Resolution No. 3717

A Resolution of Oro Loma Sanitary District Establishing Terms and Conditions for Services in the Management and Confidential Employees’ Group - 2021-2026

June 28, 2021 – June 21, 2026
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Exhibit A: Management and Confidential Employees' Salaries
Resolution No. 3717

A RESOLUTION OF ORO LOMA SANITARY DISTRICT
ESTABLISHING TERMS AND CONDITIONS FOR SERVICES IN THE
MANAGEMENT AND CONFIDENTIAL EMPLOYEES CLASSIFICATIONS
2021-2026

WHEREAS, it is appropriate to set forth in written form the terms and conditions for service in the Management and Confidential employees' classifications;

NOW, THEREFORE, BE IT RESOLVED that this Board does adopt the following terms and conditions for service in the Management and Confidential employees' classification, administered in accordance with the District's contract with CalPERS:

I. SALARIES & MISCELLANEOUS COMPENSATION

A. COMPENSATION AND AT-WILL EMPLOYEES

1. The District Engineer, Administrative Services Manager, Finance Manager, Operations Manager, Maintenance Manager, Collection System Manager, and Technical Services Manager are at-will employees who serve at the pleasure of the General Manager, and whose employment can be terminated by the General Manager at any time, with or without cause or advance notice. Management at-will employees shall be subject to, and required to, abide by the rules, regulations and procedures set forth in the Oro Loma Sanitary District Personnel Rules, or any amendments thereto, and any Personnel Rules and Standard Procedures promulgated thereunder. Unless superseded by a written contract signed by the President of the Board, Management at-will employees shall be entitled to the fringe benefits set forth in this Management Resolution. Any such superseding contract is effective only if it is in writing and signed by the President of the Board.

2. The salary plan shall provide seven graduated salary steps for all classes of positions in the Management and Confidential employees group. For employees in classifications that are not considered at-will, salary step increases shall be earned, shall be subject to satisfactory service, and shall not be considered a right of the employee. After satisfactory completion of the probationary period, which may be 6-12 months of continuous service in the same position unless extended), a Confidential employee is eligible for his/her first step increase upon recommendation of his/her Manager. Thereafter, when he/she completes additional consecutive 12 months of continuous service in the same position, the employee may be advanced to the next higher rate of compensation as set forth in the schedule, upon recommendation of his/her Manager until he/she reaches top salary step. After reaching top step, the employee shall
remain at that rate while he/she continues to serve in the same position and provides satisfactory work performance. Management at-will employees are not subject to the probationary period requirement.

3. At the beginning of each contract year (first day of payroll #14), the salaries for all classifications in the Management and Confidential Employees' Group will be increased by the actual Consumer Price Index (82/84=100 Wage Earners San Francisco-Oakland Bay Area) for the period of April through April of the preceding year, at a minimum increase of 2.0% and a maximum increase of 5%. The annual CPI increases will be processed with the following effective dates: June 28, 2021; June 27, 2022; June 26, 2023; June 24, 2024; and June 23, 2025. Should the actual said Consumer Price Index reach 6% or higher, this resolution shall be re-visited for the sole purpose of salary negotiations.

Effective June 28, 2021, the salaries for all Management and Confidential classifications shall be adjusted as indicated in Exhibit A, "Management and Confidential Employees Salaries".

4. The Management and Confidential Employees Group shall be subdivided into three (3) units as designated in Exhibit A: Department Heads, Management, and Confidential.

B. OVERTIME

1. Department Heads and Management Employees. Overtime will be paid only in the event of extreme emergency, as designated by the Board or General Manager, at a straight hourly rate, based upon the then current salary. Authorized overtime for extreme emergency for the Collection System Manager, Maintenance Manager, and Operations Manager shall be paid at the rate of one and one-half (1-1/2) times the hourly rate, based upon the then current salary. This provision shall not apply in cases where the managers fill regular employee shifts.

2. Confidential Employees. Overtime shall be deemed to be the time the employee is on paid status beyond 80 hours in one pay period, and shall be pre-authorized by the employee’s manager. Overtime, regardless of classification, Sunday, holiday or other consideration, shall be paid at the rate of one and one-half (1-1/2) times the hourly rate, based on the employee’s then current monthly salary.

C. COMPENSATORY TIME OFF

1. Department Heads and Management Employees. For every hour an employee is on paid status over 80 hours in one pay period, the employee will accrue 50% as compensatory time (i.e., if an employee is on paid status 84 hours in a pay period, he/she will earn 2 hours compensatory time).

For every compensatory hour earned during a given pay period, the employee may accrue 50% of that time as accrued compensatory time, and take 50% in cash, or may elect to take it all in accrued compensatory time.
2. **Confidential Employees.** For every hour an employee is on paid status over 80 hours in one pay period, the employee may elect to receive compensatory time off in lieu of overtime pay, at the rate of one and one-half (1-1/2) times the number of hours worked over 80 in one pay period. The employee can accumulate a maximum of 80 hours of compensatory time-off.

3. **General.** For Management employees, there will be a maximum accrual of 100 hours of compensatory time per fiscal year, except that the General Manager may authorize an increase to 150 hours, the 50%-50% rule still being applicable. Compensatory time cash-out will be allowed at straight time on the final payroll of the fiscal year. An employee may elect to carry over up to 80 hours of compensatory time into the next fiscal year. In order for the employee to be eligible for carryover, the Finance Manager and/or Administrative Services Manager must be notified of the request no later than June 1st of each year. The accumulation will start over with the first payroll of each new fiscal year.

D. **Acting Pay for District Secretary**

In the event the District Secretary is temporarily assigned and performs the duties of the Administrative Services Manager for an uninterrupted period of 24 work hours or more, the District shall pay the District Secretary Step A of the higher classification, for each full day worked in both classified and unclassified positions. Should the District Secretary be required to work overtime while on an acting assignment, he/she shall be compensated at one and one-half times the hourly rate of the acting assignment. Should an observed holiday fall within the assignment to a higher classification, the District Secretary will not be eligible for acting pay on that day. Should the employee use eight or more consecutive hours of sick leave, vacation, floating holiday leave, or compensatory time off within the initial 24 consecutive work hours of performing the duties of the higher classification, he/she will not be eligible for acting pay.

