

SOQUEL CREEK WATER DISTRICT BOARD OF DIRECTORS**AGENDA****TUESDAY, OCTOBER 17, 2023****AGENDA 6:00 PM****CLOSED SESSION****MEETING LOCATION**Capitola City Council Chambers
420 Capitola Avenue, Capitola, California**REMOTE MEETING LOCATION(S)**1649 Cheryl Way, Aptos, CA, 95003
2310 32nd Street, Anacortes, WA, 98221**MISSION**

We are a public agency dedicated to providing a safe, high quality, reliable, and sustainable water supply to meet our community's present and future needs in an environmentally sensitive and economically responsible manner.

BOARD MEETING PROCEDURES

The Board President serves as the chairperson to guide Board Meetings following agenda order listed below:

1. Call to Order and Roll Call
2. Public Hearing
3. Board Members' Opportunity to Remove Items from Consent Agenda
4. Consent Agenda
5. Oral and Written Communications
6. Reports
7. Administrative Business
8. Closed Session
9. Adjournment

Note that the agenda order is subject to change.

MEETING INFORMATION AND ACCESSIBILITY

Meeting materials are available on the District's website:

<https://www.soquelcreekwater.org/AgendaCenter> Agendas, board packets, written correspondence (if any), and presentations (if any), are available by clicking on the meeting date and associated links.

Meetings are open to the public and thoughtful oral comments are encouraged. Please see the [District's Oral and Written Communications Guidelines](#) for additional information.

Board Meetings are broadcast live on Community Television's YouTube Channel

(<https://www.youtube.com/@CTVsantacruz/live>) and on Charter Channel 8. Meetings are also televised on Thursday at 8am and Sunday at 6pm (Comcast Channel 25 and Charter Channel 71), following the meeting. Meeting recordings are posted on the District's website (<https://www.soquelcreekwater.org/AgendaCenter>) following the meeting at the earliest opportunity.

The meeting room is an accessible facility. Should special assistance be required to participate in the meeting, please contact the Board Clerk at 831-475-8500 x126.

**SOQUEL CREEK WATER DISTRICT
AGENDA – OCTOBER 17, 2023**

6:00 PM

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC HEARING – None

3. BOARD MEMBERS' OPPORTUNITY TO REMOVE ITEMS FROM CONSENT AGENDA

4. CONSENT AGENDA (Pg. 4)

Consent Agenda items include routine business that do not call for discussion. One vote is taken for all Consent Agenda items. Only a Board Member may request that the Board President remove items from Consent to Regular agenda for discussion. A public member may request that a Board Member pull an item from the Consent Agenda prior to the start of the meeting. It is requested that public members provide an explanation with requests to remove Consent Agenda Items – this helps the Board determine if an item should remain on consent or be pulled for discussion. Any Consent Agenda items that are removed for discussion will be considered at the end of Administrative Business. For Consent Agenda items not removed for discussion, public members may provide comment for up to two (2) minutes, or the length of time established by the Board President, at the beginning of the Consent Agenda.

4.1 Approval of Minutes

4.1.1 September 19, 2023 – Regular Meeting Minutes

4.2 Production Reports

4.3 Management Update

4.4 Monthly Small Claims Report for October 2023

4.5 Mid-Management Employee Group MOU Ratification

4.6 Deny Claim of Damage – Palm Terrace Mobilehome Owners Association, Inc., 2711 Mar Vista Drive, Aptos; Alleged Damages to Underground Water Lines

5. ORAL AND WRITTEN COMMUNICATIONS (Pg. 108)

Oral Communications provides the opportunity for public members to speak on any item of interest (for items not on the Agenda), within the jurisdiction of the District. Public members may provide comment for up to three (3) minutes, or the length of time established by the Board President. Individuals may speak only once during Oral Communications. This also provides an opportunity for Board Members to make announcements.

6. REPORTS

6.1 District Counsel – Oral Report

7. ADMINISTRATIVE BUSINESS (Pg. 109)

7.1 Conditional and Unconditional Will Serves – None

7.2 Presentation by Raftelis of Water Rate Study Finance Plan

7.3 Review of Policy on Requiring Separate Metering for New Individual Residential & Commercial Units

8. CLOSED SESSION

The Board may conduct a Closed Session on particular agendas as necessary. Closed Sessions are not open to the public; however, there is an opportunity for public members to address the Board on specific closed session agenda items prior to the Board convening in closed session. Matters discussed during Closed Session include existing and pending litigation, personnel matters and real property negotiations. Actions taken by the Board during Closed Session will be announced during open session following the adjournment of the closed session.

**SOQUEL CREEK WATER DISTRICT
AGENDA - OCTOBER 17, 2023**

- 8.1 Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section §54956.9(d)(1)
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV01517
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV02699; CA Sixth District Court of Appeal Case No. H050093
- 8.2 Conference with Legal Counsel - Aqueous film-forming foams product liability litigation
MDL No2:18-mm-2873-RMG (City of Camden, et al., v. 3M Company and City of Camden, et al., v. E.I. DuPont de Nemours and Company et al.)

9. ADJOURNMENT

**BOARD OF DIRECTORS
TUESDAY, OCTOBER 17, 2023
CONSENT AGENDA**

Consent Agenda items include routine business that do not call for discussion. One vote is taken for all Consent Agenda items. Only a Board Member may request that the Board President remove items from Consent to Regular agenda for discussion. A public member may request that a Board Member pull an item from the Consent Agenda prior to the start of the meeting. It is requested that public members provide an explanation with requests to remove Consent Agenda Items – this helps the Board determine if an item should remain on consent or be pulled for discussion. Any Consent Agenda items that are removed for discussion will be considered at the end of Administrative Business. For Consent Agenda items not removed for discussion, public members may provide comment for up to two (2) minutes, or the length of time established by the Board President, at the beginning of the Consent Agenda.

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4.1.1 September 19, 2023 – Regular Meeting Minutes

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**DRAFT MEETING MINUTES
TUESDAY, SEPTEMBER 19, 2023**

**AGENDA 6:00 PM
CLOSED SESSION**

Recorded Meetings: Recorded meetings are available on the District’s website:
<https://www.soquelcreekwater.org/AgendaCenter>

0. CALL TO ORDER AND ROLL CALL

President Christensen called the meeting to order at 6:04 pm at the Capitola City Council Chambers.

Director LaHue attended remotely from 2310 32nd Street, Anacortes, WA, 98221.

Board Members Present:

- Carla Christensen, President
- Dr. Bruce Jaffe, Vice-President
- Dr. Thomas LaHue, Director
- Jennifer Balboni, Director
- Rachél Lather, Director

District Counsel

Joshua Nelson, District Counsel

Staff Members Present:

- Ron Duncan, General Manager
- Taj Dufour, Engineering Manager
- Melanie Mow Schumacher, Special Projects-Communications Manager / Assistant General Manager
- Emma Western, Executive Assistant/Board Clerk

Others Present:

1 member of the public

1. CLOSED SESSION

- 1.1 Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section §54956.9(d)(1)
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV01517
Steinbruner v. Soquel Creek Water District, et al. Santa Cruz County Superior Court Case No. 21CV02699; CA Sixth District Court of Appeal Case No. H050093
- 1.2 Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section §54956.9(d)(1)
Barbera v. Garney Pacific, Inc., et al. Santa Cruz County Superior Court Case No. 23CV01960
- 1.3 Conference With Labor Negotiators
Agency designated representative(s): Ron Duncan, Melanie Mow Schumacher, Leslie Strohm

Employee Organization: Service Employees International Union (SEIU)

- 1.4 Conference With Labor Negotiators
Agency designated representative(s): Ron Duncan
Employee Organization: Mid-Management Employee Group

- 1.5 Public Employee Performance Evaluation
Title: General Manager

At 6:05 pm, President Christensen announced that the Board will return to closed session to discuss Items 1.1, 1.2, 1.3, 1.4 and 1.5.

