

MEMORANDUM OF UNDERSTANDING

BETWEEN

RANCHO CALIFORNIA WATER DISTRICT

AND

**RANCHO CALIFORNIA WATER DISTRICT MANAGEMENT,
PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES'
ASSOCIATION**

July 1, 2017 Through June 30, 2020

ARTICLE		SUBJECT
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2.		Management Rights
3.		Employee Rights
4.		Term of the MOU
5.		Cost of Living Adjustment
6.		Merit Increase
7.		"Topped-Out" Employees
8.		Contribution to CalPERS
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This Memorandum of Understanding (“MOU”) entered into effective July 1, 2017, is by and between the Rancho California Water District, hereinafter referred to as the “District” and the Rancho California Water District Management, Professional and Confidential Employees’ Association, hereinafter referred to as “MPCEA”:

ARTICLE 1
Recognition

The District hereby recognizes MPCEA as the sole and exclusive bargaining agent for all District employees classified as management, confidential and professional employees. Attached as Appendix A is the list of classifications represented by MPCEA.

Should additional classifications be added during the term of this agreement, the District shall consult with MPCEA to ascertain if added classifications should be included in the bargaining unit, in accordance with Section 9, Procedures for Modification of Established Bargaining Units of the District’s Employer-Employee Organization Relations Procedure.

ARTICLE 2
Management Rights

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

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

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

**ARTICLE 3
Employee Rights**

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

**ARTICLE 4
Term of the MOU**

The term of this MOU shall be from July 1, 2017 through June 30, 2020, although the parties may mutually agree to discuss, bargain or meet and confer regarding any matters covered by this MOU during the term of this MOU.

**ARTICLE 5
Cost of Living Adjustment**

MPCEA employees shall receive no Cost of Living Adjustment (COLA) during the term of this MOU.

**ARTICLE 6
Merit Increase**

For each of the fiscal years 2017-2018, 2018-2019, and 2019-2020, MPCEA employees shall receive a Merit pay increase from a merit pool established based on 4.5 percent of base pay of MPCEA employees, not to exceed \$550,000 District wide.

The Merit pay increase shall be calculated and paid in accordance with the Compensation Policy #10, except as modified by Article 7 of this MOU.

**ARTICLE 7
“Topped-Out” Employees**

In accordance with the terms of the prior (July 1, 2012 – June 30, 2014) MOU between the District and MPCEA, prior COLA and Merit increases were permitted to increase employees’ salaries outside of the salary range for their position. The employees’ out-of-range salary values are fixed at June 30, 2014, and shall remain in effect until the employees’ salaries come back into their

respective range, based on any range adjustments to the salary ranges performed in accordance with District policy, or by promotion. This “range buffer” is available only to employees whose salaries were increased outside of their salary range as part of prior MOU(s).

In addition, for those employees who are topped out and/or within the range buffer, those employees will be entitled to receive a “merit bonus” of 100 percent rather than 50 percent as described in Policy 10, only during the term of this MOU, and subject to all of the restrictions of Policy 10, as modified by this MOU. Upon expiration of the MOU, the merit bonus will return to 50 percent, unless re-negotiated by subsequent MOUs.

ARTICLE 8
Contribution to CalPERS

“New Members”, as defined in Government Code Section 7522.04(f) (or its successor), shall be enrolled in the Public Employee Retirement System 2 percent at 62 formula, and will pay 8 percent of their salary towards PERS costs. MPCEA employees who are not New Members (hereinafter referred to as “Classic Members”) will pay 8 percent towards PERS costs with an additional previously-agreed upon amount of 2.936 percent towards the cost of PERS enhancement for a 2.7 percent at 55 formula, making Classic Members total PERS contribution 10.936 percent of salary.

Employees will pay the percentages described above as a contribution toward the CalPERS employer contribution, on a pre-tax basis.

All other terms of the current benefit will remain the same.