E. **Incentive Compensation Plan**

All Management and Confidential employees shall be entitled to participate in the Incentive Compensation Plan, whose terms may change upon Board approval.

F. **Meals**

In the event overtime is permitted under Section B above, when overtime extends two (2) hours beyond a shift, and for each four (4) hours thereafter, a meal allowance of $15.00 shall be added to the employee’s compensation. Meal allowances may not apply to overtime for which twenty-four (24) hour notice was provided.

G. **Mileage Allowance**

Mileage shall be compensated at the rate allowed by the Internal Revenue Service for personnel who use their personal vehicle for District business. District pool cars should be used whenever available.

The Collection System Manager shall be assigned a District vehicle for purposes of 24/7 emergency response.
H. EMERGENCY RESPONSE STANDBY PAY FOR COLLECTION SYSTEM MANAGER

In the event that the Collections Department is required to staff Emergency Response Standby duties with less than six collection workers, the Collection System Manager may elect to perform stand-by duties in the same manner and rotation as other collection workers are required to perform. The Collection System Manager shall perform standby duties and receive compensation in accordance with provision I.C. of the Collections Bargaining Unit Memorandum of Understanding for the period June 28, 2021 through June 21, 2026. This provision is solely intended to minimize potential fatigue of collections workers during temporary periods of unfilled collection worker vacancies, and only becomes effective upon the General Manager's receipt of a written request for such assistance by the designated representative of the Collection Bargaining Unit.

I. LONGEVITY PAY

Employees who complete 25 years of satisfactory service with OLSD, and who are 58 years old or older, shall receive a one-time 2.5% increase to base salary. The increase shall be effective the first pay period following the 25th employment anniversary for employees 58 years old or older, or the first pay period following the 58th birthday for employees who have completed at least 25 years of satisfactory service to the District by that date.

J. NOTARY INCENTIVE PAY

Employees in the District Secretary classification are required to obtain and maintain a valid notary public certificate from the State of California and make their notary public services available to the District Board, legal counsel, employees, and the public. For this service, effective June 20, 2016, the District Secretary is entitled to receive notary incentive pay in the amount of $46.75 per month, payable through the District's payroll system, and in accordance with IRS rules and regulations.

II. HEALTH, WELFARE & LIFE

A. FLEXIBLE BENEFITS PROGRAM

For the duration of this contract, the District will contribute certain amounts per month, per full-time employee, for benefits covered under the District's flexible benefit program. The monthly amounts will not exceed the combined premiums for the Kaiser health insurance (based on the individual enrollment or eligibility status – one party, two party, or family), dental insurance (family); vision insurance (employee only); life insurance ($20,000 coverage); and $140.00, which the employee may allocate to a higher-cost benefit, to a medical reimbursement and/or dependent care reimbursement account, to purchase additional life insurance coverage, or receive as cash. In accordance with IRS regulations, and under the District's flexible benefits program, employees will also be allowed to contribute pre-tax dollars, to be used for reimbursement of qualified medical expenses and/or dependent care expenses. The Flexplan amount shall be adjusted by the District annually by the actual dollar increases in Kaiser rates (one party, two party, or family), dental, vision, and life insurance premiums, if applicable.

There will be no limitation on cash withdrawals from the Flexible Benefits Program.
Medical plan payments for employees in an unpaid leave status will be made by the District in conformance with the CalPERS medical plan guidelines.

Employees who are not in a full pay status for the month will receive a pro rata share of the monies allocated by the District toward the Flexible Benefits Program.

B. MISCELLANEOUS
In the event that it becomes possible to provide hospital-medical insurance, life insurance, and dental and vision coverage as nearly comparable as possible to the most economical benefit plan available to employees under this contract, without additional cost to the employees, the District may substitute new insurance carriers or institute a self-insurance program. The Management and Confidential Employees Group will be given an opportunity to review the coverage afforded under such substitute plans, and such plans shall be acceptable to the Management and Confidential Employees Group before they are implemented.

C. POST-RETIREMENT MEDICAL BENEFIT PLAN

1. General
Upon retirement from Oro Loma Sanitary District through the California Public Employees Retirement System (CalPERS), and active enrollment in one of the District's CalPERS health plans at the time of retirement, all eligible employees will be entitled to post-retirement medical benefits in accordance with Oro Loma's Post-Retirement Medical Benefit Plan described herein. Eligibility is based on age and years of service with Oro Loma Sanitary District and assumes the employee to be a full-time, regular employee receiving District benefits. For purposes of this Program, the words retire, retirement, retiree, retired, etc., all mean that the employee has applied for, and is currently receiving, a pension benefit from CalPERS. In the event that an employee should cease retirement and re-enter the CalPERS system, retiree entitlement to medical benefits under this Plan shall cease for the period that the employee is employed and earning service credit in CalPERS. Former employees whose benefits have been temporarily suspended are entitled to begin receiving benefits under this Plan after having provided evidence of again being retired from CalPERS. Part-time and temporary employees who do not receive District benefits do not accrue service credit for purposes of this post-retirement medical benefit.

2. Eligibility for Retiree Medical Benefit Plan
For the purpose of determining eligibility for post-retirement medical benefits, active District employees are divided into four categories:

a. Employees hired before June 30, 2006, who are vested and eligible to retire under the PERS system on or before June 30, 2006, and who are 55 or older on or before June 30, 2006, will retain the August 19, 2002 post-retirement medical benefits plan, as outlined in the District’s June 25, 2001 – June 30, 2006 MOUs. In addition, employees hired before June 30, 2006, who have completed 20 or more years of satisfactory service to the District on or before June 30, 2006, will retain the August

b. Employees hired before June 30, 2006, who have completed less than 20 years of satisfactory service to the District as of June 30, 2006, will be eligible for post-retirement medical benefits up to the applicable Kaiser two-party member rate, based on age and years of service, as indicated in Table A below. The minimum benefit (50% of the Kaiser two-party member rate) will be afforded at the age of 55, with 15 years of OLSD service.

<table>
<thead>
<tr>
<th>YEARS</th>
<th>AGE</th>
<th>PERCENTAGE</th>
</tr>
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<tbody>
<tr>
<td>15</td>
<td>55</td>
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<tr>
<td>16</td>
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<td>19</td>
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<tr>
<td>20</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Minimum age and service to collect benefits is 15 years at age 55.
For combinations of age and years of service not specified above, the higher percentage benefit applies.

