RULES AND REGULATIONS

GOVERNING EMPLOYMENT CONDITIONS,

SALARIES AND BENEFITS FOR EMPLOYEES

OF

PARADISE IRRIGATION DISTRICT

In The

MANAGEMENT UNIT

July 1, 2014 – June 30, 2018

Adopted by the Board of Directors of the PARADISE IRRIGATION DISTRICT and the Management Unit Employees
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FOREWORD

The Paradise Irrigation District is a State Agency governed by a Board of Directors elected by the people. It operates under the authority conferred by the Water Code of the State of California. It makes no profit and is operated for the sole benefit of the lands and people within its boundaries. The benefits they can derive from it will be measured by the extent to which the people within the District and employees of the District cooperate to make it a success. Details of carrying out the Board's policies and desires are in the hands of full-time officers and employees who serve at the pleasure of the Board.

Employees of the Paradise Irrigation District are under Social Security immediately upon employment and are covered by the State of California Unemployment and Disability Insurance Program. The District has retirement, medical, dental, vision, life insurance and long-term disability plans for employees.

Employees are expected to be loyal to the District and are required to be friendly and courteous to the public and their fellow workers.
GENERAL DEFINITIONS

1. "District Officers" are those elected as provided in the Water Code of the State of California and consist of the Board of Directors.

2. Appointive officers or employees are those appointed by the Board of Directors and serve at the pleasure of the Board. They consist of the Secretary, District Manager, Treasurer, and any other person whom the Board desires to appoint.

3. "Department Heads" are the District Manager and any other person whom the Board desires to appoint.

4. "Continuous Employment" as used herein shall be calculated to include time spent on certain authorized leaves of absence, vacation, short-term disability, and sick leave.

5. “Paid” status as used herein is considered to include any time where compensation is earned from the District. This would include vacation, sick leave, bereavement leave, jury duty, compensatory time off, regular pay and overtime.

6. “Unpaid” status as used herein is considered as any time during any pay period where compensation is not received directly from the District. This would include time off due to worker compensation leave, pregnancy disability leave, unpaid Family & Medical Leave Act, unpaid leave of absence, etc.

7. Management Unit employees are: Treatment Plant Superintendent, Field Superintendent, Assistant Engineer, Assistant Field Superintendent, Treatment Plant Operations Supervisor, Office Manager, Distribution Maintenance Supervisor, District Secretary, and Assistant District Secretary.

8. Equivalent Working Days is considered seven and one-half (7 ½) or eight (8) hours based on a 37.5 or 40 hour work week.

ARTICLE I
Statutes Pertaining To Employer-Employee Relations

1. The PARADISE IRRIGATION DISTRICT is a public agency formed and existing under the laws of the State of California.

2. Government Code Sections 3500 through 3509 apply to and govern the employee-employer relations in the PARADISE IRRIGATION DISTRICT.
ARTICLE II
Employee Organizations

1. The District may grant the exclusive status of a recognized employee organization to any employee organization which shall from time to time be designated by employees of the District as their representative on matters relating to employment conditions and other matters of employee-employer relations.

2. District may in its sole discretion ascertain and confirm from time to time by secret ballot or otherwise whether or not an employee organization holding the status of recognized employee organization is in fact entitled under the Government Code of the State of California to that status and in fact is the recognized representative of any employee.

3. Representatives of recognized employee organizations will be permitted access to District property to confer at reasonable times with District employees on matters of employer-employee relations, but such representatives shall not interfere with the work in progress, and shall request and receive the authorization of the District's Manager or his representative before entering the premises.

4. The District recognizes the right of the Management Unit to appoint Representatives.. The recognized employee organization shall notify the District in writing as to such Representatives' identities and of subsequent appointments, if any. It is understood that employees appointed as Representatives shall, nevertheless, be required to and shall work full time in their respective classifications and shall not interrupt the work of other employees.

5. The District shall provide and permit recognized employee organizations reasonable use of the bulletin board at the District corporation yard, Water Treatment Plant, and Administration Office.

6. District will deduct dues of a recognized employee organization from the compensation of employees who execute appropriate forms authorizing the deduction. Each recognized employee organization for whom the deduction is made shall pay a service charge to District of no more than $4.00 per month for expenses of District. Failure to make the payment shall be grounds for District terminating the deductions from the employee's compensation.

7. The District shall provide notice and input to the Management Unit in the event the District initiates a movement to consolidate to another public or private agency the functions of the District. The District will provide for continuance of the terms of the agreement with the Management Unit.
In the event the District is taken over by a non-District, upon initiation of such action the District will assure employees of continuance of 90 days of employment or equivalent benefit.

8. The District has the right to rearrange its business, direct the work force, and institute such reasonable rules governing the conduct of business, as, from time to time, are deemed desirable, provided that no such rule shall be violative of applicable law.
ARTICLE III
Employee Status

A. Definitions

1. A "Regular Employee" is an employee who has successfully completed an initial evaluation period and continues employment with the District in a regular classification on a full-time basis. The duration of employment is indefinite.

2. An “Introductory Employee" is defined as an employee hired in a regular classification. An introductory employee will receive not less than the minimum rate for the job. Upon completion of at least twelve (12) months' continuous service with the District and upon being officially accepted by District as a regular employee, an introductory employee will be given the status of a regular employee. During the initial evaluation period the introductory employee may be terminated with or without cause, and the termination will not be subject to the Grievance Procedure.

3. A regular part-time employee is an employee who has successfully completed an initial evaluation period and continues employment with the District on a part-time basis. The duration of employment is indefinite. If a regular part-time employee is normally scheduled to work at least 20 hours per week, certain benefits are provided on a pro-rata basis, according to hours worked. Eligibility and participation in benefit programs is fully subject to the provisions governing the District’s group insurance plans and other benefit policies.

4. A "Temporary Employee" is an employee hired for an indefinite period not intended to exceed eight (8) months. These employees are not hired to perform work in a regular classification. A temporary employee will receive not less than the minimum rate for the job. A temporary employee may be terminated with or without cause, and their termination will not be subject to the Grievance Procedure. Temporary employees will not be eligible for any employee benefits herein provided, other than overtime at the rates and under the terms specified hereafter.

B. Introductory Employees and Applicants.

1. Unless otherwise approved by the Board, introductory Management employees shall be hired at an appropriate rate determined by the District Manager as established in the salary schedule to fill a vacancy or an allocated position, and shall serve an initial evaluation period of at least twelve (12) months before becoming a regular employee. A satisfactory medical examination at District cost may be required and a pre-employment drug test indicating negative for safety sensitive positions will be required prior to final acceptance as an introductory employee. An introductory employee is subject to termination for any reason during the initial evaluation period.

