

**MEMORANDUM OF UNDERSTANDING
BETWEEN
CABAZON WATER DISTRICT
AND
SERVICE EMPLOYEE'S INTERNATIONAL UNION
(SEIU Local 721)**

July 1, 2007 Through June 30, 2010

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This Memorandum of Understanding ("MOU") entered into July 1, 2007, is by and between the Cabazon Water District, hereinafter referred to as the "District" and the Service Employee's International Union hereinafter referred to as "SEIU Local 721."

ARTICLE 1

Recognition

The District hereby recognizes SEIU Local 721 as the sole and exclusive bargaining agent for the following classifications:

Customer Account Representative

Customer Service Representative (part-time)

Water Distribution Tech II

Water Distribution Tech I

Waste Water Tech II

Waste Water Tech I

Water Treatment Tech II

Water Treatment Tech I

Field Operations,II

Field Operations I

Field Crew II - Full Time

Field Crew I - Part Time

Should additional classifications be added during the term of this agreement, the District and SEIU Local 721 shall meet to ascertain if added classifications should be included in the bargaining unit.

ARTICLE 2

Management Rights

SEIU Local 721 recognizes that the District retains the right, responsibility and authority to manage and direct, on behalf of the public, all of the operations and activities of the District to the full extent authorized by law. All direction of bargaining unit employees will go through the General Manager.

It is agreed that such reserved rights include, but are not limited to, the District's Board of Directors' ("Board") sole right to manage the District and direct the work of its employees; to determine the level, means and kinds of services provided; to determine the staffing patterns and the number of kinds of personnel required; to determine its organization; to determine assignment and location thereof; to determine performance standards; to decide on the building, location or modification of a facility; to determine the budget and methods of raising revenue; to determine District objectives and policies; to determine the time and hours of operation of District facilities to maintain order and efficiency; to determine rules applicable to employees; to hire, assign, evaluate, promote, discipline, layoff and transfer employees. All other rights of management not expressly limited by the clear and explicit language of this Agreement are also expressly reserved to the District even though not enumerated above. The exercise of any right reserved to the District herein in a particular manner or the non-exercise of any such right shall not be deemed a waiver of the District's right or preclude the District from exercising the right in a different manner. The right to determine or decide any of the foregoing shall also include the right to implement, supplement, change, modify or discontinue, in whole or in part, temporarily or permanently, in any of such areas.

Any dispute arising out of or in any way connected with either the existence of or the exercise of any of the rights of the District set forth above, or any other rights of the District not expressly limited by the language of this MOU, is not subject to the Grievance Procedure contained in this MOU.

The District retains the right to amend, modify, or rescind policies and practices set forth in this MOU in cases of emergency. An emergency is a sudden, generally unexpected occurrence or occasion requiring immediate action that affects District facilities or equipment or otherwise involves an act of God or specific governmental order requiring the District to take certain action or refrain from taking certain action.

ARTICLE 3

Employee Rights

Employees shall be free from restraint, intimidation and coercion as a result of the exercise of their rights as guaranteed by this agreement.

ARTICLE 4

Discrimination

The provisions of this agreement shall apply to all persons covered by this agreement without discrimination on account of sex, race, color, political affiliation, age, national origin, creed, physical disability, marital status, or sexual orientation, nor will there be discrimination in respect to hiring and retention, or any condition of employment because of membership in, or activities on behalf of SEIU Local 721.

ARTICLE 5

Agency Shop

Employees shall, as a condition of continued employment with the District, be required to maintain payroll deductions for SEIU Local 721.

All newly hired employees shall, at the time of employment, agree to become members of SEIU Local 721 no later than thirty (30) days subsequent to such hiring date.

Present employees shall, as a condition of continued employment, be required to become members of SEIU Local 721 no later than thirty (30) days subsequent to the signing of this agreement.

Should an employee demonstrate a religious objection to membership, he/she shall be required to pay an amount equivalent to SEIU Local 721 dues to one (1) of three (3) charities established by the parties to this MOU.

POLITICAL ACTION COMMITTEE: The employee may have deducted from the employee's pay the sum indicated on the deduction authorization from each regular paycheck and forward that amount to the (SEIU COPE PCC). This authorization is voluntary.

ARTICLE 6

Union Access

6.1 The District shall notify the Union of new employees within seven (7) calendar days of the date of hire. The District will provide the Union with the employee name, department/ section, the employee's hours of work and the employee's status as a full-time, part-time or on-call employee.

6.1.1 Either the Union or the District will provide new Union employees a copy of the MOU.

6.1.2 A Union representative will be permitted to provide enrollment information during New Employee Orientation or from the first date of hire.

6.2 Released time from scheduled work for negotiations of an MOU will be allowed. The District will authorize one (1) employee member to participate in negotiations without loss of compensation for up to two (2) hours before and two (2) hours after a designated negotiation session. Negotiations include caucus time and travel time if away from the work site.

6.3 The District agrees to furnish bulletin boards to be used by the Union.

6.4 The Union Representative shall have access to all working areas during work hours upon twenty-four (24) hours' advance notice to the General Manager.

ARTICLE 7

Work Schedules/Hours

7.1 Work Schedules and Hours

The workweek shall consist of one hundred sixty-eight (168) consecutive hours. The workweek commences at 00:00 AM Monday and runs through 11:59 PM the following Sunday. The standard workweek consists of four (4) ten-hour (10) work periods, or five (5) eight (8) hour days totaling forty (40) hours. The District's normal operating schedule is set forth in the 4/10 work schedule agreed upon with the General Manager. Employees may work a four-day ten-hour work schedule (Monday through Thursday) upon agreement between the General Manager and all affected employees. District office hours shall be from 8:30 a.m. until 5:00 p.m. Lunches for office employees may be staggered so that the office does not close.

The summer schedule for all classifications except Administrative Clerk and Customer Account Representative shall begin March 1 each year and shall end September 30 each year. The workday for employees on the summer schedule will begin at 6:00 a.m. and, absent emergencies, end at 2:30 p.m.

Daily Time - A time card shall be maintained daily by each employee and kept by the Administrative Clerk or designee in the District office.

The General Manager may, at his or her discretion, alter the term of any employee's working schedules and hours upon two (2) hours' notice.

7.2 Holiday Pay Schedules

Regular, full-time employees required to work on holidays shall be paid at a rate of one and one-half (1 ½) times their regular hourly rate for all hours worked plus eight (8) hours at the employee's regular rate of pay for the holiday.