Table A

Example #1: An employee hired before June 30, 2006, who has completed less than 20 years of OLSD service as of June 30, 2006, and who retires at age 55 with 20 years of service receives 100% of the benefit.

Example #2: An employee hired before June 30, 2006, who has completed less than 20 years of OLSD service as of June 30, 2006, and who retires at age 58 with 16 years of service receives 80% of the benefit.

Example #3: An employee hired before June 30, 2006, who has completed less than 20 years of OLSD service as of June 30, 2006, and who retires at age 58 with 18 years of service receives 80% of the benefit.

Example #4: An employee hired before June 30, 2006, who has completed less than 20 years of OLSD service as of June 30, 2006, and who retires at age 60 with 15 years of service receives 100% of the benefit.

c. Employees hired between July 1, 2006 and June 26, 2011, will be eligible for post-retirement medical benefits up to the applicable Kaiser two-party member rate, based on age and years of service, as indicated in Table B below. The minimum benefit (50% of the Kaiser two-party member rate) will be afforded at the age of 60, with 15 years of OLSD service.
Table B

<table>
<thead>
<tr>
<th>YEARS</th>
<th>AGE</th>
<th>PERCENTAGE</th>
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</thead>
<tbody>
<tr>
<td>15</td>
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<td>50%</td>
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<tr>
<td>16</td>
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<td>90%</td>
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<tr>
<td>20</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Minimum age and service to collect benefits is 15 years at age 60.

The actual reimbursement benefit will be modified downward to reflect any deletion(s) occurring after retirement, such as the death or divorce of retiree/spouse, death of a dependent, and/or dependent child losing his/her PERS eligibility status at the end of the month in which this change in status occurs. In the event the retiree dies, his/her enrolled spouse and/or eligible dependent(s) will be entitled to continue receiving benefits under this Plan based on the retiree’s percent entitlement at the time of retirement. For purposes of this Plan, eligible dependent shall mean a spouse or child by birth or legal adoption. After retirement, should the retiree wish to add any person(s) to his/her medical coverage, the retiree shall be solely responsible for the added coverage and this amount is not reimbursable by the District.

d. Employees hired on or after June 27, 2011 will be eligible for post-retirement medical benefits up to the applicable Kaiser one-party rate, based on age and years of service, as indicated in Table C below. The minimum benefit (50% of the Kaiser one-party member rate) will be afforded at the age of 60, with 15 years of OLSD service.

Table C

<table>
<thead>
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<th>YEARS</th>
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</tr>
</thead>
<tbody>
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<td>60</td>
<td>50%</td>
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<tr>
<td>16</td>
<td>60</td>
<td>60%</td>
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<tr>
<td>19</td>
<td>60</td>
<td>90%</td>
</tr>
<tr>
<td>20</td>
<td>60</td>
<td>100%</td>
</tr>
</tbody>
</table>

Minimum age and service to collect benefits is 15 years at age 60.
In the event the retiree dies, his/her enrolled spouse will be entitled to continue receiving benefits under this Plan based on the retiree’s percent entitlement at the time of retirement. After retirement, should the retiree wish to add any person(s) to his/her medical coverage, the retiree shall be solely responsible for the added coverage and this amount is not reimbursable by the District.

3. Determination of Service Years for Purposes of Benefit Entitlement
The years of service at Oro Loma are determined by a calculation using the anniversary date of regular, full-time employment from which the employee began receiving benefits, and assumes that the employee has been in a full-time employment status (2,080 hours per year) during his/her entire tenure with Oro Loma. The total number of service years must be full years of service and there is no provision for partial years.

However, if an employee has reduced his/her work hours at any time during their employment with Oro Loma, through either a paid or unpaid leave of absence, or has/had been granted a schedule modification authorized by the General Manager, which allowed a less than full-time work schedule, then the total years of Oro Loma service time shall be calculated by commencing with his/her anniversary date of regular employment from which the employee began receiving benefits, and shall be pro-rated by defining 2,080 paid hours as equal to one (1) service year.

An employee who works a reduced work schedule of less than 40 hours per week will need more than 52 weeks to achieve the required 2,080 hours per service year. The calculation to determine service credit for those employees in a less than full-time work status shall be done through a pro-ration process to determine total number of service years as follows:

Employee in Less than Full-Time Status - Example of 30 Hours/Week

| Total number of weeks in a year | 52 |
| Multiplied by number of paid hours in a week | x 30 |
| Equals total number of paid hours in a year | 1,560 |

| Number of hours to equal one service year | 2,080 |
| Number of hours worked in 30-hour week | -1,560 |
| Number of additional hours needed | 520 |

In this 30 hrs/week example:
| Number of additional hours needed | 520 |
| Divided by employee’s 30 hrs/wk | ÷ 30 |
| Number of additional weeks needed | 17.33 |

Therefore, an employee working 30 hours per week for a twelve-month period will need a total of 69.33 weeks in order to achieve one (1) service year. For example, 52 weeks + 17.33 additional weeks required = 69.33 weeks total required for one service year.
4. Actual Reimbursement of Post-Retirement Medical Expenses

a. Employees enrolled in the Public Employees Medical and Hospital Care Act (PEMHCA)
   The reimbursement is generated from the District’s Accounts Payable system, made payable to the Retiree, and mailed to the Retiree by the District on a quarterly basis. This reimbursement includes the mandatory PEMHCA Minimum Employer Contribution, which the District is required to contribute on behalf of active employees, pursuant to its written agreement with CalPERS. The amount that Oro Loma pays directly to CalPERS on behalf of the Retiree is included when calculating the total monthly allowance. As of January 1, 2017, that amount is $128.00 per month. The employer’s mandatory contribution will be adjusted annually by the CalPERS Board of Administration to reflect changes in the medical care component of the Consumer Price Index.

