shall receive pay at the straight time rate for the extent of the overlap.
c) If the rest period overlaps his/her regular work hours but does not extend into the second half of his/her workday, the employee may be excused from reporting for work until the beginning of the second half of his/her workday. If the rest period extends into the second half of his/her workday, the employee may be excused from reporting for work until the following workday.
d) Notwithstanding the foregoing, an employee may be required to work during regular work hours on a workday without having a rest period of eight (8) hours, in which event he/she shall be paid at the overtime (1.5 times the straight time hourly rate), if

applicable, rate for all work performed until he/she has been relieved from duty for at least eight (8) hours.

ARTICLE IV
JOB CLASSIFICATIONS, WAGES AND FRINGE BENEFITS

4.1 The list of job classifications and applicable wage rates set forth in Appendix "A" of this Memorandum is a part of this Memorandum, such rates being effective on the dates provided for therein.

4.2 The District may establish and modify classifications. The District will meet and confer with the Union concerning job definitions and the wages and working conditions thereof. Pending said discussions, the District may establish temporary classifications and wages thereof and temporarily adjust the wages and duties of any classification.

4.3 When an employee is temporarily assigned to work in a classification higher than his/her regular classification, he/she shall be paid for the time worked in the higher classification at that higher rate, provided that such time worked is not less than two (2) hours during the day. Such time worked may be accumulated over an eight (8) hour period by intervals of not less than one-half (1/2) hour. For the purpose of wage rate progression in a temporary classification, the time worked by an employee in other than his/her regular classification shall also be accrued in such temporary classification regardless of pay status. 2,080 hours of accumulated time worked shall constitute one step increase. An employee who works in the re-rated classification the day prior to and the first working day after a holiday shall be paid at the higher rate for the holiday.

4.4 An employee who is regularly or temporarily assigned to a classification having a higher maximum wage rate shall be paid at the highest wage rate of the following:

(a) The first step of the wage progression of such classification which is higher than his/her present wage rate; or

(b) The wage step in the higher classification determined by the time previously accumulated in such higher classification.

4.5 When assigned to replace a non-bargaining unit employee who is absent or out of the District, the upgraded employee will be paid at the next higher step in the non-bargaining unit employee's salary range that is at least 5% above his/her current rate of pay, provided that such time worked is not less than two (2) hours during the day.

4.6 Every employee shall have a salary and a service anniversary date. They are defined as follows:

(a) Service anniversary date: the last date an employee is hired or rehired into a permanent position.

(b) Salary anniversary date: the first day of the month following the month of his/her appointment to a particular classification, except that if an employee is appointed on the first day of a month, his/her salary anniversary date shall be the first day of that month.

4.7 Prior to the employee's salary anniversary date, the employee's individual employment record shall be reviewed by the employee's Department Head through an evaluation process that includes but is not limited to: (1) A review of the contents of the employee's personnel file; and (2) a review of completed evaluation forms, both of which are to be reviewed with the employee. If shown that the employee is progressing in his/her work, that the employee's performance has been above essential job standards, and that the employee has exhibited increased knowledge of the District, all as determined by the Department Head, in conjunction with the employee's

manager or supervisor, as outlined in Article I, Section 1.3, the employee's salary will be increased to the next progressive step. This annual evaluation process is in effect whether or not a step increase is involved.

4.8 (a) In the event that the Department Head and supervisor have determined, after completion of the employee evaluation process, that the employee's performance has been unsatisfactory or below job standards, the employee will remain on the same salary step until advancement is earned, at which time a new salary anniversary date will be established. In order to determine such advancement, the Department Head shall conduct additional employee evaluations. The Department Head will conduct evaluations at their discretion at a minimum of once every six (6) months until the employee's performance evaluation reaches satisfactory standards.

(b) In the event that the Department Head and the supervisor have determined, after completion of the annual evaluation process, that the employee's performance has been considerably above job standards, the employee may be advanced more than one step above his/her current salary, within his/her classification.

4.9 Individual personnel records shall be kept on each employee in a personnel file. These personnel files shall contain instances of outstanding performance, alertness, diligence and interest in the work, as well as any acts which may tend to lessen an employee's value to the District; dates and circumstances will be recorded for each notation. The personnel files will also contain employment applications, personnel actions and evaluation reports. Employees will be notified of any document that the District intends to make a part of the employees' official personnel files and which will have an adverse impact on the employees' employment status, including eligibility for promotion and transfer. Personnel records are confidential records and will be divulged only to the employee concerned and authorized personnel. Except for disciplinary matters subject to Article 2.1(a), any adverse impact documents in the individual's personnel records twenty-four (24) months after the event causing the creation of such document, shall not be used in any subsequent disciplinary matter, provided an incident of a similar nature has not occurred in the interim.

4.10 Certain regulations and the procedures for disciplinary action are provided to promote understanding of what is considered unacceptable conduct and to encourage consistent action in the event of violations. The orderly and efficient operation of the District requires that each and every employee maintain proper standards of conduct and satisfactory performance while on duty. Every employee is expected to perform his/her job in a safe and efficient manner, with all due regard to fellow employees. If employees fail to maintain at all times proper standards of conduct, they are subjecting themselves to possible disciplinary action up to, and including discharge.

NOTE: Whenever possible the employee shall be notified of any alleged violation of the rules of conduct, verbally or in writing, as soon as possible from the time the incident occurred or until an investigation can be completed.