ARTICLE 8

Compensatory Time

Employees who accrue overtime pay as established in Article 8 may be eligible for compensatory time. Subject to the approval of the General Manager, employees may elect to take time off in lieu of recovering overtime pay. An employee who requests and is approved for compensatory time off in lieu of overtime is entitled to one and one-half (1 ½) hours of compensatory time off for each hour for which he or she would otherwise be entitled to overtime pay. Compensatory time accrued may not exceed sixty (60) hours at any one time.

Compensatory time off shall be scheduled by mutual agreement of the employee and the General Manager based upon the needs of the District. Compensatory time off must be used in a minimum of one (1) hour increments. Additionally, compensatory time off may be used in combination with vacation time, sick leave, and/or personal necessity. Other leave time (i.e., vacation, sick leave, personal necessity) cannot be converted to compensatory time.

ARTICLE 9

Overtime

Employees will be compensated at the rate of time and one-half (1 ½) their standard hourly wage rate for all hours worked in excess of twelve (12) hours in a normal work day, and/or all hours worked in excess of forty (40) in a normal week.

ARTICLE 10

Call Out Time

Employees shall be paid a minimum of three (3) hours when being called out to work at other than his/her regular shift. All call out will be paid at the rate of one and one-half (1 ½) times the employee's regular rate of pay. Travel mileage per private vehicle will be forty-eight and one-half (\$0.485) cents or IRS, rates whichever is higher per mile, with Board Approval.

ARTICLE 11

Equitable Distribution of Call Out Overtime

There will be equitable distribution of call out overtime, as long as the employee is properly certified for the nature of the work.

ARTICLE 12

Performance Evaluation

You will have the opportunity to review your job performance with your supervisor. The evaluation of job performance normally highlights significant accomplishments and areas where improvement is needed. Your performance evaluation should be viewed as a constructive device. These evaluations are intended to be a measurement of your job progress. Those employees with an overall satisfactory rating or better may be eligible to receive a merit step increase within the applicable pay range.

Some key factors considered in your performance evaluation might be:

- The quantity and quality of your work;
- Your cooperation and commitment in meeting Company goals;
- Your dependability;
- Your attendance and punctuality;
- Your flexibility and ability to learn and adapt to different work requirements and work environments.

Your supervisor will discuss your written performance evaluation with you, indicating the reasons why you were rated as you were; why you did or did not receive an increase; and if applicable, point out ways for you to improve your performance in the future. You will be required to sign your evaluation form indicating that you have received a copy of it, and the original copy then becomes a part of your personnel file. Performance evaluations are not subject to appeal or the grievance procedure. However, you may submit a written response to your evaluation that will be attached to and included with the evaluation and placed in your personnel file.

Performance evaluations are not subject to appeal or grievance procedure unless the employee receives an unsatisfactory evaluation.

An employee may submit a written response to his or her evaluation that will be attached and included with the evaluation and placed in the employee's personnel file.

Please feel free to discuss your job or your performance with your supervisor or department head at any time.

Generally, you will receive a performance evaluation after ninety (90) days from date of hire and six (6) months from date of hire and annually thereafter.

The initial date for the performance evaluation is determined by the date you report to work, and not your date of hire. Each time you receive a promotion, transfer, or a step increase, your Anniversary Date will be adjusted accordingly for evaluation purposes.

ARTICLE 13

Classification of Employment

Regular Full-Time Employee - An employee who has satisfactorily completed the probationary period and is regularly assigned to work thirty-two (32) or more weekly. Regular full-time employees are eligible for all benefits.

Part-Time Employee - An employee who is regularly assigned to work less than thirty-two (32) hours weekly. A part-time employee is ineligible for any employee benefits except for those mandated by state and federal law.

Temporary Employee - An employee who works on a periodic basis, with a limited scope of duration. Temporary employees are ineligible for any employee benefits except for those mandated by state and federal law. A temporary employee shall be limited to thirty (30) days. Temporary employees may be dismissed by the District at any time with or without cause. **Probationary Employee** - All new, rehired or promoted employees are on probation for the first three one hundred eighty (180) calendar days of their employment. The General Manager may terminate any employee on a probationary status with or without cause and with or without notice. During the probationary period, new or rehired employees will not be eligible for any employee benefits including, but not limited to, vacation, sick leave, bereavement leave, or District designated holidays. Before an employee leaves a probationary status, he or she must receive a satisfactory or better rating in his or her written evaluation conducted by the General Manager. At the General Manager's discretion, the length of any employee's probationary period may be extended up to an additional one hundred eighty (180) days.

ARTICLE 14

Nepotism

Employment of Relatives (Nepotism)

It is the policy of the District not to discriminate in its employment practices. Notwithstanding these provisions, the District shall not place a relative, spouse or registered domestic partner under the direct supervision of a related employee or to place him or her in the same department or facility where such a situation has the potential for creating an adverse effect on supervision, safety, security. The District reserves the right to apply this policy to other relationships that create a conflict of interest or have an adverse effect on supervision, safety and security.

This provision does not apply to employees who are employed by the District as of July 1, 2006.

ARTICLE 15

Promotions

When the District has an opening in a classification above the entry level, notice shall be posted in the District Office, five (5) days prior to filling the position. Positions shall be filled on the following basis:

1. Ability to perform in the vacant position, as determined by the District in its sole discretion.
2. Where the District considers ability to perform between two candidates to be equal, preference shall be given to personnel having the appropriate certification for the position to be filled.
3. When the District has established all factors equally, seniority shall be the final consideration.

A regular or part time employee elevated in classification shall serve a six (6) month probationary period in his or her newly acquired position. Regular status will be dependent on the job performance evaluation which will occur at the end of the probationary period. An employee who does not successfully complete the probationary period in the new position will be returned to the position from which he or she came. If the employee's original position has been filled, the replacement employee will be bumped from that position.

District reserves the right to hire outside the present work force in the event management concludes that present personnel do not have the qualifications to fill said position.

ARTICLE 16

Layoff and Recall

Should the District be required to reduce the work force for any reason, the following shall be the lay off procedure:

1. Temporary employees within the affected classification shall be laid off first.
2. Part-time employees based on seniority.
3. Should a further reduction be necessary, full time probationary employees within the affected classification shall be laid off next.

Recall to work shall be in reverse of order of layoff.

