

RESOLUTION NO. 2017-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BENITO COUNTY WATER DISTRICT FOR SALARY AND COMPENSATION FOR THE MANAGEMENT/CONFIDENTIAL/PROFESSIONAL EMPLOYEE GROUP

WHEREAS, San Benito County Water District desires to memorialize certain benefits and compensation provided to Management/Confidential/Professional employees;

WHEREAS, San Benito County Water District's Management/Confidential/Professional group consists of the following positions:

- A. Accountant
- B. Supervising Accountant
- C. Deputy District Engineer
- D. Assistant/Associate/Senior Engineer
- E. Operations & Maintenance Manager
- F. Water Conservation Program Manager
- G. Human Resources/Administrative Assistant

WHEREAS, the above positions are considered a group because they share similarities in job duties or are otherwise a logical work-related grouping;

THEREFORE, BE IT RESOLVED by the Board of Directors of the San Benito County Water District:

Section 1.0 – Purpose and Application

The purpose of this Resolution is to set forth certain benefits and additional compensation for Management/Confidential/Professional employees of the San Benito County Water District ("District"). This Resolution is not intended to amend or alter benefits provided to the Management/Confidential/Professional group not listed in this resolution. The Board of Directors retains all rights and authority to amend, reduce, or eliminate benefits and additional compensation in its sole and absolute discretion.

This Resolution shall be applicable to the following Management/Confidential/Professional employees:

- A. Accountant
- B. Supervising Accountant
- C. Deputy District Engineer
- D. Assistant/Associate/Senior Engineer
- E. Operations & Maintenance Manager
- F. Water Conservation Program Manager
- G. Human Resources/Administrative Assistant

Section 2.0 – Retirement

2.1 Tier One Pension

For eligible employees hired by the District before January 1, 2013, or hired after January 1, 2013 who meet the definition of “classic members” as defined by CalPERS, the District shall continue to participate in its Miscellaneous Plan Agreement with CalPERS to provide the 2.5% at 55 retirement option.

Effective following the completion of CalPERS and District administrative requirements, the employee shall be required to pay the member contribution as defined by CalPERS.

2.2 Tier Two Pension

For eligible employees who meet the definition of “new member” as set forth in Government Code Section 7522.02(f) the District will provide the CalPERS two percent (2%) at age sixty-two (62) formula retirement plan in accordance with Government Code Section 7522.20, based on the average of three years of employment, in accordance with Government Code Section 7522.32.

New members shall be subject to the provisions of the Public Employee Pension Reform Act (PEPRA), including provisions governing reportable compensation.

Employees in Tier Two Pension shall pay the rate prescribed by CalPERS for employee contributions to the Public Employees’ Retirement System in accordance with the rules and regulations governing such employee contributions, which consists of one-half of the total normal costs for pension.

Section 3.0 - Longevity Pay for Tier One Employees

Effective simultaneously with the elimination of the Employer Paid Member Contribution (EPMC) and employee payment of the eight percent (8%) member contribution described in Section 2.1 of this Resolution, employees hired by the District before January 1, 2013, and who meet the definition of “classic members” as defined by CalPERS, and who have more than five (5) years of continuous District service at the time of the effective date of the EPMC elimination, shall receive longevity pay in the amount of eight percent (8%) of base salary.

Section 4.0 - Salaries

Effective July 3, 2017, July 2, 2018 and July 1, 2019, employees shall be eligible for a salary increase contingent upon the United States Bureau of Reclamation water supply allocation for Central Valley Project agricultural contractors as follows:

USBR South of Delta Ag Allocation as of May 1st	COLA effective July 3, 2017	COLA effective 7/2/2018	COLA effective 7/1/2019
65% or greater	3%	3%	3%
35% - 64%	2%	2%	2%
0-34%	1%	1%	1%

The nominal value of the combined cost of living increases for FY 2017-18, FY 2018-19, and FY 2019-20 shall not exceed a total of eight percent (8%).

Effective simultaneously with the elimination of the Employer Paid Member Contribution (EPMC) and employee payment of the eight percent (8%) member contribution described in Section 2.1 of this Resolution, the salary schedule for the Deputy District Engineer classification shall be increased by eight percent (8%).

Section 5.0 - Unpaid Furlough

In the event the US Bureau of Reclamation water supply allocation for Central Valley Project agricultural contractors is less than twenty-five percent (25%) for any year of the agreement, at District Board discretion, the District shall schedule unpaid furlough days to be taken by Management/Confidential/Professional employees. The number of furlough days without pay per fiscal year shall be contingent on the US Bureau of Reclamation water supply allocation for Central Valley Project agricultural contractors, as follows:

**USBR South of
Delta Ag
Allocation as of
May 1, 2018,
2019**

	7/1/2018	7/1/2019
25% or greater	0	0
15% to 24%	8 furlough days per fiscal year	8 furlough days per fiscal year
0-14%	20 furlough days per fiscal year	20 furlough days per fiscal year

The District will provide employees with the schedule of furlough days for the upcoming fiscal year by July 1st.

In the event of furloughs, employees may have the option of using accrued vacation or management leave concurrently with the unpaid furlough time off.

Section 6.0 - Holiday Closure

The District reserves the right to close District offices for four (4) non-holiday work days approximately between December 25th and January 1st, with exact dates of the closure to be determined by District management and provided to employees by December for the following calendar year. Holiday closure days will be unpaid; however, employees may use accrued vacation, compensatory time off, or personal leave concurrently with the non-holiday closure days on which they would otherwise be scheduled to work.