PROCEDURES

1 Correction and Disciplinary Action

Normally, corrective or disciplinary actions will be administered in the following order. This order is not mandatory, however, and the supervisor or department head can administer any action which is warranted by the circumstances. A Union representative must be present if any of the following procedures are implemented. All disciplinary procedures are subject to the appeals procedure.

(a) Oral Reminder. The supervisor calls the employee into the office, discusses the offense, reminds the employee of the importance of his/her conduct, and expresses confidence that this will be the last time they will need to discuss it.

(b) Written Reprimand. The supervisor calls the employee into the office and discusses the offense in a supportive, but serious manner. A Notice of Employee Reprimand is filled out, which includes the following information:

(1) A statement of the District policy, rule, or regulation which the employee has violated.
(2) A statement of the problem that has led up to this reprimand, if applicable.
(3) Reference to any previous reprimands, oral or written, that have been given to the employee in the past 24 months.
(4) A statement from the employee.
(5) Further action that may be taken, if any.
(6) The employee's signature.

(c) Suspension (Day of Occurrence). A supervisor can suspend an employee without pay for the day of the occurrence in which disciplinary action is required by giving the employee oral notice of:
(1) The suspension.
(2) The reasons for the suspension.
(3) The right to appeal.

(d) Suspension (10 Working Days or Less). A supervisor can suspend a full-time permanent or probationary employee (with approval of the Department Head) for 10 working days or less without pay by giving the employee written notice. The written notice (sent by registered mail or hand-delivered to the employee signing for it) must include:
(1) The length of the suspension.
(2) Reason for the suspension.
(3) Date the suspension becomes effective.
(4) The right to appeal. (This must be done by the employee within 10 working days after the day of the suspension).

(e) Discharge. An employee who is discharged must be given at least 5 working days notice before a discharge can become effective. A discharge requires the approval of the Department Head and the General Manager. The written notice (sent by registered mail or hand-delivered to the employee signing for it) must include:
(1) A separate "Notice of Intended Disciplinary Order and Opportunity to Respond."
(2) An "Order for Disciplinary Action."
(3) Reasons and cause for the decision to discharge.
(4) The employee's right to appeal.

4.11 New employees shall be hired at the hiring rate in effect for the particular classification to which appointment is made.

4.12 Whenever an employee is promoted, receives a salary range change, or is reclassified on his/her anniversary date, he/she shall receive at least the salary for the step next higher than the amount he/she would have received on his/her anniversary date in the former position.

4.13. Any employee who is promoted to a position in a classification with a higher salary range than the classification or position which he/she formerly occupied shall receive the salary in the higher

salary range as provided for in Section 4.4 of this Memorandum, as of the date upon which the promotion becomes effective. For purposes of further annual increases within the salary range, the employee shall receive a new salary anniversary date.

4.14 All persons employed by the District are hired subject to salary deductions covering Federal income tax, State income tax, Social Security, State Disability Insurance (S.D.I.), medical and hospital insurance premiums for dependents, retirement deductions, and Union dues provided that the employee has authorized the District to deduct his/her Union dues in accordance with the provisions of Section 2.9 of this Memorandum. The District will also deduct any voluntary deductions that the employee requests to be deducted.

4.15 Reassignment: If an employee cannot perform the essential functions of their job due to a disability, every effort will be made to accommodate the employee into an open position for which the employee is capable and qualified or provide reasonable accommodations into the existing position in accordance with the Americans with Disabilities Act (ADA). In the event an employee loses their driving privileges or cannot perform the essential functions of their job, they may be placed on a personal leave, not to exceed ninety (90) days in duration to correct the situation. If the employee is utilizing available, accrued time, he/she will continue on the District's benefit plan. If no such time is available, the employee may elect COBRA for health benefits while off on a leave of absence.

4.16 The District will pay a shift differential of 5% for permanent employees who begin a regularly scheduled shift after 10:00am or before 6:00am. This provision does not apply to Distribution System Operators.

ARTICLE V
HOLIDAYS

5.1 Holidays are established as the following:

New Year's Day
Martin Luther King Jr. Day
President's Day
Memorial Day
Independence Day
Labor Day
Veterans' Day
Thanksgiving Day
Day after Thanksgiving
Last working day before Christmas
Christmas Day

5.2 When any of the above holidays fall on a Saturday or a Sunday, the Friday before or the Monday following will be observed as the holiday, however, the District will conform with other local public agencies in observance of these holidays.

5.3 Notwithstanding the foregoing, employees may be scheduled to work on holidays which fall on their workdays. All employees who are required to work on holidays will be paid at the overtime rate and employees may elect the O.T. rate or CT.

ARTICLE VI
VACATIONS

6.1 Vacation leave shall consist of ten (10) workdays after the completion of one (1) year of continuous employment; fifteen (15) working days after five (5) years of continuous employment; 17.5 days after 10 years (10) years, twenty (20) working days after fifteen (15) years of continuous employment; and twenty five (25) working days after twenty five (25) years of continuous employment. Absence because of injury or sickness which is covered by accumulated sick leave shall not be a bar to the granting of annual vacation as herein provided. The granting of any leave of absence without pay exceeding fifteen (15) calendar days shall cause the employee's eligibility date for the annual vacation to be postponed a number of days equal to the number of calendar days the employee is on leave without pay, less the first fifteen (15) calendar days of such leave.

