

**ALAMEDA COUNTY WATER DISTRICT**  
Management/Confidential/Professional (MCP) Employees  
Compensation Schedule/Handbook

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**ALAMEDA COUNTY WATER DISTRICT**  
**Management/Confidential/Professional (MCP) Employees**  
**Compensation Schedule/Handbook**

MCP employees have been and are at-will, which means that their employment is for no definite duration, and can be terminated at any time by either the District or the employee for any reason, with or without cause, and with or without advance notice.

**1.0 SALARIES**

Salaries shall be as set forth in the District's Consolidated Salary Schedules.

Salary increases within ranges, if indicated, shall be made at the following intervals:

- Step 1 - 6 months
- Step 2 - 6 months
- Step 3 - 12 months
- Step 4 - 12 months
- Step 5

Advancement to any step is conditioned upon satisfactory performance.

**1.1 SALARY INCREASES**

Effective the pay period that includes July 1, 2018, pay shall be adjusted by 1.0%.

Effective the first full pay period following September 13, 2018, pay shall be increased by 1.0%.

Effective the pay period that includes July 1, 2019, salaries shall increase by 3.0%.

Effective the pay period that includes July 1, 2020, salaries shall increase by 3.0%.

**1.2 BILINGUAL PAY**

Employees who utilize bilingual skills as essential to perform their assigned duties shall receive thirty-five dollars (\$35.00) per pay period.

The Human Resources & Risk Manager shall, in consultation with the Executive Staff, establish criteria for both the assessment of skills, and the identification of qualifying positions.

**1.3 PERFORMANCE-BASED PAY PROGRAM FOR MANAGERS**

*(Program information included for historical purposes and legacy participants per CalPERS requirements. The Program is not available for new participants and is planned for elimination once there are no longer active participants.)*

**a) Purpose**

To identify, recognize and reward performance. The program will be reviewed annually, taking into account budgetary and market conditions, to determine whether the program will continue and the parameters of the program if it continues. The program design elements are as follows:

1. Combines behaviorally-anchored performance appraisal system with a mutually-set work plan which includes goals and objectives that are aligned with departmental

and District goals and objectives.

2. Provides for consideration of unforeseen challenges and achievements.
3. Recognizes level of responsibility and achievements in positions requiring recurring work, as well as special projects.

**b) Scope**

This program covers managerial staff ("Managers") who report directly to a department manager or the General Manager.

**c) Definitions**

1. Base Salary: Actual current salary.
2. Base Salary Increase: A salary adjustment that changes a Manager's Base Salary based on performance.
3. Control Point: The point in each salary range that represents the salary level that would normally be achieved once a Manager is considered to be fully experienced in the duties of the position, and working at a fully competent level pursuant to MCP Performance Appraisal System criteria, which is Step 5 of the ACWD Salary Schedule.
4. Salary Progression Below the Control Point: For a Manager whose Base Salary is below the Control Point (e.g., a newly-hired Manager who starts at some step within the salary range), salary progression based on satisfactory performance would generally be a 5% Base Salary adjustment after six months at the minimum entry level, and 5% thereafter until the Control Point is reached. Once a Manager's Base Salary is at the Control Point, any salary adjustments beyond the Control Point would be subject to the performance-based pay provisions of this program.
5. Base Salary Increase above the Control Point: A Manager whose Base Salary is at or above the Control Point could be awarded up to a 5% Base Salary Increase above the Control Point, depending on performance level. Up to two and one-half percent (2.5%) of this award could be in recognition of specialized expertise.
6. Lump-sum Award: A one-time annual disbursement that recognizes superior performance. The award is 2.5% annually for sustained superior performance, including achievement of all agreed-upon goals and objectives.
7. Maximum Performance Award: The maximum annual award under this program in any one year is: (1) 5% Base Salary Increase, plus (2) a 2.5% Lump-Sum Award, pursuant to the terms described under this program. In addition, a Manager may also receive an additional base pay increase equivalent to any Cost of Living Adjustment (COLA) to the ACWD Salary Schedule.
8. Performance Plan Year: The performance evaluation cycle for annual appraisals will be immediately following the fiscal year cycle of the Performance Work Plan.
9. Performance Work Plan: A plan jointly developed by a Manager and his/her

supervisor in the last quarter of each fiscal year. The plan includes goals and specific measurable objectives for the year that reflect employee development of ongoing responsibilities and special projects. The plan is finalized early in the new fiscal year (before July 30) and sent to the department managers and/or General Manager for review and comment. See Exhibit A.

10. Pay Recommendation: The supervisory recommendation for any change in Base Salary and/or Lump-sum Award is made at the end of each fiscal year, based on the Manager's last annual performance appraisal and achievement of the annual Performance Work Plan. The recommendation for awards must be accompanied by adequate substantiation of the performance, and sent to the department managers and/or General Manager for review and approval by August 31.
11. Pay Award: After review, the department managers will recommend awards to the General Manager for award in September.

**d) Procedure**

1. Before the beginning of each fiscal year, managers and their supervisors jointly develop a Performance Work Plan consisting of at least 4-6 goals and specific measurable objectives for each goal. Goals should further departmental and District goals and should be beyond those for routine expectations, although they can focus on improvement and development of recurring responsibilities.
2. Supervisors meet with managers at least quarterly during the performance/fiscal year in addition to the initial planning and preparation and final evaluation meeting to review progress toward objectives and to make adjustments as required.
3. The supervisor provides an overall assessment of the Performance Work Plan achievement at the end of the fiscal year. The supervisor can also give a special achievement recognition based on high performance in response to an unanticipated major project or issue not on the Performance Work Plan, and/or recognition for specialized expertise.
4. The supervisor completes an annual performance appraisal of the manager. The appraisal provides an assessment of how the work is being accomplished; the Performance Work Plan rating provides an assessment of what is being accomplished.
5. The supervisor provides the performance-based pay recommendation to the General Manager by the end of August of each fiscal year, based on the manager's annual performance appraisal and Performance Work Plan accomplishments for the previous year, and assigns an overall rating, as follows:
  - a) 1-2 – Unacceptable/Needs Improvement: No base increase and possible reduction in salary. Below standard ratings on performance appraisal, and achievement of less than half of the goals outlined in the Performance Work Plan.
  - b) 3 - Effective: Majority of competent ratings on performance appraisal and satisfactory achievement of Performance Work Plan, achieving at least half of

the goals outlined in this Plan. Base increase equivalent to the COLA for the ACWD Salary Schedule.

- c) 4 - Highly Effective: Achievement of majority of the goals outlined in the Performance Work Plan, plus a combination of highly effective and outstanding ratings on current performance appraisal. Base increase equivalent to COLA plus Base Salary Increase above the Control Point up to a maximum of 5%. If performance is not sustained at this level, resulting in a lower rating as reflected in a. and b. above, all or a portion of the amount authorized in excess of the Control Point may be reduced.
- d) 5 - Superior: In addition to any base increases described in c. above, a Manager who receives an overall rating of "5" for documented superior performance on his or her Performance Work Plan will receive a Lump-sum Award of 2.5%. A superior rating means that the Manager has met or exceeded all of the goals outlined in his/her Performance Work Plan. The lump sum bonus award will be paid and reported separately as special compensation to CalPERS.

