

MEMORANDUM OF UNDERSTANDING
BETWEEN AND FOR THE
SELMA-KINGSBURG-FOWLER COUNTY SANITATION DISTRICT
AND
INTERNATIONAL UNION OF OPERATING ENGINEERS
STATIONARY ENGINEERS LOCAL 39, AFL-CIO

EFFECTIVE JULY 1, 2025 THROUGH JUNE 30, 2028

Adopted 09-11-2025

Table of Contents

PREAMBLE.....	1
ARTICLE I. - RECOGNITION	1
ARTICLE II. - APPLICATION OF EXISTING POLICIES	1
ARTICLE III. - DISTRICT RIGHTS.....	1
ARTICLE IV. - DUES AND DEDUCTIONS	2
ARTICLE V. - WORK WEEK/WORK SCHEDULE	2
ARTICLE VI. - OVERTIME	3
ARTICLE VII. - SHIFT DIFFERENTIAL	4
ARTICLE VIII. - STAND-BY ASSIGNMENTS	4
ARTICLE IX. - CALL-BACK/CALL-IN PAY	4
ARTICLE X. - TEMPORARY ASSIGNMENTS.....	5
ARTICLE XI. - HOLIDAYS	5
ARTICLE XII. - HEALTH AND WELFARE FOR CURRENT EMPLOYEES	6
ARTICLE XIII. - PENSION AND OTHER POST-EMPLOYMENT BENEFITS.....	8
ARTICLE XIV. - HEALTH INSURANCE REVIEW COMMITTEE.....	9
ARTICLE XV. - TUITION REIMBURSEMENT	9
ARTICLE XVI. - PAYROLL DEDUCTION	9
ARTICLE XVII. - VACATIONS.....	9
ARTICLE XVIII. - LEAVES (SICK, ADMINISTRATIVE, BEREAVEMENT)	10
ARTICLE XIX. - SAFETY	12
ARTICLE XX. - SELECTION OF VACANCIES.....	13
ARTICLE XXI. - NOTICE OF NEW ELIGIBLE LISTS & PERSON EMPLOYED	13
ARTICLE XXII. - UNION STEWARDS	13
ARTICLE XXIII. - GRIEVANCE PROCEDURE	14
ARTICLE XXIV. - PAY RATES	17
ARTICLE XXV. - REASONABLE TIME OFF TO MEET AND CONFER	17
ARTICLE XXVI. - ACCESS TO WORK LOCATIONS.....	18
ARTICLE XXVII. - AVAILABILITY OF DATA	18
ARTICLE XXVIII. - BULLETIN BOARD	18
ARTICLE XXIX. - PROHIBITION OF STRIKE OR WORK STOPPAGE	18
ARTICLE XXX. - DISTRICT POLICIES	19
ARTICLE XXXI. - TERM OF AGREEMENT	19
ARTICLE XXXII. - REQUIRED LICENSES AND/OR CERTIFICATES.....	19
 <u>ATTACHMENT:</u>	
EXHIBIT A - SALARY SCHEDULES	21

PREAMBLE

THIS MEMORANDUM OF UNDERSTANDING is made and entered into between the SELMA-KINGSBURG-FOWLER COUNTY SANITATION DISTRICT, hereinafter referred to as "DISTRICT" or "SKF", and the INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS LOCAL 39, AFL-CIO, hereinafter referred to as "UNION," pursuant to California Government Code Section 3500 et seq., and the District's Resolution No. 90001 dated April 12, 1990.

The parties have met and conferred in good faith regarding employment terms and conditions of the employees in the District as designated in the District's aforesaid Resolution; and, having reached agreement as hereinafter set forth, shall submit this Memorandum to the District's Board of Directors with the joint recommendation that that body resolve to adopt as may be necessary to implement its provisions.

ARTICLE I. - RECOGNITION

The District hereby confirms its certification of the Union as the recognized employee organization for employees in the classifications listed herein in Exhibit A attached hereto.

ARTICLE II. - APPLICATION OF EXISTING POLICIES

All provisions of the District's Rules and Regulations, and Resolutions relating to matters within the scope of meeting and conferring that are not expressly modified by this Memorandum shall be deemed to be a part of it.

ARTICLE III. - DISTRICT RIGHTS

The District retains the exclusive right, in accordance with applicable laws, regulations, and the provisions of the Memorandum of Understanding, (a) to direct employees in the performance of their duties; (b) to hire, promote, transfer and assign employees; (c) to classify employees; (d) to discipline employees in accordance with applicable Rules; (e) to dismiss employees because of lack of work or for other reasonable cause; (f) to determine the mission of the District, its budget, its organization, the number of employees, and the numbers, types, classifications and grades of positions or employees assigned to an organization unit, work project, shift or tour of duty, and the methods and technology of performing its work; and (g) to take whatever action may be appropriate to carry out its mission in situations of emergency.

ARTICLE IV. - NEW EMPLOYEE ORIENTATION, DUES AND DEDUCTIONS

New Hire Orientations – In accordance with Assembly Bill (AB) 119 and Government Code 3555-3559 and if on file with the District, the District shall provide the following information to Local 39, via email to DataCenter@local39.org, for all newly hired bargaining unit employees within thirty (30) days of hire or by the first pay period of the month following hire, and a list for all bargaining unit employees once every 120 days:

- a. Employee name
- b. Job title
- c. Department
- d. Work location
- e. Work, Home, and Personal Cellular telephone numbers on file
- f. Personal email address on file
- g. Home address

The District will provide Local 39 with at least ten (10) days advanced notice of a new hire orientation for any position covered under this bargaining agreement. On the day the new hire orientation takes place, the District shall allow the designated Local 39 representative to meet with newly hired employees represented by their bargaining group for up to thirty (30) minutes. If the new employee elects not to attend, the District shall provide the name, phone number and email address of the designated Local 39 representative.