6.2 All earned vacation shall be taken during the year immediately following the year in which it is earned, except that an employee may accumulate up to two (2) times their entitlement, there are no provisions to increase this accumulation. Vacation accruals shall cease, after sixty days notification, for any employee when the time accumulated reaches the maximum allowed. Accrual will be reinstated when accrued time falls below the maximum. There is no provision for retroactive reinstatement of any time lost under these circumstances. During the sixty day period the employee may submit, in writing, to the General Manager for special consideration, a reason to increase the maximum for special circumstances. During the first week of December of each calendar year any employee may make application to cash in up to one-half of his/her vacation entitlement for that year, this is only available in December of each year. Vacation time may be used for days of illness, attendance at funerals or other emergencies. Employees will be allowed to use accumulated vacation pay to supplement Worker's Compensation.

6.3 Vacation schedules will be submitted to each Department Head. Vacations shall be arranged in such a manner as not to interfere with District operations at any time during the year. First choice for vacation time will be governed by seniority of the employees in case of over-demand for any particular period. Park Rangers may be restricted to one week if requesting vacation during the recreation season, defined as Memorial Day weekend to Labor Day weekend.

6.4 An employee about to resign, retire or be laid off shall be entitled to vacation time. The number of days shall be computed by multiplying the number of months worked since the anniversary of employee's employment by 10, 15, 20 or 25 (depending upon total time of continuous employment), and dividing by 12, the result being rounded off to the nearest full day.

ARTICLE VII
PAID SICK LEAVE

7.1 Full accumulation of sick leave is provided for employees at the rate of one (1) day per month at the commencement of continuous employment. Sick leave may not be used during the first six (6) months of employment, except in conjunction with the waiting period due to industrial injury, but the accumulation thereof may be used after six (6) months. Sick leave shall start with the first full day or fraction thereof of absence due to illness or off-the-job injury, and will be at the rate of 100% of full pay. Sick leave may be used during the waiting period in conjunction with an industrial injury, (if the time off due to industrial injury is of such length that the Workers' Compensation insurance carrier picks up the waiting period, such compensation shall be returned to the District.) Accumulated vacation time or compensatory overtime pay may be used as sick leave at the employee's request, if no sick leave is available.

7.2 If a holiday falls when an employee is on sick leave, he/she will be paid for holiday and not charged for sick leave.

7.3 If an employee reports illness, he/she must notify the District prior to the start of each workday during the duration of the illness, unless in the case of longer term illnesses, the employee receives a waiver of the requirement. Where an absence will be the result of a non-emergency doctor or dental appointment, the employee must give the District as much notice as possible of the intended absence. In cases where in the District's opinion an employee is abusing sick leave, the District may require a physician's verification of illness. If the District does require a physician's verification of illness, it will notify a representative of the Union, stating the reason for such requirement.

7.4 Sick leave credit may be applied to make up the difference between payments from the Workers' Compensation insurance carrier and full salary when employees are off work due to industrial injuries.

7.5 Employees hired prior to July 1, 1995 who retire from the District at normal retirement age (currently 60 years of age), will be compensated in cash for the first twenty-two (22) days of unused sick leave. The balance of unused accumulated sick leave will be credited as additional service credit towards the employee's years of service in the pension plan, up to a maximum of one (1) year. If the employee still has unused accumulated leave after the above formula, the District will compensate the employee for the balance of the unused accumulated sick leave in cash for up to but not to exceed an additional twenty-two (22) days.

7.6 Sick leave credit may be applied to make up the difference between payments from the State Disability Insurance Program to ensure employee's net pay is equal to last full quarter when employees are off work due to disabilities covered by the State Disability Insurance Program.

7.7 An employee may use up to six (6) days earned Sick Leave (one-half of annual entitlement) per year to attend to an illness of the employee's child, parent, spouse, registered domestic partner, or child of registered domestic partner. As used in this section, "child" means biological, foster or adopted child, a stepchild, a legal ward, or a child of an employee standing in loco parentis. "Parent" means a biological, foster, or adoptive parent, a stepparent, or a legal guardian. "Spouse" means legally married husband or wife. "Domestic Partner" means a partner that is officially registered as a Domestic Partner. Sick leave utilized under this section is subject to all policies that apply to sick leave, including possible medical documentation.

7.8 Permanent full time employees who are hired after July 1, 1995 will be allowed to accrue a maximum of 200 days of sick leave during their service with the District. Accruals beyond 200 days will be redeemed at the rate of 25% of value on an annual basis. At retirement the employee will be compensated in cash for up to 30 days, at full value, provided the employee has the accumulated time.

7.9 Catastrophic Leave Program (CLP) is designed to assist full time, regular employees (including bargaining unit as well as non bargaining unit) who have exhausted all paid leave due to a serious or catastrophic illness, injury of employee, or because the employee has been providing necessary care to a member of his/her immediate family who has a serious catastrophic illness or injury. The CLP allows other District employees to voluntarily donate vacation or compensatory time off (CTO) to an employee who meets the eligibility requirement so the recipient will be able to remain on paid status for a longer period of time, or until the employee qualifies for long term disability.

ELIGIBILITY: An employee in a full time, regular position may be eligible to participate in the CLP. An eligible employee must have a verifiable serious or catastrophic illness or injury, or have a member of his/her immediate family with a verifiable serious or catastrophic illness or injury which results in the employee being requested to take time off from work to care for that family member. The employee must have exhausted all vacation, sick leave, and CTO.