2. All persons employed by the District are hired subject to salary deductions covering federal income tax, social security and State Disability insurance. District pays medical,
dental (including orthodontic coverage), and vision coverage for eligible employees and their dependents on the first of the month after thirty (30) days employment, group life for each employee after thirty (30) days, long term disability after thirty (30) days, and a retirement benefit for eligible employees.

3. A person returning from a District approved leave of absence without pay, or one who was separated from his position in good standing may, upon recommendation of the District Manager and the approval of the Board of Directors, be returned to the same salary for the position which they occupied on the effective date of their leave, or, resignation. Persons returning and not so recommended will be considered introductory employees.

C. Retirement

1. Retirement Dates

   a. **Normal Retirement**: Normal Retirement Date will be the first day of the month on or following a 65th birthday.

   b. **Early Retirement**: Employees that have reached a minimum age of 55 with 20 or more years of service shall be eligible for medical insurance benefits as provided to employees for the employee and their partner upon retirement until normal full Medicare benefits become available for the employee. The District will contribute a percentage of the cost based on their age plus their years of service. The District contribution shall be as follows: 75 = 50%; 80 = 75%; and 85+ = 100%. The difference in District contribution and like coverage shall be borne by the ex-employee. Employee must be in good standing at time of termination or retirement and will not be eligible if terminated for cause. This benefit shall supercede any and all previous health plans made available for retired or terminated employees. The employee will be asked to sign an agreement recognizing that if coverage under the District employee medical insurance plan cannot be provided or is of lesser coverage, the District will not be liable for providing replacement coverage, nor will the District make compensating monetary payments to the retired employee.

   c. **Late Retirement**: Employees will be allowed to continue to work for the District as long as they are physically and mentally able to perform the duties of their assigned positions. The District reserves the right to discharge any employee, regardless of age, when in the opinion of the District such employees are unable to safely and adequately perform the duties of the job.

2. Information in regard to retirement benefits or elections is available from the District Manager. At least ninety (90) days before reaching Normal Retirement Date, District employees will be required to notify the District whether they will elect to retire upon that date. For purposes of alerting such employees to conditions of employment beyond the Normal Retirement Date, a letter will be sent approximately one hundred thirty five (135) days before that date.
ARTICLE IV
Wages and Other Terms and Conditions of Employment

A. Wages and Hours

1. The list of job classifications and applicable wage rates for the Paradise Irrigation District Management Unit are set forth in Schedule-A.

2. All employees shall have their wages calculated and paid every two (2) weeks. Pay periods begin at 12:00 a.m. every other Saturday. Pay periods will be scheduled by the District to provide for pay checks to be issued every other Friday (one week after the end of the pay period) unless that day is a non-work day for the District forces, in which case the pay day shall be the last preceding work day prior to the non-work day.

3. Payment for part of any pay period for officers and employees who are absent from duty for any reason not authorized by sick leave, disability leave, accrued vacation time, compensatory time off, or by special permission for a particular reason or purpose, shall be paid the net number of days or portion thereof they work in the pay period concerned. In computing this, the net working days shall be determined by applying the hourly equivalent to the hours actually worked, as shown in Schedule A.

4. Temporary workers replacing an absent regular employee or authorized by the Board of Directors may be paid at an hourly rate set by the Manager using the Board of Directors approved Schedule of Classifications and Salary Ranges, Schedules A.

5. The District’s normal workweek consists of five/eight hour days (40 hours per week) for the Water Treatment Plant, Transmission & Distribution, and Engineering departments, and five/seven and one-half hour days (37 ½ hours per week) for Administration. Depending upon operational requirements and consent of the District Manager, an alternative (or flexible) work schedule is permitted, subject at all times to the needs of the District and may be modified as those needs dictate. The flexible hours program may be terminated at any time at the District Manager’s discretion.

During each two week pay period, flexible schedules must be arranged to attain eighty (80) hours of work for Water Treatment Plant, Transmission & Distribution, and Engineering, or seventy-five (75) hours of work for Administration.

6. In an emergency, the regular work hours or work days may be rescheduled without prior notice by the District, providing regular work hours shall not exceed eight (8) hours on a scheduled work day. An emergency is defined as a sudden and unforeseen event giving rise to the need for immediate District action to protect the public interest.

7. Work is to be scheduled so that each employee shall not work more than five (5) days in each calendar week, except that the District may require an employee to perform services in excess of five (5) days per week or eight (8) hours per day for field
employees or seven and one-half (7½) hours for office employees or alternative (or flexible) work schedule.

8. MEALS

a. Non workday- When the District requires an employee to work on their non-workdays or outside of their regular hours on workdays, and the employee has not been given sufficient notice to enable them to prepare meals, the District will provide meals approximately every four (4) hours therefore, insofar as it is possible for the District to do so. The cost of such meals and a reasonable length of time necessarily taken to consume the meal will be at the District’s expense.

b. Workday- If the District requires an employee to perform work for two (2) hours or more beyond regular work hours, it will provide that employee with a meal and with meals at intervals thereafter of four (4), but no more than six (6) hours, as long as the work continues insofar as it is possible for the District to do so. The reasonable length of time to consume the meal and the cost of same will be at the District’s expense.

c. Meals provided during overtime hours will be reimbursed at the rate of:
   Breakfast $ 8.00
   Lunch $ 8.00
   Dinner $12.00

9. Rest and Break Time: The District encourages its employees to take a 15-minute break in the morning and a similar break in the afternoon.

10. After each officer or employee is hired and before beginning actual work, they must meet Federal and State requirements for employment.

11. District will pay employees involved in distribution system installation, maintenance and operations positions, the compensation premiums designated below, provided they obtain certification from the American Water Works Association’s approved certification program or California State Equivalent designation as required by the Department of Health Services for Water Distribution System Operators the additional compensation calculated at the following hourly rate:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Amount (As of 07/01/11)</th>
<th>Positions Eligible</th>
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<tr>
<td>D-1</td>
<td>25 cents per hour*</td>
<td>All</td>
</tr>
<tr>
<td>D-2</td>
<td>62 cents per hour*</td>
<td>All except Admin.</td>
</tr>
<tr>
<td>D-3</td>
<td>99 cents per hour*</td>
<td>**</td>
</tr>
<tr>
<td>D-4</td>
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*Amounts to be indexed for COL annually from 5/1981. (COL is defined as U.S. Department of Labor, Bureau of Labor Statistics U.S. City Average Consumer Price Index for Urban Wage Earners and Clerical Workers [CPI-W]). NOTE: adjustments will be made July 1 of each year. (Base year July 2000)
**Other positions requiring certification by any applicable regulatory agency.

***The District and Management Unit will meet and confer on this amount and the positions eligible if this certification is required by any applicable regulatory agency.