## **2.0 HOURS OF WORK AND OVERTIME**

Time and one-half compensation is provided to full-time M/C/P employees not exempt under the Fair Labor Standards Act (FLSA) for all paid hours exceeding 40 in a seven-day period (between 12:01 A.M. Monday and midnight Sunday).

The hours of work for full-time M/C/P staff who are exempt under FLSA shall be eighty (80) hours per payroll period. These employees will account for their time in accordance with the provisions of Administrative Guideline 2.2.15, Labor Standards Act (FLSA) Exempt Employees.

Employees may participate in the Alternative Work Schedule Program (9/80 and 4/10 Program) subject to the guidelines set out in Administrative Guideline 2.2.1, Alternate Work Schedule Program.

### **2.1 MCP Standby Pay**

Employees in the Treatment and Distribution Supervisor I/II (TDS) and Distribution Maintenance Supervisor I/II (DMS) classifications are required to respond to any problems at the treatment plants and off-hours pipeline leak emergencies. To provide for 24-hour, seven days per week coverage, and address the frequency of these responses, the District provides a formal standby process. Assignments rotate among supervisors, with one TDS and one DMS on standby per week. The per diem rate effective September 23, 2018 is \$77.65 per weekday and \$99.84 per weekend day and holidays. Standby pay increases at the same rate as any authorized salary change.

In accordance with Administrative Guideline 2.2.15, Fair Labor Standards Act (FLSA) Exempt Employees, if these supervisors physically respond to the plant or job site for extraordinary events of an extended duration, they may be compensated with straight-time pay, hour for hour, with the approval of the General Manager or designee.

## **3.0 TEMPORARY ASSIGNMENT/ACTING PAY**

When an employee is assigned to temporarily replace another employee by assuming the full range of duties and work schedule of a position in a higher classification for a continuous

work week or more, she/he shall be paid the next higher dollar step in the higher pay range, or five percent (5%) over the employee's present wage rate, whichever is greater for the hours where coverage was provided for the absent employee's work schedule.

Employees who act in a supervisory position may not have the opportunity to perform all the duties of the position (e.g., disciplinary actions, performance evaluations, leave request review, etc.) but they must satisfactorily perform all duties which arise.

If the employee is temporarily assigned to a special project requiring a scope and level of responsibility substantially above his/her regular position, she/he shall be paid a 5% differential. In either case, the assignment will be recommended in writing by the supervisor, and approved by the Department Manager and General Manager in the case of the assumption of higher level responsibilities.

#### **4.0 HOLIDAY LEAVE**

M/C/P employees shall receive the following paid holidays:

- a) New Year's Day - January 1
- b) Martin Luther King, Jr., Birthday - 3rd Monday in January
- c) Washington's Birthday - 3rd Monday in February
- d) Memorial Day - Last Monday in May
- e) Independence Day - July 4
- f) Labor Day - 1st Monday in September
- g) Veterans' Day - November 11
- h) Thanksgiving Day - 4th Thursday in November
- i) Day after Thanksgiving
- j) Christmas Eve - December 24
- k) Christmas Day - December 25

Holidays falling on a Saturday will be observed the preceding Friday. Holidays falling on a Sunday will be observed the following Monday. Holiday observances will be adjusted for employees working an alternative workweek schedule that does not regularly include Saturdays and Sundays off.

#### **5.0 VACATIONS**

The District's vacation year for the purpose of calculating vacation due to each full-time M/C/P employee is the fiscal year, July 1 through June 30. M/C/P full-time, non-temporary employees are eligible for vacation accrual as follows:

- a) For continuous service 1 through 24 months: 3.08 hours per pay period (80 hours per year)
- b) For continuous service of 25 through 48 months: 4.00 hours per pay period (104 hours per year)
- c) For continuous service of 49 through 120 months: 5.23 hours per pay period (136 hours per year)
- d) For continuous service of 121 through 180 months: 6.16 hours per pay period (160 hours per year)
- e) For continuous service of 181 through 240 months: 6.77 hours per pay period (176 hours per year)
- f) For continuous service of 241 months and thereafter: 7.70 hours per pay period (200 hours per year)



Vacation accrual is prorated for new hires based on the number of hours the employee worked during the first pay period of employment. Thereafter, full vacation leave accrual will be credited each pay period.

No employee may use accrued vacation until satisfactory completion of six (6) months of service. Vacation leave does not accrue during any two weeks or more of continuous unpaid leave status. Upon termination of employment with the District, the employee shall be paid for all accrued but unused vacation leave.

### **5.1 Vacation Accrual Limit**

Employees who have more than 400 hours of accrued vacation leave at the close of the last full pay period before the end of the fiscal year shall be paid in cash for those vacation hours.

Upon request, all or a portion of the amount cashed may be applied to the employee's 457 deferred compensation plan.

### **5.2 Extension of Retirement Date**

A retiring employee may extend his or her official retirement date up to ten weeks by using accrued but unused vacation, subject to approval by the employees' department manager and the Human Resources & Risk Manager.

## **6.0 MANAGEMENT LEAVE**

### **6.1 Eligibility**

All full-time M/C/P personnel are eligible for Management Leave as indicated below.

### **Management and Board-Appointed Staff –96 hours**

Accounting and Treasury Manager	Laboratory Services Supervisor
Accounting Supervisor I/II	Manager of Engineering & Technology Services
Customer Services and Systems Manager	Manager of Finance
Customer Service Supervisor I/II	Manager of Operations & Maintenance
Development Services Manager	Manager of Water Resources
Distribution Maintenance Manager	Meter Reading Supervisor
Distribution Maintenance Supervisor I/II	Office Supervisor I/II
Emergency Response/Security Officer	Project Engineering Manager
Engineering Supervisor I/II	Public Affairs Supervisor I/II
Executive Assistant/ District Secretary	Purchasing Officer I/II
Facility Maintenance Manager	Rates, Financial Analysis & Budget Manager
Facilities Maintenance Supervisor	Supervising Financial Analyst
General Facilities Supervisor	Treatment and Distribution Supervisor I/II
General Manager	Water Production Manager
Groundwater Resources Manager	Water Supply & Planning Manager
Human Resources / Risk Manager	Water Supply Supervisor
Information Technology Manager	Well Ordinance Supervisor I/II
Information Technology Supervisor	Water Conservation Supervisor I/II

## **Confidential and Professional Staff – 80 hours**

Accountant I/II

Administrative Analyst I/II/III

Administrative Office Assistant I/II/III

Buyer I/II

Chemist I/II

Emergency & Security Services Planner

Engineer I/II/III

Environmental Specialist I/II

Financial Systems Analyst I/II

Human Resources Analyst I/II/III

Human Resources Technician I/II

Hydrogeologist I/II

Information Systems Analyst I/II

Network Administrator I/II

Network Analyst I/II

Operations Systems Analyst

Public Affairs Specialist I/II/III

Procurement Specialist

QA/QC Officer

Senior Business Analyst

Senior Buyer

Senior Chemist

Senior Financial Analyst

Senior Operations Systems Analyst

Server/Systems Administrator I/II

Water Conservation Specialist I/II

Workplace Health and Safety Officer

### **6.2 Calendar Year Credit**

An employee's annual Management Leave entitlement will be credited to the employee's account on a calendar year basis, each January 1.

