

MEMORANDUM OF AGREEMENT

TERMS AND CONDITIONS OF EMPLOYMENT FOR MANAGEMENT-SUPERVISORY EMPLOYEES OF THE YUCAIPA VALLEY WATER DISTRICT

The following are the terms and conditions of employment for the Management-Supervisory Employees of the Yucaipa Valley Water District ("District" or "YVWD"), effective July 1, 2015, and ending on June 30, 2020. Each may be referred to herein as a "Party" and jointly as the "Parties".

1.0 Application. This Agreement applies to the Management - Supervisory Employees of the District pursuant to Resolution No. 18-2006 adopted on June 21, 2006, and is entered into pursuant to the Meyer-Millias-Brown Act (Government Code Sections 3500-3511). Management - Supervisory Employees are defined as those employees who have the authority, in the interest of the District, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them, or to adjust their grievances, or effectively to recommend such action, requiring the use of independent judgment., and includes the following job classifications at the District: Senior Integrated Operator (Grade V); Senior Plant Operator (Supervisor); Administrative Supervisor; Public Works Supervisor; Regional Water Quality Supervisor; Senior Engineering Technician; Senior Management Analyst; Recycled Water Supervisor, and other positions assigned pursuant to the General Manager.

This Agreement shall also apply to confidential classified employees.

2.0 Term. This Agreement shall continue in effect for five (5) fiscal years until June 30, 2020 unless amended by mutual agreement between the Parties.

3.0 Merit Salary System. The Merit Salary system shall utilize a scale of 0% to 6% for the contract term only. In accordance with established negotiated practice evaluations shall be effective on April 1st of each year of the term of this Agreement.

4.0 Medical Insurance Provisions. During the term of this Agreement, the Management - Supervisory Employees hereby assigns authority and discretion to the District's Board of Directors to select any medical plan similar to the coverage provided as of April 1, 2015. At each future change in cost for HMO medical provider coverage, the District's Board of Directors shall pay a fixed monthly amount based on the average of the single employee, employee plus one, and family plans multiplied by a factor of 1.30. The employee shall be responsible for any cost above that fixed amount paid by the District.

5.0 District Contribution to Public Employee Retirement System (PERS) Retirement. Effective January 1, 2013, the total District contributions to the Public Employee Retirement System ("PERS") retirement plan shall not exceed a maximum combined amount of 22% of the employee's salary. Each employee shall be responsible to pay any amount of the employee contribution not paid by the District in excess of the 22% cap. The Parties agree to discuss the range of the District contribution to the PERS retirement plan as part of a new agreement.

6.0 Deferred Compensation Contribution. Exclusive of any contribution made by the District to an employee's deferred compensation account (such as unused medical, sick leave to deferred compensation or other deferred compensation contribution) outside of this provision, the

District will contribute a matched amount per payroll period (26 payroll periods per year) based on the annual Internal Revenue Code 457(b) Contribution Limit multiplied by a factor of 0.014. The annual Internal Revenue Code 457(b) shall not include special catch up provisions. At no time shall the calculated dollar amount per pay period increase by more than \$15 per employee.

7.0 Salary Survey. The District's Board of Directors reserves the sole and absolute right to evaluate and/or implement salary schedule adjustments or modifications during the term of this Agreement.

8.0 Consistency with Other Bargaining Groups. If the other bargaining groups (General Employee or Management-Exempt Employee) bargaining unit(s) receive an increase in compensation higher than the terms and conditions set forth in this Agreement with the Management - Supervisory Employees, such increase(s) will also be granted to the Management - Supervisory Employees up to June 30, 2020.

9.0 Implementation. All provisions within this Agreement shall become effective based on the approval date by the Yucaipa Valley Water District Board of Directors.