If the District does not have any of the information listed above on file, the information the District has access to shall be provided.

The Union may have the regular dues of its bargaining unit members deducted from their paychecks under procedures as follows:

The Union is solely responsible for distributing to, and collecting from, employees the dues deduction authorization forms. It is the employee's responsibility to submit requests to start or stop dues deductions directly to the Union and not to the District. The Union is responsible for maintaining the dues deduction forms from individual employees. Copies of an individual employee's dues deduction authorization need not be provided to the District unless a dispute arises about the existence or terms of the authorization. Questions regarding Union membership, dues amounts, and payroll deductions must be directed to the Union and not the District.

The Union will provide to the District an updated, certified dues deduction list of bargaining unit members who have provided written authorization for regular dues deductions. The District will deduct dues for only those employees who are in the bargaining unit in accordance with such certified list. The Union will immediately notify the District of any change to an employee's dues deduction, including starting and stopping dues deductions, or validly cancelling or revoking a dues deduction authorization, and will provide the District within one business day, an updated, certified dues deduction list noting any specific changes from the last list provided to the District. The District will implement the change(s) in the pay period following the District's

receipt of such notification. The District will transmit the funds to the Union no later than thirty (30) days after the deductions occur.

The Union shall indemnify, defend, and hold the District, its officers, agents, and employees harmless from and against any and all claims, demands, losses, defense costs, suits, or other action or liability of any kind or nature arising from this section, including, claims for or related to employee authorizations, revocations, deductions made, cancelled, or changed in reliance on the Union's representations and certifications regarding employee dues deduction authorizations.

The member's earnings must be sufficient after other legal and required deductions are made to cover the amount of the dues deduction authorized. When a member is in a non-pay status for an entire pay period, no dues deduction shall be made from future earnings to cover that pay period. In the case of a member who is in a non-pay status during only a part of the pay period and whose earnings are insufficient to cover other legal and required deductions, no dues deduction shall be made.

This section of the MOU is not grievable.

ARTICLE V. - WORKWEEK/WORK SCHEDULE

1. The regular workweek begins on Monday at 12:01 a.m. and ends the following Sunday at midnight. Employees may be assigned to one of two work schedules: 40 hours to be worked in five consecutive eight-hour shifts or four consecutive 10-hour shifts with two or three consecutive days off respectively. A seven-day notice will be given to employees prior to shift change, except in situations which prevent such notice as determined by the District. Work schedules (including days off and meal periods) are established solely at management's discretion based upon the need to provide service to the public, varying workload and/or other operational efficiency requirements.
2. The regular workday shall start at 7:00 a.m. and end at 3:30 p.m. During Daylight Saving Time, the workday shall start at 6:30 a.m. and end at 3:00 p.m. These regular and Daylight-Saving Time schedules shall not apply to the Laboratory personnel, Utility Workers or the PM Operator whose hours will be determined by management within management's discretion based upon operational needs.
3. All personnel shall have an unpaid lunch period, which shall be 30 minutes in duration and which shall be scheduled at the approximate mid-point of the work shift.
4. All personnel shall have two paid 15-minute rest periods, which shall be scheduled at the approximate mid-point of pre-lunch and post-lunch work periods. When working a 10-hour scheduled work shift, a third paid 15-minute break shall be scheduled.
5. All employees will be expected to adjust their meal and/or rest breaks, if necessary, in order to insure the responsible discharge of work duties and plant performance. If any employee has been authorized to work through the lunch break, that work shall be

compensated at the applicable overtime rate; if any rest break is interrupted or postponed due to work requirements, such break shall be rescheduled when the workload permits.

6. Temporary flex hours will be permitted subject to General Manager approval; however, General Manager approval will not be subject to the grievance procedure.

ARTICLE VI. - OVERTIME

1. All employees shall have a regular starting and stopping time. All work actually performed before or after their regularly scheduled hours shall be compensated at the overtime rate of one and one-half (1-1/2) times the hourly rate of pay. All hours actually worked on a scheduled day off shall be compensated at the overtime rate of one and one-half times the regular hourly rate of pay.
2. Overtime pay shall be paid in the next pay period following the pay period in which it was earned.
3. Overtime shall be distributed evenly among available qualified employees, subject to the following considerations: (a) relative experience and capability in performing the required job functions, and (b) relative disruptive effect on the established work schedule.
4. Employees shall have the option of accruing up to 60 hours of compensatory time off in lieu of overtime pay. Compensatory time will be accumulated at the applicable overtime rate. Scheduling of compensatory time off is at the discretion of the supervisor and at District convenience.

ARTICLE VII. - SHIFT DIFFERENTIAL

Operators working weekends shall receive one dollar and twenty-five cents (\$1.25) per hour for all weekend hours worked as shift differential.

ARTICLE VIII. - STAND-BY ASSIGNMENTS

Employees who are required to remain on call for emergency work shall be paid one hundred eighty two dollars (\$182) per week in addition to their regular daily compensation.

Appropriately-certified operators and sewer maintenance employees shall be required to remain on call for emergency work. They shall be scheduled on a rotating basis no more frequently than one week of every three weeks. Employees on standby are required to respond and shall report to their worksite within 45 minutes of being contacted.

The District will attempt at all times to maintain and ensure compliance with safety standards related to stand-by assignments.

ARTICLE IX. - CALL-BACK/CALL-IN PAY

An employee who has completed his regular shift and has left District premises and is called back to work shall receive a minimum of two hours pay at the overtime rate of one and one-half times his regular hourly rate of pay. In the event an employee receives a second or subsequent call prior to completing the two-hour call-back, the employee shall be compensated at the applicable rate of pay for the time actually spent correcting the problem(s) which exceed the two-hour minimum. There shall be no pyramiding or duplication of overtime rates.