### **6.3 Calendar Year Exchange**

Employees who have management leave hours remaining at the close of the calendar year (December 31) will be paid in cash for those hours at the employee's current base hourly rate. The cash payment will be included in a payroll warrant as soon thereafter as practicable. Any hours used on or after January 1, the date the new management leave credit gets granted, will be deducted from the new management leave credit.

Upon request, by December 31, all or a portion of the amount cashed may be applied to the employee's 457 deferred compensation plan for the calendar year in which the management leave credit is cashed out.

### **6.4 Management Leave Prorated for New Hires**

For new employees, Management Leave will be prorated from start of service as follows: Employees who begin service from the 1st of the month through the 15th will receive the full Management Leave allotment for the month. Employees who begin service from the 16th through the last day of the month will not receive any Management Leave until the following month.

### **6.5 Termination/Retirement Hours**

M/C/P employees who terminate their employment will be paid for unused Management Leave hours.

## **7.0 SICK LEAVE**

### **7.1 Accrual**

Sick leave accrual hours are prorated based on the number of hours the employee worked during the first pay period of employment. Thereafter, 3.69 hours of sick leave accrual will be credited each pay period. There is no limit on the amount of sick leave that may be accrued. Sick leave does not accrue during any two or more weeks of continuous unpaid leave status.

### **7.2 Use of Sick Leave**

An employee requesting sick leave must personally inform his/her immediate supervisor as soon as possible, unless the employee is medically unable to do so. Approval for use of sick leave may be denied if the employee does not call his or her supervisor to report an absence within thirty (30) minutes of the employee's scheduled starting time. An employee must notify his/her supervisor each day that the employee will be absent, unless the employee is hospitalized or presents a medical note releasing the employee from work for a specified period. Sick leave may not be used in advance of accrual.

The District may, at its discretion, require the presentation of a written statement by a health care provider to support an employee's request to use sick leave.

When illness or accident occurs while an employee is on vacation, s/he is not eligible for sick leave benefits during the vacation leave period unless s/he notifies the District as soon as possible and submits a doctor's statement verifying the illness or accident.

Paid holidays falling within periods of sick leave will not be deducted from the employee's total accumulated sick leave.

### **7.3 Medical Appointments**

An employee not exempt under FLSA will be allowed up to thirty (30) hours per fiscal year for absences for doctor and dentist appointments for the employee and dependents living in the employee's home or for whom the employee is the primary caregiver, provided that the employee leaves from or returns to work on the day of the appointment. Any additional time required for medical or dental appointments must be charged to the employee's accumulated sick leave.

### **7.4 Family Sick Leave**

Up to forty-eight (48) hours per calendar year of sick leave may be used annually to care for a member of the employee's immediate family who is ill or injured. "Immediate family" is defined as the employee's spouse, child, siblings, State registered domestic partner, or other family member living in the employee's home; or a family member not living in the employee's home, if the employee is the primary caregiver for that relative. In extraordinary circumstances, the General Manager may approve the use of additional accrued sick leave to care for a member of the employee's immediate family.

### **7.5 Sick Leave Donation**

An employee may donate accrued sick leave to a sick leave donation bank to be used by District employees who have exhausted all paid time off due to a verified medical illness, injury, or condition which is expected to cause an absence from work of at least thirty (30) consecutive days. This donated leave may be utilized for long-term disability coverage. An employee needing donated sick leave should contact Human Resources for assistance.

## **8.0 LEAVES OF ABSENCE**

### **8.1 Military Leave**

Employees will be accorded all rights and privileges granted them by the Military and Veterans Code of the State of California and the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended, or other applicable law. One year of public agency service is stipulated. There shall be no loss of seniority or benefits; however, accrual will be suspended for a period of military service exceeding thirty (30) work days in any fiscal year.

### **8.2 Bereavement Leave**

Employees will be provided paid bereavement leave as follows. The District reserves the right to request documentation to support the need for bereavement leave (e.g., obituary, death notice or funeral home announcement).

- a) For bereavement of a member of the employee's immediate family: twenty-four (24) hours paid leave. "Immediate family" is defined as the employee's spouse, State registered domestic partner, children, parents, grandparents, in-laws, siblings, and dependents or foster relatives, living in the employee's home. An additional eight (8) hours of paid leave shall be provided in the event the funeral is more than four hundred (400) miles away from the employee's home, subject to appropriate verification by the employee.
- b) For bereavement of some other family relative: eight (8) hours paid leave.
- c) For bereavement of a close friend: four (4) hours paid leave.

### **8.3 Jury Duty**

For jury duty, the employee will be allowed time off and will be paid his/her base salary. Day-shift employees shall report for work if released from jury duty within four (4) hours of their regularly scheduled ending time.

### **8.4 Family and Medical Leave**

The Family Medical Leave Act (FMLA)/California Family Rights Act (CFRA) provides eligible employees up to 480 hours (12 weeks) of unpaid leave for certain family and medical reasons during a 12-month period. This is determined by the 12-month period measured forward from the first date an employee takes FMLA leave. The next 12-month period would begin the first time FMLA leave is taken after completion of the prior 12-month period. In some instances, leave may be counted under the FMLA but not CFRA, or CFRA but not the FMLA. Leave may be taken for any one, or for a combination, of the following reasons:

- The birth of a child and to bond with the newborn child within one year of birth,
- The placement with the employee of a child for adoption or foster care and to bond with the newly-placed child within one year of placement,
- A serious health condition that makes the employee unable to perform the functions of his or her job, including incapacity due to pregnancy and for prenatal medical care,
- To care for the employee's spouse, son, daughter, or parent who has a serious health condition, including incapacity due to pregnancy and for prenatal medical care;
- Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a military member on covered active duty or call to covered active duty status.

In addition, eligible employees may take up to 26 work weeks of leave in a single 12-month

period to care for a covered service member with a serious injury or illness if the employee is the spouse, son, daughter, parent, or next of kin of the service member. An eligible employee is limited to a combined total of 26 work weeks of leave for any FMLA-qualifying reasons during the single 12-month period.

The twelve (12) workweek limit includes leave for all the above-noted purposes covered by CFRA or the FMLA. The twelve (12) month period shall be measured forward from the first date on which the employee utilizes Family and Medical Leave needs provided herein.

- a) "Serious health condition" shall be defined as an illness, injury, impairment or physical or mental condition that involves inpatient care or continuing treatment by a health care provider. .
- b) If two employees are married to one another or are State registered domestic partners each may take a total of twelve (12) weeks leave for their own or a family member's serious health condition. However, they may not take more than twelve (12) weeks leave between them for the birth, adoption or foster care placement of a child.
- c) An employee may substitute any accrued vacation, management leave or sick leave for unpaid CFRA or FMLA leave taken for the employee's own serious health condition or to care for a new child or a family member with a serious health condition. The substitution of paid leave for unpaid CFRA or FMLA shall not extend the total amount of leave to which the employee is entitled.
- d) If the need for CFRA or FMLA leave is foreseeable, the employee shall provide the District with reasonable advance notice of the leave, preferably at least thirty (30) days beforehand. If the employee's need for family care or medical leave is foreseeable due to a planned medical treatment or supervision, the employee will consult with the District in advance regarding the scheduling of the treatment or supervision so as to minimize disruption to the operations of the District. Any such scheduling, however, shall be subject to the approval of the health care provider of the individual requiring treatment or supervision.
- e) Before granting a leave for the serious health condition of the employee or his/her child, parent or spouse, certification of the serious medical condition will be required, consistent with the requirements of applicable CFRA/FMLA regulations.
- f) The District will maintain and pay for coverage under the group health plan for the duration of the CFRA/FMLA leave, whether paid or unpaid, not to exceed twelve (12) workweeks in a twelve (12) month period.
- g) Seniority will continue during the entire period of the family and medical leave, but subject to the exception in (f) above, all other benefits paid by the District will be suspended while the employee is on unpaid leave.
- h) Family care or medical leave may be taken intermittently or on a reduced leave schedule when medically necessary, but in no event can it exceed more than twelve (12) workweeks in a twelve (12) month period. An employee requesting intermittent or reduced leave for foreseeable medical treatment will be required to provide the same kind of advance notice and medical certification of need for the leave as an employee who requires other family care or medical leave.
- i) When an employee returns from an approved family care or medical leave, the employee will be reinstated to his/her former position and pay rate, provided the position has not been eliminated. If the position has been eliminated, the employee shall have preference in hiring for any other suitable position. All benefits an employee accrued prior to a period of FMLA leave will be restored upon return from leave.