Office employees are eligible for D-1 certification pay. Office employees shall be eligible to receive the equivalent of D-2 certification pay upon the successful completion (a “C” or better) of a three semester unit or equivalent educational course that is applicable to their job duties. Prior approval of course by the District Manager is required to be eligible. Three semester units is equivalent to 4.5 continuing education units or 48 classroom hours.

12. District will pay employees assigned to field duties which possess a valid California State Backflow Certification an additional $.33 per hour as of 07/01/2011, (Base of $.25/hr. indexed for COL annually from 5/1999).

13. District will pay an employee assigned to the duties of Safety Coordinator an additional $.34 per hour as of 7/01/2011 (Base of $.25/hr. indexed for COL annually from 5/1999).

14. Payment of certification, fees, testing, etc.

   a. **CERTIFICATION RENEWAL PAY**
      The District will pay for Certification renewals for all regular full time employees holding the following Certifications: Distribution Operator, Treatment Plant Operator, Backflow Tester.

   b. **JOB RELATED TRAINING (CONTACT HOURS)**
      The District will pay for any job-related training, i.e. (contact hours as defined in Title 22 Code of Regulations, Division 4, Environmental Health, Chapter 13 Operator Certification), authorized for any position including transportation, housing, wages and meals.

   c. **EDUCATIONAL COURSES (SPECIALIZED TRAINING)**
      Individuals preparing for and taking tests for certification, i.e. (Specialized Training as defined in Title 22 Code of Regulations, Division 4, Environmental Health, Chapter 13 Operator Certification), will pay for the tuition, testing, and books, and upon successful completion of classes and/or testing will be reimbursed for the costs incurred. All hours required to complete the course will be at the employee’s expense. Any course taken through an Accredited Academic Institution such as Sacramento State University or the AWWA Water College will be considered as an educational course but may be used to satisfy contact hours.

   d. **CERTIFICATION TESTING TIME OFF COMPENSATION**
      The District will provide time off work with pay for an employee taking a certification or certification renewal test during normal working hours. If the employee fails to pass the test, the employee may be required to use vacation or compensatory time off to retake the test.
e. EDUCATIONAL COURSE REIMBURSEMENT
   Any employee taking an educational course that is relevant to their job will be
   reimbursed for that course upon successful completion. Time spent attending
   classes and studying will be at the employee’s expense.

f. CONTACT HOURS
   Those personnel required to have a specified Certification for their position will
   be compensated for their Contact Hour Training as defined in section 15. b. JOB
   RELATED TRAINING.
   Those personnel NOT required to have a specified Certification for their position
   but holding a certification will be compensated for their Contact Hours as defined
   in section 15. e. EDUCATIONAL COURSES.

B. Overtime Work

1. Overtime for Management Staff is defined as:
   a. Time worked in excess of forty (40) hours in a work week, or seventy-five (75) hours
      in the two (2) week pay period for office,
   b. Time worked in excess of eight (8) hours on a scheduled work day, or time
      exceeding a normal “flexible scheduled” work week.
   c. Time worked on a non-workday.
   d. Time worked outside of regular hours on a workday.
   e. Time worked on a holiday.

2. Overtime compensation for management staff is defined as:
   a. Overtime Compensation shall be paid at a rate equivalent to one and one-half (1½)
      times the regular rate of pay for “Regular”, “Regular Part-time”, “Introductory” and
      “Temporary” employees with the exception of those identified in paragraph (4)
      below. Overtime shall be computed to the nearest one-half (½) hour.
   b. At the discretion of the District, employee(s) overtime may be accumulated up to a
      maximum of seventy two (72) hours straight time.
   c. Overtime may be considered as compensatory time off from work in lieu of earned
      overtime pay, provided it is taken in a future pay period.

      Upon termination any accrued compensatory overtime off hours shall be paid at one
      and one-half (1½) times the employee’s current straight time pay rate.

3. Emergency Call Out on Holidays: Overtime compensation shall be paid at two (2) times
the regular rate of pay for emergency call outs on observed holidays. When an observed holiday falls on a weekend and an employee is called out on the actual calendar day of the holiday. Emergency compensation shall be payable for the time expended from the time of leaving the employee’s home computed to the nearest one-half (1/2) hour, but in no event less than two (2) hours for the call out.

4. All overtime work will be scheduled to minimize overtime work as much as possible.

C. Promotion

1. When other than temporary vacancies occur which the District intends to fill on a regular basis, the District will post vacancy notices for that position on all bulletin boards. Vacancy notices will be posted for a period of one (1) calendar week, and will set forth the date of posting, the nature and location of the job, its duties, qualifications and the rate of pay for the position. Employees may submit applications for such vacancies in writing to the District Office. The District need not consider the application of any applicant who does not, in District's estimation, possess the knowledge, skill, efficiency, adaptability and physical ability required for the job for which the application is made.

2. In filling vacancies, the District will give consideration to the employee's length of service with the District, and whether the applicants submitting applications for the vacancies possess the knowledge, skill, efficiency, adaptability and physical ability required for the job, among other relevant considerations. Regular employees who apply for consideration of promotion to a higher regular job classification than they currently hold will, if promoted to that position, serve an initial evaluation period of at least six (6) months before becoming a regular employee in that position. Should that employee not satisfactorily fill the requirements of that position they may be moved back to their previous position at their previous pay scale.

3. Whenever a vacancy occurs in any regular job classification, the District may in its discretion leave that position vacant or temporarily fill such vacancy.

4. If a regular employee of the District shall be temporarily assigned to fill a higher classification than that employee's regular classification, and if the employee shall perform the duties for a minimum of one (1) hour during any workday, the employee shall be paid for actual hours worked in the higher paid classification at the rate of pay of the higher classification, in the step next higher to their normal rate of pay.

D. Layoff

1. When it becomes necessary for the District to lay off regular employees, the District will give employees involved as much notice as possible; but in no event will employees receive less than two (2) weeks notice of layoff. Where introductory or temporary employees are laid off no notice is required. District in determining what employee or employees to lay off, will give consideration to the ability of the employee to perform in
classifications in which they are qualified as well as length of service with the District.

E.  **Grievance Procedure**

A “grievance” is a claim by one or more unit members that there has been a violation, inequitable application, misinterpretation, or misapplication of a provision of these Rules and Regulations.

**STEP 1:** The initial step in the adjustment of a grievance shall be a discussion between the employee and/or their designated representative and the District Manager. A grievance shall be presented in writing within ten (10) days of the act or omission giving rise to the grievance. The Supervisor has five (5) workdays in which to consider the matter before making their reply to the appropriate party initiating the discussion. The discussion shall take place at such time as not to interfere with the work in progress. If the grievant is not satisfied with the supervisor’s response, the grievant may, within ten (10) calendar days’ receipt of the response, proceed to Step 2.