One public comment was heard.

CONVENE TO CLOSED SESSION – 6:07 pm

RETURN TO OPEN SESSION – 6:39 pm

President Christensen adjourned the closed session and returned to open session at 6:39 pm.

President Christensen reported that the Board discussed Items 1.1, 1.2, 1.3, 1.4 and 1.5 in closed session. No reportable action was taken.

2. PUBLIC HEARING – None

3. BOARD MEMBERS’ OPPORTUNITY TO REMOVE ITEMS FROM CONSENT AGENDA

None removed.

4. CONSENT AGENDA

One public comment was heard.

MOTION: Director LaHue; Second: Director Lather; To approve Consent Agenda Items 4.1, 4.2, 4.3, 4.4 and 4.5. Motion passed by unanimous roll call vote.

- 4.1 Approval of Minutes
 - 4.1.1 August 15, 2023 – Regular Meeting Minutes
Action: Approved

- 4.2 Production Reports
Action: Approved

Vice-President Jaffe thanked staff for including the “Net Evapotranspiration Vs. Total Production” graph. He stated that this data shows that evapotranspiration is a main driver in water use.

President Christensen commented that water use may also be impacted by COVID-19 and tourism in the area.

- 4.3 Management Update
Action: Approved

4.4 Approve Transfer from Operating Contingency Reserves to Fund Country Club Well No. 2 Project, CWO 17-0582

Action: Approved

4.5 Authorize Emergency Water Main Replacement Project Award for North Main Street

Action: Approved

5. ORAL AND WRITTEN COMMUNICATIONS (items not on the Agenda)

Written communications addressed to the Board are available on the District’s website:

<https://www.soquelcreekwater.org/AgendaCenter>

One public comment was heard.

Director Balboni reported that there is a new desalination technology being explored by Los Virgenes Water District, where they install desalination pods on the ocean floor to power reverse osmosis. This technique is stated to use 40% less energy than traditional desalination processes.

6. REPORTS

6.1 District Counsel – Oral Report

District Counsel Nelson provided an update on the State’s legislative cycle. He confirmed that he will continue to monitor and report on any legislation that may be relevant to the District.

District Counsel Nelson discussed the proposed bill, ACA 13, which would change the voter threshold for a constitutional amendment (i.e., raise voting threshold from 50+1 to 2/3 vote) if an amendment would change the voter threshold to raise revenues or incur debt. If approved, this may impact the District. He will continue to monitor this bill.

7. ADMINISTRATIVE BUSINESS

7.1 Conditional and Unconditional Will Serve Letters – *None*

7.2 Consider Board Member Appointments on Various Standing Committees/Boards

Ms. Western reviewed Item 7.2, explaining that the purpose of this item is for the Board to select and appoint Directors to fill the vacant seats on the Public Outreach Committee and the Finance and Administrative Services Committee.

In addition to filling the vacant committee seats, the Board may consider appointments or reappointments on the District’s three standing committees as well as the “external” committees/boards. While existing appointments on the District’s three standing committees (with the exception of the vacant seats), and the “external” committees/boards are valid through December 2023, consideration of these appointments tonight could potentially eliminate the need to review these appointments again in a couple of months.

One public comment was heard.

President Christensen stated that there are only a few committee meetings before December 2023; therefore, she suggested having the appointed alternate fill in until December. She expressed support for reviewing all committee appointments in December 2023.

Director LaHue stated that he is willing to serve on the Public Outreach Committee if Director Balboni would like to serve on the Water Resources Management and Infrastructure (WRMI) Committee in his place. He noted that she previously served on the WRMI Committee as a public member. Director Balboni confirmed she is interested in continuing to serve on the WRMI Committee.

There was consensus to take no action to fill the vacant seat on the Finance and Administrative Services (FAS) Committee. Director Lather is the alternate, and she will participate in the FAS committee meeting on October 23, 2023.

President Christensen requested that this item be brought back for consideration in December 2023.

MOTION: Vice-President Jaffe; Second: President Christensen; To appoint Director LaHue to fill the vacant seat on the Public Outreach Committee. Motion passed by unanimous roll call vote.

MOTION: Vice-President Jaffe; Second: President Christensen; To appoint Director Balboni to fill Director LaHue’s seat on the Water Resources Management and Infrastructure (WRMI) Committee. Motion passed by unanimous roll call vote.

7.3 Approve Board Attendance for the Santa Cruz Area Chamber of Commerce Community Leadership Visit (CLV) – October 11-12, 2023

Mr. Duncan stated that the purpose of this memo is to request approval for Board Members to attend the Santa Cruz Area Chamber of Commerce Community Leadership Visit (CLV), October 11-12, 2023. Mr. Duncan stated that he is enrolled in the CLV and wanted to open it to Directors to attend.

Vice-President Jaffe recognized the value of the CLV and expressed support for Board Member attendance.

Vice-President Jaffe, Director LaHue, and Director Lather stated that they cannot attend due to schedule conflicts.

Mr. Duncan requested that Directors inform him of their attendance by Wednesday September 27, 2023.

MOTION: Vice-President Jaffe; Second: Director Balboni; To authorize Board Member attendance in the Santa Cruz Area Chamber of Commerce Community Leadership Visit on October 11-12, 2023. Motion passed by unanimous roll call vote.

7.4 Presentation of Dr. Holt’s 2013 Data Evaluation Report and Request for Direction on Type(s) of Analysis to Perform in the Current Rate Study

Mr. Duncan reviewed Dr. Holt’s 2013 Data Evaluation Report and requested Board feedback to better understand what type(s) of analysis may be helpful for the current rate study. He stated that presentation of this report was requested by Vice-President Jaffe on September 5, 2023.

Board discussion ensued. Directors agreed that it is important to understand the different levels of water use among customers. There is interest in seeing how usage has changed over time (and if rate structure affects usage levels). Overarching questions include:

- How is the District’s water use changing over time? Why?
- What is the percentage of customers within certain usage thresholds?
- Does the rate consultant have a better graphic to use to show this type of information?
- How many customers would have their bills increase/decrease in certain rate structures?

One public comment was heard.

Mr. Duncan confirmed that the Board may provide direction after the rate consultant presents more information at the October 17, 2023 Board Meeting. There was consensus among the Board to take no action at this time and revisit direction at a later meeting.