### **8.5 Pregnancy Disability Leave**

An employee whose physician certifies that she is disabled by pregnancy, childbirth, or related medical condition is entitled to an unpaid leave of up to four (4) months.

The District will temporarily transfer the employee to a less strenuous or hazardous position for the duration of the pregnancy if the employee so requests with the advice of her physician, and the transfer can be reasonably accommodated.

Pregnancy Disability Leave (PDL) runs concurrently with FMLA leave, but may be taken in addition to baby-bonding leave under the CFRA. (Please refer to Section 8.4).

An employee temporarily disabled due to pregnancy may substitute accrued but unused sick leave, vacation and/or management leave for unpaid pregnancy disability leave.

Seniority will continue during the entire pregnancy disability leave. The employee will continue to be covered by the District's group health insurance during PDL. If the employee fails to return to work after the conclusion of any pregnancy-related disability leave and leave to care for the newborn child, the District may require the reimbursement of these medical premiums contributed on behalf of the employee.

The employee has the right to be reinstated to her former position and pay rate provided the position has not been eliminated and the employee returns to work within four (4) months. If the employee's position has been eliminated, the employee shall have preference in hiring for any suitable position. Accrued but unused benefits will remain credited to the employee.

### **8.6 Industrial Accident Leave**

Each full-time permanent employee who is disabled and unable to work as a result of injury or illness certified and or accepted by the District's insurance representative or the Workers Compensation Appeals Board as arising out of and in the course of employment, shall be eligible for workers compensation benefits supplement, which together with the Workers Compensation benefits, shall equal and in no event shall exceed the employee's regular gross pay. Employees may receive the benefit supplement for industrial injuries or illnesses up to a maximum period of six (6) months for all injuries or illnesses related to any one claim, commencing with the date of disability, (either temporary or partial) and is reduced by one (1) day for each calendar day, regardless of whether the employee is on authorized leave or temporary modified work and regardless of temporary disability indemnity award.

Employees may not accumulate or transfer any unused portion of leave associated with a claim. However, if an employee does not exhaust the six (6) months of leave associated with a particular injury, and at some later date is determined by a physician to have a recurrence of that same or a related industrial illness or injury within 12 months of the date of the original injury, the balance of the six (6) months of leave remaining may be used by the employee. When industrial accident leaves overlap due to concurrent claims, the employee shall only be entitled to the amount of unused leave available for the same claim. During this six (6) month period, the employee shall not be charged sick leave for industrial accidents or illnesses that are accepted by the District's insurance representative or Workers Compensation Appeals Board. The leave time associated with industrial injuries and illnesses do not count towards CalPERS retirement service time.

No employee shall receive more than his/her regular gross pay by reason of the provisions of

this section. Entitlement to sick leave and vacation leave shall accrue only during such time as the employee is entitled to pay as herein provided. An employee who is medically unable to work for more than six (6) months after the date of disability which arose out of and in the course of employment with the District, may use accumulated sick leave or vacation leave, if any, to supplement Workers Compensation Insurance Benefits, up to the full rate of pay, until such accumulated sick leave or vacation leave due is exhausted. The District cannot retain employees who are unable to return to work after twelve (12) months and who do not have accrued sick or vacation leave to keep them in full pay status.

Any employee bringing action against a third party to recover for injuries or disability for which the District has made payments of salary or compensation, shall forthwith give the District notice of such action; and thereafter, the District shall be entitled to reimbursement out of any recovery made by the employee in such action, for amounts paid for salary or compensation during the employee's disability.

The employee has the right to be reinstated to the employee's former position if the position has not been eliminated, the employee returns to work within twelve (12) months, and the employee is capable of performing the essential duties of the position with or without reasonable accommodation.

#### **8.7 Extended Non-Industrial Illness or Injury Leave**

Employees who are on leave due to a serious medical condition pursuant to Section 8.4 will be granted an extended leave of absence for continued disability arising by reason of non-industrial illness or non-industrial injury. A certification from the attending physician must be presented to the District indicating the additional period of disability extending beyond the first twelve (12) workweeks. Upon receipt of a medical certificate that is acceptable to the District from the attending physician confirming that the employee continues to be medically unable to work in any position, sick leave and other paid leave may be used to the extent accrued, if available, until the wage continuation plan takes effect. Such leaves of absence shall be granted for a maximum of six (6) months, including the original twelve (12) week medical condition leave. The District at its discretion may extend the total amount of leave under this section up to a maximum leave of twelve (12) months in instances where there is documented reasonable medical expectation that the employee will be sufficiently recuperated within this time to resume the full range of duties of his/her position. Such leave shall not be unreasonably denied.

Seniority will continue but benefits paid by the District will be suspended during the period the employee is on unpaid leave. The employee has the right to be reinstated to the employee's former position and pay rate provided the position has not been eliminated and the employee returns to work within six (6) months, or twelve (12) months. If the period of leave has been so extended and the employee is able to perform the position's essential job functions, with or without reasonable accommodation. If the position has been eliminated, the employee shall have preference in hiring for any other suitable position for which the employee is qualified and can perform the essential job functions. Benefits accrued, but unused, will remain credited to the employee.

Employees with six (6) or more months of service, but less than twelve (12) months, who do not qualify under the provision of Section 8.4, must return within six (6) months from the date of disability in order to qualify for reinstatement to his/her former positions or another position for which s/he may be qualified. Upon presentation of appropriate medical

verification, reinstatement at a later time may also be considered up to one year from the date of disability.

### **8.8 Administrative Leave**

The District in its sole discretion may approve paid or unpaid administrative leave for employees for various reasons. The merits of each request will be considered in light of the best interests of the District and the citizens served, as well as the employee's welfare.

### **8.9 Unexcused Leave**

Failure to report for work for a period exceeding three (3) normal work shifts, without authorization, may be grounds for dismissal.

### **8.10 Modified Work Assignment**

An employee who is unable to perform his/her regular work due to an injury/illness and is medically released to return to work on modified duty will be provided with a modified duty assignment if one is available consistent with the July 1, 2000 administrative procedure on Modified Work Assignments.