ARTICLE 9
At-Will Employment

Policy #7, including all applicable forms and acknowledgments, shall be revised to extend the irrevocable election by current Managers to become At-Will employees in exchange for the additional benefits identified therein. In addition, Policy #7, including all applicable forms and acknowledgments, shall be revised to continue all listed “Other Benefits” for existing and future At-Will employees during the term of this MOU.

ARTICLE 10
Healthcare Benefits Contribution

MPCEA employees shall pay the following percentage of costs of healthcare benefits for their dependents after deducting the employee only cost for the particular plan:

(Contribution to Costs – beginning January 1, 2018):

1st Year – 22 percent; 2nd Year – 24 percent; 3rd Year – 25 percent

For employees selecting United Healthcare HMO or Blue Cross Prudent PPO;

17 percent for employees selecting Blue Cross Advantage PPO for all three years; or

15 percent for employees selecting Kaiser HMO for all three years

Policy #20 shall be revised to identify the specific employee cost share percentages.

ARTICLE 11

Continuation of Additional Benefits and Conditions of Employment

During the term of this MOU, the District will continue, as required by applicable law, all benefits and conditions of employment as set forth in the Policies contained in the District's Policies and Procedures Manual, or as specifically amended by this MOU.

ARTICLE 12

Other Benefits and Conditions of Employment

The District and the MPCEA acknowledge that in the course of business, other working conditions or District Policies need to be modified as circumstances arise. The parties agree to discuss, bargain or meet and confer on these issues, in accordance with applicable law. During the course of MOU negotiations the parties agreed to revise District policies as set forth in the December 1, 2016 tentative agreement for the new MOU. These policies include Policy 10, Section 5.1, Policy 10, Section 12.0, Policy 28, Policy 14, Section 9.1, Policy 9, Section 3.0 and inserting a new 3.1, Policy 10, Section 5.3, Policy 25, Section 9.0 and 9.1, Policy 25, Section 10.0 and 7.2.

ARTICLE 13

No Strikes or Lockouts

The MPCEA agrees that there shall be no strike of any kind, walkout, slowdown, picketing, or work stoppage of any type during the term of this MOU. The District agrees that there shall be no lockout during the term of this MOU.

ARTICLE 14

Total Agreement

This MOU represents the total agreement of the parties. All previous MOUs relating to the scope of representation, as defined in the Meyers Milius Brown Act, are declared null and void in their entirety.

ARTICLE 15
Savings Clause

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


This MOU shall not be binding upon the parties unless the Board of Directors formally approves this MOU and takes all necessary action to implement its terms and provisions.

ARTICLE 16
Reopener


The District may reopen the MOU at any time after January 1, 2018, for the purpose of negotiating health insurance benefits and related provisions as necessary to implement the "Cadillac Tax" provisions of the Affordable Care Act. The District may exercise its right to reopen by delivering a written request to reopen to the Association. Meeting and conferring will commence no later than 15 calendar days following the date of the request to reopen.



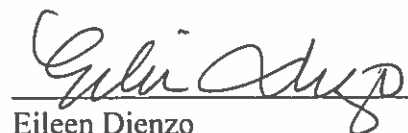
Stephen J. Corona
President, Board of Directors
RANCHO CALIFORNIA WATER
DISTRICT



Tim Carlisle
President
RANCHO CALIFORNIA WATER
DISTRICT, MANAGEMENT,
PROFESSIONAL AND
CONFIDENTIAL EMPLOYEES
ASSOCIATION



Jeff Armstrong
General Manager
RANCHO CALIFORNIA WATER
DISTRICT



Eileen Dienzo
Human Resources Manager
RANCHO CALIFORNIA WATER
DISTRICT

Appendix A
RCWD MPCEA Classifications

Accountant
Accounting Manager
Accounting Supervisor
Assistant/Associate/Principal Engineer
Budget & Debt Administrator
Construction Contracts Manager
District Secretary
Engineering Manager – CIP/Design
Engineering Manager - Operations
ERP Business Analyst
Field Services Manager
Finance Manager
Financial Analyst
IT/Customer Service Manager
Operations Analyst
Public Information Officer I/II Sr
Safety/Risk Officer
Senior Water Resource Planner
Water Operations Manager
Water Reclamation Manager
Water Resources Manager
Water Resources Planner