8. ADJOURNMENT

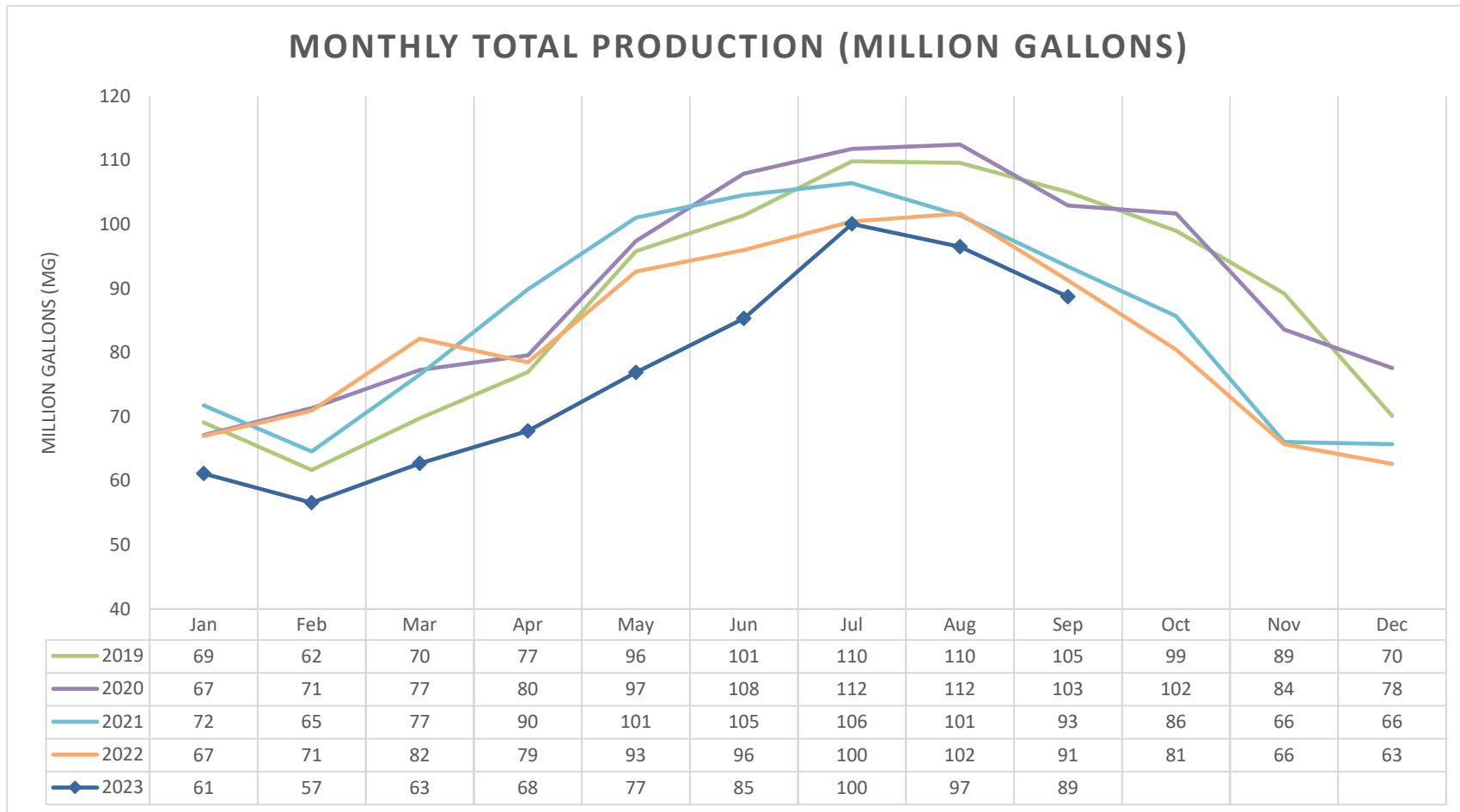
President Christensen adjourned the meeting at 7:35 pm.

SUBMITTED:

APPROVED:

Emma Western, Board Clerk

Carla Christensen, President



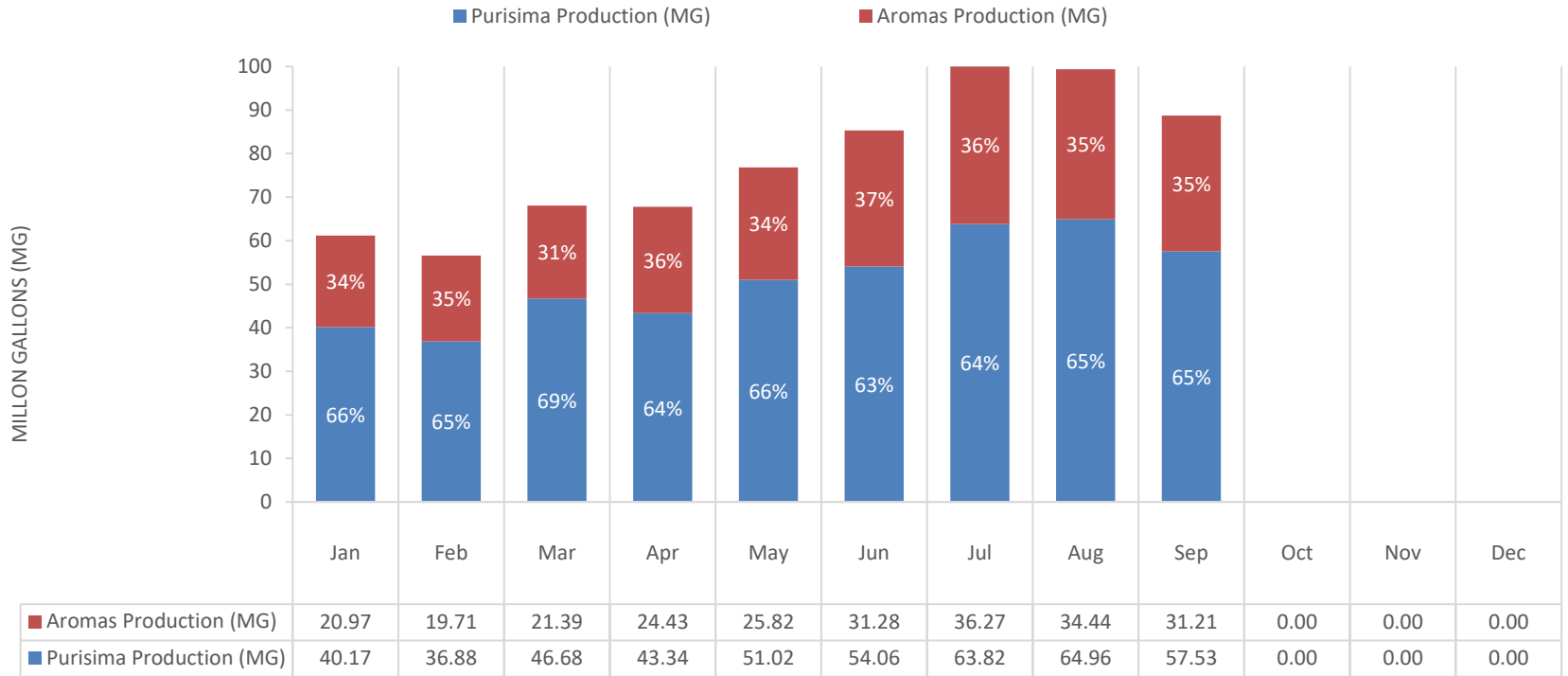
September 2023

- Production in September 2023 hit a historic September low.
- Total 2023 production to date is approximately 11% less than last year Jan-September.

Imports/Exports

- Monthly totals here incorporate imports and exports.
- No imports/exports in September.