If the employee returns to work on modified duty, the employee's entitlement to time off work consistent with Article 8 will not be extended by the employee's return to work on modified duty. Modified duty time will run concurrently with the leave time provisions of Article 8 for work-related and non-work-related injury or illness time. When the employee returns to work on modified duty, the employee will be paid his/her regular salary for all hours worked and will accrue all benefits including sick leave and vacation for the period the employee is working modified duty. Any accruals which occur as a result of working modified duty cannot be used to extend the illness/injury time allotted and will be accumulated for the employee's use or will be paid to the employee if s/he is unable to return to work.

### **8.11 Industrial Medical Appointment Leave**

An employee who is absent for a medical or dental appointment related to an industrial injury/illness shall charge the time necessary for the appointment to industrial Medical Appointment Leave. Once the employee has reached the Maximum Medical Improvement (MMI) or has become Permanent and Stationary (P&S), the employee must use Sick Leave or Medical Appointment Leave to attend these appointments.

## **9.0 UNIFORMS AND SAFETY SHOES**

Uniforms shall be provided and maintained for all eligible M/C/P employees. Safety shoes shall be provided, as needed, for all eligible M/C/P personnel.

## **10.0 MANAGEMENT ALLOWANCE**

M/C/P employees shall be eligible for a management allowance of up to \$500 per fiscal year, which may be used for any of the following pre-approved expenses:

- a) Reimbursement for approved professional society or service organization dues, technical publications, journals and periodicals, and other professionally-related costs.
- b) Reimbursement of up to 50% of the cost of one Internet account subscription service. Reimbursement of up to 100% of the cost of pre-approved job-related software purchased for the employee's personal computing device. The only software eligible for reimbursement will be those software packages either listed in Administrative Guideline



4.1.4, Standard Software Policy, or documented as pre-approved and job-related by a Department Manager.

- c) Reimbursement of 50% for one employee personal cell phone monthly usage charges up to a maximum of \$35 per month. Eligibility for this reimbursement requires all of the following:
- The employee has not been issued a District cell phone.
  - The employee provides their cell phone number to the Operations Office Supervisor. Note: It is recommended the cell number correspond to the number provided for the Rapid Alert Notification System (RANS).
  - The employee recognizes that District personnel may contact him/her via the cell phone, if needed for District business.
  - The employee understands their cell phone number will be published on the District's intranet.
- d) The cost of tuition or textbooks for coursework related to District employment, as described in Section 12.0 Educational Assistance.
- e) Reimbursements shall be processed from a completed MCP Allowance form with detailed supporting receipts attached. Consumable computer-related items are not eligible for reimbursement through an employee's MCP Allowance. This includes items such as CD's, DVD's, printer paper, ink cartridges, etc. In addition to the \$500 management allowance, the District will reimburse employees for state registration and certification renewal fees related to District employment.
- f) Employees hired or promoted to M/C/P positions on or before December 31 are eligible for the full management allowance for that current fiscal year. Employees hired after December 31 will not be eligible until the following fiscal year.

## **11.0 EDUCATIONAL ASSISTANCE**

M/C/P staff with six months or more of District service may request reimbursement for tuition and textbook costs incurred in taking courses outside of normal working hours that are related to District employment. All such requests for reimbursement must be approved by the District before taking the course, and the employee must attain a grade of at least "C", or a passing grade, or its equivalent to be eligible. The course content must have some direct relationship to the work of the District and should be aimed at improving the quality of the employee's work or performance. Courses must be taken through an institution which is regionally accredited institution acceptable by the District, or through an institution that provides a recognized professional examination review course acceptable by the District.

The District will reimburse up to 100%, to an annual maximum of \$5,250, of approved costs of tuition or textbooks under the Educational Assistance program. An employee may also use any available management allowance to be reimbursed for expenses exceeding the \$5,000 annual maximum. Education reimbursements are excludable from taxable wages up to the limit defined in the IRS Publication 970.

## **12.0 RETIREMENT**

### **12.1 Public Employees Retirement System**

The District shall participate in the California Public Employees' Retirement System (CalPERS), as amended, for the duration of this Memorandum. The District's contract with PERS provides the following optional contract provisions:

**Classic Member - Defined:** An employee who is a member of CalPERS or reciprocal

agency within six months of hire at ACWD. All members that do not fall into the definitions under “New Member” below are considered Classic Members.

**Classic Member Provisions:**

- a) 2.5% @ 55 Formula for Local Miscellaneous Members, Section 21354.4, 12/22/2003;
- b) Pre-Retirement Option 2W Death Benefit, Section 21548, 8/24/2009;
- c) Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service, Section 21023.5, 4/13/2005;
- d) \$5000 Retired Death Benefit, Section 21623.5, 9/1/2000;
- e) 3% Annual Cost-of-Living Allowance Increase, Section 21335, 9/1/2000;
- f) Post-Retirement Survivor Allowance to Continue After Remarriage. Section 21635, 1/1/2000;
- g) Pre-Retirement Death Benefits to continue after remarriage of survivor, Section 21551, 1/1/2000;
- h) Additional Opportunity to Elect 1959 Survivor Benefits, Section 21583, 4/10/1998;
- i) 1959 Survivor Benefit Level 4; Section 21574, 7/25/1997;
- j) Unused Sick Leave Credit - Local Member, Section 20965, 12/26/1988;
- k) Military Service Credit as Public Service, Section 21024, 7/1/1976;
- l) Final Compensation 1 Year, Section 20042, 4/1/1975;
- m) Post-Retirement Survivor Allowance, Section 21624/21626, 4/1/1975;
- n) Prior Service, Section 20055, 2/1/1958;
- o) Employer Paid Member Contribution: The District will pick up 2.5% of the employee’s PERS retirement contribution.

In addition to the above provisions, the District adopted resolutions to PERS to provide tax-deferred employee contribution and service credit purchase (IRS Code Section 414 (h) (2)).

**New Member - Defined:**

- a) A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months; or
- b) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California public retirement system; or
- c) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who either (1) is not eligible for reciprocity with another California public retirement system, (2) did not become a member of a reciprocal California public retirement system until on or after January 1, 2013, or (3) has a break in service of greater than six months from their reciprocal California public retirement system.

**New Member Provisions:**

- a) 2% @ 62 Formula for Miscellaneous/Industrial Members, Section 7522.20, 1/1/2013;
- b) Final Compensation 3 Year, Section 20037, 1/1/2013;
- c) Pre-Retirement Option 2W Death Benefit, Section 21548, 8/24/2009;
- d) Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service, Section 21023.5, 4/13/2005;
- e) \$5000 Retired Death Benefit, Section 21623.5, 9/1/2000;
- f) 3% Annual Cost-of-Living Allowance Increase, Section 21335, 9/1/2000;
- g) Post-Retirement Survivor Allowance to Continue After Remarriage, Section 21635, 1/1/2000;

- h) Pre-Retirement Death Benefits to continue after remarriage of survivor, Section 21551, 1/1/2000;
- i) Additional Opportunity to Elect 1959 Survivor Benefits, Section 21583, 4/10/1998;
- j) 1959 Survivor Benefit Level 4, Section 21574, 7/25/1997;
- k) Unused Sick Leave Credit - Local Member, Section 20965, 12/26/1988;
- l) Military Service Credit as Public Service, Section 21024, 7/1/1976;
- m) Post-Retirement Survivor Allowance, Section 21624/21626, 4/1/1975;
- n) Prior Service, Section 20055, 2/1/1958.