Provided, however, that this shall not apply to an employee who is requested to report early for his assigned shift, i.e., who is ordered to report for duty earlier than the scheduled time for the commencement of his shift, and who continues on duty for his scheduled shift. An employee who is called to work early in this manner without sixteen hours prior notification shall receive a minimum of two hours pay at the over-time rate of one and one-half (1-1/2) times his regular hourly rate of pay and shall be allowed to complete his regular shift.

Employees who are called to assist with substantive District work that must be accomplished, but are not called to a worksite, shall receive a minimum of 15 minutes of pay for each such call. Calls requiring only de minimis work such as attempts to locate the employee or provide information on schedules or work done are not compensable for the purpose of this provision.

ARTICLE X. - TEMPORARY ASSIGNMENTS

Employees temporarily assigned to a higher classification for one week shall receive seven and one-half percent (7-1/2%) above their regular rate of pay or an amount equal to the bottom step of the higher classification, whichever is greater, for all time worked in the higher classification.

When such a temporary assignment is to be filled by an employee, the District shall, whenever practicable, distribute such temporary assignments evenly among available qualified employees, subject to the following considerations (1) relative experience and capability in performing the required job functions, and (2) relative disruptive effect on the established work schedule.

ARTICLE XI. - HOLIDAYS

The following holidays will be observed by the District as paid holidays:

New Year's Day	Memorial Day	Thanksgiving Day
Martin Luther King, Jr. Day	Independence Day	Day After Thanksgiving
President's Day	Labor Day	Christmas Day
Good Friday	Veteran's Day	2 Floating Holiday

When one of the above holidays falls on a Saturday, the preceding Friday shall be observed as the authorized holiday. When one of the above holidays falls on Sunday, the following Monday shall be observed as the authorized holiday. If the holiday falls during an employee's vacation, the employee shall receive an additional vacation day off with pay.

When one of the above holidays falls on one of an employee's regularly scheduled days off, eight hours shall be credited to the employee's vacation accrued leave balance. If a holiday falls during an employee's unpaid leave, the holiday will not be paid.

The floating holidays may be taken by the employee for any reason. The floating holidays must be taken during the twelve-month period July 1 through June 30 and is not cumulative and will not be paid for if not taken. Each employee will give the District at least seven days' notice of the date they desire to schedule their floating holiday.

When an employee works on a holiday, the employee may opt to take a future paid day off in-lieu of straight time holiday pay. Additionally, the employee shall receive, as monetary pay, one and one half (1 1/2) times the regular hourly rate for time actually worked. Such pay is not convertible to compensatory time off. The in-lieu day must be taken during the twelve-month period July 1 through June 30 in the year it is earned and is not cumulative and will not be paid for if it is not taken.

The District shall make reasonable effort to assure equal distribution of required scheduled holidays worked by employees.

ARTICLE XII. - HEALTH AND WELFARE FOR CURRENT EMPLOYEES

1. District Health Plan

The District provides health benefits under the District's sponsored CalPERS health plan. Employees may choose not to enroll in the District's sponsored CalPERS health plan. Employees who opt out of enrollment in the District's sponsored CalPERS health plan will not receive the District's payment to CalPERS for health insurance premiums provided to other employees who are enrolled in the District's sponsored CalPERS health plan. If an employee in this status subsequently elects to be covered by the District's sponsored health plan, they may enter the plan subject to enrollment criteria established by CalPERS.

2. District's Minimum Contribution

A. Medical Insurance

The District will contribute the PEMHCA statutory minimum towards employee health benefits. In 2025, the PEMCHA statutory minimum contribution is \$158 per month.

For employees who are enrolled in the District's Health Plan, the District will contribute \$785.54 per month of the cost/premium for health plan coverage for employees enrolled in the employee only plan, \$1,571.08 per month for employees enrolled in the employee and one dependent plan, or \$2,042.42 per month for the family plan. These amounts include the PEMHCA statutory minimum contribution.

Any employees, who desire coverage in the amount that exceeds the cap, will be required to make their own contributions to their Individual Cafeteria Plan accounts to maintain the premiums for such coverage. Increases in health care premiums during the term of this MOU will be split 50/50 between the District and the employees. However, in no case will the increase in the District's contribution exceed 5% of the total applicable premium annually. Any increases that exceed 50% of the total premium increase, or 5% of the total premium annually, whichever is less, shall be the sole responsibility of the employee.

B. Dental Insurance

For employees who are enrolled in the District's Dental Plan, the District will contribute an amount equal to the Dental Plan coverage for the employee and their dependents coverage up to \$2,500 per employee per calendar year.

C. Vision

For employees who are enrolled in the District's Vision Plan, the District will contribute an equal amount to the Vision Plan coverage for employee and their dependents coverage.

3. District Employee Cafeteria Plan Accounts

The District will maintain a Section 125 qualifying Cafeteria Plan which shall provide for the following menu of benefits:

- Balance of premiums for the District's sponsored CalPERS health plan
- Dental insurance
- Vision insurance

A benefit under the Cafeteria Plan is contingent upon an understanding that the benefit qualifies as a pre-tax benefit pursuant to State and Federal tax laws. If for any reason State or Federal laws or regulations preclude one or more of the above listed benefits from the protection of a Section 125 Cafeteria Plan or would result in a penalty against the District, the District shall reopen to meet and confer regarding impacts of removing that benefit from the Plan in order to maintain the District's Cafeteria Plan as a Section 125 qualifying plan.

4. Affordable Care Act (ACA) "Cadillac Tax" Reopener.

The parties agree that the Treasury Department and the Internal Revenue Service have not issued definitive guidance regarding the excise tax on high cost employer-sponsored health coverage, including which group health plan coverage must be taken into consideration for purposes of this tax and how to calculate this tax. The parties agree that some of the benefits provided for in this MOU may be included in the coverage to which the excise tax liability may apply. Therefore, the parties agree that the District may reopen negotiations regarding Health and Welfare benefits if further guidance from the IRS or the Treasury Department indicates these benefits will likely be included in the coverage to which the excise tax applies or if the level of coverages provided under this MOU can cause the District to be liable for any such excise tax payments. The District shall reopen negotiations regarding its Health and Welfare benefits to the extent such benefits are impacted by IRS or Treasury Department "Cadillac Plan" rules/regulations/guidance or subject the District to excise tax payments, as described above.