MONTHLY PRODUCTION BY SOURCE



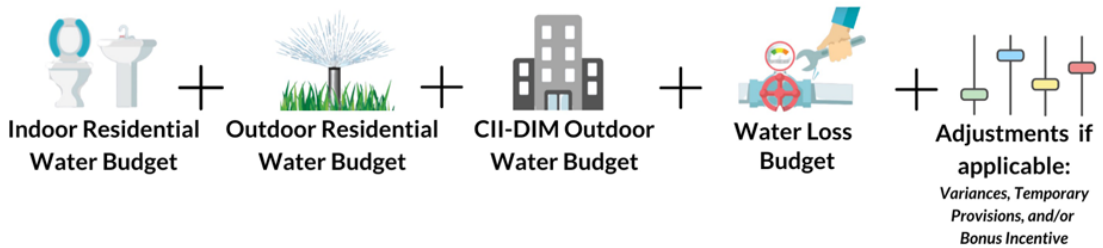
**Management Update
Consent Agenda Item 4.3
October 17, 2023**

- a. Water Resources
- b. Engineering
- c. Operations & Maintenance
- d. Special Projects/Community Outreach
- e. Finance Report
- f. Human Resources
- g. General Manager

Water Resources (a)

- Advanced Metering Infrastructure (AMI), WaterSmart Customer Portal & Leak Notification
 - Work has resumed on installing more robust battery back-up systems for our AMI base stations and most repeater sites.
- Conservation/State Standards/Reporting
 - Completed the 2022 Water Loss Report and audit. Preparation of the report involves staff from Water Resources, Operations & Maintenance, Finance, and Engineering. Overall, this year’s audit showed that the District has a relatively low level of distribution system water loss compared to other suppliers and that we well-positioned to be compliant with the new water loss performance standards that were finalized in October 2022 without further reduction of loss.
 - Attended the State Water Resources Control Board’s public hearing on draft rules to implement Assembly Bill 1668 and Senate Bill 606 that comprise the “Making Conservation a California Way of Life” regulation. The proposed regulation requires urban retail water suppliers to meet an agency-specific Urban Water Use Objective (UWUO) starting in 2025. The UWUO is a total water budget, in gallons per capita per day (GPCD), that is the sum of the efficiency budgets for a subset of water uses that include:

Providers cannot exceed the SUM of the standards



**Agriculture and indoor CII not part of objective, though indoor CII is covered by Performance Measures.*

Each suppliers’ UWUO will be calculated using statewide efficiency standards for the above water uses along with unique local service area characteristics such as population, climate and landscape area.

The regulations should be adopted by next fall though suppliers are required to submit their first report January 1, 2024 based on preliminary standards. Staff will keep the Board apprised as the State’s rulemaking process progresses.

- Sustainable Groundwater Management Act Implementation Grant Optimization Study
 - Brown & Caldwell (BC) presented preliminary results on the survey sent out to City and District decision-makers and select agency and Regional Water Management Foundation staff to provide input on weighting of project evaluation criteria. The results will be summarized in Technical Memo (TM) 2 (Develop Evaluation Criteria & Alternatives to Analyze), and ultimately used along with project cost to help rank the final four project alternatives.

- Completed a final review of TM1 (Data Gap Analysis & Optimization Approach) and provided BC comments to finalize the document.
- The Technical Team (groundwater & hydraulic modeling consultants, BC, and City & District staff) met to discuss the preliminary results from groundwater modeling of the seven project alternatives being evaluated. Initial groundwater modeling is expected to be completed around the end of October and will inform the next round of groundwater and hydraulic (distribution system) modeling to “optimize” select project alternatives.
- Scheduled the Optimization Study Workshop for the full project team for the end of October.
- Staff-Level New Water Service Will Serve Approvals Granted Between 9/12/23 and 10/11/23:
 - Conditional Will Serves:
 1. Tier I Single Family Home with Accessory Dwelling Unit at 519 Sumner Ave, Aptos. APN: 044-203-29 (Shingu)
 2. Accessory Dwelling Unit at 2737 Monterey Ave, Soquel. APN: 037-191-25 (Morrison)
 - Unconditional Will Serves:
 1. Accessory Dwelling Unit at 529 Capitola Ave, Capitola. APN: 035-093-01 (LaTorre)

Rebates

	FY 23/24 Q1	FY 22/23 Total	FY 21/22 Total
Commercial – Indoor Total	0	2	0
Commercial Clothes Washer Energy Star/CEE Tier 2 or 3 (\$600)	0	0	0
Commercial Ice Machine (\$300)	0	0	0
Commercial Showerhead ≤ 1.5 gpm (\$50)	0	0	0
Commercial Toilet ≤ 1.28 gpf (\$175)	0	2	0
Commercial Urinals (≤ 0.125 gpf (\$250), waterless (\$300))	0	0	0
Outdoor Total	15	54	66
Drip Conversion (\$20 per 100 sq. ft.)	0	2	1
Graywater (\$150)	0	2	0
Pool Cover (\$75)	0	1	3
Rain Shut-Off Sensor (\$25)	0	0	1
Rainwater Downspout Redirect (\$40 each, up to \$80)	0	0	0
Turf Retrofit (\$2 /sq. ft) – completed during quarter	11	39	47
Weather Based Irrigation Controller (\$75 and \$125)	3	6	9
Rainwater Cistern (\$25/cistern and >100 gal capacity is \$25/100 gal)	1	4	5
Residential – Indoor Total	19	35	43
Hot Water Recirculation (\$150)	2	2	3
Residential Clothes Washer CEE Tier 2 or 3 (\$100)	12	22	30
Residential Showerhead ≤ 1.5 gpm (\$25)	0	2	0
Residential Toilet: ≤ 1.0 UHET (\$100)	5	9	10
Whole Building Total	1	1	6
Pressure Reducing Valve (\$50)	1	1	6
Submeter (\$150 /meter)	0	0	0
Grand Total	35	92	115

Engineering (b)

No report included at this time.

Operations & Maintenance (c)

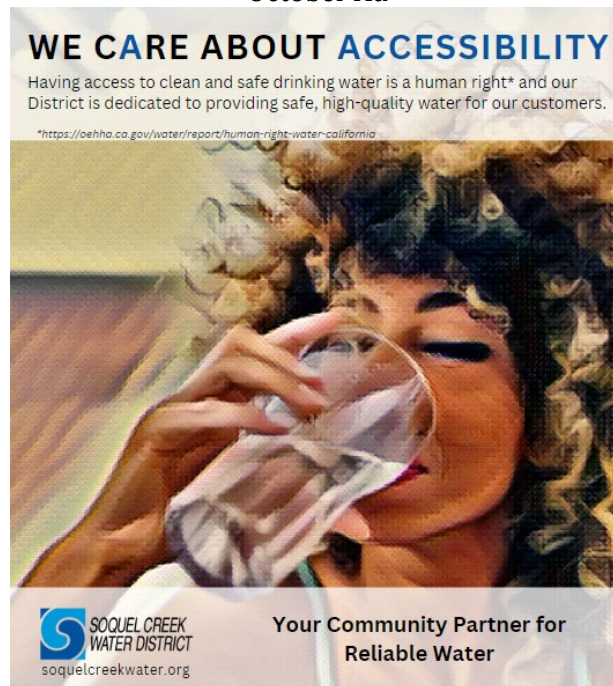
- The Operations and Maintenance team has been actively involved in supporting the logistics of the Mar Vista main relocation project. This undertaking encompasses tasks such as isolating a tank, reconfiguring the distribution system, flushing, bacteriological testing, and adjusting well pumping.
- Distribution staff are currently assisting with disinfecting the newly installed pipelines at the Seawater Intrusion Prevention (SWIP) wells.
- Distribution staff have been fixing various leaks and conducting routine maintenance.
- Progress continues on the third channel SCADA ethernet radio network project in preparation for SWIP well operation.
- Staff have been coordinating with Granite Construction on the North Main Street main replacement project. The construction of the new culvert is currently underway with Granite Construction slated to begin installing the new main on October 20.
- On October 5, five members of the District's O&M team visited the Orange County Water District (OCWD). During the trip, they had the opportunity to explore the advanced water treatment plant and injection wells. The visit included a thorough explanation of OCWD operations, process control systems, and guided tours led by operators to different injection sites. The District expresses its gratitude to the OCWD staff for generously sharing their time and expertise, providing valuable insights into their operations, challenges, and processes.