In addition to the above provisions, the District adopted resolutions to PERS to provide tax-deferred employee contribution and service credit purchase (IRS Code Section 414 (h) (2)).

### **12.2 Deferred Compensation**

The District has two (2) Deferred Compensation Plans in which employees may participate:

- a) 457 Plan - Allows employees to specify a dollar amount to contribute toward retirement, up to an annual maximum. Employees may begin or stop contributions to this plan at any time.
- b) 401(a) Plan - Provides a one (1) time, irrevocable opportunity for employees to contribute a percentage (1% - 20%) of salary toward retirement, up to an annual maximum. Employees may also defer a percentage of vacation or management leave balances (1% - 20%) on an annual basis, and/or may defer a percentage (1% - 100%) of their final compensation.

The 401(a) Plan is also designed to accept the District's matching of employees' contributions. The District will match employees' contributions of up to \$1,750 per year in the 401(a) plan, on behalf of the employee, through December 31, 2025. Beginning January 1, 2026, the District will match employees' contributions of up to \$500 per year in the 401(a) plan, on behalf of the employee. The employee must make the contributions to the 457 plan in order to receive the District's matching contribution.

## **13.0 HEALTH AND INSURANCE PROGRAMS**

### **13.1 Medical Plans**

The District will make available health coverage under the CalPERS Health Benefits Program. Enrollment in one of the CalPERS Health Plans is mandatory unless an employee elects to waive coverage under Section 14.1(b) below. The same plan will cover both the employee and his/her eligible dependents pursuant to CalPERS Health Benefits Program eligibility requirements.

The District will implement a full Flex Cafeteria Plan, effective January 1, 2009, hereby referred to as the "Cafeteria Plan", for all eligible employees. Under the Cafeteria Plan, employees and their eligible dependents shall be eligible to receive flex dollar allowances to purchase qualified health care coverage.

- a) Premium Contribution:  
The District's contribution towards coverage under the Public Employees Medical and Hospital Care Act (PEMHCA) for each employee and eligible dependents shall be the Public Employees' Health Care Act (PEMHCA) Minimum Employer Contribution

(MEC) for coverage as determined by CalPERS on an annual basis. The flex dollar allowance under the District's Cafeteria plan shall include the MEC. Effective for plan year 2018, the flex dollar allowance shall be equal to the 2017 United Healthcare premiums at the respective eligibility levels.

The 2018 flex dollar allowance shall be:

Employee Only:	\$1,062.26
Employee Plus One Dependent:	\$2,124.52
Employee Plus Family:	\$2,761.88

The flex dollar allowance shall remain the same for plan year 2019.

The District shall cover the full premium cost of an employee's selected health plan up to the second most expensive HMO or PERS Choice plan offered by CalPERS Health Benefit Program in the Bay Area Region, whichever is greater, even if that amount exceeds the flex dollar allowance. Should the employee select a plan with a premium higher than the second highest cost HMO or PERS Choice, and the flex dollar allowance does not cover the full premium, the employee shall pay the difference.

**b) Dual Coverage Benefit:**

An employee and his/her eligible dependents who are eligible for coverage under the District's medical plan and who are covered by another medical plan, may elect to waive coverage under the District's medical plan by certifying the health coverage under another plan provides minimum value within the meaning of the Affordable Care Act and by signing a waiver of benefits form. Employees who waive coverage will receive a flex dollar allowance. Effective for plan year 2018, the flex dollar allowance will be the equivalent to one-half (1/2) of the 2017 CALPERS Bay Area Kaiser premium amount for which the employee is eligible, as follows:

Employee Only:	\$366.70
Employee Plus One Dependent:	\$733.39
Employee Plus Family:	\$953.41

The dual coverage benefit flex dollar allowance shall remain the same for plan year 2019.

The flex dollar allowance for employees who waive coverage, shall be payable to an employee on a monthly basis as long as all of the following requirements are met: a) the employee remains employed by the District; b) the employee provides annual confirmation of continued coverage under another medical plan, and c) employee completes a waiver of benefits form. If at any time the employee enrolls in the medical coverage offered by the District, the employee will cease to receive a payment for waiving coverage on the date the medical coverage under the District's Plan becomes effective.

**c) Employee Medical Contribution:**

Employees will contribute 1.05% of salary toward the cost of their medical benefits.

### **13.2 Group Dental Plan**

A comprehensive dental care program is made available to eligible employees and their dependents under the District's Cafeteria Plan. Participation is mandatory for the employee and all eligible dependents.

The District will contract with a dental insurance carrier to provide a Dental PPO option. The current monthly premium costs will be paid by the District for both the employee and his/her eligible dependents, and become part of the monthly flex dollar allowance available to eligible employees under the District's Cafeteria Plan.

Premium increases for the duration of this Agreement will be borne by the District. Dental benefits will be paid in accordance with the provisions of the dental carrier's insurance policy. The District agrees to maintain the current scope and level of benefit or seek mutually acceptable alternatives for the duration of this Agreement.

### **13.3 Group Vision Care Plan**

The District will provide Vision Service Plan with \$10 deductible for employee and dependents, with the premium to be fully paid by the District. The District will continue to provide a vision plan for eligible employees and their dependents. The current monthly vision premium costs will be paid by the District for both the employee and his/her eligible dependents, and become part of the monthly flex dollar allowance available to eligible employees under the District's Cafeteria Plan. Participation is mandatory for the employee and all eligible dependents. Premium increases for the duration of this Agreement will be borne by the District. The District agrees to maintain the current scope and level of benefit or seek mutually acceptable alternatives for the duration of this Agreement.

### **13.4 Group Basic Life Insurance**

Group life insurance is provided by the District at no cost to employees. The life insurance benefit is equal to 1.5 times the employee's annual base earnings, rounded up to the next \$1,000, up to a maximum of \$250,000. The District also provides no-cost dependent life insurance for all employees with eligible dependents. The dependent life insurance benefit is equal to \$1,000 for the spouse, registered domestic partner and each eligible child of the employee. Benefits are paid in accordance with the provisions of the life insurance policy.

Eligible employees may purchase supplemental life coverage for the employee only, spouse and/or child, as follows:

**Employee:** \$10,000 to a maximum of \$500,000, in \$10,000 increments, not to exceed 5 times basic yearly earnings.

**Spouse or Domestic Partner:** \$10,000 to a maximum of \$500,000, in \$5,000 increments, not to exceed the employee's amount of supplemental life coverage.

**Child (from birth but less than 6 months of age):** \$1000

**Child (6 months but less than 26 years of age):** \$2,000 to a maximum of \$10,000, in \$2,000 increments.

### **13.5 Group Accidental Death and Dismemberment Insurance Plan**

The District provides Accidental Death and Dismemberment (AD&D) insurance for each eligible employee in an amount equal to the employee's annual salary, up to a maximum of \$150,000. In addition, the District pays for AD&D coverage for the spouse, eligible

domestic partner or child of each employee. Benefits are paid in accordance with the provisions of the AD&D insurance policy.

Eligible employees may purchase supplemental AD&D coverage for the employee only, spouse and/or child, as follows:

Employee: \$10,000 to a maximum of \$500,000, in \$10,000 increments.

Spouse or Domestic Partner: \$10,000 to a maximum of \$500,000, in \$5,000 increments, not to exceed the employee's amount of Supplemental AD&D coverage.