ARTICLE XIII. - PENSION AND OTHER POST-EMPLOYMENT BENEFITS

1. All employees pay 100% of the employee contribution/share required to participate in PERS.

Eligible District employees shall be enrolled in the Public Employees' Retirement System ("CalPERS"). The District has adopted the 2% at 55 retirement plan and final compensation based on the highest average annual compensation during a consecutive 36-month period. The employees shall contribute the entire 7% member contribution. This paragraph shall not apply to employees who are defined as "new members" under the Public Employees' Pension Reform Act ("PEPRA").

Employees who are defined as "new members" under PEPRA will be subject to all applicable PEPRA provisions, which include the 2% at 62 formula and final compensation based on the highest average annual compensation during a consecutive 36-month period. New members will pay 50% of the total normal cost of the retirement benefit.

2. Pursuant to a contract with PERS, the District will pay employees hired on or before July 16, 2012 a 5% maximum annual COLA benefit and pay employees hired after July 16, 2012 a 2% maximum annual COLA benefit.
3. For employees hired by the District before June 30, 2012, who have retired or who retire on or before June 30, 2015, who qualify as "annuitants" according to the Public Employees Medical and Health Care Act ("PEMHCA"), and enrolled in the District's CalPERS medical plan, the District will contribute directly to CalPERS, the minimum monthly employer contribution amount set by CalPERS annually. In addition, for those annuitants who are not Medicare eligible, the District will contribute to a Health Savings Account maintained by the District and in the name of the annuitant, an amount equal to

the difference of the District's minimum monthly employer contribution amount set by CalPERS and an amount not to exceed the cap amount consistent with Article XII for retiree only. For annuitants who are Medicare eligible and enrolled in the CalPERS Medicare Supplement Plan, the District will contribute to the Health Savings Account an amount equal to the difference of the District's minimum monthly employer contribution set by CalPERS and an amount not to exceed that necessary to maintain coverage in the Medicare Supplement Plan.

4. For employees hired on or after July 1, 2012 and who thereafter retire at any time during the term of this memorandum of understanding and qualify as an "annuitant" according to PEMHCA, the District will contribute directly to CalPERS, the minimum monthly employer contribution amount set by CalPERS annually on behalf of each annuitant for a length of time not to exceed the expiration of this memorandum of understanding.
5. Nothing herein shall be construed as providing a vested right to post-employment retiree health insurance.

ARTICLE XIV. - HEALTH INSURANCE REVIEW COMMITTEE

A health insurance review committee shall remain in place for the duration of this Agreement.

ARTICLE XV. - TUITION REIMBURSEMENT

On successful completion of a course that is substantially related to the employee's duties and responsibilities, the District agrees to reimburse employees for the cost of tuition, books and any fees incurred provided prior written approval for the course and for the employee has been given by the District. After receipt of proof of successful completion of wastewater related certifications, the District agrees to pay those costs of tuition, books, application, examinations, certifications, licenses and renewal fees for which expenditure documentation has been provided to the District by the employee.

ARTICLE XVI. - PAYROLL DEDUCTION

The District agrees to execute a deduction authorization to deduct (1) the normal and regular membership dues to employees who are members of Local 39, and (2) insurance premiums for plans to which the District is not a contracting party for employees in the said Unit, to be made from their paychecks, subject to the following conditions:

1. Such deduction shall be made pursuant to the terms and conditions contained on the authorization form now in use or as may be modified by the District and Union.
2. Deductions and authorizations shall be separated by type of deduction (union dues, insurance premiums).

ARTICLE XVII. - VACATIONS

Full-time employees will accrue vacation according to the table below:

Years of Service	Months of Service	Annual Accrual	Per Pay Period
0-3 years	0-36 months	80 hours	3.08 hours
4-10 years	37-120 months	120 hours	4.61 hours
11-15 years	121-180 months	160 hours	6.15 hours
16-20 years	181-239 months	176 hours	6.77 hours
Over 20 years	240+ months	200 hours	7.69 hours

A vacation request form must be filled out prior to vacation date. Approval for vacation is at District discretion, based on the workload and availability of qualified employees.

In the event two employees in the same classification request the same vacation period, the employee with the greater seniority will be given first preference. Seniority shall be exercised only once by each employee in each successive choice of vacation periods. Management will make every effort to allow employees to take vacation when requested.

Employees with less than 10 years of continuous service may accrue vacation time to a maximum of 240 total hours. Employees with 10 or more years of continuous service may accrue vacation time to a maximum of 320 total hours. Any employee exceeding the maximum accrual amount shall discontinue accruing vacation until such time as the total accrual drops below the maximum accrual limit. Requests for deviation must be submitted in writing and approved by the General Manager.

Employees on unpaid leave do not accrue vacation leave.

ARTICLE XVIII. - LEAVES (SICK, ADMINISTRATIVE, BEREAVEMENT)

A. Sick Leave

1. Each full-time employee shall accrue sick leave at the rate of eight (8) hours per month of service. Sick leave shall accrue to the employee on the first of the month following that in which it is earned.

Full time employees are not eligible to begin using any accrued paid sick leave until after 90 days of employment with the District; however, at the end of the period they shall have accrued twenty-four (24) hours of sick leave. Sick leave shall be capped at 1,000 hours. Employees currently in excess of the 1,000 hours will have their balances frozen.