GUIDELINES:

1) The maximum number of donated hours am employee may receive in any calendar year is 1,056 hours, Subject to number three (3) below, there is no limit on the number of vacation or CTO hours, which may be donated.
2) A donating employee must have a minimum of forty (40) hours of vacation or CTO after making any donation.
3) Made and donated hours are used on an hour-for-hour basis regardless of the hourly rate of the donor or the recipient.
4) Donations are converted to sick leave, credited to the recipient, and paid when used at the recipient's normal hourly rate of pay.
5) Unused donations will remain with the recipient.
6) All donations will remain confidential, except as required for administration of the program.
7) In any calendar year no further donations will be accepted after the recipient has received the maximum allowable under number one (1) above

PROCEDURE:

1) An employee who has exhausted, or soon will exhaust sick leave, vacation and CTO, or the employee's representative, must request the employee's participation in the CLP on an application form and supply written verification of the illness or injury from the physician. The completed form will be given to the Human Resources Department.
2) The Human Resources Department will then notify employees District wide of the request (without identifying the individual (s).
3) The minimum initial donation will be four (4) hours. Any donation beyond four (4) hours will be in increments of whole hours.

ARTICLE VIII
BENEFITS

8.1 After the completion of six months continuous service, the district will help provide medical, hospital, dental and optical insurance (VSP Plan "B", $10.00 deductible) for all eligible employees and their dependents, if they so elect.

(a) Dental Insurance: Effective February 1, 2000, change to Delta Dental Premier Plan D – 70%/100% diagnostic and preventative, 70%/100% basic, 60/40 crowns, jackets and casts, 60/40 prosthodontics, $25.00 lifetime deductible, orthodontic (12 month waiting period) 50%, $1500 lifetime, 56 participating dentists in our area.

(b) After the completion of six months continuous service, the District will provide term life insurance in an amount equal to the employee's gross annual salary, with double indemnity for accidental death.

(c) The California State Disability Insurance Program shall continue with the full cost paid by the employees through payroll deductions.

Health, Vision and Dental
The District will offer the Blue Cross PPO (HSA Compatible) as its base plan with no employee contributions.

Employee Contributions for Blue Cross PPO (Prudent Buyer Advantage):

Employee Only = $50 per month
Employee + 1 = $100 per month
Employee + Family = $150 per month

Employee Contributions for Blue Cross PPO (Prudent Buyer Classic) will be the difference between the cost of the Blue Cross PPO (Prudent Buyer Classic) and the Blue Cross PPO (HSA Compatible).

During the term of this agreement, the District will contribute $500.00 ($41.67 per month) per year per employee to be used at employee's discretion for deductibles, co payments and employee contributions commencing May 1, 2011 and again on May 1, 2012.

District to continue to provide current vision and dental benefits at zero employee contribution level.

8.2 After each officer or employee is hired and before beginning actual work, he/she must furnish the payroll department with his/her Social Security number and fill out certain forms in connection with income tax deductions. An employment record card must also be completed. In addition, proof of being legally eligible for employment in the United States of America must be provided as a prerequisite for hire by the District.

8.3 The District acknowledges they have established various medical, dental and vision benefits and benefit programs utilized by active employees and current or future retired employees. The details of these benefit programs are described in the summary plan descriptions and other communications prepared and distributed by the District's contracted insurance company. Collectively, these benefit programs are referred to as Retiree Health and Welfare Benefits ("Benefits").

The parties agree that persons who are eligible for Benefits are vested in said Benefits and on the date of their retirement shall receive such Benefits in effect as described in Section 8.1 and Section 8.3 of the MOU. Accordingly, the parties agree that the District may not unilaterally discontinue or modify said Benefits of vested participants whether they are active employees or retired employees.

Present retirees: There will be no change to the existing health benefits offered to current retirees and their dependents. Retiree contributions towards their health benefits will remain at current levels (below) and they will continue to be offered ACWA Prudent Buyer Classic.

Retiree Only = $0.00 per month
Retiree + 1 = $90.00 per month
Retiree + Family = $120.00 per month

Present, active employees: Employees hired before 3/1/2011 will be offered retiree health benefits in accordance with current health benefits offered at time of retirement for themselves and their dependents.

Employees hired on or after 3/1/2011 will be offered retiree health benefits in accordance with current health benefits offered at the time of retirement for themselves. Insurance for their dependents can be purchased through the District's insurance plan.

For any permanent employee who, for medical reasons, takes a non-industrial disability retirement from PERS, the District will continue medical coverage for the employee only. Coverage will cease when the employee becomes eligible for Medicare either because of a social security disability retirement or attains the normal qualifying age for Medicare. This provision is limited to employees who have attained age 50. Permanent employees who wish to retire from the District at age 55 or older but prior to attaining age 60 may continue the District's medical coverage at their own expense and continue that coverage until eligible for Medicare.

8.4 Longevity Incentive. The District will provide a Longevity Incentive program as follows:

6th through 10th year:	$25.00 monthly
11th through 15th year:	$50.00 monthly
16th through 20th year:	$75.00 monthly
21st and thereafter:	$100.00 monthly

8.5 All eligible employees shall be covered under the Public Employees' Retirement System in the miscellaneous category, with a 2% at 60 supplemental formula, along with the following optional inclusions:

1. No reduction for full Social Security.
2. Limit prior service to members employed on contract date.
3. Credit for unused sick leave. (See Sec. 7.5 & 7.8)
4. Industrial disability for miscellaneous members.
5. Post retirement survivor allowance.
6. Improved non-industrial disability allowance.
7. Local system service credit included in basic death benefit.