Child (from birth but less than 6 months of age): \$1000

Child (6 months but less than 26 years of age): \$2,000 to a maximum of \$10,000, in \$2,000 increments.

Premium increases for supplemental coverage selected by the employee will be borne by the employee. Premium increases for basic employee coverage will be borne by the District. Any premium decreases under the supplemental AD&D coverage program will be passed on to the employee. Benefits are paid in accordance with the provisions of the AD&D life insurance policy.

### **13.6 Long Term Disability Income Insurance**

The District provides a wage continuation plan for long-term illness or injury. The premium amount is completely paid for by the District. After a waiting period of ninety (90) consecutive days, eligible employees may receive up to two-thirds of their base salary (not to exceed \$15,000 monthly). Long Term Disability (LTD) income benefits are paid for the duration of your disability or to the maximum period of payment in accordance with the provisions of the LTD insurance policy. Premium increases for the wage continuation plan will be borne by the District.

### **13.7 Short Term Disability**

The District provides Short Term Disability coverage of 66 2/3% of weekly earnings for up to 12 weeks with a maximum weekly benefit of \$2,350. This coverage is provided at no cost to the employee. Benefits are paid according to the provisions of the Short Term Disability insurance policy.

### **13.8 Retiree Health Insurance**

The District will make available health plan coverage for eligible retirees and eligible dependents, or surviving spouse or registered domestic partner pursuant to CalPERS Health Benefits Program eligibility requirements. The District's contribution for retiree coverage shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

#### **a) Longevity Payments for Employees Hired Before August 1, 2002:**

The District shall make a longevity payment on a monthly basis into a Retiree Health Care Trust (Retiree HRA Trust) for employees hired before August 1, 2002, who retire from the District and enroll in the District's retiree healthcare plan (CalPERS Health Benefit Program – PEMHCA). The District's longevity payment into a retiree's Retiree HRA Trust shall be equal to: the difference between the MEC and the cost of enrollment of the retiree and his/her family members (if applicable) in their selected eligible Basic medical plan capped at the greater of the highest cost Basic Health Maintenance Organization (HMO) or PERS Choice plan offered by the CalPERS Health Benefit Program in the Bay Area Region. If the retiree and/or surviving spouse or

registered domestic partner are age 65 and/or entitled to Medicare, the District's longevity payment shall be equal to the difference between the MEC and the cost of enrollment, of the retiree and eligible dependents, or the surviving spouse or surviving registered domestic partner in their selected eligible Medicare/Combination Medicare plan capped at the greater of the appropriate highest cost Medicare/Combination HMO or PERS Choice plan offered by the CalPERS Health Benefit Program in the Bay Area Region.

The District shall make longevity payment contributions into a retiree's Retiree HRA Trust Account for the duration of the retiree's life and that of their eligible surviving spouse or surviving registered domestic partner and/or qualified dependent children as determined by PEMHCA. The District shall cease to make contributions into a retiree's Retiree HRA Trust Account upon the retiree's death if the retiree does not have a surviving spouse, state registered domestic partner, or eligible dependent(s), or upon the surviving spouse, state registered domestic partner's, or eligible dependent(s) death if these should succeed the retiree or earlier, on the date the surviving spouse, state registered domestic partner's or eligible dependent(s) cease to be eligible participants in the CalPERS Health Benefit Program (PEMHCA).

**b) Longevity Payment for Employees Hired On or After August 1, 2002 through December 31, 2008:**

The District shall make a longevity payment on a monthly basis into a Retiree Health Care Trust (Retiree HRA Trust) for employees hired on or after August 1, 2002, who retire from the District and enroll in the District's retiree healthcare plan (CalPERS Health Benefit Program – PEMHCA). The District's longevity payment for employees hired on or after August 1, 2002, who retire from the District, shall be based on the employee's completed years of credited service with the District and CalPERS as described in Section 14.7c.

The District's longevity payment shall be a percentage of the premium cost of coverage calculated based on the years of service of an employee with the District and CalPERS. The premium cost shall either be equal to the MEC or to the difference between the MEC and the cost of enrollment of the retiree and his/her family members (if applicable), or surviving spouse or state registered domestic partner in their selected eligible Basic medical plan capped at the greater of the highest cost Basic HMO or PERS Choice plan offered by the CalPERS Health Benefit Program in the Bay Area Region. If the retiree and/or surviving spouse or registered domestic partner are age 65 and/or entitled to Medicare, the District's longevity payment shall either be equal to the MEC or to the difference between the MEC and the cost of enrollment of the retiree and eligible dependents, or the surviving spouse or surviving registered domestic partner in their selected eligible Medicare/Combination medical plan capped at the greater of the appropriate highest cost Medicare/Combination HMO or PERS Choice plan offered by the CalPERS Health Benefit Program in the Bay Area Region.

**c) Longevity Payment Schedule:**

For the purpose of determining the District's longevity payment towards a retiree's Retiree HRA Trust account; years of credited service shall mean: a minimum of ten (10) years of service with a California PERS participating agency(ies) ,and a minimum of five (5) years of service, of the ten (10) years of service must be performed exclusively for the District.

Credited Years of Service	District Longevity Payment (Percentage of Premium Cost)
1-9 .....	MEC
10 .....	50
11 .....	55
12 .....	60
13 .....	65
14 .....	70
15 .....	75
16 .....	80
17 .....	85
18 .....	90
19 .....	95
20 or more .....	100

Employees who retire for disability are considered fully vested annuitants entitled to the full employer health benefit contribution equivalent to 100% of the cost of coverage under their selected eligible plan capped at the greater of the highest cost Basic HMO or PERS Choice plan in the Bay Area Region, or when applicable the greater of the appropriate highest Medicare/Combination HMO or PERS Choice Plan offered by the CalPERS Health Benefit Program in the Bay Area Region.

The District shall make longevity payment contributions into a retiree’s Retiree HRA Trust Account for the duration of the retiree’s life and that of their eligible surviving spouse or surviving state registered domestic partner and/or qualified dependent children as determined by PEMHCA. The District shall cease to make contributions into a retiree’s Retiree HRA Trust Account upon the retiree’s death if the retiree does not have a surviving spouse or state registered domestic partner, or eligible dependent(s), or upon the surviving spouse or registered domestic partner’s or eligible dependents(s) death if these should succeed the retiree or earlier, on the date the surviving spouse, state registered domestic partner’s or eligible dependent(s) cease to be eligible participants in the CalPERS Health Benefit Program (PEMHCA).

**d) Longevity Payment for Employees hired on or after January 1, 2009 through December 31, 2018:**

The District shall make a longevity payment on a monthly basis into a Retiree Health Care Trust (Retiree HRA Trust) for employees hired on or after January 1, 2009, who retire from the District and enroll in the District’s retiree healthcare plan (CalPERS Health Benefit Program – PEMHCA). The District’s longevity payment for employees hired on or after January 1, 2009, who retire from the District, shall be based on the employee’s completed years of credited service with the District as described in Section 14.7e.