2. In accordance with California law (Labor Code Sections 245 et seq.), a full-time employee may use one-half of their available accrual of sick leave in a 12-month period for one of the below reasons. Any additional paid sick leave provided to full-time employees beyond the use of one-half of their annual accrual of sick leave can only be used for the employee's own diagnosis, care, or treatment of an existing health condition or preventative care.
 1. For the employee's own diagnosis, care, or treatment of an existing health condition or preventative care;
 2. For the diagnosis, care, or treatment of an existing health condition or preventative care for an employee's family member, as that term is defined by law; or
 3. To obtain any relief or services related to being a victim of domestic violence, sexual assault, or stalking, including those services provided for by law, with appropriate certification of the need for such services.
3. The residual accrued sick leave over one hundred ninety-two (192) hours may be paid once per fiscal year to the employee at his/her option at the rate of 50%. For any termination other than retirement or termination for cause, all accrued sick leave will be paid at the rate of 50%. For termination due to retirement, all accrued sick leave will be paid at the rate of 70%. For termination for cause, accrued sick leave will not be paid.
4. An employee on vacation who becomes ill or injured for one (1) or more days may have such time charged to accrued sick leave, provided the employee submits appropriate written verification from the treating doctor or the hospital and a physician's statement releasing the employee to unrestricted duty.
5. Absence for sick leave of more than three (3) days will require a certificate of medical treatment. In cases of possible abuse, the District may require a certificate of medical treatment for payment of sick leave for a period not to exceed one year.
6. The District will provide each employee, at the end of each quarter of the fiscal year, a breakdown of the unused sick leave and vacation days accumulated to date.
7. Employees on unpaid leave do not accrue sick leave.

B. Personal Business Leave

Employees who have completed their probationary period will be entitled to a maximum of eight (8) hours leave per fiscal year for personal business which cannot be handled at times other than normal working hours. Leave for personal business shall be scheduled

in advance with the immediate supervisor and must be taken in not less than one-hour increments. Personal Business Leave must be taken during the twelve-month period July 1 through June 30 and is not cumulative and will not be paid for if not taken.

C. Jury Duty

1. An employee required to serve on a jury or required to make a court appearance solely in the capacity of a witness for the People and who misses work because of such requirement, shall be paid the difference between the employee's regular straight time earnings and the amount paid for jury duty (exclusive of mileage and subsistence allowed) provided the employee has notified his supervisor (with verification of summons) as soon as the employee is called for service.
2. Payment for jury duty will be made on receipt of a written statement from the appropriate public official showing the date, time served and the amount of pay received or a statement indicating the amount to be received.
3. When an employee is released from jury duty and has three (3) hours or more of regular shift remaining, the employee will report for work within one (1) hour after release from jury duty. Employees assigned to late shift will have their shift changed to the day shift when required to serve on jury duty.

D. Bereavement

Time off with pay for funerals of members of the immediate family, defined as father, mother, husband, wife, son, daughter, step-son, step-daughter, brother, sister, grandparents, grandchildren, current step-father, step-mother, father-in-law, mother-in-law, brother-in-law, sister-in-law, spouse's grandparents and domestic partners of the same sex who are registered with the State of California, will be allowed.

Time off with pay will be authorized as follows:

1. Three (3) days where the place of funeral is 300 miles or less from the place of employment;
2. Five (5) days where the place of funeral is over 300 miles from the place of employment.

ARTICLE XIX. - SAFETY

The District agrees that where safety shoes are required the District shall pay the cost of said shoes, not to exceed two hundred twenty-five dollars (\$225) per fiscal year. The District shall pay the cost of rental and laundering of uniforms for Maintenance, Treatment and Laboratory Personnel.

ARTICLE XX. - SELECTION OF VACANCIES

1. When permanent vacancies occur, the District will give employees within a department and classification preference of shift assignment in the same classification based upon seniority in the classification. The District reserves the right to assign and retain skilled employees on each shift to maintain effective operations.
2. Employees shall be given seven (7) days prior notice to any permanent changes in scheduled shifts. If an employee's shift or days-off are changed without the above notification, he shall be paid the overtime rate for all hours worked until the seven (7) day requirement is met. The above provision will not apply to any shift change because of emergency or short-term illness.
3. When permanent vacancies occur within a department, which are not filled by shift transfer, said vacancies will be filled by qualified regular employees within the District based on their seniority and relative experience, provided such assignment does not limit the District's ability to operate in an efficient and productive manner.

ARTICLE XXI. - NOTICE OF NEW ELIGIBLE LISTS & PERSON EMPLOYED

The District shall notify the Union when applications are being solicited for new hires for job classifications represented by the Union and shall promptly notify the Union of the name(s) and date(s) of new employees hired in the said classifications.

ARTICLE XXII. - UNION STEWARDS

1. The Union may designate job Stewards.
2. The Union shall furnish the District with the names of the Stewards after their designation.
3. Provided there is no adverse effect whatever on operations, and subject to prior notification and approval by his immediate supervisor, a Union steward may be granted permission to process and investigate grievances during on-duty time if such is absolutely necessary and it is not feasible to undertake such action during off-duty time.
4. It will be the responsibility of all Stewards to first discuss with their immediate supervisor any questions regarding the interpretation or application of this Memorandum.
5. A Steward may be released from his work shift for the purpose of participating in Union activities not prohibited by law. Such time off may be utilized by employees who are

members of the Union for the purposes of handling grievance activity. For Membership meetings and special Stewards meetings, Stewards shall request from their supervisor, 48 hours in advance, to be released from work assignments. Time off is without pay.

ARTICLE XXIII. - GRIEVANCE PROCEDURE

1. Purpose

- a. This grievance and arbitration procedure shall be used to process and resolve grievances arising under this Memorandum of Understanding.
- b. The purposes of this procedure are:
 1. To resolve grievances informally at the lowest possible level;
 2. To provide an orderly procedure for reviewing and resolving grievances promptly.