**STEP 2:** If the Grievance is not satisfactorily settled as provided in Step 1 above, it shall then be reduced to writing by the individual employee and/or their designated representative and presented to the District's Manager. The written Grievance shall contain all facts pertinent to the case including what conditions of employment the District is alleged to have violated and the correction or action desired. The District's Manager shall reply in writing within fourteen (14) calendar days after receipt of the Grievance setting forth their position on the matter. If it is determined it would serve any purpose in resolving the Grievance either party referred to in Step 2 may request a meeting with any or all persons involved during the exchange of written documents.

**STEP 3:** If no disposition is arrived at as provided in Steps 1 or 2, either of the aforementioned parties may within ten (10) calendar days following the Manager's written reply request a hearing, which shall be held within thirty (30) calendar days of the request, with the District's Administration & Personnel Committee. The party filing the Grievance shall present to the Chairman of the Administration & Personnel Committee a written statement containing all facts pertinent to the case. This Committee shall conscientiously endeavor to effect a settlement with the individual employee and/or their designated representative.

**STEP 4:** If no disposition is arrived at as provided in Steps 1, 2, or 3, the employee and/or their designated representative may no later than ten (10) days following termination of the hearing or hearings before the District's Administration & Personnel Committee, request a hearing before the Board of Directors of the District. The Request for Hearing shall be in written form and shall be accompanied by copies of any written presentations and responses prepared and used in Steps 2 and 3. The Board of Directors shall then arrange for a hearing, to be held no later than forty-five (45) calendar days of receipt of the request, on the matter in which the Board may request any employee, person or any other party to be present. The
employee filing the grievance and requesting the hearing shall have the right to present their grievance, or if they choose, to designate a representative who may present the grievance to the Board of Directors on their behalf. The rules of evidence under California law shall not apply to the hearing before the Board, and the Board in its discretion may limit the time to be used in the hearing. The Board of Directors shall consider fully presentations, discussions, statements and documents presented to it and shall make a decision on the matter. The decision of the Board of Directors of the District shall be final and binding upon the employee and/or their designated representative, and no right to rehearing shall exist. Decisions of the Board will be based upon established Rules and Regulations as contained herein wherever applicable.

F. Miscellaneous

1. Operators' Licenses are required of all employees operating District automobiles and automotive equipment. District will pay the license fee (less any Class C license fee), medical exam fee, and provide training for incumbent employees, in obtaining and renewing a Class A license. However, the District will pay a single fee; if retakes are required to obtain the license this cost will be the employee’s expense. If needed, District will provide the necessary vehicle used for obtaining the Class A license. Also, subject employee must be insurable by District’s insurance carrier. All new hires must satisfy this requirement prior to being hired, or, at District discretion, within the new hires’ six (6) month initial evaluation period.

2. Should an employee fail to maintain the driver's license required for the job, the District may allow the employee up to sixty (60) days to obtain a proper reinstated license, during which time the employee may be assigned "non-driving" duties at the District's discretion. If, after sixty (60) days, an employee does not possess the appropriate license they may be terminated.

   An extension of time may be granted by the Board depending upon the particular circumstances and the District's needs.

G. Nepotism Policy - It is well accepted that employment of relatives in the same area of an organization can cause serious conflicts and problems with favoritism and employee morale. In these circumstances, all parties, including supervisors, leave themselves open to charges of inequitable consideration in decisions concerning work assignments, transfer opportunities, time-off privileges, training and development opportunities, performance evaluations, promotions, demotions, disciplinary actions, and discharge.

   It is the District’s policy that relatives of persons currently employed by the organization may be hired only if they will not be working directly for or supervising a relative.

   If already employed, they cannot be transferred or promoted into such a reporting
relationship. If the relative relationship is established after employment, the District will decide if a transfer is feasible and who is to be transferred.

In other cases where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment.

For the purposes of this policy, a relative is defined to include spouses, parents, children, brothers, sisters, brothers and sisters-in-law, fathers and mothers-in-law, stepparents, stepbrothers, stepsisters, and stepchildren. This policy also applies to individuals who are not legally related but who reside with another employee.

H. Smoking Policy

_The District is committed to a philosophy of good health and a safe workplace. In keeping with this philosophy, it is important that the workplace and office environment reflect the District’s concern for good health. Smoking is therefore not permitted inside District offices, vehicles, facilities or any indoor or enclosed work area, under any circumstances except for the lake patrol housing. Employees who wish to smoke must limit their smoking to break and lunch periods, and smoke only in areas where there is adequate ventilation to prevent smoke from entering non-smoking areas. Employees who smoke are expected to be considerate of non-smoking employees._

This policy shall pertain to both employees and non-employees. All employees and visitors are expected to follow this policy. Non-employees who are smoking shall be requested, where appropriate, to refrain from smoking.

I. Light Duty Policy

An employee who is temporarily unable to perform his or her complete job duties by reason of industrial disability (Labor Code §3600) may be returned to work and given temporary light duties within his/her ability to perform with or without reasonable accommodations. Clearance to return to work, and any work restrictions, must be supplied by the employee’s attending physician in writing prior to the employee returning to work. The duration of any such period of temporary work shall be determined by the District, but ordinarily will not exceed 60 calendar days. During such period, the District may require written certification by the employee’s attending physician that the employee’s disability is continuing to improve, with a reassessment of any work restrictions.

The employee will be compensated at the rate of pay of his or her regular classification while engaged in such temporary duties provided that, in the opinion of the supervisor, the employee can perform a substantial amount of the essential duties in his or her job description. If the employee is unable to perform the essential duties in his or her job description with or without reasonable accommodations, the District may, if practical, assign the employee temporarily to work in a different job classification, in which case the employee will be compensated at the rate of pay established for that job classification.

Nothing contained in this policy requires the District to offer light duty to an employee who
is unable to perform the essential duties of his or her job with or without reasonable accommodations, or to retain an employee on light duty for any period of time.

Nothing contained in this policy restricts the rights or duties of the District or its employees under Workers’ Compensation laws, the Fair Employment and Housing Act, the Americans with Disabilities Act, or any other applicable laws.
ARTICLE V
Benefits

A. Workers Compensation Insurance

Compensation for on-the-job accidents is provided by District through a Workers Compensation Insurance Plan. It shall be the duty of all officers and employees to make an immediate report of accidental injury while working to their supervisor. Any recurrence of an old injury requiring medical treatment or hospitalization also must be reported immediately. Failure to do so will result in delay of compensation, or more serious difficulties including the possibility of disciplinary action for not reporting in a timely manner. Sick leave (if available) may be used for the initial three (3) days waiting period under an approved workers compensation claim, however, it may not be used to supplement workers compensation benefits for the lost time at work due to an industrial injury or illness.