Take the example of a married employee who retires and is eligible for 100% medical reimbursement of the Kaiser Bay Area two-party plan rate. Assume that the Kaiser two-party premium is $1,500/month. The District, pursuant to its written agreement with CalPERS, must pay $128.00 per month directly to CalPERS on behalf of the retiree. The remaining $1,372 per month ($1,500.00 - $128.00) is withheld from the employee’s retirement check by CalPERS, and is then reimbursed by the District to the retiree directly, on a quarterly basis. The reimbursement amount will always consist of the difference between the premium amount and the PERS-mandated Minimum Employer Contribution. Consequently, the reimbursement amounts will change when the PERS-mandated Minimum Employer Contributions change.

b. Employees not enrolled in the Public Employees Medical and Hospital Care Act (PEMHCA)
   For employees for whom Board-approved agreements exist, authorizing reimbursement of post-retirement medical expenses outside of PEMHCA, the reimbursement is generated from the District’s Accounts Payable Department, made payable to the Retiree, and will be mailed to the Retiree by the District on a quarterly basis. The District requires appropriate documentation, acceptable to the District, at least quarterly prior to reimbursing retirees for out-of-pocket costs for which reimbursement is being requested. This reimbursement includes the mandatory PEMHCA Minimum Employer Contribution which the District is required to contribute on behalf of active employees, pursuant to its written agreement with CalPERS. The Minimum Employer Contribution will be adjusted annually by the CalPERS Board of Administration to reflect changes in the medical care component of the Consumer Price Index.

5. Cash-Back in Lieu of Post-Retirement Medical Coverage
   A vested retired employee who elects not to receive retiree medical benefits from the District may elect, on an annual basis, to receive a “cash back” benefit in an amount equal to one-half of the Kaiser rate based on the applicable percentage of which he/she would then otherwise be entitled to if the employee were actually enrolled in a
retirement medical plan as defined in Section 2. The retiree may elect to receive cash-back in lieu of post-retirement medical coverage at intervals not less than annually, and after written notification to the District. The written notification shall be submitted to the District no later than October 31st of each year, for an effective date of January 1st the following year. The election period established by the District may be modified from time to time. This provision is intended to reduce costs to the District by incentivizing retirees not to enroll for medical coverage that they do not need.

Take the example of a married employee who retires and is eligible for 80% of the two-party Kaiser Bay Area plan rate. If that same employee elects to receive a cash back benefit in lieu of post-retirement medical benefits, then the District will reimburse the retiree one-half of the 80% entitlement.

**Calculation to determine cash-back in lieu of post-retirement medical coverage:**

*This sample calculation assumes the example above: The retiree is married at the time of retirement and is entitled to 80% of the benefit.*

<table>
<thead>
<tr>
<th>Sample Calculation:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>The 2-party Kaiser Bay Area Region rate</td>
<td>$778.76</td>
</tr>
<tr>
<td>Entitlement percentage</td>
<td>x 80%</td>
</tr>
<tr>
<td>Dollar value of benefit</td>
<td>$623.01</td>
</tr>
<tr>
<td>Reduction % for cash-back in lieu of medical benefits</td>
<td>x 50%</td>
</tr>
<tr>
<td><strong>Cash-Back entitlement</strong></td>
<td><strong>$311.50</strong></td>
</tr>
</tbody>
</table>

In the event the retired employee who has elected to receive the cash back benefit dies, then his/her surviving spouse is entitled to receive the cash back benefit as outlined herein and further detailed in Section 2. Said entitlement shall cease upon his/her remarriage.

6. **Medicare Eligibility**

Upon reaching Medicare eligibility, the medical reimbursement will be paid at the same percentage as at retirement for the employee's selected supplemental plan premium for actual costs up to the "applicable Kaiser Bay Area Medicare rate." The applicable rate will be based on the Kaiser Bay Area Medicare supplemental rate, or if only one spouse is Medicare age eligible, the benefit is blended to include the costs of the Kaiser Bay Area active member and Kaiser Bay Area Medicare supplemental rate. Employees shall not be eligible for reimbursement of Medicare Plan B premiums, or for any other payments made to the Social Security Administration.

7. **Pre-Retirement Medical Death Benefit**

In the event a married employee eligible for a CalPERS retirement and post-retirement benefits under the guidelines of this Plan, dies prior to retiring from the CalPERS Retirement System, said surviving spouse or eligible dependent as defined by PERS shall be eligible to receive post-retirement medical benefits under the same guidelines and requirements as if the deceased spouse had actually retired on the date of death.
Example #1: If an employee hired before June 30, 2006, dies at age 54, after completing 20 years of service, the surviving spouse or eligible dependent is not eligible to receive post-retirement medical benefits.

Example #2: If an employee hired before June 30, 2006, dies at age 57, after completing 17 years of service, the surviving spouse or eligible dependent is eligible to receive 70% of the post-retirement medical benefits.

III. LEAVE

A. VACATION

During each calendar year, each employee shall earn 7.34 hours of vacation per month of service for the first five years of service. Commencing with the sixth year through the 15th year of service, vacation will be earned at the rate of 10.00 hours of vacation per month of service. Commencing with the 16th year through the 20th year of service, vacation will be earned at the rate of 13.34 hours of vacation per month of service. Commencing with the 21st year of service and thereafter, the employee will earn an additional 0.67 hours of vacation per month of service, through the 25th year of service, for a maximum of 200 hours of vacation per year after 25 years of service.

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Maximum Annual Vacation Earned (Days or Hours/Pay Period)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 through 5 years</td>
<td>11 days or 3.38 hrs/PP</td>
</tr>
<tr>
<td>6 through 15 years</td>
<td>15 days or 4.62 hrs/PP</td>
</tr>
<tr>
<td>16 years through 20 years</td>
<td>20 days or 6.15 hrs/PP</td>
</tr>
<tr>
<td>Beginning 21st year</td>
<td>21 days or 6.46 hrs/PP</td>
</tr>
<tr>
<td>Beginning 22nd year</td>
<td>22 days or 6.77 hrs/PP</td>
</tr>
<tr>
<td>Beginning 23rd year</td>
<td>23 days or 7.08 hrs/PP</td>
</tr>
<tr>
<td>Beginning 24th year</td>
<td>24 days or 7.38 hrs/PP</td>
</tr>
<tr>
<td>Beginning 25th year and thereafter</td>
<td>25 days or 7.69 hrs/PP</td>
</tr>
</tbody>
</table>

The period of time during which an employee may take his/her vacation shall be scheduled during the year with the supervisor/manager, and preference for vacation scheduling shall take into account an employee’s seniority (does not guarantee preference). If the requirements and needs of the District service are such that part or all of an employee’s vacation must be deferred beyond a particular calendar year, the employee may take vacation during the following calendar year. Vacation may not be taken until accrued.