The District shall notify an employee of their intention to lay him/her off at least ten (10) working days prior to the date the layoff is to take effect.

Seniority is defined as total hours worked from the date of hire.

ARTICLE 17

Grievance Procedure

A grievance is any alleged violation, or major difference of opinion, as to the interpretation or application of personnel policies and practices, or the application of any negotiated agreement, or any law, rule or regulation governing personnel matters, but only applies to disciplinary actions as set forth in Article 18.

An employee is entitled to representation in the preparation and presentation of his grievance at any step in the grievance procedure. The grievant is entitled to be released from work for a reasonable period of time in order to present the grievance.

An employee and any representative will be unimpeded and free from restraint, discrimination, interference, or reprisal in seeking appropriate adjustment of a grievance.

Step 1: In the event the problem is not resolved through informal discussion, the grievance shall be reduced to writing, and submitted to the General Manager. Upon receipt of a written grievance, the General Manager shall meet with the employee and his/ her representative. The General Manager shall render a written decision no later than three (3) days after the Step 1 meeting. Failure of the General Manager to respond within three (3) days shall be deemed a denial of the grievance. In such event, the employee's time period to advance the grievance shall begin.

Step 2: Should the grievance not be resolved in Step 1, it may then be appealed to the Personnel Committee of the Board of Directors within three (3) days. The Personnel Committee shall meet with the grievant, and his representative, within ten (10) days of submission for review, and render a written decision ten (10) days thereafter. The Personnel Committee's decision shall be the District's final administrative determination on the matter being grieved.

Step 3: If the grievant is not satisfied with the disposition of the grievance at Step Two, the grievant may request that the Union submit the grievance to binding arbitration.

1. The Union shall have the exclusive authority to determine whether a grievance shall be taken to arbitration. If the Union elects to proceed, it must so request in writing to the Board within fifteen (15) working days after the Step Two decision was or should have been rendered.

2. In the event the parties are unable mutually to agree upon an arbitrator, they shall request a panel of seven (7) names be submitted to both parties by the California State Conciliation Service. Upon receipt of the list of names, the parties shall alternately delete names from the list until only one remains, and said last named shall be selected, as the arbitrator.
3. The arbitrator's decision shall be final and binding upon the parties hereto, and shall be in writing and shall set forth his findings of fact, his reasoning's, conclusions and remedy. The arbitrator's authority shall be limited to deciding the issues submitted by the parties.
4. All costs for the services of the arbitrator, including but not limited to, per diem expenses, travel and subsistence expenses, a transcript and the cost of any hearing room will be borne equally by the Union and the District. All other cost will be borne by the party incurring them.

The processing of a grievance beyond Step Two shall constitute a clear and express election on the part of the grievant that the Grievance/Arbitration Procedure is the exclusive remedy for resolving the issues contained in the grievance and shall constitute a clear and express waiver of rights to utilize any other legal or administrative forum. While the decision of the arbitrator herein is final and binding, nothing in this agreement shall preclude the parties from seeking to confirm, vacate or correct the arbitrator's award pursuant to California Code of Civil Procedure.

ARTICLE 18

Progressive Discipline

18.1 Discipline Steps. With the exception of offenses or performance problems requiring more stringent or immediate action, employees shall be disciplined as follows:

1. First-time offenders shall generally be counseled and given a verbal warning. A verbal warning shall be documented.
2. Should the misconduct continue, a written warning will be issued the employee and placed in his or her personnel file, along with notification that further misconduct could be grounds for more severe disciplinary action. The written warning shall be signed and dated by the employee. If the employee refuses to sign the warning, another supervisor should be immediately brought in and asked to witness that the employee has seen, but refuses to sign, the warning.
3. If, after 1 and 2, the employee still persists in the conduct giving rise to the disciplinary action, the District may take whatever action it deems appropriate up to and including discharge.

The District reserves the right to deviate from this policy when the circumstances warrant such a deviation. Immediate termination for one offense may therefore occur where it is deemed appropriate in the District's sole discretion.

Progressive discipline is not applicable to staff reductions and layoffs.

18.2 Disciplinary Actions Not Subject to Notice and Hearing Procedures. The following disciplinary actions may be taken against any employee of the District without compliance with the procedures set forth in this Section 18, but such actions may be reviewed in accordance with the grievance procedures, up to step 1, set forth in Article 17:

1. Reprimand, which may be oral or in writing, or both;
2. Suspension for up to two (2) days without pay;
3. Change in working hours;
4. Reassignment not entailing a salary reduction or demotion.

18.3 Causes for Disciplinary Action. The following is a non-exhaustive list of actions that may subject an employee to discipline:

1. Unauthorized or excess absence or tardiness;
2. Failure to report absences from work or failure to return immediately from authorized leave;
3. Failure to follow the instruction of a proper authority;
4. Disorderly conduct on District premises or while on duty elsewhere, such as, but not limited to, fighting and use of threatening or abusive language;
5. Possession, use, receipt, distribution, or being under the influence of an alcoholic beverage or drug;
6. Falsifying or altering District records, including, but not limited to, employment, medical, or paycheck records, job cards, requests for employee benefits, and permitting one's time card to be recorded by another employee;
7. Unauthorized possession of, or harm to, District or personal property;
8. Dishonesty of any type;
9. Violation of safety rules;
10. Unauthorized removal of District documents, records or other property;
11. Immoral or indecent conduct;

12. Negligent or careless performance of duties;
13. Failure to maintain proper standards of efficiency, workmanship, or production;
14. Unauthorized posting of any literature, poster, handbill, petition, or any other notice on District property;
15. Failure to observe work schedules or assignments;
16. Unauthorized personal use of District phone or other District property;
17. Unauthorized departure from job, department or District premises;
18. Engaging in or failure to withdraw from outside activities or interests which conflict with, detract from, or adversely affect the interest of the District;
19. Loitering or sleeping on the job;
20. Gambling on District premises or while on duty elsewhere;
21. A personal appearance or mode of dress that is unconventional to the point of being detrimental to the business environment of the District; and
22. Allowing unauthorized individuals to travel in District vehicles.

All violations shall be documented on employee evaluations.

Unless otherwise excluded, all disciplinary actions shall be subject to the grievance procedure.

18.4 Disciplinary Procedures for Regular Employees. To ensure that all regular employees are fairly treated when subjected to disciplinary action (i.e., suspensions without pay for more than two (2) days, demotions, dismissals), this section sets forth the procedure for taking such action.