Workers Compensation - Return to Work
For physical injury claims and stress related claims the District will require a full medical release from the treating physician prior to returning to work.

Employees who are incapacitated because of covered job related injuries or illnesses and cannot return to their prior duties, may be offered vocational rehabilitation if they are medically qualified and able to accept other employment.

B. Social Security

Social Security deductions are made beginning with the new employee's first salary check, as required by law.

C. Medical Insurance

Medical, dental, vision and hospital benefits, such as may be provided under District's insurance plan, begin on the first of the month following thirty (30) days of continuous employment and upon the applications of eligible employees being processed and accepted by the insurance carriers. District will pay the cost of the premium for eligible employees to the extent described below:

1. The full premium for dental (including orthodontic coverage) and vision coverage for employees and their eligible dependents.

2. Medical Insurance

Effective January 1, 2015, the District will offer three health plan options to employees. The employee may elect which health plan he/she wishes to participate in and the District shall make contributions toward the health plan as follows:
(a) Option 1: **ACWA Account Based Health Plan**.

   a. **Premium**: Throughout the term of this Agreement, the District shall pay the monthly premium cost for employee’s participating in ACWA’s Account Based Health Plan. Upon expiration of this agreement, the District shall contribute the following toward the cost of the employee’s premium:

   - Employee: $ 628.00 per month
   - Couple: $1,418.00 per month
   - Family: $1,717.00 per month

   b. **Health Savings Account**: In January of the employee’s first year of participating in the Account Based Health Plan, the District shall make a one-time lump sum contribution to the employee’s health savings account as follows:

   - Employee: $1,500
   - Couple: $3,000
   - Family: $3,000

In January of the subsequent years of the term of this agreement, the District will make an annual contribution to the employee’s Health Savings Account in the amount of 75% of the deductible based on status as employee, couple, or family.

New hires electing to participate in the Account Based Health Plan will receive a pro-rated contribution to the health savings account.

(b) **Option 2: ACWA Advantage Health Plan**: For each employee choosing the Advantage Health Plan, the District shall contribute the following:

   - Employee: $ 628.00 per month
   - Couple: $1,418.00 per month
   - Family: $1,717.00 per month

(c) **Option 3: ACWA Classic Health Plan**: For each employee choosing the Classic Health Plan, the District shall contribute the following:

   - Employee: $ 628.00 per month
   - Couple: $1,418.00 per month
   - Family: $1,717.00 per month

(d) Unless otherwise agreed between the Management and the District, the District shall only provide the ACWA Advantage Health Plan, Classic Health Plan, and Account Based Health Plan options, or their closest
ACWA equivalents in the event of a plan change or elimination.

3. The District shall reimburse the cost of employee flu and poison oak immunizations only, not the cost of associated doctor’s visits, unless the immunization is first approved and then obtained through a District recognized physician.

**Continuation of Coverage:** Employees and their spouses and dependents covered by District health, dental, and vision plans may have the right to choose a temporary extension of benefits at group rates, plus a small administration fee, in certain instances where coverage under the plans would otherwise end. Information regarding this extension of benefits (COBRA) is available at the District Office.

The employee or a family member of the employee has the responsibility of notifying the District of a divorce, legal separation, or of a child losing dependent status under the plans within thirty (30) days of the change. Employee may be responsible for the additional cost of coverage should this notification not occur. Paradise Irrigation District has the responsibility of notifying the administrators of the plans of an employee's death, termination of employment, reduction in hours, or Medicare eligibility. When the District is notified that one of these events has occurred, the District will in turn notify the employee that the employee or family member has the right to choose continuation coverage. The employee or family member has sixty (60) days from the date they would lose coverage because of one of the events described above to inform the administrators of the plans that the employee or family member wants continuation coverage.

D. **Retirement**

A retirement plan is offered to employees who are eligible and who wish to participate. The District contributes to such plan on behalf of the employees in accordance with such plan. Employees not electing to be a part of the retirement plan shall not receive any part of the sum that the District would have contributed to such retirement plan. See "Article III, Section C, Retirement" for information concerning retirement status. The District will contribute 9% of the employee’s base pay to the retirement plan. The District will match any employees’ contribution one to one up to a maximum of 3%. The District’s matching contribution shall be vested in 20% increments for the first five years of employment subject to current law. Changes to employee’s contributions can be made according to the plan document.

E. **Unemployment and Disability**

California State Unemployment and Disability benefits are provided by the California State Employment Development Department. Currently District funds the Unemployment Insurance Plan and the employee pays the required premium for State Disability Insurance.

F. **Long-Term Disability Program**

Long-term disability coverage is provided for eligible disabilities with a ninety (90) day
elimination period and 66.67% of pre-disability earnings as defined and governed by the District’s Long-Term Disability insurance plan with its carrier.

G. **Life Insurance**

District provides each regular full-time and regular part-time employee a Life Insurance Policy in the amount of $50,000.00 effective on the first of the month following completion of sixty (60) days of work. In addition, employees have the option to purchase an additional $50,000.00 Life Insurance through payroll deduction.

H. **Flexible Benefits Plan**

District will provide a Flexible Benefits Plan for dependent care assistance and for medical reimbursement. A copy of this plan will be provided to all eligible employees at Plan inception. The purpose of this plan is to provide employees of the District a Dependent Care Assistance Plan, and Medical Reimbursement Plan maintained by the PID. This plan is intended to qualify as a “cafeteria plan” under Section 125 of the Internal Revenue Code of 1986, as amended, and is to be interpreted in a manner consistent with the requirements of Section 125. Each employee whose employment is considered to be regular full-time will be eligible to participate in the Plan. An employee will become a Participant on the later of (a) the effective date or (b) the first day of the month following the date he or she becomes eligible to participate under the preceding sentence. If an employee does not elect to become a Participant on the first date of eligibility, such employee may elect to become a Participant on the first day of any subsequent Plan Year.

I. **Observed Holidays** - Holidays are established as follows:

1. New Year's Day
2. Martin Luther King’s Birthday
3. President’s Day
4. Cesar Chavez Day
5. Memorial Day
6. Independence Day
7. Labor Day
8. Veteran's Day
9. Thanksgiving Day
10. Friday after Thanksgiving
11. Christmas Eve
12. Christmas

Holidays occurring on a Sunday are normally observed on the following Monday. Holidays occurring on a Saturday are normally observed on the preceding Friday.

Holiday pay is based upon a 7.5 hour work day for staff assigned to a 37.5 hour work week and 8 hour work day for all others.
Employees on unpaid leaves of absence, for any reason, at the time of a Holiday observance will be ineligible for Holiday pay.