B. MAXIMUM ANNUAL VACATION ACCRUAL

In the event an employee does not use all of the vacation to which he/she is entitled in a calendar year, he/she shall be permitted to accumulate the unused portion, provided that at no time shall he/she accrue more than 2½ times his/her annual vacation entitlement. Therefore, if and when accumulated vacation is in excess of that herein provided for, no further accumulation will be earned until the balance falls below the maximum. However, an employee may exceed the 2½ times maximum accrual not more than 12-months prior to
his/her effective retirement date. Permission to accrue vacation in excess of 2½ times the annual entitlement may also be granted by the General Manager at any time.

**Vacation Sell-Back:** On an annual basis, an employee may request and receive, with approval of the General Manager, payment for unused vacation. The employee must submit to the General Manager, in writing, the request for vacation sell-back no more than one time per year, and no later than December 30 of each year, for the following calendar year. The maximum vacation sellback is 80 hours per calendar year, and the vacation payout shall not be considered additional compensation under CalPERS.

When a legal holiday occurs during an employee’s vacation, the holiday shall not be charged as vacation.

Upon the resignation or retirement of an employee, the employee shall, at his/her option, either be granted time off or be paid a lump sum for all authorized accrued vacation hours.

**C. HOLIDAYS**

Employees shall be entitled to take all authorized holidays at full pay, not to exceed eight hours for any one holiday.

The prescribed holidays are:

- New Year's Day
- Martin Luther King, Jr. Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day
- January 1
- Third Monday in January
- Third Monday in February
- Last Monday in May
- July 4
- First Monday in September
- The fourth Thursday in November
- The fourth Friday in November
- December 25

When a holiday falls on Sunday, the following Monday shall be observed. When a holiday falls on a Saturday, the previous Friday shall be observed.

In addition to the aforementioned holidays, each employee shall have seven floating holidays (56 hours) per calendar year, credited to the employee's account on the first pay period of each calendar year. A new employee, or an employee who leaves the service of the District, will receive floating holidays during the employee’s year of employment on a pro rata basis (e.g., six (6) months of employment entitles the employee to 3.5 holidays (28 hours)). The employee may carry over a maximum of four floating holidays (32 hours) to the next calendar year.

Upon the resignation or retirement of an employee, the employee shall, at his/her option, either be granted time off or be paid a lump sum for all authorized accrued floating holiday hours.
D. **Sick Leave**

Every employee shall be entitled to eight (8) hours of sick leave with pay for each full calendar month of regular employment in which the employee was in a paid status for 160 straight-time hours or more. Sick leave may be used during probation, and employees shall earn sick leave credit from their first day of employment. Per Labor Code Sections 233-234 and 246.5, employees shall be allowed unrestricted use of up to 48 hours accrued sick leave per calendar year.

Sick leave may be taken for:

1. **An employee’s illness or injury.** Satisfactory proof of the necessity for sick leave usage shall be furnished by the employee for each occurrence after the employee has used a total of 48 hours of sick leave during the current calendar year, in the form of a licensed health care practitioner’s certificate, certifying that the employee was examined and was found to be unable to perform his/her regular duties. The General Manager, or his/her designee, may, at his/her sole discretion and at District expense, require an additional examination from a doctor selected by the District, which evaluates the employee’s ability to perform his/her regular duties.

2. **An employee’s dental, eye, or other physical or medical examination or treatment by a licensed practitioner.** Leaves for this purpose are limited to four (4) hours in any one (1) working day. Satisfactory proof of necessity for sick leave usage shall be furnished by the employee for each occurrence after the employee has used a total of 48 hours of sick leave during the current calendar year.

3. **Providing necessary care for an ill or injured spouse, registered domestic partner, parent, step-parent, child or stepchild of the employee.** Satisfactory proof of necessity for sick leave usage shall be furnished by the employee for each occurrence after the employee has used a total of 48 hours of sick leave during the current calendar year.

4. **Bereavement Leave.** Leave for this purpose shall be governed by the following parameters:

   a. Death of a spouse, registered domestic partner, child or stepchild - Usage of up to 40 hours of sick leave; or
   b. Death in the immediate family - Usage of up to 30 hours of sick leave.
   c. In the event of extenuating circumstances, the employee may request the use of up to 20 additional hours of sick leave from the General Manager.

The hours of bereavement leave used shall not affect the employee’s eligibility for quarterly wellness awards.

Unused sick leave may be accrued to an unlimited extent.

The District takes note of the State and Federal laws regarding Family Medical Leaves.
For the purposes of this policy, any reference to “doctor” shall include any licensed health care practitioner providing services to the employee.

For the purposes hereof, “immediate family” is intended to include only the following family members: parents, siblings, grandparents, grandchildren, mother-in-law or father-in-law of the employee, and “working day” shall be any day on which the employee is assigned to work.

E. Worker’s Compensation
In industrial injury cases, Worker’s Compensation benefits and sick benefit allowances shall be paid separately, but in the event Worker’s Compensation payments cover all or part of the period during which sick benefit allowances are paid, the sum of the two (2) shall not exceed the sick benefit payable for said period, and the unused portion of unused accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with Worker’s Compensation payments is to be automatic. The Employer may not waive integration, and any employee entitled to Worker’s Compensation payments must apply therefore (in order that the principle of integration may be applied) before sick benefits are payable. The District will compensate the employee in full during the initial three (3) day waiting period for an industrial injury, and such compensation will not be charged to the employee’s sick leave. Benefits will continue to be paid by the District only until the employee exhausts his/her sick leave, except as provided by the Family Medical Leave Act.

F. Limited Duty Policy
The District reserves the right to assign employees modified work assignments for injuries or illnesses, or job-related injuries/illnesses, after receipt of adequate medical information regarding the employee’s physical limitations. It is mandatory for employees with extended injuries/illnesses, or job-related injuries/illnesses, who have been released by their own treating physician and/or the District’s doctor, to perform assigned work within the prescribed parameters set by the medical provider.

1. Limited-duty assignments will be considered for job-connected injuries/illnesses on a priority basis.

2. Only if there is sufficient work will employees using extended sick leave for non-job-related injuries/illnesses be considered for limited duty work assignments (per their physical limitations).

Prior to returning to full duty, the employee will be required to obtain an unconditional release from his/her or the District’s doctor.