18.4.1 Notice of Proposed Action. Before dismissing or otherwise disciplining a regular employee, the District shall deliver to the employee a written notice of its intention to dismiss or otherwise discipline the employee. Such notice shall be personally delivered on the employee or sent by registered or certified mail to the employee's place of residence as last shown on the District's records. The notice shall be served on or mailed not less than seven (7) calendar days prior to the effective date of the proposed disciplinary action and shall contain the following:

- (a) The type of discipline proposed and the effective date thereof.

(b) The charges upon which such action has been proposed and the reasons why such action is being taken.

(c) If such charges are based in whole or in part upon documents or materials, the notice shall inform the employee of this fact, and shall inform the employee of the location of such documents or materials. If available and subject to duplication, copies of such documents and materials shall be furnished to the employee with the notice.

(d) A time and date by which the employee may respond to the charges, orally or in writing, which date shall not be less than seven (7) calendar days after the notice is served on or mailed to the employee, whichever occurs first.

18.4.2 Response of the Employee. The employee shall have the right to respond, either orally, in writing, or both, no later than the time and date provided to the employee in the notice to the employee. The time for response may be extended by the General Manager for a reasonable period if the General Manager determines it to be necessary to provide the employee with a fair opportunity to answer the charges made. Any extension must be communicated to the employee in writing. Written responses shall be delivered to the General Manager within the time allowed to respond or said right shall be waived. If the employee desires to make an oral response, the employee shall give written notice to the General Manager of this fact at least two (2) calendar days before the time and date stated in the notice for the expiration of the time to respond. Failure of the employee to give such notice shall constitute a waiver of any right to present an oral response.

18.4.3 Oral Response. If the employee gives the notice provided for in Section 18.4.2, the oral response of the employee shall be presented to the General Manager. At the time of the employee's oral response, the employee shall have the right to be represented by a representative of his or her choice.

18.4.4 Determination by General Manager. Upon expiration of the time period set forth in the District's notice to the employee, the General Manager shall review the matter, including the response of the employee, if any, and shall make a determination as to whether to impose discipline. The General Manager shall notify the employee in writing of his or her determination. Such notice shall be personally served on the employee or shall be sent by registered or certified mail to the employee's place of residence as last shown on the District's records.

18.4.5 Disqualification of General Manager. If, prior to the time for consideration of the response, the General Manager has become so involved in the matter as to create an actual bias against the employee that prevents the General Manager from fairly considering the employee's response, the General Manager shall so advise the President of the Board of Directors, which shall thereupon appoint another person to act on behalf of and in the place of the General Manager. However, mere prior knowledge of the factual background of the matter shall not, in itself, disqualify the General Manager.

18.4.6 Appeal of Decision of General Manager. An employee or former employee dissatisfied with the determination made by the General Manager may appeal the determination to the Personnel Committee, provided that a written notice of appeal is filed with the Administrative Assistant of the District no later than ten (10) calendar days after the date of personal service or mailing of the notice of the General Manager's determination, whichever is sooner. If a timely appeal is filed with the District's Administrative Assistant, the Personnel Committee shall schedule a hearing within a reasonable time and the District shall, in writing, notify the employee or former employee of the time and date of the hearing. The hearing may be conducted by the Personnel Committee or an outside hearing officer. At the hearing, the employee shall have the right to be represented by his or her representative. The employee shall have the right to present evidence and examine adverse witnesses. If the employee desires to have any other available employee present at the time of the hearing in order to present evidence or to examine adverse witnesses, the employee shall, at least two (2) days before the scheduled hearing, file a written request with the General Manager requesting the presence of such persons at the hearing. If such persons can be made available without unduly interfering with the District's operations, the General Manager shall cause such person to be present at the time of the hearing. The Personnel Committee may, but is not required to, continue the hearing for a reasonable period until such persons can be present. The hearing shall be recorded in full at no cost to the employee.

18.4.7 Determination of Appeal. If an appeal is taken, upon conclusion of the hearing, the Personnel Committee shall review the matter, including any evidence presented, and shall make a final and binding determination as to whether to confirm the determination of the General Manager. The Personnel Committee shall have the power to accept or reduce the discipline imposed by the General Manager. If the Personnel Committee is unable to make a decision, the matter shall be deferred to the Board of Directors for a final and binding determination. The Board of Directors may in its sole discretion decide the matter on the basis of the record made at the hearing or may conduct a new hearing. The Board of Directors may accept or reduce the discipline imposed on the employee by the General Manager.

18.4.8 Status of Employee. During the period prior to the determination of the matter by the General Manager, the employee may be suspended from performance of his or her duties with pay or may be reassigned to other duties. If the final determination of the General Manager is to discipline an employee, the effective date of the discipline shall be the date that the notice of determination is personally served or mailed in accordance with this Article 18.

ARTICLE 19

Step Increases

Employees below Step E in classification shall be eligible for step increases based on individual performance evaluations, provided the employee receives a rating of satisfactory or higher on his or her evaluation. New employees shall receive a step increase after six (6) months of service with the District and then evaluations shall be conducted at eighteen (18) month intervals for all employees. Failure of the District to conduct an evaluation as set forth in this Article 19 within ten workdays of the scheduled date shall result in the employee receiving an automatic step increase. Failure to conduct an evaluation within that time period does not preclude the District from conducting an evaluation at a later date.

ARTICLE 20

Wage Adjustment

All employees shall receive salary increases as noted in Appendix "A."

Effective July 1, 2007, salary steps "A" through "E" shall increase by four and one-half percent (4.5%).

Effective on July 1 of the remaining years of this MOU, salary steps "A" through "E" shall increase in accordance with the Consumer Price Index for Los Angeles-Riverside-Orange County. However, in no event shall an annual increase be less than two and one-half percent (2.5%) nor exceed four percent (4%).

ARTICLE 21

Sick Leave

21.1 Sick Leave

Employees shall accrue sick leave to a maximum of twelve (12) days. Once an employee has accrued twelve (12) days of sick leave, accrual shall cease until the employee has taken sick leave to bring the number of sick days accrued below six (6). Accrued, unused sick leave will not be cashed out upon an employee's separation from service with the District.

An employees who is unable to report to work due to illness must notify his or her supervisor at least thirty (30) minutes before the start of his or her shift. Employees who have been absent from work for more than three (3) days must provide documentation from a licensed health services provider justifying their absence from work.