8.6 The District will reimburse an employee for ½ of the cost of tuition, books, and related expenses upon successful completion of any approved educational courses, consistent with established District policy. The District will reimburse the employee for actual cost of tuition, books, and related expenses for educational courses which are pre-designated by the District to be work related to District employment, and upon successful completion of any such approved educational courses. Tuition reimbursement must be pre-approved and follow District policy.

8.7 MID employees can use the Park facilities (subject to availability) as follows:
Day Use – Free of Charge
Boat Use – Free of Charge
Overnight Camping – Free of charge for one site for up to two (2) weeks at a time.
Overnight Hook-Ups – Difference between overnight camping and hook-up camping for up to two (2) weeks.

ARTICLE IX
LEAVE OF ABSENCE

9.1 Leaves of absence with pay for employees may be granted by Department Heads in the following cases:

(a) Upon the death of an employee's spouse, child, step-child, foster child, parent, grandparent, grandchild, spouse's grandparent, parent-in-law, brother-in-law, sister-in-law, brother or sister, The employee will be allowed a period of three (3) consecutive working days off for funerals within three hundred miles of the District headquarters and five (5) consecutive working days off for funerals that are over three hundred miles from the District headquarters. Unused vacation, CT, and/or personal time off without pay may be granted to extend the employee's funeral leave. Paid time off to attend the funeral of others shall not exceed two (2) days within any twelve (12) month period.

(b) For jury duty, providing payment (excluding personal car mileage) to the individual for said duty is turned over to the District.

9.2 Leaves of absence for employees with at least two (2) years of service without pay, may be granted by the Department Head or Director of Administrative Services for the following reasons:

(a) Leaves of absence in accordance with state and federal laws.

(b) To take a study course or gain experience which will increase the employee's usefulness to the District upon return to his/her position.

(c) For personal reasons acceptable to the General Manager or Director of Administrative Services.

(d) Union business

(e) To attend to dependent's (as defined under state and federal law) illness and/or injury.

9.3 A leave of absence without pay may be for a period not to exceed one (1) year. The Board of Directors may extend an authorized leave of absence without pay for longer than one (1) year.

9.4 A person returning from a leave of absence without pay or one who was laid off from his/her position in good standing within previous two (2) years may, upon recommendation of the appropriate Department Head and the approval of the General Manager, be re-employed at the same step of the salary range for the classification as the step which he/she occupied at the effective date of his/her leave or resignation. Persons returning under any other circumstances will be considered as a new employee.

ARTICLE X
PROMOTION AND TRANSFER

10.1 All vacancies or new job opportunities resulting from new or additional jobs, voluntary resignations, terminations, death, retirement, bidding out from the classification, or a permanent increase in the work force, upon determination by the District that such vacancy need be filled, shall be filled in accordance with the following procedure:

(a) Notice of each such job vacancy or new job opportunity shall be posted on employee bulletin boards for a period of ten (10) working days. The notice shall be communicated to all work groups and shall set forth the job classification and location and the estimated report date and any required qualifications and testing.

(b) All regular employees shall be eligible to bid on all such vacancies or new job opportunities.

(c) Only bids received during the posting periods set forth above shall be considered by the District.

(d) The bidder having the highest seniority and who is qualified to perform the job, as determined by the District, shall be awarded such job vacancy posted for bid pursuant to the provisions of this Section. Notice of such award shall be posted within ten (10) working days following the close of the posting period.

1. Any bidder who is determined not to be qualified by the District for any job vacancy shall be notified by the District in writing within 10 days of the awarding of the position as to why they were not qualified. And upon request the employee will be provided counseling to point out areas where improvement is possible along with a review of missed test questions.

2. The job vacated by the successful bidder shall not be filled on a permanent basis for 120 days.

(e) A bidder who is awarded and placed in a job in the classification and then who, within 120 days, withdraws or is unable to perform the job as determined by the District's evaluation system, shall be returned to the position from which he/she bid.

1. Employees shall be evaluated during the 120 day period by the immediate supervisor or Department Head. Evaluations shall be conducted as follows:

A. Every two weeks, for the first two months and at least twice more during the final two months.

B. The Supervisor and employee shall establish goals in areas where improvement is needed.

(f) In the event there are no bidders or no successful bidders, the District may fill the vacancy by assignment of a new employee hired to fill the vacancy or by filling the vacancy with a non-bargaining unit employee found, by the District, to be the most qualified applicant.

10.2 Except in emergencies affecting life or property, the District may fill temporary vacancies of ninety (90) days or less from the list of qualified employees established under Section 4.3 hereinabove. The ninety (90) day period may be extended by agreement between the District and the Union. Nothing in this Section 10.2 shall apply to or limit the provisions of Sections 1.7 or 1.8 hereinabove.

10.3 Tests which are developed to ascertain qualification for promotion and/or transfer shall be reviewed with the Local 1245, IBEW Business Representative for review and comments prior to implementation. Such tests shall be uniformly and consistently administered to all applicants and shall not be changed arbitrarily from one vacancy to another. The District shall provide a designated union representative a listing of the topics as well as a study guide for tests required by the District.

10.4 For other than disciplinary demotions, voluntary demotions, and voluntary separations from the District, an employee returning to a previously held classification in the past two (2) years shall retain their previously held step within said classification.