Special Projects/Community Outreach (d)

- As previously stated in the 9/19 Management Update, the Central Coast Water Board released tentative proposed orders No R-32023-0033 (Waste Discharge and Water Reclamation Requirements for the Pure Water Soquel Groundwater Replenishment Reuse Project) and No. R3-2023-0001, Waste Discharge Requirements and National Pollutant Discharge Elimination System (NPDES) order for City of Santa Cruz Wastewater Treatment Facility for public review. The public review and comment periods for both have closed and it is anticipated the proposed permits will be considered for adoption at the Central Coast Water Board's meeting scheduled for December 14-15, 2023.
- The Bureau of Reclamation released a Press Release on September 27, 2023, "Reclamation awards Soquel Creek Water District \$30 million through President Biden's Investing in America Agenda to Advance Groundwater Replenishment".
To access: <https://www.usbr.gov/newsroom/news-release/4640>
- The Santa Cruz Sentinel included an article on Pure Water Soquel in its Sunday paper (9/30/2023): "Pure Water Soquel Celebrates \$30M in Federal Funding."
To access: <https://www.santacruzsentinel.com/2023/09/30/pure-water-soquel-celebrates-30-million-in-federal-funding> A picture of the front page coverage is shown below.
- The District hosted a tour for the Santa Cruz County Chamber of Commerce's Community Leadership Visit on October 11.
- The [October 2023 Water Wisdom Article](#) "2023 Water Harvest Festival: A Celebration of Water and Community"
- The Santa Cruz County Association of Realtors invited the District to provide an update on Oct. 13 regarding progress made to address the region's water shortage challenges. This has become an annual event.

- Times Publishing Group Advertisements


October Ad



WE CARE ABOUT ACCESSIBILITY

Having access to clean and safe drinking water is a human right* and our District is dedicated to providing safe, high-quality water for our customers.

*<https://oehha.ca.gov/water/report/human-right-water-california>

 **SOQUEL CREEK WATER DISTRICT**
soquelcreekwater.org

**Your Community Partner for
Reliable Water**

Santa Cruz Sentinel
Sunday, October 1, 2023 \$2.00 FACEBOOK.COM/SCSENTINEL TWITTER.COM/SCSENTINEL santacruzsentinel.com

POLITICS
US shutdown threat eases
House passes a 45-day funding plan, sending it to Senate

By Lisa Mascaro, Kevin Freking and Stephen Groves
The Associated Press

WASHINGTON • The threat of a federal government shutdown was suddenly easing Saturday after the House quickly approved a 45-day funding bill to keep agencies open, once Speaker Kevin McCarthy dropped demands for steep spending cuts and relied on Democratic votes for passage. The rushed package would leave behind aid to Ukraine, a White House priority opposed by a growing number of GOP lawmakers, but increase federal disaster assistance by \$5 billion.

INSIDE • President Biden says a possible shutdown wouldn't be his fault. **PAGE 42**

meeting President Joe Biden's full request. It goes next to the Senate, which was meeting late in the evening, hours to go before the **SHUTDOWN** • **PAGE 2**

Speaker of the House Kevin McCarthy, R-Calif., talks to reporters at the Capitol in Washington on Saturday.

J. SCOTT AP/WIDEWORLD — THE ASSOCIATED PRESS

SANTA CRUZ
ENTHUSIASTS LAND T-BIRDS ON WHARF
Annual show features both classics and retros



ERIC SLEEPER — SANTA CRUZ SENTINEL

Sandie Kay of the Santa Clara Valley Thunderbirds shows off her 1957 T-Bird, which was a birthday present from her husband, at the T-Birds on the Wharf event Saturday.

By Eric Sleeper
asleeper@santacruzsentinel.com

SANTA CRUZ • Owners of classic Ford Thunderbirds from the Bay Area and beyond flocked to the Santa Cruz Municipal Wharf on an intermittently sunny Saturday for the 24th annual T-Birds on the Wharf event. From the original "baby birds," which range in year from 1955 to 1957 to the controversial "retro birds" made from 2002 to 2005, nearly every year and style of the Ford Thunderbird was on display on the Santa Cruz Wharf for fellow enthusiasts and passersby to admire. Patrick Dike of Hollister said he sneaked into the yearly car show at the last minute to show off his black 1955 T-Bird, which **WHARF** • **PAGE 6**

BUREAU OF RECLAMATION
Pure Water Soquel celebrates funding
Project receives \$30M in federal money, expected to be ready by fall 2024

By PK Hattin
pkhattin@santacruzsentinel.com

LIVE OAK • Bolstered by \$8.3 billion in funding over five years for water infrastructure projects stemming from the 2021 Bipartisan Infrastructure Law, federal officials have begun investing in climate resiliency projects on the local level and the Soquel Creek Water District's Pure Water Soquel Project is the latest to benefit.

The Bureau of Reclamation, the agency within the U.S. Department of the Interior that is responsible for administering grants from the bipartisan bill, has awarded \$30 million to Pure Water Soquel — the maximum grant total available for an individual project. The project aims to both halt seawater intrusion creeping into the critically over-drafted Santa Cruz Mid-County Groundwater Basin which provides fresh drinking water to the organization's 40,000 customers. The basin is one of 21 in the state that are subject to a mandate requiring it be brought into sustainability by 2040.

"Nothing like this gets done without partnerships," said Soquel Creek Water District General Manager Ron Duncan after a tour of the water provider's emerging water purification facility. **WATER** • **PAGE 4**

Front page Sentinel coverage of the \$30M U.S. Bureau of Reclamation funding celebration.

Finance (e)

- To date, the District has received \$25,992.38 benefiting 38 customers from California's Low-Income Household Water Assistance Program (LIHWAP).
- Auditors from the firm Davis Farr LLP have completed their onsite audit procedures for both the District's financial transactions and the single audit for federal funds. Staff has begun preparing the 2022-23 Annual Comprehensive Financial Report for presentation to the Board in December.
- The front office is currently closed while lobby renovations are being completed. The lobby is expected to reopen to the public before the end of October.

Human Resources (f)

No report included at this time.

General Manager (g)

- Association of California Water Agencies (ACWA) article titled, "*Small but Mighty – Soquel Creek Water Answers Threat to Groundwater Supply*" – The District's efforts to locate the seawater intrusion front offshore and then to build a water purification facility to protect the threatened groundwater supply was featured in the September 2023 ACWA newsletter. The article is attached.
- LA Times article titled, "*You're already drinking dinosaur pee. So don't be afraid of recycled wastewater*" – This editorial states that one of the biggest changes related to water supply concerns is the positive attitude shift toward recycled water.