G. Military Leave
Military leave shall be granted in accordance with the provisions of State law. All employees entitled to military leave shall give the District an opportunity within the limits of military regulations to determine when such leave shall be taken. Military employees shall assign to the District all military compensation received by the employee, which was earned while on paid military leave from the District.
H. JURY LEAVE
Every employee who is called or required to serve as a trial juror or as a witness in a civil or criminal action to which he/she is not a party, shall inform the General Manager or his/her designee as soon as the employee has been notified. While on jury duty (or serving as a witness), he/she shall be entitled to be absent from his/her duties with the District during the period requiring the employee to necessarily be present at the courthouse as a result of such call. Under such circumstances, the employee shall be paid his/her full salary, and the payment received by the employee for services, including travel and meal allowance for jury duty or court witness duty, will be retained by the employee.

I. LEAVE OF ABSENCE WITHOUT PAY
Upon the written request of an employee, the General Manager may approve, at his/her discretion, in writing, a leave of absence without pay for a period not to exceed six (6) months. Such leave may, by mutual agreement between the employee and the General Manager, be extended up to an additional six (6) months.

IV. HOURS OF WORK & REST PERIODS

A. REGULAR PAY PERIOD AND REGULAR PAY
The regular pay period shall consist of 80 hours, commencing midnight Sunday, every other week. Management and Confidential employees may work remotely for part of the 80-hour pay period (0-2 days per week). In case of emergency, employees must report to the work site if requested by the General Manager or designee. The General Manager has the sole discretion to modify the remote work schedules at any time based on the needs of the District.

V. SAFETY

A. UNIFORMS, SHOES, COMPUTER GLASSES, PRESCRIPTION SAFETY GLASSES
All employees in the Management and Confidential Employees' Classification shall, upon approval of the General Manager or his/her designee, be provided with safety shoes and/or uniforms consisting of shirt and trousers or coveralls, at no cost to the employee. Protective clothing such as rubber or leather gloves, rain gear, and eye shields shall be provided to Management and confidential employees where required.

The District shall reimburse an employee, on a fiscal year basis, $225 for safety shoes. The District will allow shoe reimbursement on a continuous basis. The shoe allowance will be placed in a revolving account, and there will be no limit to the number of pairs of safety shoes an employee purchases, as long as the revolving account always maintains a positive balance. Reimbursement is limited to the employee's shoe account balance. The shoe allowance will be credited to the employee's account on July 1st of each year, and the reimbursement will be processed through the District's payroll system.
All Management and Confidential employees who have been prescribed computer glasses shall be eligible for reimbursement for the actual purchase price of the computer glasses, in an amount not to exceed $300. Reimbursement is limited to one pair of glasses every other year, and the employee may not "bank" or rollover any unused amount. In the event an employee wishes to avail him/herself to this reimbursement, said computer glasses shall from that point forward be considered a job requirement for that individual. Computer glasses shall then be worn at all times by the employee when the employee is using a computer.

The District shall reimburse an employee up to $350 per calendar year for prescription safety glasses. Proof of purchase shall be required for reimbursement, as well as a doctor's note indicating the need for the employee to purchase prescription safety glasses.

B. SAFETY COMMITTEE
The Management and Confidential Employees Group shall appoint one representative to the District Safety Committee, who will participate in Safety Committee meetings and inspections related to District safety conditions. The Management and Confidential Employees Group safety representative shall suffer no loss in pay as a result of his/her safety activities.

No employee shall be expected, nor shall any employee be permitted, to perform work in an area or manner deemed to be unsafe according to the standards established by the Industrial Safety Commission of the State of California.

VI. DISCIPLINE, SEPARABILITY, GRIEVANCE, ETC.

A. DISCHARGE & DISCIPLINE
The General Manager or his/her designee may take disciplinary action against Confidential employees for good cause, including, but not limited to, the reasons set forth in District’s Personnel Rules. In the event a Confidential employee feels the disciplinary action is unjust, he/she shall have the right to appeal the case through the appeal procedure set forth in Section VI.B hereof.

B. GRIEVANCE PROCEDURES/RIGHT OF APPEAL
Confidential employees may, within ten calendar days, file a written appeal with the Board of Directors of any dispute arising over the interpretation or application of the terms and conditions of this Resolution. Employees shall be assured freedom from reprisal for using the appeal process. The Board of Directors may make whatever investigation of the appeal it deems appropriate and shall conduct an appeal hearing. Upon the conclusion of any investigation and/or hearings, the Board of Directors shall cause its findings and decision to be prepared in writing, shall certify the same, and shall promptly deliver a copy of said finding and decision to the appellant. Results of these findings and decision shall be final.

The right to process a grievance and the procedure set forth herein shall not apply to the termination of an at-will employee, with or without cause.
C. **NO STRIKE-NO LOCKOUT**
Management and Confidential employees shall not be allowed to engage in any strike, slowdown, or other work stoppages arising out of any dispute relating to the terms and conditions hereof. The District will not lock out any employee.

D. **SEVERANCE PLAN - LAYOFF**
Within the classification subject to layoff, the order of layoff shall be in reverse seniority.

1. Under the Oro Loma Sanitary District Severance Plan, each eligible employee being terminated from employment due to lack of work or funds by the District, would receive not less than twenty-one (21) calendar days notice. If such employee accepts other employment prior to termination, the terms of this severance package will not apply. Employee "bumping" rights are more specifically outlined in the District’s Personnel Rules.

2. Each eligible employee employed by the District on or after December 4, 2001, and terminated by the District due to lack of work or funds by the District, would receive the sum of one (1) week’s salary for every year of service (prorated to the nearest month), but in no case less than three (3) weeks salary. Severance packages may, however, be enhanced to add an additional week per year for each of the first three years of service to Oro Loma at the discretion of the District.

   However, each eligible employee employed by the District prior to December 4, 2001, and terminated by the District due to lack of work or funds by the District, would receive the sum of one (1) week’s salary for every year of service (prorated to the nearest month), but in no case less than six (6) weeks salary.

3. Eligible employees are defined as permanent, full-time employees. The severance package does not apply to employees on probation, temporary or part-time employees. The severance package also would not be available to employees who have submitted resignation or retirement papers prior to receiving a notification of layoff or bumping rights.

4. In addition to the salary provisions, the employee would receive payment for 50 percent of his/her sick leave accrued at the time of layoff.