2. Definitions

- a. A grievance is a good faith complaint of one or a group of regularly appointed employees, or a dispute between the District and the Union, involving the interpretation, application, or enforcement of the express terms of the Memorandum of Understanding.
- b. As used in this procedure, the term "immediate supervisor" means the individual who assigns, reviews and directs the work of an employee(s).
- c. As used in this procedure, the term "party" means a unit employee, the Union, the District or their authorized representative.
- d. As used herein "Union representative" refers to the recognized employee representative group or their agents.

3. Time Limits

Each party involved in a grievance shall act quickly so that the grievance may be solved promptly. Every effort should be made to complete action within the time limits contained in the grievance procedure, but with the written consent of the parties, the time limits of any step may be extended. Failure of the grievant to comply with said time limits shall constitute abandonment of the grievance. If the District fails to respond to a grievance within the time limits specified for that step, the grievance will automatically move to the next step.

4. Presentation

An employee and/or the Union representative may present a grievance while on duty, provided such use of on-duty time shall be kept to a reasonable minimum.

5. Employee Rights

The employee retains all rights conferred by Sections 3500 et seq., of the Government Code, unless waived by such employee.

6. Informal Discussion

The grievance initially shall be personally discussed between the employee and his immediate supervisor. The employee may have in attendance a Union representative. Within five (5) working days of the meeting, the immediate supervisor shall give his decision or response.

7. Formal Grievance - Step 1

- a. If an informal grievance is not resolved to the satisfaction of the grievant, a formal grievance may be initiated in writing. A formal grievance may be initiated no later than:
 1. Fifteen (15) working days after the event or circumstances occasioning the grievance; or
 2. Within five (5) working days of the decision rendered in the informal grievance procedure, whichever is later.
- b. However, if the informal grievance procedure is not initiated within the period specified in subsection (1) above, the period in which to bring the grievance shall not be extended by subsection (2) above.
- c. A formal grievance shall be initiated in writing on a form furnished by the Union and shall be filed with the persons designated by the District as the first level of appeal. The employee may be represented by a Union representative. The employee shall personally authorize in writing such representation by signing the grievance form.
- d. Within five (5) working days after the initiation of the formal grievance, the designee of the District at the first level of appeal shall investigate the grievance and give his decision in writing to the grievant.

8. Formal Grievance - Step 2

- a. If the grievant is not satisfied with the decision rendered pursuant to Step 1, he may appeal the decision within five (5) working days to the General Manager, otherwise the issue will be considered settled. The employee may be represented by the Union representative.
- b. The General Manager or his designated representative shall, within five (5) working days of receipt of the appeal, have a meeting with the aggrieved and/or his designated Union representative. Thereafter the General Manager or his designee shall render his written decision within ten (10) working days.

9. Arbitration - Step 3

If the General Manager fails to respond in writing as provided in Step 2, or if the response is unsatisfactory to the grievant, the grievant may have the right to refer the matter to binding arbitration within ten (10) working days of receipt of his decision.

10. Response

If the District fails to respond to a grievance within the time limits specified for that step, the grievant shall have the right to appeal to the next step.

11. Copy of Decision

At each step of the formal grievance procedure, a copy of the written decision shall be sent to the Union or other authorized representative.

12. Selection of Arbitrator

- a. An impartial arbitrator shall be selected jointly by the parties.
- b. In the event the parties are unable to agree, the arbitrator shall be selected from a list of five (5) arbitrators requested from the California State Conciliation Service.

13. Decision

- a. The decision of the arbitrator shall be final and binding.
- b. The arbitrator shall have no authority to add to, delete or alter any provisions of this Memorandum of Understanding, but shall limit his decision to the application and interpretation of its express provisions.

14. Costs

The fees and expenses of the arbitrator and the court reporter, if required by the arbitrator or requested by a party, shall be shared equally by the parties.

15. Witnesses

The District agrees that employees shall not suffer loss of compensation for time spent as a witness at an arbitration hearing held pursuant hereto. The Union agrees to keep the number of witnesses to a reasonable minimum and shall submit a list to the General Manager forty-eight (48) hours in advance of the date the employee is to be used as a witness.

ARTICLE XXIV. - PAY RATES

1. Contingent upon employees hired before February 9, 2012 actually contributing employee portion of PERS (retirement contribution) as noted in Article XIII, Section 1, there shall be a corresponding base salary increase in the following manner:
 - 4% base wage increase effective following Board approval of new MOU and on the pay period beginning July 28, 2025
 - 3% base wage increase effective first full pay period following July 1, 2026
 - 3% base wage increase effective first full pay period following July 1, 2027
2. Effective July 1, 2008, when an employee becomes certified in a higher classification and there is an opening, the employee will be given first consideration for the vacancy before external recruiting begins. However, in the event there is no opening or there is no higher classification, employees will receive three percent (3.0%) for each additional wastewater-related certification up to a maximum of nine percent (9.0%), provided that at least one of the certifications is specifically related to the employee's primary duties.
3. Those employees who have reached the top of range for their classification will receive a Y step increase twenty-four months after their last merit increase which placed them at the top of their range. The amount of the increase will be five percent of the "E" Step Rate listed in the appendix in effect for the employee's classification. As with all merit increases; this increase will be granted based on satisfactory performance.
4. Payday shall be every other Friday.

ARTICLE XXV. - REASONABLE TIME OFF TO MEET AND CONFER

The District shall allow a reasonable number of its employee representatives of the recognized employee organization, reasonable time off without loss of pay to formally meet and confer with management representatives on matters within the scope of representation. However, it shall be

deemed unreasonable to allow employees time off who meet and confer where doing so would create a safety hazard for other employees or the District (Gov't Code 3505.3).

ARTICLE XXVI. - ACCESS TO WORK LOCATIONS

Authorized representatives of the recognized employee organization shall be allowed reasonable access to employees at their work locations during working hours for the purpose of processing grievances provided that the work of the employee and service to the public are not impaired. The authorized representative shall give advance notice to the employee's supervisor when contacting employees during duty periods.