J. Vacation

Vacation leave for full time positions shall consist of: twelve (12) equivalent working days during the first five (5) years of continuous employment; fifteen (15) working days after five (5) years' continuous employment; twenty (20) working days after ten (10) years' continuous employment, twenty-five (25) working days after fifteen (15) years' continuous employment; and thirty days after 20 years’ continuous employment. Vacation will accrue only when on “paid” status. Vacation is earned each pay period and is available upon completion of each pay period. Vacation shall not accrue when on “unpaid” status.

On the fifth (5th) anniversary following the date of employment and in each fifth (5th) anniversary thereafter, the District shall grant each employee a service anniversary vacation of five (5) workdays with pay. A service anniversary vacation shall be in addition to the annual vacation allowance to which the employee may be otherwise entitled in that year and an employee who terminates employment with the District prior to reaching a fifth (5th) anniversary shall receive credit for one working day’s vacation for each full year’s continuous employment since the previous fifth (5th) anniversary or their original date of employment. The service anniversary vacation must be taken within one year of the date it is earned.

Absence because of injury or sickness which is covered by accumulated sick leave shall not be a bar to the granting of annual vacation as herein provided. The granting of any leave of absence without pay exceeding fifteen (15) calendar days shall cause the employee's eligibility date for the annual vacation to be postponed a number of days equal to the number of calendar days the employee is on leave without pay, less the first fifteen (15) calendar days of such leave.

All earned vacation may be taken only after accrual. A prorated accrual of annual vacation leave occurs at the completion of each pay period. The maximum accrual, excluding service anniversery vacation, can be no more than two years at the employee’s current accrual rate. This may be extended by approval of the Manager if deferral of vacation leave is due to business necessity

Vacation periods are to be arranged with the employee's department head so that the time off will not interfere with the normal operation of the District.

Eligible employees about to be laid off and those whose employment is otherwise terminated shall be paid for any earned but unused vacation as described above.

Vacation Buy / Sell Program
Employees who have been employed by the District for more than one year may sell to the District up to forty (40) hours of accrued unused vacation time upon thirty (30) days prior notice, provided that the employee takes a minimum of one half (1/2) the vacation time to which they are entitled within the same annual vacation period of the sold vacation time. An employee who has been employed by the District for more than one year may also buy from the District up to an additional forty (40) hours of vacation time within any calendar year for use during the same calendar year, provided that full and complete payment has been made for the purchased vacation time by salary modification prior to use of the vacation time.

K. Sick Leave

Sick leave is provided to eligible regular employees of the Management Unit at the rate of -

(1) one equivalent working day per month. Sick leave is defined as absence from duty due to illness of employee or immediate family, non industrial injury or quarantine due to exposure to contagious disease. Starting the first working day of illness, non-industrial injury or quarantine due to exposure to contagious disease, the employee shall be paid at the rate of their base pay if they have sick leave available. The District Manager may require Physician certification for any sick leave absence of three (3) or more consecutive working days.

1. Immediate family includes: parents, children and spouses and are defined as follows:

   A “child” means a biological, adopted or foster child, a stepchild, a legal ward or a child an employee has accepted the duties and responsibilities of raising, such as where a grandmother raises her grandchild.

   A “parent” means a biological, foster or adoptive parent, a stepparent or a legal guardian. Mothers-in-law, fathers-in-law and grandparents are considered “parents” for the purposes of this law.

Sick leave will accrue only when on “paid” status. Sick leave is earned each pay period and is available upon completion of each pay period. Sick leave will not accrue when on “unpaid” status.

Accumulated vacation time or compensatory time off shall be used for sick leave at base pay rate after available sick leave has been exhausted.

Regular employees shall be allowed once a year to sell five equivalent days of sick leave annually if they use less than three equivalent days in the prior year and will have a minimum balance of thirty equivalent days after the sale. In the event of an extended medical absence, the District Manager may approve the sale of sick leave for employees that exceed the use of three days of sick leave.

Annually, November 1, an employee may elect to receive up to three (3) days pay or three
(3) days vacation or any combination in exchange for unused sick leave for the twelve (12) months preceding November 1.

Upon termination of employment from the District, employees will be compensated for unused sick leave at the following rates for up to a maximum of 120 days of their sick leave balance.

- 5 to 10 Years of Service – 25%
- 11 to 20 Years of Service – 40%
- 21 to 25 Years of Service – 50%
- 26 to 30 Years of Service – 60%
- Over 30 Years of Service – 75%

Available sick leave may be used for the initial three (3) day waiting period under an approved workers compensation claim; however, it may not be used to supplement workers compensation benefits for the lost time from work due to an industrial injury or illness.

L. Fitness for Duty

All employees must be fit for duty while in work status.

A fitness for duty evaluation may be made at the request of the District Manager and performed by the District’s Medical Provider to determine that the physical and mental health of an individual is consistent with the performance of assigned duties in a safe and reliable manner. The initial evaluation will be at the District expense. The District will not cover subsequent visits with medical personnel.

A District Manager request for fitness for duty evaluation may be appropriate when:
- The employee identifies a medical condition as a cause of a performance problem;
- Behavior is observed that is not typical of the employee;
- There is concern about whether the employee can work in a safe and reliable manner;
- There is reasonable suspicion of substance abuse;
- The employee requests a medically-based accommodation; or
- There is a management concern about excessive use of sick leave.

Should it be determined that the employee is not fit for duty, they will immediately be placed on the appropriate available leave.

An employee removed from the workplace because of fitness for duty concerns must be cleared before returning to work by the District’s Medical Provider at employee’s expense. Failure to comply with provisions of this policy may result in disciplinary action, up to and including termination.

M. Leave of Absence with Pay

Leave of absence with pay for full time officers and employees shall be granted by District
in the following cases:

Upon the death of an employee's child (defined in Article V, Section K.1.), spouse, parent, (defined in Article V, Section K.1.) brother, sister, grandparent or grandchild, a period not exceeding three (3) consecutive working days. The Manager may approve an additional two (2) days of Bereavement Leave in special situations at his/her discretion.

For jury duty, official subpoena, or serve as a witness in court, the District provides normal base pay less any jury duty pay or witness fees received by the employee. The employee may keep any court reimbursements for mileage associated with jury duty. This provision shall not apply to personal court or legal action.

Leave of Absence without Pay

Leave of absence without pay may be granted by the District Manager or the Board of Directors for the following reasons:

a. Illness or short term disability;
b. Family Leave;*
c. Pregnancy Disability Leave (PDL);**
d. To take an educational course which will increase the employee's usefulness upon return to work;
e. For personal reasons acceptable to the District Manager or the Board of Directors;
f. For military service.