21.2 Pregnancy Disability Leave/Transfer

Under the California Fair Employment and Housing Act ("FEHA"), if you are disabled by pregnancy, childbirth, or related medical conditions, you are eligible to take a pregnancy disability leave ("PDL"). If you are affected by pregnancy or a related medical condition, you may also be eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties for which you are qualified, if this transfer is medically advisable and if such a position is available.

The PDL is for any period(s) of actual disability caused by your pregnancy, childbirth or related medical conditions up to four (4) months (or eighty-eight (88) workdays for a full time employee) per pregnancy.

The PDL does not need to be taken in one continuous period but can be taken on an as-needed basis. Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth would all be covered by your PDL.

Generally, the District is required to treat your pregnancy disability the same as the District treats other disabilities of similarly situated employees. Consequently, PDL is unpaid leave.

You may be required to obtain a certification from your health care provider of your pregnancy disability or the medical advisability for a transfer. The certification should include: the date on which you become disabled due to pregnancy or the date of the medical advisability for the transfer; the probable duration of the period(s) of disability or the period(s) for the advisability of the transfer, and a statement that, due to the disability, you are unable to work at all or to perform any one or more of the essential functions of your position without undue risk to yourself, the successful completion of your pregnancy or to other persons or a statement that, due to your pregnancy, the transfer is medically advisable.

At your option, you can use any accrued vacation or other accrued time off as part of your pregnancy disability leave before taking the remainder of your leave as an unpaid leave. The District may require that you use up any available sick leave during your leave. You may also be eligible for state disability insurance for the unpaid portion of your leave.

Taking a pregnancy disability leave may impact certain of your benefits and your seniority date. If you want more information regarding your eligibility for a leave, the impact of the leave on your seniority and benefits and/or our complete policy on pregnancy disability leave, please contact your supervisor or the General Manager.

ARTICLE 22

Insurance

Health Insurance

The District shall pay ninety percent (90%) of District-selected health and dental insurance coverage and employees shall pay ten percent (10%) of the health and dental insurance coverage for all members of the bargaining unit and their dependents. District must provide ninety (90) day notice to Union of any proposed change in insurance plan with opportunity to meet and confer

Life Insurance

In the amount of Ten Thousand Dollars (\$10,000.00) to be provided by the District for each full time employee.

Insurance upon Retirement: The District will provide upon retirement and after twelve (12) years of service with the District two hundred and fifty dollars (\$250.00) monthly towards retirement premiums. Retirement means a service or disability retirement.

ARTICLE 23

Holidays

Employees shall be entitled to the following paid holidays:

New Year's Day

Third Monday in February (Washington's Birthday)

Last Monday in May (Memorial Day)

Independence Day

First Monday in September (Labor Day)

Veterans Day

Thanksgiving

Friday after Thanksgiving

December 24 (Christmas Eve)

December 25 (Christmas)

Employees that do not work the holiday shall be credited with eight (8) hours pay. Such eight (8) hours shall be counted as a day worked for the purpose of the computation of overtime.

An employee required to work the holiday shall be paid one and one half times (1½) his/her rate of pay in addition to holiday pay, to a maximum of eight hours. Any hours worked in excess of eight (8) hours shall be paid at two and one half (2½) times his/her rate of pay.

ARTICLE 24

Vacations

Employees shall accrue vacations in the following manner:

| Years of Service | Vacation Earned |
|--------------------------------|-----------------|
| One (1) year | 5 Working days |
| Two (2) through five (5) years | 10 Working days |
| Six (6) or more | 15 Working days |

Vacation shall be earned from date of hire. The District agrees that an employee may carry over to the following year the employee's previously approved vacation, when the District requires an employee to work said scheduled vacation due to an emergency. Vacation may accumulate to a maximum of two (2) years' accrual. Once the maximum accrual is reached, accrual will cease until vacation use or cash-out reduces it below the maximum amount.

All paid vacations must be scheduled and approved by the General Manager. A vacation request must be submitted two (2) weeks in advance, and should not be planned so as to interfere with crucial work schedules.

ARTICLE 25

Retirement

Effective October 1, 2001, all District employees shall be enrolled in the SEIU National Industry Pension Fund.

District will pay on behalf of each employee to SEIU National Industry Pension Fund on bi-weekly basis the sum of fifteen (15%) percent of the employee's gross salary to be calculated as per hour wages.

Revised February 17, 2009.
See final page.

ARTICLE 26

Job Related Instruction/Educational Reimbursement

- A. All field crew hired as of July 1, 2007, shall be required to obtain a minimum of a Grade I Distribution Certificate from the California Department of Health Services within eighteen (18) months of hire. Failure to obtain the Grade I Certification within eighteen (18) months shall result in termination of employment. The District will also provide transportation or pay mileage at the current IRS rate to and from the class. If the class is during working hours, it will be considered hours worked by the employee.
- B. The District agrees to reimburse the full cost of any course of instruction that they may require of employees, upon successful completion with a passing grade and certification, if applicable.
- C. Subject to the General Manager's approval and the District's budgetary requirements, regular full-time employees may be eligible for financial assistance for educational programs, provided that the class taken is job related. Unless expressly required by the District, all classes are voluntary and must be attended on the employee's own time. The General Manager's approval for the class must be obtained prior to class registration.

Upon satisfactory completion of the class, with a grade of "C" or better, the employee must submit receipts, along with a copy of his/her transcript or other evidence that he/she successfully completed the course, to the General Manager in order to receive reimbursement

ARTICLE 27

Bereavement Leave

Three (3) days off with pay for death of employee's/spouse's parents and employee's spouse or children, or at the discretion of the General Manager for any other family member.

ARTICLE 28

Jury Duty/ Witness Leave

Each employee called for jury duty service or when appearing in court as a subpoenaed witness in a matter related to District business shall receive regular District compensation for one (1) working day. Any amount of payment received for jury duty or witness fees shall be assigned to the District. The General Manager or designee shall approve the leave for the period of absence. Employees shall be required to provide the

District with verification of service. If verification of service is not provided within sixty (60) days after the end of service, the time will be deducted from the employee's accrued, unused vacation leave.

Any mileage paid shall belong to the employee unless the District provides transportation. If the District provides transportation, the District shall receive any mileage paid.