ARTICLE XI
DEMOTION AND LAYOFF

11.1 When deemed necessary by the Board of Directors, a reduction in the District's work force may be initiated due to 1) lack of work, or 2) lack of funds, or 3) program or organizational reorganization resulting in a surplus of employees.

11.2 Insofar as possible a reduction in force shall be accomplished by attrition. However, when it is determined by the Board of Directors that attrition will not provide sufficient relief for the condition warranting a reduction in the number of District employees, the Board will determine specific classifications effected by the lay-off.

11.3 Regular full time District employees will be laid off according to the specifics set forth below. Overall District seniority shall be the determining factor in conjunction with the following requirements:

(a) Temporary and part time employees shall be laid off first. In the case of the temporary class of Night Patrolperson, layoff will occur only if a sufficient number of regular full time District employees who would otherwise be displaced are willing to accept the positions

as set forth by the requirements of the class. In the case of part-time temporary employees at the Parks Department, the same conditions apply as outlined for Night Patrolperson.

(b) Bumping Rights: Affected employees may bump down and displace employees with less seniority in the same classification, or in an equal or lower classification provided they possess the qualifications of the position and the abilities to execute the essential functions of the class*. In the case of DSO's, for the purpose of the layoff procedures, the assumption will be made that DSO's by virtue of winter work programs, meet the criteria for having held the classification of Utility Person I. Employees who held a classification and then were demoted or otherwise removed from that class for disciplinary reasons will not be eligible to bump back into a class they were removed from. Employees wishing to bump into the DSO ranks must also pass the written examination established for entry to the class. Employees who are successful in bumping into the DSO ranks will be subject to a 60 day performance evaluation by their SDSO and the Department Superintendent. Should this performance evaluation be "below standards", that employee shall be laid off and a previously displaced DSO shall be recalled to fill the vacancy.

*Determination, at the discretion of the District, may include a complete physical examination by a physician selected by the District at no cost to the employee.

11.4 Permanent District employees laid off under the above provisions shall, within one year of layoff, have preferential rehire rights by District seniority to a job within the District before new employees are hired to fill the vacancy, if qualified to perform the essential job functions of the job. It is the responsibility of the laid-off employee to keep the District informed of his/her current address and telephone number. Failure of the employee to report to work within 6 working days after notification of recall will preclude the employee from re-employment and cause the forfeiture of preferential rehire rights.

11.5 An employee who is demoted to a position in a classification with a lower salary range than the classification which he/she formerly occupied shall receive the nearest lower monthly salary in the new salary range as of the date upon which the demotion became effective.

11.6 For the purpose of further annual increases within the salary range, the employee shall receive a new anniversary date.

11.7 In the event of transfer from one position to another in the same salary range, the employee shall be compensated at the same salary rate he/she previously received; his/her salary anniversary date shall not be changed.

ARTICLE XII
SENIORITY

12.1 Defined. A regular employee's seniority is defined as his/her most recent period of unbroken, continuous service with the District. A regular employee shall not attain seniority until he/she has completed the probationary period as described in Section 1.6, at which time his/her/her seniority shall relate back to the date of his/her last employment In the event two or more employees have the same seniority date and a need exists for a seniority determination, length of any prior services with the District will determine seniority. Should length of prior service still result in identical dates, the following shall apply: If two individuals are involved, a coin toss, administered by the senior shop steward, with the two individuals present, shall determine. Should more than two individuals be involved, the Union Business Representative and the Senior Shop Steward shall make the decision.

12.2 Continuous Employment. "Continuous Employment" as used herein shall be construed to include time actually worked, vacation time, time on paid sick leave, absence due to industrial injury, compensatory time, authorized leave of absence and military leave of absence. Continuous employment will be deemed to be broken by termination of employment by reason of:

(1) resignation;
(2) discharge for cause;
(3) layoff for more than twelve (12) consecutive months;
(4) failure to return immediately on the expiration of a leave of absence; or
(5) unauthorized absence without pay for more than three (3) consecutive workdays.

ARTICLE XIII
SAFETY

13.1 The Board of Directors desires to maintain a safe place of employment for District employees, and to that end, District management shall make all reasonable provisions necessary for the safety of employees in the performance of their work.

13.2 Regular "tailgate" meetings will be held on all jobs to plan the job and emphasize safety on the job.

13.3 Regular safety meetings will be held periodically for the purpose of reviewing accidents and preventing their recurrence, eliminating hazardous conditions and familiarizing employees with safe work procedures and applicable State Safety Orders.

13.4 The District will develop an Audit Committee with union and other District employees. Each area will be audited at least monthly. An Incident Investigation Committee will also be created to investigate all incidents. For both the Audit and Incident Investigations Committees, the Union Business Representative shall select the bargaining unit committee members in the same quantity as those appointed by the District. The District will provide employees with the necessary protective clothing and personal protective equipment required in the performance of their duties.

13.5 The District shall report to the Union any industrial injury which has been reported to the District. Said notice shall be furnished to the Union at the same time the District reports the injury to its Workers' Compensation claims administrator.

13.6 On-the-job accidents are covered by the District's Workers' Compensation Self Insured Program. It shall be the duty of all employees to make an immediate report of accidental injury, while working, to their supervisor or the Director of Administrative Services. Any recurrence of an old injury requiring medical treatment or hospitalization also must be reported immediately; failure to do so will result in delay of compensation or more serious difficulties.