The District’s longevity payment shall be a percentage of the premium cost of coverage calculated based exclusively on the years of service of an employee with the District. The premium cost shall either be equal to the MEC or to the difference between the MEC and the cost of enrollment of the retiree and his/her spouse/state registered domestic partner or child (if applicable), or surviving spouse or registered domestic partner in their selected eligible Basic medical plan capped at the lesser of the lowest



cost Basic HMO or PERS Choice plan offered by the CalPERS Health Benefit Program in the Bay Area Region. If the retiree and/or surviving spouse or registered domestic partner are age 65 and/or entitled to Medicare, the premium cost shall either be equal to the MEC or to the difference between the MEC and the lesser of the cost of enrollment of the retiree and eligible spouse/state registered domestic partner or child, or the surviving spouse or surviving state registered domestic partner in their selected eligible Medicare/Combination medical plan capped at the lesser of the appropriate lowest cost Medicare/Combination HMO or PERS Choice Plan offered by the CalPERS Health Benefit Program in the Bay Area Region.

**e) Longevity Payment Schedule :**

For the purpose of determining the District’s longevity payment towards a retiree’s Retiree HRA Trust account, years of credited service shall mean the employee’s years of service with the District, as follows:

Credited Years of Service with the District Cost	District’s Longevity Payment Percentage of Premium
0 – 9 years	MEC
10 – 14 years	25%
15 – 19 years	50%
20 – 24 years	75%
25+ years	100%

Employees who retire for disability are considered fully vested annuitants entitled to the full employer health benefit contribution equivalent to 100% of the cost of coverage under their selected eligible plan capped at the lesser of the lowest cost Basic HMO or PERS Choice plan in the Bay Area Region, or when applicable, the lesser of the appropriate lowest cost Medicare/Combination HMO or PERS Choice Plan offered by the CalPERS Health Benefit Program in the Bay Area Region.

The District shall cease to make contributions into a retiree’s Retiree HRA Trust Account upon the retiree’s death if the retiree does not have a surviving spouse, state registered domestic partner, or eligible dependent(s), or upon the surviving spouse or state registered domestic partner’s or eligible dependent(s) death if these should succeed the retiree, or earlier, on the date the surviving spouse, state registered domestic partner’s or eligible dependent(s) cease to be eligible participants in the CalPERS Health Benefit Program (PEMHCA).

**f. Retiree Health Savings Account – for employees hired on or after January 1, 2019**

The District will implement a Defined-Contribution Retiree Health Benefit Plan, effective for all MCP employees hired on or after January 1, 2019. The District will utilize a Retiree Health Savings Account (RHSA) or similar type vehicle. The District’s annual contributions to each eligible employee’s account will be as follows:

Date of hire through completion of probation	-	0%
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Completion of Trial Period through separation of service - 2.0% of \$120,000 (equivalent of approximately \$1,200 annually), plus \$25.00/annually

The District will pursue implementation of the RHSA or similar type vehicle, to be effective once contributions are required to be made.

**13.9 Retiree Dental and Vision Insurance**

Retired employees and their eligible dependents will be provided with dental insurance and vision care insurance. Employees hired on or after August 1, 2002, must have fifteen (15) years of service with the District and be minimum age fifty (50) at retirement in order to receive this retiree dental and vision benefit.

Employees hired on or after April 1, 2009, shall not be eligible to participate in the District's retiree vision or dental plan upon their retirement from the District.

**13.10 Retiree Life Insurance**

Upon retirement, at whatever age, the then current Group Life Insurance Plan will be reduced to a flat \$4,000 benefit for the retiree. The benefit will not terminate until the claim is incurred. The District will pay the full cost of the Retiree Life Insurance. Employees hired on or after April 1, 2009, shall not be eligible for retiree life insurance.

**13.11 Survivors' Health Care Benefits**

The District will make available health plan coverage for the eligible survivor and eligible dependents of a retiree pursuant to CalPERS Health Benefits Program eligibility requirements.

**13.12 Survivors' Dental and Vision Benefits**

Dental and vision care coverage for eligible survivors and dependents of an M/C/P retiree will be provided by the District, subject to the following qualifications:

- a) The surviving spouse must have been married to the employee (or in a registered domestic partnership with the employee) for at least one year prior to the employee's retirement date, and must be a PERS Annuitant.
- b) Coverage will cease if survivor remarries or re-registers as a domestic partner.
- c) Benefits will not be provided for a survivor who is eligible for coverage under another plan.
- d) The retiree must have been employed by the District at the time of retirement.
- e) Survivors must meet requirements of the insurance carrier.
- f) To be eligible, employees must have been employed by the District prior to April 1, 2009 and have 15 years of District service at the time of retirement in order to receive this Survivor's Continuance Benefit.

If the survivor was the spouse of an ACTIVE employee; additionally:

- a) The deceased employee must have been eligible for retirement at the time of death.
- b) The employee must have been employed by the District prior to April 1, 2009 and have fifteen (15) continuous years of District service with ACWD at the time of death.

**14.0 TAX SAVINGS PLAN**

The District provides a tax savings plan for employee dependent care and out of pocket medical costs, as provided under Internal Revenue Code Section 125.

ALAMEDA COUNTY WATER DISTRICT

By: /s/ Robert Shaver  
Robert Shaver  
General Manager

## Exhibit A Performance Based Pay Program – Work Plan Document

### PERFORMANCE WORK PLAN

Name: \_\_\_\_\_

Fiscal Year: \_\_\_\_\_

Measure	Target	Implementation Goal	Status				FY Goal Met?	Remarks
			Q1	Q2	Q3	Q4		
1 Customer Disruptions	Sustain fewer customer unplanned disruptions per 1,000 active services on an annual basis than the 2011 AWWA median survey data. Unplanned disruptions are broken into 0-4 hours in duration, 4-12 hours in duration, and more than 12 hours in duration.  Annual Targets (2011 AWWA Median) 0-4 hrs: 7.5 disruptions/1,000 svc 4-12 hrs: 1.5 disruptions/1,000 svc +12hrs: 0.5 disruptions/1,000 svc	Annual					Y	Q1: Collecting data
2 Primary state drinking water regulations	Meet or surpass all primary state drinking water regulations 100% of the time.  The following specific initiatives will be completed in FY 2014/15: 1) Prepare, review and submit SWRCB DDW monthly reports, assess quarterly. 2) Review and affirm established treated water objectives, by Q2. 3) Conduct water quality monitoring and produce the 2014 CCR, by Q4. 4) Implement strategies to improve distribution system water quality, including a review and update to current nitrification control plan and practices, by Q4	Continuous					Y	Q1: Regulations continue to be met, monthly reports submitted on-time.
3 Cost of Production	Maintain on an annual basis, a lower unit cost of treated water production (per million gallons of water produced) than the 75th percentile for the West Region of the U.S. of the 2011 AWWA Benchmarking Performance Indicators.  The 2011 AWWA Benchmarking Performance Indicators for Water Utilities are as follows: Region (Western United States) - 25th percentile (\$17) per MG, Median (\$312 per MG), and 75th percentile (\$531 per MG).  For reference, the unit cost of treated water production will also be compared to the budgeted annual composite unit cost for the District's four production facilities.	Annual	Info not available				Y	Q1: Not yet evaluated, pending development of new budget reports.

Overall Rating \_\_\_\_\_ Rating Key: 5 - Superior (All Goals Met/Exceeded)  
4 - Highly Effective (Majority of Goals Met/Exceeded)  
3 - Effective (Half of Goals Met/Exceeded)  
1 - 2 - Inadequate (Less than Half of Goals Met/Exceeded)