'Small but Mighty' Soquel Creek Water Answers Threat to Groundwater Supply

DISTRICT FACTS

Location

Soquel, Santa Cruz County

Established

1961

Connections and Service Area

Approximately 16,000 connections within a service area containing a population of more than 40,600 in six communities and portions of Capitola.

Water Sources

100% groundwater

Notable Project

Pure Water Soquel is scheduled to go online in late 2024.

Annual Production

SqCWD relies on 16 active wells that produce 3,348 acre-feet while relying on 18 tanks for storage and a 167-miles of pipeline system for distribution.

Website

www.soquelcreekwater.org



Called “small but mighty” by its staff, the Soquel Creek Water District (SqCWD) in Santa Cruz County has attracted international attention while persevering in the face of daunting challenges.

Not too long ago, the Central California Coast district faced the impending loss of most, if not all, of its most productive groundwater wells for drinking water through seawater intrusion. But in a classic example of measuring a problem to manage it, SqCWD today is slowing the pace of that intrusion through a mix of conservation, pioneering mapping technology and plans to accelerate progress through water recycling.

The situation looked dire in 2014, when SqCWD General Manager Ron Duncan learned that seawater could hit their main well field in three years with current levels of pumping.

“We realized that if we didn’t do something, we’re done. We’re just done, and we’ve failed as stewards of our community’s water,” Duncan said.

Cutting water use was an obvious strategy, and the district has since worked with its customers to reduce residential water use from 80 to 55 gallons per day. The basin SqCWD

relies on is one of 21 critically overdrafted basins in California under implementation of the Sustainable Groundwater Management Act, or SGMA.

Addressing the problem required getting a much more precise picture of exactly where seawater was seeping into the basin offshore, essential to understanding the immediate risk to coastal wells from seawater contamination. But how to get that picture remained unknown, until a call from halfway around the world.

When Duncan picked up the phone five years ago, the caller identified himself as being from the Danish embassy. Duncan thought it was a prank and hung up. But when he called again, Duncan listened. Denmark, no stranger to understanding the mysteries of groundwater, had utilized airborne mapping technology to map and characterize its country’s groundwater systems. Its U.S. embassy had heard of SqCWD’s situation through its efforts to engage American water suppliers with its nation’s water-related technology sector.

SkyTEM

Duncan’s telephone conversation led to the Danish-based companies SkyTEM and Ramboll in 2017 deploying what was then



Scan to view documentary video

CONSENT AGENDA ITEM 4.3



Opposite page: SqCWD employee Amanda Bunte conducts a water quality sampling test. The district relies on an array of methods to measure the impacts of seawater intrusion into its groundwater, which provides 100% of the district's water supply.

Left: Austin Cunniff, SqCWD Design Builder from Black & Veatch, shows Reverse Osmosis membranes installed at the Pure Water Soquel facility, currently expected to go online in late 2024.

Right: A helicopter tows a SkyTEM mapping device to measure groundwater.

Photos courtesy of Soquel Creek Water District

cutting-edge mapping technology along the Monterey Bay. This included SqCWD's territory and the surrounding coastal region, covered by the Santa Cruz Mid-County Groundwater Agency, which coordinated the research work.

With SkyTEM, a low-flying helicopter can criss-cross over land or water towing a hexagon-shaped electromagnetic device that beams radio waves at the surface and measures the response. Ramboll's website compares it to taking an MRI of the ground's subsurface. The technology, in SqCWD's instance, could also peer 600-feet beneath the ocean surface and into the seabed to collect data, which produced 3D image modeling showing exactly where seawater was seeping into the groundwater supply.

Today, the technology is well-recognized and being used across California and the U.S. However, this mapping technology got its early start on California's Central Coast and gave SqCWD what it needed to move forward in addressing the threat of seawater intrusion.

"Now, we know our sense of urgency. It is defined," Duncan said.

Pure Water Soquel

SqCWD analyzed water supply solutions and determined the most effective option would be using purified recycled water to bring its basin into sustainability. Today,

construction of Pure Water Soquel is on track for completion in late 2024. When it goes online, the facility will capture and purify through advanced water technologies about 25% of secondary effluent from the region's wastewater treatment plant. Typically discharged into Monterey Bay, that water, once purified, will be conveyed to three Seawater Intrusion Prevention Wells to replenish the groundwater basin and create a barrier against seawater intrusion.

Funding for Pure Water Soquel included \$63.25 million through California Proposition 1 and a \$29.9 million grant through the federal WaterSMART Title XVI program, in addition to other funding sources. However, a big part of the project's successful start cost far less.

Laying the groundwork for Pure Water Soquel, SqCWD recognized the need for a comprehensive public education campaign to increase its community's understanding of purified water as a safe, reliable and sustainable supply of drinking water. As part of that campaign, SqCWD developed a mobile education trailer outreach effort on a shoestring budget of less than \$8,000. SqCWD staff have driven the trailer throughout the community, including visits to farmers markets, Earth Day events and school presentations.

International Attention

The educational campaign and its butterfly logo earned awards from the WateReuse Association and California Association of Public Information Officials. However, the Pure Water Soquel project as a whole received international attention in 2022 when BBC StoryWorks selected it as one of 16 projects worldwide, and among two in the U.S., for its mini-documentary video series, "Beneath the Surface, The Journey of Water." The documentary can be viewed by scanning the QR code on the opposite page.

For SqCWD, the documentary framed the success of a years-long effort to overcome what remains a serious threat from seawater intrusion, but a threat where an effective solution is now on the horizon.

"This mini-documentary points to our valued partnerships, which are crucial to successfully implementing this groundwater replenishment project. That includes the City of Santa Cruz, as well as the Santa Cruz Mid-County Groundwater Agency and especially our community as a whole," SqCWD Board President Carla Christensen said. "Our partnerships also extend to the state and federal levels, which have provided generous grants and low-interest loans to help build Pure Water Soquel. From the Board to staff and our community partners – we are all in this together to ensure that our water supply is sustainable for current and future generations." ♦

ACWA Joint Powers Insurance Authority Monthly Small Claims Report

District Name: SOQUEL CREEK WATER DISTRICT Month/Year: October 2023 Prepared by: LESLIE STROHM

Claim No.	Date/Time of Incident	Date Claim Received	Claimant's Name (and driver/if auto claim)	Brief Description of What Happened	Amount of Settlement	Date Settled	Release Attached?
23-04	7/14/23	7/20/2023	Christina Sandoval	Reimbursement for repairs to customer's meter valve broken by District staff	\$600.00	10/13/23	yes



July 25, 2023

MEMO TO: Nick Emmert

Subject: Claim for Reimbursement for Broken House Valve at 61 Seacliff Drive, Aptos

Attached is a claim from Christina Sandoval for the property at 61 Seacliff Drive, Aptos, CA, for \$600.00 for a bill from Ken's Plumbing and Drains for repairing a broken house valve that customer claims was the District's responsibility. Since the amount of damages being claimed is less than \$2,500.00, the District has the option to settle in-house without forwarding the claim to JPIA for resolution.