ARTICLE XIV
INCLEMENT WEATHER PRACTICE

14.1 Employees who are unable to work in the field because of inclement weather or other similar causes will receive pay for the full day, provided they have reported for duty. During such day they may be held pending emergency calls, may be given first aid, safety or other instruction, or they may be assigned to perform miscellaneous duties in sheltered locations. District supervisors will be responsible for determining whether weather conditions warrant cessation of outside work. In arriving at a decision with respect to weather conditions, the supervisor shall take into account such factors as: (a) employees' health and safety, (b) undue hazards, (c) operating requirements, (d) service to the public, (e) job site working conditions, (f) anticipated duration of

time required to leave unfinished job in a safe condition, (g) anticipated duration of inclement weather, and (h) distance from job site to operating headquarters.

ARTICLE XV
EXPENSES

15.1 Whenever the District requires an employee to install and/or maintain a telephone in his/her home, the expenses thereof will be borne by the District, except for charges on personal long distance calls by the employee.

15.2 Whenever an employee is required to change his/her residence from one location to another for the District's convenience, the District will provide means of moving his/her household goods.

15.3 Full-time Parks Department employees shall receive a uniform allowance of $50.00 per month. A committee will be formed to recommend appropriate uniforms for Rangers. The committee will be composed of three Park Rangers, appointed by the Union, and the Senior Park Ranger.

15.4 Electricity Reimbursement. During each calendar year, employees living on the District's recreation area properties shall be eligible for payment by the District of up to 1,500 kilowatt hours of electricity each month. For any usage over that amount, the employees shall be charged on a quarterly basis at the then-current P.G.&E. domestic rate. If the employees use less than 1,500 kilowatt hours per month, the amount of such underage may be used to offset prior or subsequent overages in the same calendar year; provided, however, that any such underage may not be carried forward into a subsequent calendar year or be used to offset overages in a prior calendar year. In order to be eligible for payment of electricity charges hereunder, the employees must sign an agreement with the District wherein they agree to permit the District to deduct from their paychecks the charges for any overages as hereinabove described.

15.5 The District will pay for all transportation, expenses, and materials for any employee to complete training programs or business trips required in the course of their employment with the District. Training requires advanced approval through the Department Head.

15.6 The District shall provide all tools necessary for employees to safely and efficiently perform all assigned tasks, consistent with established District policy.

15.7 When an employee's job description requires a driver's license beyond a Class C license, the District will pay the cost of the physical examination required for the license, and provide the time during working hours, without loss of pay, to obtain the license. The District will reimburse the employee for that portion of the driver's license fee, the license renewal fee and any required endorsement fees that are in excess of the Class C license and renewal fees.

ARTICLE XVI
GRIEVANCE PROCEDURE

16.1 Any grievance, which may arise between Union or any of its members and District with respect to the interpretation or application of any of the terms of this Memorandum of Understanding and with respect to such matters as alleged discriminatory or arbitrary discharge, demotion or discipline of an individual employee, and with respect to such matters as to whether a dispute is a proper subject for the grievance procedure, shall be determined by the following procedure:

STEP ONE: The initial step in the adjustment of the grievance shall be a discussion between the Business Representative, Shop Steward, the Grievant, and the immediate Supervisor directly involved, who will give a verbal answer within five (5) work days.

STEP TWO: If a grievance is not resolved in the initial step, the second step shall be the presentation of the grievance in writing within thirty (30) calendar days by the Union's Business Representative to the Director of Administrative Services, who will answer in writing within fifteen (15) work days after receipt. Before going to the General Manager, a Grievance Committee, comprised of two (2) Union members and two (2) District members will meet on non-working time, where practicable, hear the Grievance, collect facts about the Grievance and attempt to resolve the Grievance issue prior to the submission to the General Manager. The Grievance Committee will decide to send Grievances to the General Manager in the event they fail to resolve the Grievance issue.

STEP THREE: If a grievance is not resolved in the second step, the third step shall be the presentation of the grievance by the Union's Business Representative in writing to the General Manager of the District, with an indication as to whether or not an oral presentation will be made by the grievant and/or the Union's Business Representative at the Union Business Representative's option. The General Manager will answer the written grievance within thirty (30) calendar days.

16.2 Any grievance involving discharge must be raised within five (5) working days of such discharge or such grievance shall be waived. All other grievances must be raised within thirty (30) calendar days of the events giving rise to such grievance or such grievance shall be waived. The above-mentioned time limitations may be extended by mutual agreement in writing.

16.3 In the case of an Article IV evaluation process and salary progression determination, a disciplinary demotion, a disciplinary suspension of five (5) working days or more or in the case of a disciplinary termination, the Union may request binding arbitration after Step Three. The request for binding arbitration must be made within twenty (20) calendar days after the General Manager's answer under Step Three. The binding arbitration shall be conducted under the following procedures:

(a) The District and the Union shall select an impartial arbitrator within three (3) calendar days of the request for binding arbitration. In the event the District and the Union are unable to mutually agree upon the impartial arbitrator, the District and the Union shall request a panel of seven (7) arbitrators to be named by the Federal Mediation Service. A single arbitrator shall be selected from said panel by alternately striking names with the sole remaining name to be the arbitrator. A toss of a coin shall determine which party shall strike the first name.