Section 7.0 -Health and Welfare Benefits

District contributions to Health and Welfare Benefits shall be provided as described in this section. However, if District contributions to Health and Welfare Benefits are otherwise allocated in the employee’s employment agreement with the District, the employment agreement shall prevail.

A. Medical Insurance Contribution

The District is a participating employer in the Public Employees’ Medical and Hospital Care Act (PEMHCA), the medical insurance program sponsored by CalPERS. For each employee enrolled in District-provided health insurance, the District’s maximum contribution per month for medical insurance for each active employee shall be the minimum employer contribution as determined by CalPERS.

B. Flexible Benefit Plan

The District maintains a Flexible Benefit Plan that constitutes a cafeteria plan within the meaning of Section 125 of the Internal Revenue Code. The Flexible Benefit Plan allows active employees to pay for actual medical plan premiums or other qualified expenses, on a pre-tax basis.

In addition to the minimum employer contribution to PEMHCA required by CalPERS, for each full time employee, the District shall provide a monthly contribution in the amount of one thousand two hundred eighty five dollars (\$1,285) for each employee to use toward purchase of health and welfare benefits.

Effective January 1, 2018, the District will contribute, on behalf of each full time employee enrolled in single party District-provided health insurance, solely for the purchase of medical insurance coverage, an amount up to one hundred dollars (\$100) per month.

Effective January 1, 2018, the District will contribute, on behalf of each full time employee enrolled in employee plus one or employee plus family District-provided health insurance, solely for the purchase of medical insurance coverage, an amount up to two hundred dollars (\$200) per month.

In order to decline medical coverage through the District and receive alternate benefits, employees must provide evidence of the alternate group health coverage on an annual basis during open enrollment.

The District's obligation to pay alternate benefits may be conditioned upon compliance with IRS requirements for an eligible opt out program.

The District has the authority to contract for medical benefits for employees, determine the benefits that will be provided to employees, and to establish premiums.

C. Dental Benefits

The District agrees to provide access to group dental coverage for all full-time employees and their dependents including orthodontic benefits for qualifying dependents

Following the employee's hire date, new employees have a one (1) month waiting period before coverage begins.

Employees are required to enroll in single party District-provided dental insurance coverage. Employees also have the option to enroll dependents in District-provided dental insurance coverage.

Employees may use the District's contribution to the Flexible Benefits Plan described in Section 3.0(B) to cover part or all of the cost of District-provided dental insurance coverage.

D. Vision Benefits

The District agrees to provide access to group vision coverage for all full-time employees and their dependents.

Following the employee's hire date, new employees have a one (1) month waiting period before coverage begins.

Employees may use the District's contribution to the Flexible Benefits Plan described in Section 3.0(B) to cover part or all of the cost of District-provided vision insurance coverage.

E. Supplemental Insurance Benefits

The District shall provide access to certain supplemental insurance benefit plans.

Employees may use the District's contribution to the Flexible Benefits Plan described in Section 3.0(B) to cover part or all of the cost of supplemental insurance coverage.

Section 8.0 - Vacation Conversion

Vacation earned in a calendar year may be converted to extra compensation on an hour paid, per hour used basis for the first one hundred twenty (120) hours taken by the end of the conversion evaluation period of each calendar year, provided at least forty (40) hours of vacation (excluding furlough days) have been taken by the end of the conversion evaluation period of that calendar year, and eight (8) hours of accrued, unused vacation remains in the employee's bank. An employee shall make an irrevocable election of the amount of vacation leave to be converted in December the year before the vacation is earned.

Vacation cash out will be made available by the end of the third week of December to employees who have elected cash out the prior December. The conversion evaluation period is defined beginning with Pay Period 26 of the previous calendar year through Pay Period 25 of the current calendar year.

Vacation conversion shall occur in one (1) hour increments. The employee has the following conversion options:

- A. Vacation hours may be converted to extra compensation at the employee's base hourly rate for each hour of vacation converted.

B. Vacation hours may be converted to a contribution to the employee's 457 deferred compensation account at the employee's base hourly rate for each hour of vacation converted, subject to the rules, regulations and limitations governing deferred compensation.

C. Any combination of a. and b. above.

Section 9.0 – Prorated Benefits for Part Time Employees

Part time employees authorized to work at least twenty (20) hours per week (at least fifty percent (50%) of a full time work schedule) shall receive prorated benefits, including vacation, sick leave, Flexible Benefits Plan contributions, and other benefits. The part time work schedule shall be authorized by the District Manager or designee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Benito County Water District that the San Benito County Water District elects to adopt certain benefits and compensation for the Management/Confidential/Professional employee group as set forth above.

BE IT FURTHER RESOLVED that the President of the Board is authorized to sign said Resolution, on behalf of this Board and District.

PASSED AND ADOPTED by the Board of Directors of the San Benito County Water District this 28th Day of June, 2017, by the following vote:

AYES: DIRECTORS: Tobias, Bettencourt & Huenemann

NOES : DIRECTORS: None

ABSTAIN: DIRECTORS: None

ABSENT: DIRECTORS: Tonascia & Flores

/s/John Tobias

John Tobias

President

ATTEST: /s/ Sara Singleton

Sara Singleton

Assistant Manager