5. Employees terminated through layoff will be eligible for State Unemployment Insurance, as well as receiving the benefits of this severance package. Employees selecting to terminate their employment may not be eligible to collect Unemployment Insurance upon resignation from District employment. The State Employment Development Department will decide such cases on an individual basis, and the determination of eligibility will be made by that agency.

6. The District would pay the employee's COBRA benefits for a period not to exceed three (3) months.
7. The District's General Manager will have authority to approve final separation dates and may, in his/her sole discretion, amend separation dates as needed to avoid undue hardship to District operations.

8. Those employees who are eligible for this severance plan will be notified by the Administrative Services representative.

9. An employee who has given satisfactory service, and who is laid off, shall be eligible for preferential re-employment in the same or other positions which require basically the same qualifications, and involve basically the same duties and responsibilities as the position from which the employee is laid off. This preferential re-employment list for employees hired after December 4, 2001, shall be in effect for a period of six (6) months; and twelve (12) months for those employees hired prior to December 4, 2001.

10. The Severance Plan outlined above is subject to discontinuance by the Board of Directors at any time.

E. SEVERANCE PLAN – INVOLUNTARY TERMINATION
Management at-will employees, as defined in Section I.A.1 of this Resolution, serve at the pleasure of the General Manager, and their employment can be terminated by the General Manager at any time, with or without cause or advance notice. Should such an event occur and an involuntary termination action taken by the General Manager against a Management at-will employee, the following terms shall apply:

1. The District shall provide a minimum severance payment equal to three (3) months salary at the employee's then current rate of pay. The severance shall be paid in a lump sum unless otherwise agreed to by the District and the employee. Employees with five (5) years tenure or more shall receive one additional month of severance pay for each five (5) years worked at Oro Loma, with a maximum of 12 months severance pay.

2. Employees shall also be compensated for all accrued vacation time, floating holiday time and compensatory time. The District agrees to provide Cobra coverage, at the District's expense, for medical, dental and vision benefits, based on the then enrollment status of the terminating employee, for the number of months of severance pay determined in Section VI.E.1 above.

3. Such severance pay and benefits shall not be due and payable if the employee is terminated for willful misconduct, dishonesty or fraud; willful destruction, theft, misappropriation of District property; or for being convicted of a felony or misdemeanor involving mortal turpitude.

4. In exchange for the severance pay and benefits outlined in sections VI.E.1 and VI.E.2 above, the employee shall accept and sign a ‘Release of All Claims’ agreement, releasing and forever discharging any and all claims against Oro Loma Sanitary District, its officers, officials, managers, directors and/or employees and agents from any and all claims, demands, actions and causes of action, known or unknown, for monetary
damages or benefits arising out of or which might in any way be considered to be connected with the employee’s employment with Oro Loma Sanitary District.

To qualify for the severance plan established in this section, the employee must have been employed by the District a minimum of 12 months as of the date of the involuntary termination.

VII. MISCELLANEOUS

A. SEPARABILITY
   Should any provision of this Resolution be declared illegal by a court of competent jurisdiction, that provision of the Resolution shall be null and void, but such nullification shall not affect any other provision of this Resolution, all of which other provisions shall remain in full force and effect. That portion declared illegal shall be renegotiated so as to conform, as nearly as possible, to the original intent of the parties.

B. NO DISCRIMINATION
   There shall be no discrimination of any kind because of race, creed, color, national origin, sex, sexual orientation, or disability, against any employee or applicant for employment by the District or by anyone employed by the District; and to the extent prohibited by applicable State and Federal law, there shall be no discrimination because of age.

C. RETIREMENT SYSTEM

1. The retirement plan between the District and the California Public Employees Retirement System (CalPERS) provides for the “2.5% at age 55” retirement formula for all eligible employees hired prior to November 14, 2011. The final compensation for the purpose of determining the retirement allowance shall be based on the monthly average of the highest 12-month period, as calculated by CalPERS. For these employees, the District shall contribute to the California Public Employees’ Retirement System (CalPERS) each pay period the employee contribution rate as established by law, for those eligible employees covered by this Resolution, equal to the percent of the employee’s “compensation” as that term is administered by the Board of Administration of CalPERS, for the purpose of computing final compensation. The District will pay the eight percent (8%) employee contribution as part of the employee’s benefits package.

District contributions made pursuant to this Section shall be reported to CalPERS as “employee contributions made by the contracting agency.” The District will not treat these contributions as “compensation subject to income tax withholding” unless the Internal Revenue Service or Franchise Tax Board determines that such contributions are taxable income subject to withholding. In the event the contribution made to CalPERS by the District on behalf of the employee is ever found to be illegal, the District will meet with the Management and Confidential employees regarding how the District’s employee CalPERS contribution is to be allocated.
Each employee is solely and personally responsible for any federal, state or local tax liability of the employee that may arise out of the implementation of this section or any penalty that may be imposed therefore.

The aforesaid contribution shall be considered solely for the purpose herein and shall not be considered for any other purpose, including, but not limited to, being considered as part of any employee's salary for the purpose of computing straight-time earnings, compensation for computing Worker's Compensation benefits and the District's contribution to CalPERS. The District reserves the right to take said contributions into account for the purpose of salary comparisons with other employers.

The Management and Confidential Employees Group participates in the CalPERS Employer Paid Member Contribution option adopted by Oro Loma Sanitary District Board Resolution No. 3197, effective August 19, 2002, and as may be amended from time to time.

2. Eligible employees hired after November 14, 2011 and before January 1, 2013 shall be entitled to the CalPERS retirement benefits afforded by the "2% @ age 60" formula (Classic). The final compensation for the purposes of determining the retirement allowance shall be based on the monthly average of the highest 36-month period, as calculated by CalPERS. The District shall deduct from the employee's salary, each pay period, an amount equal to the CalPERS employee contribution (7%), and shall submit said amount to CalPERS as "tax-deferred member-paid contribution." The District will not treat these contributions as "compensation subject to income tax withholding" unless the Internal Revenue Service or Franchise Tax Board determines that such contributions are taxable income subject to withholding. In the event the contribution made to CalPERS by the District on behalf of the employee is ever found to be illegal, the District will meet and confer with the Management and Confidential Employees' Group Representative(s) regarding how the District's employee CalPERS contribution is to be allocated.