A leave of absence without pay may be for a period not exceeding one (1) year, except for military service when such service exceeds one (1) year.

*Family Leave: The District will grant eligible employees, with at least one year of continuous service up to 12 weeks of unpaid leave in a 12-month period for family care responsibilities and for the employee’s own serious medical condition. The purpose of the family leave is to provide the employee with the right to take time off from work to bond with a child, to care for a family member or to recover from a serious illness without jeopardizing their job. The one-year period in which employees are entitled to take up to 12 weeks of FMLA leave is not a fixed period. The one-year period is determined on a rolling basis at the time an employee requests FMLA leave. Each time an employee requests FMLA leave, the immediately preceding 12-month period will be reviewed to ascertain the employee’s remaining leave entitlement. Each time an employee requests FMLA leave, his/her remaining leave entitlement will consist of any balance of the 12-week entitlement which has not been used during the immediately preceding 12 months.

Example 1:
Employee X has the following FMLA leave record:
   January 1, 2000: 3 weeks
   April 1, 2000: 2 weeks
   June 1, 2000: 3 weeks
November 1, 2000: 4 weeks
Employee X requests additional leave on December 1, 2000. Employee X has already used 12 weeks of FMLA leave within the immediately preceding 12 months, and therefore is not entitled to additional FMLA leave as of the date of the request.

Example 2:
Based upon the same leave record, Employee X requests additional leave on February 1, 2001. January 2000 no longer falls within the immediately preceding 12-month period. Employee X is entitled to take up to an additional three weeks of FMLA leave, assuming the reason for the requested leave qualifies for leave under the Family & Medical Leave Act.

Requested leaves must be submitted in writing and be approved in writing by the Manager before the leave begins. (Leaves over thirty [30] days must also be reviewed by the Board of Directors Personnel Committee.) In cases where it is impractical to submit this request before the leave begins, it shall be submitted as soon as possible after the requested leave begins.

The District will maintain coverage under any group health plan for the duration of the leave (for a maximum of twelve [12] weeks) and under the conditions of coverage that would have been provided had the employee been employed continuously during the leave. If the employee fails to return to work at the end of the leave period, the District has the right to collect the cost of the health benefit premiums from the employee. An employee who returns to work for at least thirty (30) days is considered to have “returned to work”.

**Pregnancy Disability Leave (PDL):** Any full or part-time regular female employee who is disabled by pregnancy, childbirth, or a related medical condition will, upon written request, be granted a pregnancy disability leave of absence (PDL) without pay not to exceed four (4) months.

An employee who is granted a PDL may utilize any accrued sick leave benefits and earned vacation benefits during the period of her leave. Any portion of the leave that occurs after all sick and vacation benefits have been exhausted shall be without pay.

Group insurance benefits and premium payments ordinarily provided by the District will remain in effect until the end of the month in which the leave terminates. Employees are expected to pay the full costs of these coverages thereafter. Employees are requested to notify the Manager that arrangements have been made with the Office Manager to pay for the costs of such coverages before the leave(s) begin(s).

Employees who require a PDL must notify their supervisor or the Office Manager in writing as soon as possible. These written notices should specify the commencement date(s) of the leave(s), the expected duration of the leave(s) and be accompanied by a signed physician’s statement of disability.

Written extension requests for PDL, not to exceed the four (4) month limitation, must be
received by the Manager prior to the expiration of the approved leave(s) or within three (3) days of an absence. Employees who do not report for work at the end of an approved PDL will be considered to have voluntarily resigned. Employees returning from a PDL shall be required to provide a physician’s statement that indicates that they are medically able to return to work.

For employees on PDL, the District guarantees reinstatement to the same or similar job with the same or similar duties, pay, and location unless granting such a leave would substantially undermine the District’s ability to operate the business safely and efficiently. Employees on PDL will be credited with all service prior to the commencement of their disability, but not for the period of their disability.

N. Security

Security is important to everyone. Employees are asked to not discuss the security of the District premises or services with any individual not employed by the District. Additionally, neither the District nor its insurance carriers take any liability for an employee’s personal belongings. Employees are encouraged to secure personal belongings to the best of their ability.

Since the District retains the right to search any District property or facility at any time (including employee-assigned desks, files and computer systems), if employees have anything of a private nature they do not want to be subjected to discovery during such searches, these items should be kept in the employees’ briefcases, purses or lunch bags.

O. Dress and Grooming Standards

While the PID has no formal dress code, it is expected that all employees will dress in a manner consistent with good business practices. If for any reason an employee cannot dress in accordance with good business practices, or has a question about appropriate dress, the employee should discuss it with his/her managers.

1. Professional clothing is not required on a daily basis.

2. Professional clothing should be worn on days when professional contact is expected, including committee meeting days.

3. The basic rule is: “nothing too tight, short, ragged or dirty” If in doubt, don’t wear it!

P. Lakeshore Recreation & Boating Permits

District shall provide to all regular employees of the District free Lakeshore Recreation and Boating permits under the same terms and conditions as such permits are issued to the public. Upon termination of employment the free permits shall lapse with no further force and effect.
ARTICLE VI

Discipline

A. Discipline

Violation of District policies and rules may warrant disciplinary action. The District has established a system of progressive disciplinary actions that include verbal warnings, written warnings, and suspension. The system is not formal and the District may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to and including termination of employment subject to the terms of the Grievance Procedure.

It is intended that discipline be proposed for corrective purposes and to address deficiencies in work performance and behavior modification. The District expects its employees to carry out District policies and instructions from supervisors without criticizing or undermining those policies and instructions to District personnel, customers or the general public. Derogatory comments about the District, its policies, activities, personnel or governing body while on duty will not be condoned and may constitute the basis for discipline, demotion or discharge. Although an employee may have grounds for disagreement, such disagreement must not be insubordinate, slanderous, or libelous.

