

MEMORANDUM OF AGREEMENT

TERMS AND CONDITIONS OF EMPLOYMENT FOR GENERAL EMPLOYEES OF THE YUCAIPA VALLEY WATER DISTRICT

The following are the terms and conditions of employment for General Employees of the Yucaipa Valley Water District ("District" or "YVWD") contract period July 1, 2013, and ending on June 30, 2016. Each may be referred to herein as a "Party" and jointly as the "Parties".

1.0 Application. These Terms and Conditions of Employment ("Terms and Conditions") apply to the IBEW Local Union 1436 - YVWD Unit ("General Employees") of the District pursuant to Resolution No. 04-2007, adopted on January 17, 2007.

2.0 Term. This Memorandum of Agreement ("Agreement") shall have a three year term and continue in effect until June 30, 2016. This Agreement is entered into between the YVWD and the General Employees pursuant to the provisions of the Myer-Milias-Brown Act, and thereafter shall continue in effect fiscal year by fiscal year unless either one of the Parties appropriately notifies the other Party, in writing, of its request to modify, amend or terminate the Agreement. Requests to modify the Agreement shall be submitted to the other Party during the forty-five (45) calendar day period commencing January 1, 2016.

3.0 Salary Ranges.

3.1 All General Employee salary ranges shall remain as placed July 1, 2013.

3.2 Effective July 1, 2014, all General Employee salary ranges shall be increased by two and a half percent (2.5%). Employee salary movement, if any, shall occur as set forth in the Employee Handbook. (See flow chart outlining employee salary movement as a result of salary range increased attached as Attachment A.)

3.3 Effective July 1, 2015, all General Employee salary ranges shall be increased by two and a half percent (2.5%). Employee salary movement, if any, shall occur as set forth in the Employee Handbook. (See flow chart outlining employee salary movement as a result of salary range increased attached as Attachment A.)

4.0 Merit Salary System. The Merit Salary system shall utilize a scale of 0% to 6% for the contract term.

4.1 For the 2013-2014 fiscal year, performance evaluations will be completed by December 31, 2013 for a merit increase effective on January 1, 2014.

4.2 For the 2014-2015 fiscal year, performance evaluations will be completed in March 2015 for a merit increase effective on April 1, 2015.

4.3 For the 2015-2016 fiscal year, performance evaluations will be completed in March 2016 for a merit increase effective on April 1, 2016.

5.0 Medical Insurance Provisions.

5.1 On April 1st of each year within the contract term for the annual change in cost for medical premium provider coverage, the District shall calculate a fixed amount based on the average of the single employee, employee plus one, and family plans (high and low premium healthcare plans, if applicable) multiplied by a factor of 1.125 with a minimum calculated contribution of \$910 per month on April 1, 2014.

5.2 The District medical premium contribution for those employees enrolled as “employee only” or “employee plus one” during the contract term shall be \$890 per month.

5.3 Effective April 1, 2014, the District medical premium contribution for those employees enrolled as “family” shall be \$890 per month plus a prorata share of the calculated pooled amount in excess of \$890 per month as calculated in Section 5.1 up to a maximum of the family medical premium of the selected medical insurance provider.

5.4 The employee shall be responsible for any cost above that fixed amount paid by the District. The Parties agree that the methodology used to calculate medical insurance benefits shall automatically terminate on June 30, 2016; with the latest calculated dollar amount remaining in effect until a successor agreement continues or modifies the calculation methodology.

5.5 The Board of Directors retains the discretion to select the insurance carrier and plans. Any change in plan design shall be presented to the IBEW by February 15th to allow IBEW to meet and confer concerning plan design issues. The Parties agree that if meet and confer activities have not been completed by March 15th, the Board of Directors may select an insurance carrier and plan, which may be changed by mutual agreement.

5.6 Annually, the District shall hold a voluntary employee meeting to present information concerning the insurance proposals that have been received.

5.7 During the pendency of this Agreement, the Parties agree to explore the establishment of a Benefits Committee comprised of one member from each bargaining group to review the health insurance proposals and make recommendations to the Board of Directors and the bargaining groups.

6.0 Conversion of Accrued Sick Leave. The following changes shall be made to the Personnel Manual regarding the conversion of accrued sick leave.

6.1. Conversion of Accrued Sick Leave to Deferred Compensation – District employees with an excess of 400 hours of sick leave are also eligible to convert sick leave based on the maximum contribution amounts allowed by the 457(b) regulations. At no time can an employee contribute sick leave hours to deferred compensation with a balance of sick leave below 400 hours. The District’s Payroll Representative has additional information on the amount of contribution that is allowed under this provision.