ARTICLE 29

Leaves of Absence

The General Manager must approve all leaves of absence. Leaves of absence may include, but are not limited to the following category:

Disability Leave: Employees may be eligible for disability leave if their physical or mental condition prohibits them from performing any of the essential functions of their job. While on disability leave, an employee must provide his or her supervisor with weekly updates on his or her condition.

ARTICLE 30

Outside Employment

Employees are expected to do a first-rate job for the District, which can be difficult to do with the pressures of additional employment. District personnel are required to work and be available to work as needed, when needed. An employee may not accept outside employment that creates a conflict of interest for the District or impacts the employee's ability to do his or her job. (see Conflict of Interest Code).

ARTICLE 31

Workers' Compensation

Employees may be eligible to receive Workers' Compensation benefits for a job-related illness or injury. The District pays the cost for these benefits in full. All accidents during working hours, no matter how slight or minor they may seem, must be reported immediately to the employee's supervisor and/or the General Manager.

ARTICLE 32

Job Abandonment

An employee absent from work for more than three (3) days without notifying the District will be deemed to have abandoned his or her job and have terminated his or her employment relationship with the District. The District shall provide any employee deemed abandoning his/her job with notice of abandonment and a right to appear before the Board of Directors for review. The scope of the Board's review will be limited to whether the employee was absent for three (3) days without notifying the District.

ARTICLE 33

Personnel Files

The District keeps a confidential personnel file for each employee, which serves as the employee's record of employment at the District. It contains all personnel actions, evaluation, memos, and records concerning you. With reasonable notice, every employee may inspect his or her file. In order to inspect your personnel file, you must make an appointment with the General Manager.

ARTICLE 34

Harassment Policy

5. Policy Statement - The District strictly prohibits unlawful harassment. This includes harassment on the basis of sex, sexual orientation, race, color, ancestry, religious creed, handicap or disability, medical condition, age (over 40), marital status, or any other protected class under applicable law.
6. Application
 - A. This policy applies to all phases of the employment relationship, including recruitment, testing, hiring, upgrading, promotion/demotion, transfer, layoff, termination, rates of pay, benefits, and selection for training.
 - B. This policy applies to all officers and employees of the District, including, but not limited to, full and part-time employees, per diem employees, temporary employees, and persons working under contract for the District.
7. Harassment Defined
 - A. Harassment may consist of offensive verbal, physical, or visual conduct when such conduct is based on or related to an individual's sex and/or membership in one of the above-described protected classifications, and:
 - (1) Submission to the offensive conduct is an explicit or implicit term or condition of employment;
 - (2) Submission to or rejection of the offensive conduct forms the basis for an employment decision affecting the employee; or

- (3) The offensive conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creates an intimidating, hostile, or offensive working environment.

B. Examples of what may constitute prohibited harassment include, but are not limited to, the following:

- (1) Kidding or joking about sex or membership in one of the protected classifications;
- (2) Hugs, pats, and similar physical contact;
- (3) Assault, impeding or blocking movement, or any physical interference with normal work or movement;
- (4) Cartoons, poster, and other materials referring to sex or membership in one of the protected classifications;
- (5) Threats intended to induce sexual favors;
- (6) Continued suggestions or invitations to social events outside the workplace after being told such suggestions are unwelcome;
- (7) Degrading words or offensive terms of a sexual nature or based on the individual's membership in one of the protected classifications;
- (8) Prolonged staring or leering at a person;
- (9) Similar conduct directed at an individual on the basis of race, color, ancestry, religious creed, handicap or impotence, medical condition, age (over 40), marital status, sexual orientation, or any other protected classification under applicable law.

8. Procedure

A. Internal Reporting Procedure

- (1) Any employee who believes that he or she has been the victim of sexual or other prohibited harassment by co-workers, supervisors, clients or customers, visitors, vendors, or others should immediately notify his or her supervisor or, in the alternative, the General Manager, depending on which individual the employee feels most comfortable in contacting.
- (2) Additionally, supervisors who observe or otherwise become aware of harassment that violates this policy have a duty to take steps to investigate and remedy such harassment and prevent its recurrence.

B. External Reporting Procedure

- (1) Any employee who believes that he or she has been the victim of sexual or other prohibited harassment by co-workers, supervisors, clients or customers, visitors, vendors, or others may file a complaint with the California Department of Fair Employment and Housing ("DFEH"). The phone number for DFEH is located in the phone book under government agencies.

9. Investigation

- A. Upon the filing of a complaint with the District, the complainant will be provided with a copy of this policy. The General Manager is the person designated by the District to investigate complaints of harassment. The General Manager may, however, delegate the investigation at his/her discretion. In the event the harassment complaint is against the General Manager, and investigator shall be appointed by the Board.
- B. Charges filed with the DFEH are investigated by the DFEH.

10. Internal Documentation Procedure

- A. When an allegation of harassment is made by an employee, the person to whom the complaint is made shall immediately prepare a report of the complaint according to the preceding section and submit it to the General Manager.
- B. The investigator shall make and keep a written record of the investigation, including notes of verbal responses made to the investigator by the person complaining of harassment, witnesses interviewed during the investigation, the person against whom the complaint of harassment was made, and any other person contacted by the investigator in connection with the investigation. The investigator's notes shall be made at the time the verbal interview is in progress. Any other documentary evidence shall be retained as part of the record of the investigation.
- C. Based on the report and any other relevant information, the General Manager shall, within a reasonable period of time, determine whether the conduct of the person against whom a complaint has been made constitutes harassment. In making that determination, the General Manager shall look at the record as a whole and at the totality of circumstances, including the nature of the conduct in question; the context in which the conduct, if any, occurred; and the conduct of the person complaining of harassment. The determination of whether harassment occurred will be made on a case-by-case basis by the General Manager.

11. Confidentiality - All records and information relating to the investigation of any alleged harassment and resulting disciplinary action shall be confidential except

to the extent disclosure is required by law, as part of the investigatory or disciplinary process, or as otherwise reasonably necessary.

12. Remedies

A. Disciplinary Action

- (1) If the General Manager determines that the complaint of harassment is founded, the General Manager shall take immediate and appropriate disciplinary action consistent with the requirements of law and any personnel rules or regulations pertaining to employee discipline. Other steps may be taken to the extent reasonably necessary to prevent recurrence of the harassment and to remedy the complainant's loss, if any.
- (2) Disciplinary action shall be consistent with the nature and severity of the offense, the rank of the harasser, and any other factors relating to the fair and efficient administration of the Company's operations.