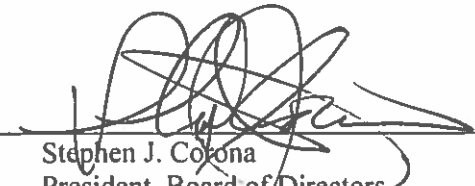
Non-Exempt

Administrative Assistant I/II - Board Administration
Administrative Assistant I/II - Finance
Datacenter Operations Supervisor
Senior Administrative Assistant - Finance
Administrative Services Supervisor (Deputy District Secretary)
Human Resources Analyst I/II/Sr


SIDE LETTER OF AGREEMENT NO. 1
TO MEMORANDUM OF UNDERSTANDING
BETWEEN
RANCHO CALIFORNIA WATER DISTRICT
AND
RANCHO CALIFORNIA WATER DISTRICT MANAGEMENT,
PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES
ASSOCIATION
(2017-2020)
REGARDING UNIT MODIFICATION

This Side Letter #1 to the Memorandum of Understanding for the period of July 1, 2017, through June 30, 2020 ("MOU"), is entered into between RANCHO CALIFORNIA WATER DISTRICT ("District") and the RANCHO CALIFORNIA WATER DISTRICT MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES ASSOCIATION ("MPCEA"). The MPCEA and District representatives have met and conferred regarding modification of the recognized bargaining unit which MPCEA represents.

1. The parties have agreed to the following changes to Appendix A to the Memorandum of Understanding:
 - a. Add the following position: GIS Coordinator.
 - b. Remove the Administrative Services Supervisor, Senior Administrative Assistant-Finance, Administrative Assistant I/II- Finance, and Administrative Assistant I/II - Board Administration position.
2. In addition, the parties have agreed to change the following positions to an exempt status effective July 1, 2017: GIS Coordinator, Data Center Operations Supervisor, and Human Resources Analyst I/II/Senior.
3. The classifications sent forth in Exhibit A will have their grades changed to the letter set forth in Exhibit A, effective July 1, 2017.

By: 
Stephen J. Corona
President, Board of Directors
RANCHO CALIFORNIA WATER DISTRICT

Dated: 3-9-17

By: 
Jeff Armstrong
General Manager
RANCHO CALIFORNIA WATER DISTRICT

Dated: 3-9-17

By: 
Eileen Dienzo
Human Resources Manager
RANCHO CALIFORNIA WATER DISTRICT

Dated: 03-09-17

By: 
Tim Carlisle
President, RANCHO CALIFORNIA WATER DISTRICT MPCEA

Dated: 2/28/2017

EXHIBIT "A"

RCWD JOB CLASSIFICATION	CURRENT GRADE	GRADE EFFECTIVE 7/1/2017
GIS Coordinator	RCWDEA Non-Exempt Salary Range = Grade C \$89,995-\$107,996	MPCEA Exempt Salary Range- Grade 7 \$89,629 - \$118,310
Data Center Operations Supervisor	MPCEA Non-Exempt Salary Range- Grade A \$99,231 - \$119,061	MPCEA Exempt Salary Range- Grade 5 \$98,808 - \$130,428
Human Resources Analyst I	MPCEA Non-Exempt Salary Range- Grade I \$67,157 - \$80,592	MPCEA Exempt Salary Range- Grade 13 \$66,716 - \$88,065
Human Resources Analyst II	MPCEA Non-Exempt Salary Range- Grade G \$74,038 - \$88,856	MPCEA Exempt Salary Range- Grade 11 \$73,738 - \$97,334
Senior Human Resources Analyst	MPCEA Non-Exempt Salary Range- Grade D \$85,713 - \$102,854	MPCEA Exempt Salary Range- Grade 8 \$85,357 - \$112,669