Please investigate the merits of the claimant's allegations and recommend to me a course of action by **August 4, 2023**:

- District is responsible, recommend paying the claim in full
- District is partially responsible. Recommend paying \$_____
- District is not responsible. Recommend the claim be forwarded to JPIA for resolution

Additional Comments:

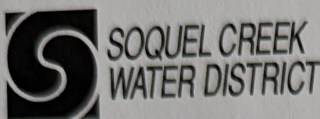
See Nick's email attached

Signature

Leslie Strohm
Financial and Business Services Manager

Signature

Nicholas Emmert
Operations and Maintenance Manager



RELEASE OF ALL CLAIMS

The undersigned, Releasor, being of lawful age, for valuable consideration, receipt of which is hereby acknowledged, does hereby and for my heirs, executors, administrators, successors and assigns, releases and forever discharges the Soquel Creek Water District, its agents, servants, employees, successors, heirs, executors and administrators of and from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service, expenses and other compensation whatsoever, which the undersigned now has or which may hereafter accrue on account of or in any way growing out of that incident described in that certain claim filed by the undersigned against the Soquel Creek Water District concerning events alleged to have occurred on July 14, 2023, (as represented by the receipts from Ken's Plumbing & Drains for \$600.00).

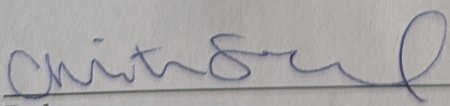
It is understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that any consideration given to the undersigned is not to be construed as an admission of liability on the part of the party or parties hereby released.

It is further understood and agreed that all rights under Section 1542 of the Civil Code of California and any similar law of any state or territory of the United States are hereby expressly waived. Said section reads as follows:

1542. Certain claims not affected by general release. A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

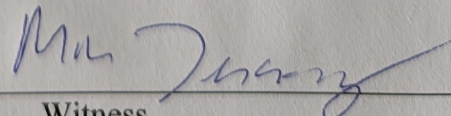
The undersigned further declares and represents that no promise, inducement or agreement not herein expressed has been made to the undersigned, and that this Release contains the entire agreement between the parties hereto, and that the terms of this Release are contractual and not a mere recital.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT. Signed and delivered this 29 day of September 2023.



Releasor

Agent for Owner: Christina Sandoval
Service Address: 61 Seacliff Drive, Aptos



Witness

Leslie Strohm

From: Nicholas Emmert
Sent: Monday, July 31, 2023 10:00 AM
To: Leslie Strohm
Subject: RE: Small claims investigation

Hi Leslie,

Unfortunately this one is on us. I recommend we pay

Let me know if you have any questions,

Nick Emmert | Operations and Maintenance Manager
Soquel Creek Water District | 5180 Soquel Dr, Soquel CA 95073 | www.soquelcreekwater.org
direct 831-475-8501 x154 | **main** 831-475-8500 | **cell** 831-227-1901

From: Leslie Strohm <leslies@soquelcreekwater.org>
Sent: Tuesday, July 25, 2023 5:24 PM
To: Nicholas Emmert <nicholase@soquelcreekwater.org>
Subject: Small claims investigation

Hi Nick,

Here is a small claims investigation for 61 Seacliff Drive. Please review the circumstances of the case and get back to me with your recommendations.

Thanks,

Leslie Strohm (she/her) | Finance and Business Services Manager
Soquel Creek Water District | 5180 Soquel Dr., Soquel CA 95073 | www.soquelcreekwater.org
direct 831-475-8501 x132 | **main** 831-475-8500

 Please consider the environment before printing this e-mail

Leslie Strohm

From: noreply@civicplus.com
Sent: Thursday, July 20, 2023 4:24 PM
To: Leslie Strohm; Ryan Kinney; Rebecca Rubin
Subject: Online Form Submittal: Claim Form

Claim Form

Step 1

ANSWER ALL QUESTIONS, OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT

Claimant

Name	Christina Sandoval
Email Address	christina.sandoval3@gmail.com
Address	61 Seacliff Drive
City	Aptos
State	CA
Zip Code	95003
Phone Number	18312582406
Witness Contact	Mike Tenerowicz

Step 2

Date and Time of Occurrence	7/14/2023 7:00 PM
Place of Occurrence	61 Seacliff Drive
Circumstances	We had to call the emergency line to have our water main turned off due to a bathtub faucet issue. When the technician turned off the water the knob/valve broke. We had to have a plumber come and repair the broken part in order to turn our water back on.
Upload	16898952696068859568410366707370.jpg

Step 3

ATTACHMENT 1 - CONSENT AGENDA ITEM 4.4

General Description	\$600 for valve repair on main water for house
People Involved	Jordan
Amount Claimed	\$600
Electronic Signature Agreement	I agree.
Electronic Signature	Christina Sandoval
Date	7/20/2023

Email not displaying correctly? [View it in your browser.](#)

ATTACHMENT 1 - CONSENT AGENDA ITEM 4.4

PLUMBING • DRAIN CLEANING • SEWER LINES

NAME MIKE TONBROWICZ PH #
 ADD 401 SEALIFF DR PH #
 C/ST/ZP APTOS CA 95003 EMAIL

BILL TO
 BILL ADD
 C/ST/ZP
 RP MT
 CB AW
 TO
 OT
 DATE 7/15/23
 CALL# 3113
 TECH # 1002V

DIAGNOSIS / RECOMMENDATIONS

MAKE	MODEL	SERIAL #	APPROX AGE
A.			
B.			
DAMAGE? <input type="checkbox"/> NO <input type="checkbox"/> YES-See separate "Report". Tech initials _____			
WATER PRESSURE		Before	After
			<u>75 PSI</u>
ORIGINAL SERVICE REQUEST		STANDARD PRICING	HSP CUSTOMER PRICING
<u>Broken Shower Valve - Cast Iron</u>			
DIAG / RECOM			
<u>REPLACE 1" GATE VALVE WITH A BALL VALVE.</u>			<u>1000.00</u>
<u>REBUILD DELTA SHOWER VALVE</u>			<u>300.00</u>
See Recommendations Addendum Option # _____			
SUBTOTAL			
TRK OP SUP			
ORIG. EST. (+ SALES TAX)			<u>900.00</u>

INVOICE

NEW EQUIP MAKE MODEL / MODEL # SERIAL #
 A. FAW BYCK #103
 B.

CODE #	Description of the Project and Description of the Significant Materials To Be Used and Equipment To Be Installed	STP / Unit PRICE
<u>999</u>	<u>INSTALL 1" PPO PRESS BALL VALVE ON WATER MAIN TO HOUSE</u>	<u>1000</u>
<u>999</u>	<u>REBUILD DELTA SHOWER VALVE</u>	<u>300</u>

- Written customer authorization will be obtained before beginning any unforeseen additional or extended work.
- I acknowledge that my right to cancel has been explained to me orally and in writing, and without waiving my right to cancel, I authorize the performance of the work, subject to all terms and conditions set forth by Ken's Plumbing & Drains, plus any taxes upon completion.

This law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a "Notice of the Three-Day Right to Cancel."

You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, or any work may be started.

Approximate Start Date: 7/15/23 Approximate Completion Date: 7/15/23

Signature X _____ Additional Work: \$ _____ Initials: X _____

WARRANTY ITEM(S) 1-YEAR
 PARTS: ON VALVE BALL LABOR:
 CASH CHECK # _____ PO # _____
 VISA M/C DISC AMEX OTHER _____
 CC LAST 4# _____ EXP _____ CC AUTH # _____
 Please contact me about future offers.
 My signature below acknowledges that the work has been completed and I agree to the sum total of the charges and payment method.
 Print Name _____
 Signature _____ Effective Date 7/15/23
 Registered Salesperson Ken Danzwa Reg # _____
 The Attached Payment Schedule Shall Apply To This Contract. (CA Notice 2)

DIAGNOSTIC FEE	
SUBTOTAL	
NEW HSP RENEW HSP PERFORMED	
TRK OP SUP	
COMM TAX	
CONTRACT PRICE	<u>900.00</u>

Leslie Strohm

From: Jordan Talbot <jrdntalbot@gmail.com>
Sent: Friday, July 14, 2023 8:18 PM
To: Billing; Eric Humble; Sam Spilman; Christopher Freels
Subject: 61 Seacliff Dr - On Call Service Order

Hello,

A photo of the on call service order is attached.