(b) The arbitrator shall have no authority to add to or to modify any provision of this Agreement in rendering a decision. By mutual agreement, the parties may elect to argue the issue orally or submit briefs. In addition, by mutual agreement, parties may request the arbitrator to issue a bench award, following the hearing.

(c) Fees and expenses of the arbitrator and reporter cost of the original transcript, if requested and hearing room shall be shared by the parties.

(d) The decision of the arbitrator shall be final and binding.

Any of the above steps may be waived by mutual agreement in writing.

ARTICLE XVII
PARKS DEPARTMENT

17.1 The District shall be free to utilize temporary employees, part-time employees and volunteers, without limitation under Sections 1.7 and 1.8 hereinabove, to perform all of the job functions performed by Park Ranger I employees except for supervisory duties. The wage rate for part-

time employees and temporary employees shall be set by the District. Such employees will not be eligible for holiday pay and shall accrue no benefits. Temporary and part-time employees shall be able to purchase medical insurance through the District if they so choose.

17.2 Time spent traveling between a Park Ranger's residence (whether on or off of a park facility) and his/her daily work site will not be compensated. Park Rangers who reside in a park facility will provide their own transportation when their scheduled assignment is in another park location.

17.3 Park Rangers who are displaced or are laid off shall be permitted to retain their residence at the individual park facility, if that is where they reside at the time of displacement or layoff, for three (3) months from the date of such layoff or displacement. During such period, the employee must pay for his/her own utility and pad charges. If at the end of such period the employee has not returned to the Park Ranger classification, the employee must remove his/her mobile home from the park facility. Park Rangers who obtain other employment or Park Rangers who are otherwise terminated must remove their mobile home from the park facility within three (3) months of such other employment or termination. During such three (3) month period, such employee shall be responsible for his/her/her utility and pad charges.

17.4 Park Rangers hired after January 1, 2000 must complete POST Levels II and III and be able to be deputized by the Mariposa County Sheriff's Department, and complete one of the following: Obtain and maintain a license for Waste Water or Water Treatment in order to progress to Ranger II.

17.5 The District shall provide sufficient radio communication for Park Rangers to provide a safe environment for the Rangers and the public. This shall include the capability to contact emergency response agencies as well as law enforcement agencies.

a. The District will repair and properly maintain the Parks mobile and base radio equipment.

b. The District will provide flashlights and batteries to the Park employees.

c. The District will establish an approved tool list for Park employees and provide the tools on the list.

d. The District will increase the uniform laundry cleaning allowance to $25.00 per pay period.

e. The District will provide time, training and reimburse expenses to employees for the maintenance Ranger II continued training.

ARTICLE XVIII
TERM

18.1 The terms of this Memorandum are to remain in full force and effect until the 31st day of March, 2013. Upon adoption of a resolution approving this Memorandum and the terms thereof by the Board of Directors of the Merced Irrigation District, this Memorandum shall be in full force and effect as of the 1st day of April, 2011, except as otherwise provided herein.

WAGES

Water and Electric Wages:
Wage rates and progressions that were in effect as of December 31, 2010 shall remain unchanged for the duration of the Memorandum of Understanding (Exhibit C-E).

Rubber Glove rate will remain at 6%.

Hydro Wages:
Current hires will receive the PG&E Exhibit X parity effective March 1, 2011. This provision will cease as of December 31, 2011, and the future wage increases for those Hydro classifications currently having parity with the PG&E Exhibit X Wage rate parity shall be subject to the meet and confer process between the District and the Union. While the PG&E Exhibit X Wage rate parity will expire effective December 31, 2011, the PG&E Exhibit X Wage progression time frames will remain in effect for those incumbent employees who were hired by the District prior to 3/1/2011 (Exhibit A)).

For all new hires to the District after March 1, 2011, a new five (5) year progression, consistent with the other bargaining unit progressions, will be put into effect. All incumbent employees will be on the current wage progression if they move to Hydro in the future (Exhibit A) and employees hired to the District on or after 3/1/2011 will be placed in the new progression (Exhibit B).

All future wage increases will be determined in negotiations between MID and IBEW 1245.

CalPERS Employee Contributions

- Effective 3/1/2011, employees to contribute two percent (2%) of their contribution.
- Effective 3/1/2012, employees to contribute two percent (2%) of their contribution for a total of four percent (4%).

OTHER

The District will contribute $20 per month for each $100 per month an employee contributes to the deferred compensation programs. The District contribution is capped at $150.00 per month.

Heavy Equipment Operator II – Upon completion of 5 years as a Heavy Equipment Operator I and qualified to operate 1.) Peterbuilt tractor & low bed trailer, 2.) Caterpillar/dozer tractors (D-4 & D-6), 3.) Backhoe/loader tractor, 4.) Tracked excavator, 5.) Gradall, and as an Operator II with time and training will be qualified to operate a Motor grader.

Note: Heavy Truck Driver and Heavy Equipment Operator-Weed Control classifications will be eligible for the Heavy Equipment Operator II if they are operator qualified on the 5 pieces of equipment and have the 5 years of experience. The District will provide training on the equipment in the course of regularly schedule work.

The District will provide the appropriate training for the Crews performing underground utility construction work.

FOR THE DISTRICT

John Sweigard
General Manager

Jennifer R. Carter
Director of Administrative Services

FOR THE UNION

Raymond Thomas
Assistant Business Manager

Mike Grill
Business Representative

John Ellett

Charley Souders

Peter Stone

Craig Tatum