Solicitation for membership or other internal employee organization business or campaigning shall only be conducted during non-duty hours of the employees concerned.

ARTICLE XXVII. - AVAILABILITY OF DATA

The District shall make available, on written request, to the employee organization the non-confidential information which is contained in its payroll records which pertains to employment relations (Gov't Code 3507 (h)).

ARTICLE XXVIII. - BULLETIN BOARD

The District shall make available within the plant for the exclusive use of the Union a bulletin board. Use of such a bulletin board shall be restricted to the following activities:

- Notices of Union recreational and social activities.
- Notices of Union elections and results.
- Notices of appointment of Union representatives.
- Notices of Union meetings.
- Notices of bona fide Union activities.

No other matter shall be placed on the bulletin board unless it is first approved by the District and the Union.

Notices shall remain posted a reasonable time commensurate with their purpose. Maintenance of the bulletin board shall be the responsibility of the Union Stewards.

ARTICLE XXIX. - PROHIBITION OF STRIKE OR WORK STOPPAGE

During the term of this agreement, no employee or employee organization, its representatives or members shall cause, participate in, instigate or encourage a strike or work stoppage or any other concerted activity adverse to the District. Participation by an employee in a strike or work

stoppage shall subject the employee to disciplinary action, up to and including termination of employment. If a recognized employee organization, its members or representatives cause, participate in, instigate or encourage a strike or work stoppage of any kind, the Board of Directors may, in addition to other lawful remedies, suspend or revoke the recognition granted to such employee organizations, may prohibit use of facilities or access to work or duty station by such organizations.

ARTICLE XXX. - DISTRICT POLICIES

The District will post changes to District Policies ten (10) working days in advance of the change except in cases of employee safety or District liability exposure.

ARTICLE XXXI. - TERM OF AGREEMENT

This Memorandum of Understanding shall be submitted to the District Board of Directors for its adoption on August 14, 2025. Upon its adoption, the term shall be July 1, 2025, to the extent authorized by law, and remain in effect up to and including June 30, 2028, with the effective date being August 14, 2025, except where specifically noted otherwise in the Memorandum of Understanding. Union will deliver official Notice of Opening to District at least ninety (90) days prior to the expiration of the term of agreement.

ARTICLE XXXII. - REQUIRED LICENSES AND/OR CERTIFICATES

Required Classifications:	Positions (6)	Range
Operator In Training		4
Operator I		14
Operator II		17
Operator III		20

Pursuant to the California State Water Resources Control Board requirements, guidelines, and written communication to the District, as well as Title 23 of the California Code of Regulations (23 CCR sections 3680, 3680.1, and 3680.2), which require all existing operations staff to possess at least a Grade III certificate, the District and Union agree the licenses and/or certificates requirements: a) are mandatory for all employees hired on or after April 14, 2011 and voluntary for all employees hired before April 14, 2011; b) supplement the job descriptions for the Wastewater Treatment Plant Operator Series; and c) are effective at all times (24/7) including holidays, weekends, call backs, standby, and overtime.

Employees with Grade III certificates are required to work holidays, weekends, call backs, standby and overtime. For employees hired on or after April 14, 2011, the time frames noted below for obtaining licenses and/or certificates are from the date of hire or original agreement date between the District and Union (March 25, 2015), whichever is later.

The District, within its management discretion, considering operational/departmental needs, and in accordance with the District's training and reimbursement provisions in the Personnel Rules and Regulations (Rule 5, Section 5.1) will provide funding and training for advancement to the required higher Grade certificates and the ultimate required Grade III certificate.

The District shall retain sole discretion to hire new employees at any operational grade level (i.e., OIT – Grade III). Employees hired on or after April 14, 2011 who do not obtain and maintain the required licenses and/or certificates within the time frames set forth below, absent facts evidencing a hardship as determined by District management, will be released from employment due to failure to meet minimum job qualifications.

TITLE: Operator In Training

Incumbents hired at this level are required to obtain and maintain a Wastewater Treatment Plant Operator Grade I certificate issued by the State Water Resources Control Board within 18 months of hire date or original agreement date between the District and Union (March 25, 2015), whichever is later; Grade II within 36 months of hire date or original agreement date between the District and Union (March 25, 2015), whichever is later; and Grade III within 54 months of hire date or original agreement date between the District and Union (March 25, 2015), whichever is later.

TITLE: Operator I

Must possess a Wastewater Treatment Plant Operator Grade I certificate issued by the State Water Resources Control Board. Incumbents hired at this level are required to obtain and maintain a Grade II certificate within 18 months of hire date or original agreement date between the District and Union (March 25, 2015), whichever is later; and Grade III within 36 months of hire date or original agreement date between the District and Union (March 25, 2015), whichever is later.

TITLE: Operator II

Must possess a Wastewater Treatment Plant Operator Grade II certificate issued by the State Water Resources Control Board. Incumbents hired at this level are required to obtain and maintain a Grade III certificate within 30 months of hire date or original agreement date between the District and Union (March 25, 2015), whichever is later.

TITLE: Operator III

Must possess and maintain a Wastewater Treatment Plant Operator Grade III certificate issued by the State Water Resources Control Board.