Each employee is solely and personally responsible for any federal, state or local tax liability of the employee that may arise out of the implementation of this section or any penalty that may be imposed therefore.

The aforesaid employee contribution shall be considered part of an employee's salary for the purpose of computing straight-time earnings, compensation for assignment differentials, and compensation for computing Workers' Compensation benefits. The District shall also take said contributions into account for the purpose of salary comparisons with other employers.

3. Eligible employees hired on or after January 1, 2013 shall be entitled to the CalPERS retirement benefits afforded by the "2% @ age 62" formula as required by the Public Employees' Pension Reform Act (PEPRA). The final compensation for the purposes of determining the retirement allowance shall be based on the monthly average of the highest 36-month period, as calculated by CalPERS. "New members" shall be subject to the contribution requirements in Section 7522.30(a) and (c) of the PEPRA. As such,
"new members" shall pay at least 50% of the normal cost of their pension benefit and the District shall not pay any of the required contributions for "new members." As of the date of adoption of the MOU, the new member employee contribution is 7.25%. The District shall deduct from the employee's salary, each pay period, an amount equal to the CalPERS employee contribution (currently 7.25%), and shall submit said amount to CalPERS as "tax-deferred member-paid contribution." The District will not treat these contributions as "compensation subject to income tax withholding" unless the Internal Revenue Service or Franchise Tax Board determines that such contributions are taxable income subject to withholding. In the event the contribution made to CalPERS by the District on behalf of the employee is ever found to be illegal, the District will meet and confer with the Management and Confidential Employees' Group Representative(s) regarding how the District's employee CalPERS contribution is to be allocated.

Each employee is solely and personally responsible for any federal, state or local tax liability of the employee that may arise out of the implementation of this section or any penalty that may be imposed therefore.

The aforesaid employee contribution could be changed in the future by the CalPERS Board of Administration. The employee contribution shall be considered part of an employee's salary for the purpose of computing straight-time earnings, compensation for assignment differentials, and compensation for computing Workers' Compensation benefits. The District shall also take said contributions into account for the purpose of salary comparisons with other employers.

D. PAST PRACTICES
This Resolution does not guarantee continuance of working conditions, benefits, and practices not specifically authorized by ordinance or by resolution of the Board of Directors.

E. EMPLOYEE QUALIFICATION IMPROVEMENT PROGRAM
An employee who wishes to enhance job/professional skills may avail him/herself of the program described below to improve his/her qualifications.

For employees who wish to improve job skills or professional knowledge, the District will reimburse the employee up to $5,250 per calendar year for meetings and courses which are approved by the District, and after evidence of successful completion of the course work with a grade of "C" or above, or for professional development purposes approved by the General Manager. All District paid books, equipment and/or reference materials become the property of the District. This program can be used to pay for certification and registration renewals.

This program can also be used for wellness. The District will reimburse Management and Confidential employees up to a maximum of $1,000 per calendar year for expenses related to health and fitness programs, i.e., weight control, smoking cessation, etc., at the rate of $0.50 for every $1.00 spent by the employee. Proof of participation must accompany requests for reimbursement. Reimbursement made pursuant to the Wellness Program, when added to any other EQIP reimbursement provided in Section E, shall not, in the aggregate, exceed $5,250 per calendar year.
All reimbursements are subject to Internal Revenue Service regulations, and will be reported in accordance with appropriate IRS rules. Reimbursement will be made through the District's payroll system after submittal of a reimbursement request, with appropriate receipts attached, and approved by the employee's Supervisor/Department Head. Reimbursements will be processed on regularly scheduled payroll processing dates.

F. DURATION
The terms set forth in this Resolution shall be effective June 28, 2021 and shall remain in full force and effect through the June 21, 2026 or until a new Resolution governing the Management and Confidential Employees Group has been entered into by the parties hereto.

G. STATE DISABILITY INSURANCE PLAN
The District shall maintain a contract with the State of California to provide for the State Disability Insurance Plan for employees covered by this Resolution. State Disability Insurance is a plan solely funded by employee contributions, and there shall be no contributions by the District toward State Disability Insurance.

In disability cases arising outside the course of the employee's employment, State Disability Insurance benefits and sick benefit allowances shall be paid separately; but in the event State Disability Insurance payments cover all or part of the period during which sick benefit allowances are paid, the sum of the two (2) shall not exceed the sick benefit payable for said period, and the unused portion of accumulated sick leave will continue to be credited to the employee. Integration of sick leave benefits with State Disability Insurance payments is to be automatic. The Employer may not waive integration, and any employee entitled to State Disability Insurance payments must apply for such payments. Benefits will continue to be paid by the District only until the employee exhausts his/her sick leave.

H. DEFERRED COMPENSATION/DEFINED CONTRIBUTION
The District will contribute 6.32% of each Management and Confidential employees' gross salary (including base salary, incentive compensation pay and overtime pay) into his/her deferred compensation (457b) and/or defined contribution (401a) account(s). Said account(s) shall be a qualifying District plan(s), and said contribution shall be in accordance with specific plan guidelines and requirements.

In addition to this amount, the District will contribute $0.50 for each $1.00 voluntarily contributed by the employee to his/her deferred compensation or defined contribution account(s), up to a maximum additional District contribution of $750.00 per calendar year, per employee. In years one and five of this Resolution, said District contribution shall be prorated to compensate for the six-month calendar period.

I. RECIPROCITY
In the event any Oro Loma bargaining unit negotiates, in the aggregate, and is awarded by the District benefits, wages and/or working conditions higher than those provided herein,
Exhibit A
Management and Confidential Employees’ Salaries*

Effective June 28, 2021

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Note: The salaries include market adjustments, internal equity adjustments, and June 28, 2021 4.1% cost-of-living adjustment.

* = Future Cost-of-living salary adjustments will be processed annually in accordance with Section I.A of this Resolution.
the Oro Loma Sanitary District Management and Confidential employees will be awarded the same adjustments.

I certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted by the Sanitary Board of the Oro Loma Sanitary District, Alameda County, California, at a meeting thereof held on the 15th day of June 2021, by the following vote of the members thereof:

AYES, Members: Duncan, Lee, Simon, Stelzmann, Young

NOES, Members: None

ABSENT, Members: None

COUNTERSIGNED:

Rita Duncan, President

Sheila Young, Secretary