6.2 Conversion of Accrued Sick Leave to Medical Premiums – Bargaining group employees with an excess of 400 hours of sick leave are eligible to convert excess sick leave up to 8 hours per month at the employee’s current hourly rate of pay as a contribution to medical premiums. The conversion of accrued sick leave shall not exceed the dollar difference between the total family medical premium and the amount of medical premium

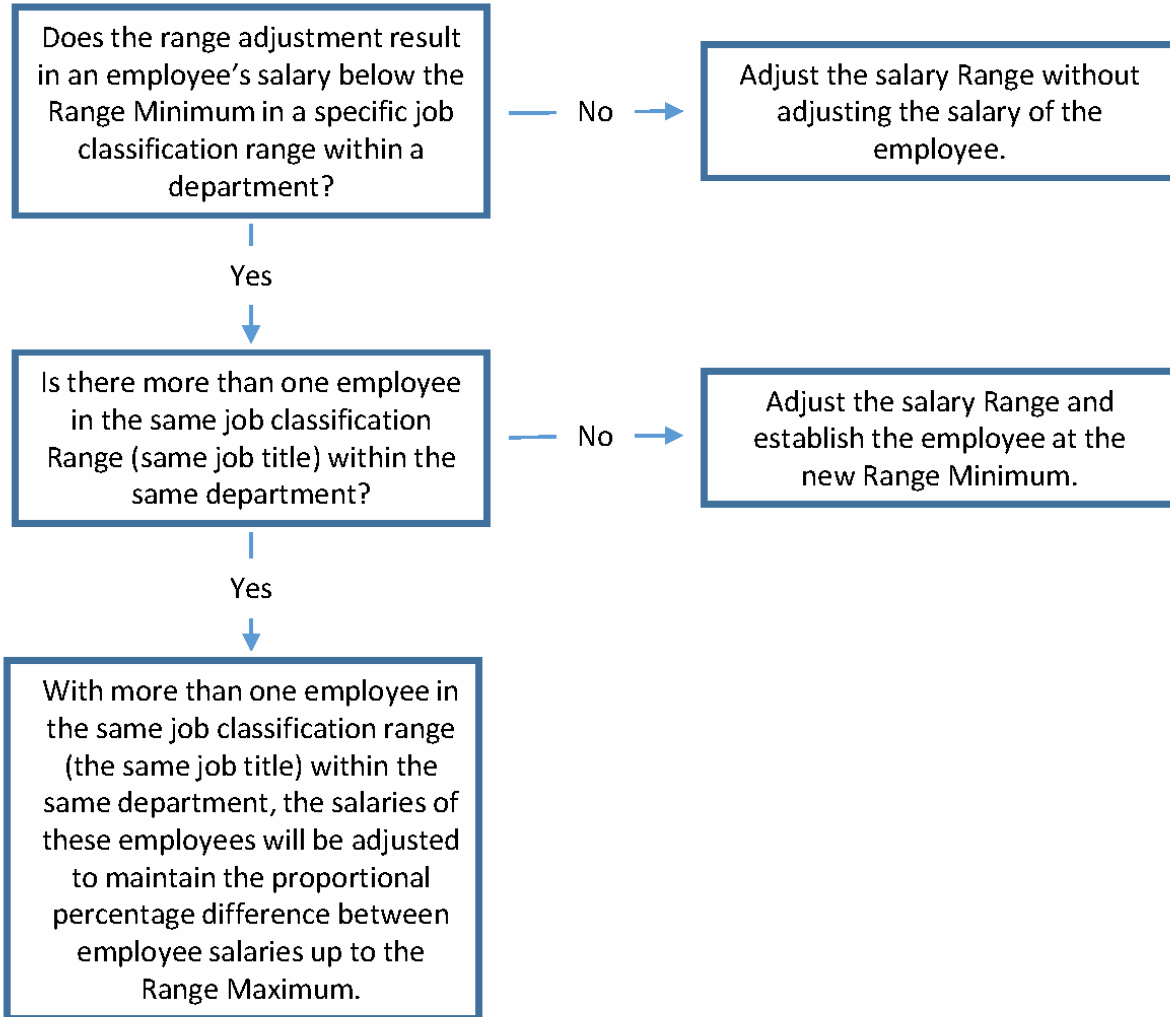
contributed by the District. At no time can an employee contribute sick leave hours to pay for additional medical premiums with a sick leave balance below 400 hours. The District's Payroll Representative has additional information on the amount of contribution that is allowed under this provision.

7.0 District Contribution to Public Employee Retirement System (PERS) Retirement. Effective January 1, 2013, any new employees hired shall be required to pay eight percent (8%) of their Public Employee Retirement System (PERS) retirement plan contribution as required by applicable statute.

8.0 Consistency with Other Bargaining Groups. If during the term of this Agreement, another bargaining group receives a salary and/or health and welfare benefits increase greater than expressed herein, such increase shall also be granted to the General Employees.

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.

Attachment "A"



Attachment "B"

Step A:

| | | | | | | | | |
|--|---|-------------------|---|---|---|--|---|---|
| Annual Calculated Medical Contribution (\$, Formula) | - | \$10,680 per year | = | Additional Medical Contribution by District per "Family" Employee (\$ per year) | x | Number of Bargaining Group Members | = | Pooled Medical Contribution by District to Bargaining Group (\$ per year) |
|--|---|-------------------|---|---|---|--|---|---|

Step B:

If "family" medical premium > \$890 per month, then spread the pooled amount of calculated medical premiums pursuant to Section 5.1 in excess of \$890 by the number of "family" employee's in Bargaining Group up to a maximum of the family medical premium of the selected medical insurance provider