- B. In the event a complaint is filed with the DFEH, and the DFEH finds that the complaint has merit, the DFEH will attempt to negotiate a settlement between the parties. If not settled, DFEH may issue a determination on the merits of the case.

13. Retaliation

Retaliation against anyone for opposing conduct prohibited by this policy or for filing a complaint with, or otherwise participating in an investigation, proceeding or hearing conducted by the District or DFEH is strictly prohibited and may subject the offending person to disciplinary action up to and including termination. Allegations of retaliation are to be reported in accordance with the procedures set forth in Section 4 of this policy.

ARTICLE 35

Computer Use Policy

The District has invested substantial assets in order to provide employees access to perform the responsibilities of their jobs. Although many employees are provided computers or access to computers for job-related purposes, all employees should fully understand that the computers, as well as all information temporarily or permanently stored or transmitted with the aid of computers, remain the sole and exclusive property of the District and is subject to access, copying and use by the District in any manner it deems appropriate. Employees therefore should not assume any privacy right or interest in any information that is either temporarily or permanently stored on the computer, nor should employees anticipate receiving a proprietary interest

in any such information. In order to monitor compliance with this policy and to protect its business interests, including the need to prevent any improper use of computers, the District reserves the right to gain access to any information stored in, accessed, used or retrieved by any of its computers. Access to information may occur either before, during or after an employee's shift, and either with or without the employee's advance knowledge or consent. Offsite access to the District's computer system may only be made after prior approval by the General Manager or his or her designee. Any entry into the District's computer system by an offsite computer may be monitored to the same extent as use of the District's computer system on in-house computers.

In addition, employees should not add or load any software to a computer without the proper approval of the General Manager or his or her designee, nor should they use a computer for any improper or unauthorized use. Inappropriate uses include, without limitation, downloading proprietary information of others, engaging in inappropriate disclosures or defamatory communications, or engaging in or facilitating competitive activities or activities that are tortious because they violate or tend to violate the rights of third parties, the District or coworkers.

An employee who has questions regarding this policy or questions regarding the appropriateness of any activity relating to computers should direct them to his or her supervisor before engaging in any activities that may be found to be unauthorized or improper. Strict compliance with this policy is essential. Violations of this policy may result in disciplinary action, up to and including termination.

ARTICLE 36

Dress and Appearance

Each employee is a representative of the District. Therefore, each employee must be dressed neatly in clothing appropriate to the duties assigned and be clean and well groomed. If an employee's attire or overall appearance do not measure up to such standards, he or she may be suspended without pay until the particular problem has been remedied. Safety clothing must be worn when appropriate.

The General Manager will determine which job classification(s), if any, and under what circumstances, will be issued uniforms. Work caps and District identification cards will be issued to the field personnel for the purpose of community identification and employee safety.

ARTICLE 37

Drug and Substance Abuse Policy

1. Policy Statement

It is the District's policy to prohibit its employees from using illegal drugs or alcohol in connection with their employment, as it constitutes a threat to the safe and efficient performance of our service. It is likewise the District's policy to take reasonable and appropriate measures designed to minimize the risk to the public and employee health and safety due to alcohol or drug related impairment.

With this in mind, the District has established the following policy with regard to use, being under the influence, possession, distribution or manufacture or alcohol or drugs.

2. Pre-Employment Screening

The District will maintain pre-employment screening practices designed to prevent hiring individuals who use illegal drugs or individuals whose use of drugs or alcohol indicates a potential for impaired or unsafe job performance. If the applicant is under age 18, a consent form must be signed by the employee's parent or guardian prior to screening.

All offers of employment extended by the District shall be contingent upon the applicant submitting to and passing a fitness for duty examination which shall include testing for the use of illegal drugs and alcohol. Applicants who refuse to sign a consent form permitting testing or the release of test results to the District will not be hired/rehired.

Samples of the applicant's urine shall be collected in a medical environment, during the pre-employment physical, by persons unrelated to the District.

Any medical history and other information provided by the applicant, as well as the results of the urinalysis, shall not be revealed to the District. Rather, the District shall be notified as to how the individual rated on a scale of from one (1) to five (5) rating shall mean that the applicant is not recommended for employment, but does not necessarily mean that the applicant has tested positive for drug use.

An applicant who received an unsatisfactory rating is entitled to know what portion of the test he or she failed, and to question and challenge test results he or she believes to be erroneous. At the applicant's request, any positive test result may be retested independently and at the applicant's expense using a more sensitive test.

Applicants whose test results are positive for the use of unprescribed controlled substances or alcohol intoxication will be deemed to have failed the pre-employment physical examination and will not be hired/rehired. However, an applicant who receives a rating of five (5) can reapply for employment after six (6) months.

3. Reasonable Suspicion Drug and Alcohol Screening

The District may require a blood test, urinalysis, or other drug and/or alcohol screening of those employees reasonably suspected of using or being under the influence of a drug or alcohol at work or when on standby duty.

An employee's consent to submit to such a test is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, up to and including termination for even a first refusal or any subsequent refusal.

4. Suspicionless Drug Testing

The District may require a blood test, urinalysis, or other drug and/or alcohol screening of those employees holding safety sensitive positions with or without suspicion. When the General Manager orders a blood test, urinalysis, or other drug and/or alcohol screening of safety sensitive employees, all employees holding safety sensitive positions will be required to submit to such test, urinalysis or screening.

An employee's consent to submit to such a test is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, up to and including termination for even a first refusal or any subsequent refusal.

For purposes of this Drug and Substance Abuse Policy, the District and the SEIU agree that the following positions are "safety sensitive": General Manager, District Police Officer I & II, District Reserve Police Officers (volunteers), District Security Officer, Field Operations Foreman, Water Technician I & II, Field Crew, Meter Readers.

5. Use, Under the Influence, Possession, Distribution of Manufacture of Drugs or Alcohol

Alcohol: Use or being under the influence of alcohol by any employee while performing District business, while on the District's property or while on standby is prohibited to the extent that it may adversely affect the safety of the employee, co-workers or members of the public, the employee's job performance, or the safe or efficient operation of District business.