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EXHIBIT A

S-K-F CSD BARGAINING UNIT SALARY SCHEDULE EFFECTIVE 7-28-25							
<u>RANGE</u>	<u>CLASSIFICATION</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>Y</u>
1	UTILITY WORKER	3,237.97	3,399.87	3,569.86	3,748.35	3,935.77	4,132.56
2							
3							
4	OPERATOR IN TRAINING	3,486.94	3,661.28	3,844.35	4,036.56	4,238.39	4,450.31
5							
6							
7							
8							
9							
10							
11							
12	SEWER SYSTEM MAINT TECH I	4,248.49	4,460.92	4,683.96	4,918.16	5,164.07	5,422.27
13							
14	OPERATOR I or SSMT II	4,463.57	4,686.75	4,921.09	5,167.14	5,425.50	5,696.78
15							
16							
17	OPERATOR II	4,806.78	5,047.12	5,299.48	5,564.45	5,842.67	6,134.81
18							
19							
20	MECHANICAL MAINTENANCE TECH I	5,176.38	5,435.20	5,706.96	5,992.30	6,291.92	6,606.51
	or ENVIRONMENTAL TECHNICIAN or						
	MAINTENANCE TECHNICIAN III or						
	OPERATOR III						
NOTES: 1) Overtime compensation is at the rate of 1.5 times annual salary divided by 2080 as per MOU.							
2) Holiday worked receives 2.5 times annual salary divided by 2080 as per MOU.							
3) Private vehicle used on District business is compensated at Federal IRS standard mileage rate.							
4) Employee is eligible for step "Y" two years after attainment of step "E."							
5) Amounts shown are monthly dollar amounts.							
6) Employees hired are eligible for an additional maximum of 9.0% certification compensation.							

S-K-F CSD BARGAINING UNIT SALARY SCHEDULE EFFECTIVE FIRST PAY PERIOD AFTER 7-1-26							
<u>RANGE</u>	<u>CLASSIFICATION</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>Y</u>
1	UTILITY WORKER	3,335.11	3,501.86	3,676.96	3,860.81	4,053.85	4,256.54
2							
3							
4	OPERATOR IN TRAINING	3,591.55	3,771.13	3,959.68	4,157.67	4,365.55	4,583.83
5							
6							
7							
8							
9							
10							
11							
12	SEWER SYSTEM MAINT TECH I	4,375.95	4,594.75	4,824.49	5,065.71	5,319.00	5,584.95
13							
14	OPERATOR I or SSMT II	4,597.48	4,827.36	5,068.73	5,322.16	5,588.27	5,867.68
15							
16							
17	OPERATOR II	4,950.99	5,198.54	5,458.46	5,731.39	6,017.96	6,318.85
18							
19							
20	MECHANICAL MAINTENANCE TECH I	5,331.67	5,598.26	5,878.17	6,172.08	6,480.68	6,804.72
	or ENVIRONMENTAL TECHNICIAN or						
	MAINTENANCE TECHNICIAN III or						
	OPERATOR III						
NOTES: 1) Overtime compensation is at the rate of 1.5 times annual salary divided by 2080 as per MOU.							
2) Holiday worked receives 2.5 times annual salary divided by 2080 as per MOU.							
3) Private vehicle used on District business is compensated at Federal IRS standard mileage rate.							
4) Employee is eligible for step "Y" two years after attainment of step "E."							
5) Amounts shown are monthly dollar amounts.							
6) Employees hired are eligible for an additional maximum of 9.0% certification compensation.							

S-K-F CSD BARGAINING UNIT SALARY SCHEDULE EFFECTIVE FIRST PAY PERIOD AFTER 7-1-27							
<u>RANGE</u>	<u>CLASSIFICATION</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>Y</u>
1	UTILITY WORKER	3,435.16	3,606.92	3,787.27	3,976.63	4,175.46	4,384.24
2							
3							
4	OPERATOR IN TRAINING	3,699.30	3,884.26	4,078.47	4,282.40	4,496.52	4,721.34
5							
6							
7							
8							
9							
10							
11							
12	SEWER SYSTEM MAINT TECH I	4,507.23	4,732.59	4,969.22	5,217.68	5,478.57	5,752.50
13							
14	OPERATOR I or SSMT II	4,735.41	4,972.18	5,220.79	5,481.83	5,755.92	6,043.72
15							
16							
17	OPERATOR II	5,099.52	5,354.50	5,622.22	5,903.33	6,198.50	6,508.42
18							
19							
20	MECHANICAL MAINTENANCE TECH I	5,491.62	5,766.21	6,054.52	6,357.24	6,675.10	7,008.86
	or ENVIRONMENTAL TECHNICIAN or						
	MAINTENANCE TECHNICIAN III or						
	OPERATOR III						
NOTES: 1) Overtime compensation is at the rate of 1.5 times annual salary divided by 2080 as per MOU.							
2) Holiday worked receives 2.5 times annual salary divided by 2080 as per MOU.							
3) Private vehicle used on District business is compensated at Federal IRS standard mileage rate.							
4) Employee is eligible for step "Y" two years after attainment of step "E."							
5) Amounts shown are monthly dollar amounts.							
6) Employees hired are eligible for an additional maximum of 9.0% certification compensation.							

SELMA-KINGSBURG-FOWLER COUNTY SANITATION DISTRICT


Ernest Buddy Mendes, Chairman, Board of Directors

Date: 9-11-2025

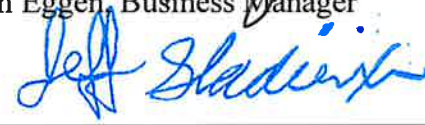

Veronica Cazares, General Manager

Date: 9-11-2025

INTERNATIONAL UNION OF OPERATING ENGINEERS
STATIONARY LOCAL NO. 39 AFL-CIO


Tim Eggen, Business Manager

Date: 10-27-25


Jeff Gladieux, President

Date: _____


Brandy Johnson, Director of Public Employees

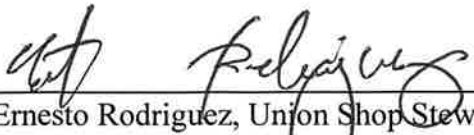
Date: _____


Jennifer Osborn, Business Representative

Date: 10-6-25


Ricardo Isaguirre, Union Shop Steward

Date: 9-17-25


Ernesto Rodriguez, Union Shop Steward

Date: 9-12-25


Mike Alaniz, Union Shop Steward

Date: 9/15/25