B. Prohibited Conduct

The following conduct is prohibited and will not be tolerated by the District. This list of prohibited conduct is illustrative only; other types of conduct injurious to security, personal safety, employee welfare and the District’s operations also may be prohibited.

a. Falsification of employment records, employment information or other District records.

b. Falsification of any time card.

c. Theft, abuse or misuse of District tools, vehicles, or equipment.

d. Removing or borrowing District property without prior authorization.

e. Unauthorized use of District’s equipment, time, materials, or facilities.

f. Provoking a fight or fighting during working hours or on District property.

g. Wrestling, pushing, throwing objects, horseplay, and other forms of behavior which are, or can be destructive of property or endanger personal safety or the safety of others.

h. Engaging in criminal conduct whether or not related to job performance.

i. Causing, creating or participating in a disruption of any kind during working hours on District property.
j. Insubordination, including but not limited to failure or refusal to follow the instructions of a supervisor or member of management (subject to safe working practices), or the abusive or threatening language toward a supervisor, other members of management, coworkers, or PID customers.

k. Using abusive language at any time on District premises.

l. Failure to notify a supervisor when unable to report to work.

m. Failure to notify supervisor prior to leaving work for any reason during normal working hours.

n. Failure to observe working schedules, including rest and lunch periods.

o. Failure to provide a physician's certificate when requested or to report to a required District paid physical examination.

p. Sleeping or malingering on the job.

q. Violation of any safety, health, security or policies, rules or procedures, including violation of the District’s Illness and Injury Prevention Program.

r. Committing a fraudulent act or breach of trust under any circumstances.

s. Violation of the District's substance abuse prevention program.

t. Unlawful harassment of any type.

u. Excessive absences, unexcused absences, tardiness, and abuse of sick leave.

v. Citation for moving violations in a District vehicle.

w. Incompetence, including failure to pass on to supervisors or fellow workers information necessary for the proper execution of their duties.

x. Unsatisfactory work performance, including engaging in personal business during working hours.

This list is not to be construed as all-inclusive, but merely the common causes for disciplinary action.

C. **Just Cause**

Application of this section shall be equally applied to all employees, and it is the express policy of this District to discipline only for just cause. The elements of just cause are:
a. The employees had forewarning or foreknowledge of possible or probable disciplinary consequences for violation of the District rule or managerial order or the basis of discipline is so obvious that forewarning or foreknowledge can be inferred.

b. The rule or managerial order violated was reasonably related to the orderly, efficient, and safe operation of the District.

c. Determination by the Supervisor in charge or Department Head before administering discipline that the employee did in fact violate the rule or order of management.

d. The investigation into the charge was conducted fairly and objectively.

e. Proof indicates the employee is guilty as charged.

f. The degree of discipline to be administered is reasonably related to the seriousness of the employee's proven offense.

g. The degree of discipline may also be increased or tempered if mitigation or aggravating factors are present.

These factors include such circumstances as:

(1) Employee's prior record.

(2) Prior progressive discipline within a reasonable period of time for the same or similar violation.

(3) Extenuating circumstances.

(4) Employee's length of service.

(5) Provocation leading to a violation.

(6) Gravity of the consequences of the violation.

(7) Impact of violation on District customers or the District's efficient operation.

(8) Attitude of employee (desire and ability to learn from mistakes).

D. Progressive Discipline Procedure

When an infraction occurs, the Supervisor shall consider the elements of just cause. The following steps are not mandatory, and if the infraction is deemed to be sufficiently serious, the Supervisor may recommend more severe discipline.
1. **Oral Warnings**

An oral warning may be given to the employee regarding his failure to comply with the rule(s) or managerial order and very clearly state what is expected in the future.

a. The Supervisor shall keep a record of the date, time, and particulars of the conversation;

b. The employee shall be advised that a record of the oral warning is being kept, and that another warning may lead to more severe action.

2. **Written Warning/Instruction**

The particulars of the written warning/instruction (date of warning, rule violated, highlights of Supervisor's instructions, etc.) may be stated under "Reason for Warning". The Supervisor may stress again what is expected and what the consequences may be if there is no improvement.

3. **Suspension Without Pay**

Any single or combination of disciplinary action may be considered as a major infraction. Certain actions by an employee after the elements of just cause have been considered may be so serious as to constitute a major infraction. Suspension without pay may be imposed. However, an employee's rights to a grievance on such action are not impaired.

4. **Discharge**

Discharge will be considered for major infractions, and/or failure to respond appropriately to prior disciplinary action. Should events compel the Manager to take immediate action where discharge appears to be necessary, the employee may be immediately suspended for a specific period of time pending an investigation of the circumstances and a hearing based on the findings.

E. **Disciplinary Records**

Disciplinary records shall be kept as follows:

a. An oral warning shall not be placed into a personnel file and shall remain with the employee's Department Head to be removed following the employee's next scheduled formal evaluation.

F. **Demotion**

Demotion to a position having a lower salary range may be imposed for disciplinary purposes. Demotions resulting from employee's inability to perform required duties, organizational changes, and layoffs are not disciplinary.
IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding effective July 1, 2014.

PARADISE IRRIGATION DISTRICT
BY: [Signature]
LARRY DUNCAN, PRESIDENT

BY: [Signature]
GEORGE BARBER, GENERAL MANAGER

MANAGEMENT GROUP
BY: [Signature]
BILL TAYLOR

BY: [Signature]
KEITH O'BRIEN
**APPENDIX A**
**SCHEDULE A**

**MANAGEMENT GROUP SALARY RANGES**

<table>
<thead>
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<th>CLASSIFICATION</th>
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<td>Assistant Engineer</td>
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<td>Assistant Superintendent</td>
<td>$5,143 - $6,557</td>
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<td>Treatment Plant Operations Supervisor</td>
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<td>Distribution Maintenance Supervisor</td>
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<td>District Secretary*</td>
<td>$3,857 - $5,657</td>
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<tr>
<td>Assistant District Secretary*</td>
<td>$3,343 - $4,371</td>
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*Monthly Rates are computed on the basis of 37.5 hours per week (1950 hours/year) all other Monthly Rates are computed on the basis of 40 hours per week (2080 hours/year).

Salary Ranges and Individual Salaries will be increased to provide a cost of living adjustment equivalent to the cost of living increase in US Social Security on January 1, 2015, 2016, and 2017.

Employees shall be eligible for an annual merit increase based on Employee's most recent performance appraisal. An overall rating of satisfactory shall rate a 4% and more or less may be granted by the Manager based on employee performance.
Schedule B
Certification Pay

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<th>Certification Rates / Hr.</th>
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Effective July 1, 2014
TENTATIVE AGREEMENT BETWEEN THE PARADISE IRRIGATION DISTRICT AND THE MANAGEMENT UNIT

-OPTION 2-

September 4, 2014

The parties have agreed to close negotiations with the changes set forth below and in the attached red-line Rules and Regulations.

1. Wages:

   Effective upon management’s ratification of this Agreement, and subject to ratification by the Board of Directors, employees in the management unit shall receive a 1.5% wage increase.

   Effective January 1, 2015, and annually thereafter on January 1st of each year during the term of this agreement, the salary range will be increased to provide a cost of living adjustment. The amount of the cost of living adjustment shall be equivalent to the cost of living increase in U.S. Social Security for the then-current calendar year.

2. Term: The term of this Agreement shall be from July 1, 2014 through June 30, 2018.

3. Negotiations:

   The parties agree to begin negotiations on the successor Agreement no later than January 1, 2018.