Legal Drugs: Use of or being under the influence of any legally obtained drug by any employee while performing District business, while on the District's property, or while on standby is prohibited to the extent that such use or influence may adversely affect the safety of the employee, co-workers, members of the public, the employee's job performance, or the safe or efficient operation of District business, and such risk cannot be reduced and/or eliminated by reasonable accommodation. An employee may continue to work, even though under the influence of a legal drug, if District management has determined, after consulting with competent medical authority and due consideration of any reasonable accommodation measures, that the employee does not pose a threat to his or her own safety or the safety of others and that the employee's job performance will not be significantly affected by the legal drug. Otherwise, the employee may be

required to take a leave of absence or to comply with other appropriate action as determined by the District.

Illegal Drugs: The use, being under the influence of, manufacture, distribution, purchase, transfer or possession of an illegal drug by any employee while on the District's property, while performing District business or while on standby is prohibited.

6. Employee Reporting Requirements

Legal Drugs: Employees who suspect or have been informed that the use of a legal drug may adversely affect public and/or employee safety are to report to their immediate supervisor. Employees who suspect that a fellow employee poses a significant risk to the health and safety of the employee or others must report their suspicion to their immediate supervisor for further investigation and appropriate action.

Employees using any legal drug which the employee suspects or has been informed may adversely affect public and/or employee safety may be required to submit documentation from the employee's personal physician stating a medical opinion as to whether or not the employee is capable of safely performing his/her assigned duties with or without reasonable accommodation. Failure to submit the above described documentation may result in the employee being placed on leave without pay until such time as the employee provides such documentation. However, in no event shall the employee be required to involuntarily disclose the drug prescribed or the related medical condition.

Illegal Drugs: Employee use of any illegal drug poses a significant risk to the safety of the employee and/or others. Employees who have been informed or suspect that a fellow employee has used, is in possession of or is under the influence of an illegal drug must report such suspicion to his/her immediate supervisor for further investigation and appropriate action.

7. Disciplinary Action

Violation of this Policy may result in disciplinary action, up to and including termination for even a first offense. Further, the District reserves the right to discipline or terminate employees convicted of an offense which involves the use, distribution, or possession of illegal drugs.

8. Searches

The District reserves the right to search lockers, storage areas, furniture, District vehicles and other places under the common control of the District and employees, and to enlist the assistance of law enforcement personnel in connection with the enforcement of this Policy.

9. Definitions

Under the influence means that the employee is affected by a drug or alcohol or the combination of a drug and alcohol in any detectable manner. The symptoms of being "under the influence" are not confined to those consistent with misbehavior, nor to obvious impairment of physical or mental ability such as slurred speech or difficulty in maintaining balance. A determination of "under the influence" can be established by a professional opinion, a scientifically valid test, and, in some cases, by a layperson's opinion.

Legal Drug includes prescribed drugs and over-the-counter drugs which have been legally obtained and are being used for the purpose for which they were prescribed or manufactured.

Illegal Drug means any drug which is not legally obtainable, or which is legally obtainable but has not been legally obtained. The term further includes prescribed drugs not being used for prescribed purposes. It also includes marijuana.

ARTICLE 38

Total Agreement

This Memorandum of Understanding represents the total agreement of the parties. All previous Memoranda of Understanding, personnel policies relating to the scope of representation, as defined in the Meyers-Milias-Brown Act, are declared null and void in their entirety.

ARTICLE 39

Term of Agreement

This agreement shall remain in full force and effect from July 1, 2007 until June 30, 2010. The process of negotiating a successor MOU shall commence no later than March 1, 2010.

ARTICLE 40

Savings Clause

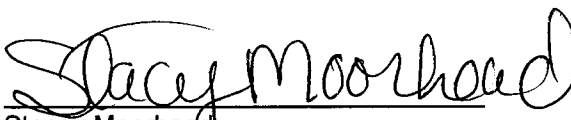
Should any provision of this MOU, or any application thereof, be unlawful by virtue of any Federal, State or Local Laws and Regulations, such provision of this MOU shall be effective and implemented only to the extent permitted by such laws and regulations. In all other respects, the provisions of this MOU shall continue in full force and effect for the life thereof.

Cabazon Water District

By: 
R.D. Cash – President

**Service Employees International
Union Local 721**

By: 
Cal Hackler - Field Representative

By: 
Stacey Moorhead –
Employee Representative

Appendix A

Effective July 1, 2007

| Position | A | B | C | D | E |
|---------------------------------|----------|----------|----------|----------|----------|
| Administrative Clerk | 18.76 | 19.80 | 20.85 | 21.89 | 22.94 |
| Customer Acct. Representative | 14.18 | 15.40 | 17.00 | 18.55 | 20.13 |
| Customer Service Representative | 10.47 | 11.44 | 12.44 | 13.41 | 14.49 |
| Water Tech II | 17.02 | 18.31 | 19.64 | 20.93 | 22.24 |
| Water Tech I | 14.18 | 15.40 | 17.00 | 18.55 | 20.13 |
| Field Operations II – Foreman | 17.02 | 18.31 | 19.64 | 20.93 | 22.24 |
| Field Crew II | 10.47 | 11.44 | 12.44 | 13.41 | 14.49 |

Salary Step "A" will consist of one-hundred and eighty (180) day probationary period.

At the end of that time the General Manager will perform an evaluation and either advance the employee to Step "B" or require the employee to serve an additional one-hundred and eighty (180) day probation period. At the end of the second probationary period, the employee must be advanced to Step "B" or be terminated. Advancement from Step "B" to Step "C" will require a minimum of one (1) year. Advancement from Step "C" through Step "E" will require a minimum time frame in each step of two (2) years.

The General Manager or designee has the authority to increase an employee's salary within the salary range.

LETTER OF AGREEMENT

Article 25, Retirement of the Memorandum of Understanding between Cabazon Water District and Service Employees International Union Local 721 shall be amended as follows:

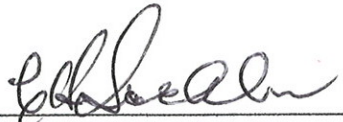
Effective October 1, 2001, all District employees shall be enrolled in the SEIU National Industry Pension Fund.

District will pay on behalf on each full time and part time employee, in accordance with Federal Law, to SEIU National Industry Pension Fund on bi-weekly basis the sum of fifteen (15%) percent of the employee's gross salary to be calculated as per hour wages.

CABAZON WATER DISTRICT

SERVICE EMPLOYEES
UNION LOCAL 721

By: 
R. D. Cash – President

By: 
Cal Hackler,
Worksite Organizer

Date: 2-17-09

Date: Feb. 14 2009