I arrived And attempted to shut off the house valve and was successful however the house valve broke during my efforts to do so. I told the customer to file a claim for the house valve that they will have to repair.

Please advise.

October 17, 2023

BOARD OF DIRECTORS

Subject: Consent Agenda Item No. 4.5

Title: Mid-Management Employee Group MOU Ratification

Attachment(s):


1. Memorandum of Understanding Between the Soquel Creek Water District and the Mid-Management Employee Group (Version with Edits)
2. Memorandum of Understanding Between the Soquel Creek Water District and the Mid-Management Employee Group (Clean Version)

Information

At the October 3, 2023, regular Board meeting, the Board of Directors approved by Resolution the tentative agreement between the District and the Mid-Management Employee Group (MMEG). The final document prepared for publishing is being presented to the Board for final approval.

POSSIBLE BOARD ACTION(S):

1. By MOTION, approve the final version of the Memorandum of Understanding between the Soquel Creek Water District and the Mid-Management Employee Group effective August 1, 2023, through July 31, 2026.

By  _____
Traci Hart
Human Resources Manager

**SOQUEL CREEK WATER DISTRICT
MOU BETWEEN
MID-MANAGEMENT EMPLOYEES BARGAINING GROUP
AND THE SOQUEL CREEK WATER DISTRICT**

**ARTICLE 1
Preamble**

Pursuant to California law the Soquel Creek Water District, hereafter referred to as District, acting through its negotiator, and representatives of the Mid-Management Employees Bargaining Group, hereafter referred to as Employees, have met and conferred in good faith and have fully communicated and exchanged information concerning wages, hours, and other terms and conditions of employment for the term commencing August 1, ~~2021~~ 2023 and terminating July 31, ~~2023~~ 2026. It is the intent of the parties to set forth herein their entire agreement covering rates of pay, wages, working hours, and other conditions of employment; and to provide for prompt and fair settlement of grievances without interruption or other interference with the normal operations of the District.

Both parties have mutually agreed that their objective is for the good of the District, Employees and Members alike. Both parties further agree that, in the interest of collective bargaining and harmonious relations, they will at all times abide by the terms and conditions as hereinafter set forth.

Except as otherwise expressly provided herein, all terms and conditions of the agreement shall apply to all employees represented by the Mid-Management Employees Bargaining Group.

**ARTICLE 2
Recognition**

2.1 No Discrimination

The District and the Employees will cooperate in pursuing a policy of equal employment and equal promotional opportunity for all employees in accordance with the District's adopted Equal Employment Opportunity Policy and applicable law. The District will not discriminate against employees protected by Federal and State laws.

2.2 Mutual Rights and Responsibilities

The Employees recognizes its obligation to cooperate with the District to assure maximum service of the highest quality and efficiency to the customers of Soquel Creek Water District consistent with its obligations to the employees it represents. The District recognizes its responsibilities to treat employees fairly and equitably. The District and the Employees affirm the principal that harmonious labor/management relations are to be promoted and furthered.

**ARTICLE 3
Management Rights**

3.1 Management Rights

Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the District, including, but not limited to, the rights to reprimand, suspend, discharge, or otherwise discipline employees for cause; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign

and direct their work; to promote, demote, transfer, lay off, recall to work employees; to set the standards of productivity and/or the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors to perform work or services; to subcontract, contract out, close down, or relocate the District's operations or any part thereof; to determine its organization and service levels; to assign employees as necessary; to control and regulate the use of machinery, facilities, equipment, and other property of the District; to introduce new or improved equipment, machinery, methods, processes or services; to adopt, implement, enforce and from time-to-time modify, rescind or change safety and work rules and regulations, with prior notice to the Employees, to determine the number, location and operation of departments, divisions, and all other units of the District; and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission for the District and to direct the District's employees. The District's failure to exercise any right, prerogative, or function hereby reserved to it, or the District's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the District's right to exercise such right, prerogative, or function not in conflict with the express provisions of this Agreement.

3.2 Contracting Out

Before submission of a recommendation to contract out any function traditionally performed by Mid-Management employees which would result in a reduction of the work force, the Employees will be offered the opportunity to examine the proposal for at least thirty (30) working days prior to Board action, whenever possible, and to submit recommendations. If requested, the District will meet and confer over the impact of proposed layoffs prior to the implementation of said layoffs.

This section shall not be construed so as to delay the District's decision in contracting out. Determinations pursuant to this Section shall be made at the sole discretion of the District without any form of appeal.

3.3 Past Practices

The parties agree that they shall adhere to established labor relation's principles in handling past practices. Specifically, in handling past practice issues within the scope of representation:

- 1) Past practice is defined as a generally accepted and clear course of conduct that relates to matters within the scope of representation and is characteristically repeated over a continuous period of time, and which has not been changed through the meet-and-confer process;
- 2) Past practices superseded or contradicted by current MOU language are null and void;
- 3) Past practices which contradict written District rules shall be null and void upon reasonable notice from the District that the language will be followed;
- 4) Past practices within the scope of representation which are not covered by MOU language or District rules shall remain in effect until the District has provided notice to the Employees and completed the meet-and-confer process.

**ARTICLE 4
Employee Rights**

4.1 Notification to Employees

The Employees Group shall be given at least ten (10) working days advance written notice of any ordinance, rule, resolution, regulation, or action affecting working conditions within the scope of representation, proposed to be adopted by the District Board of Directors and shall be given the opportunity to meet and confer with the District representative prior to its adoption.

4.2 Release Time

A reasonable number, up to two (2), of Employee or representatives shall be allowed to attend, without loss of pay, meetings scheduled with designated representatives of the District to meet and confer on matters within the scope of representation.

**ARTICLE 5
Grievance Procedure**

As in other areas of District activities, the intent of the grievance process is to resolve problems at the lowest possible step and foster harmonious relations between all District employees. The District and the Employees recognize early settlement of grievances is essential to sound employee/management relations. The parties seek to establish a mutually satisfactory and timely method of settlement of grievances. The aggrieved employee is assured freedom from restraint, interference, coercion, discrimination, or reprisal.

5.1 Grievance Presentation

An employee or a group of employees may file a grievance.

5.2 Grievance Defined

A grievance is defined as an alleged violation, misinterpretation, or misapplication of the provisions of the Memorandum of Understanding, or the District's Policies and Procedures, or the District Employee Handbook.

5.3 Time Limits

Time limits may be extended or waived at any level only by written agreement of the parties involved at that level. If the District fails to comply with grievance time limits, the grievance may be advanced to the next step upon request of the grievant. If the grievant fails to comply with the time limits, the grievance will be dropped.

5.4 Steps in the Grievance Procedure

Grievances may, by mutual agreement in writing, be referred back for further consideration or discussion to a prior step or advanced to a higher step of the grievance procedure.

5.5 Grievance Process

The grievance process available to all employees is as follows:

Step 1 - Discuss the problem informally with the Department Manager. This must happen within thirty (30) calendar days of the incident. The Department Manager will work with the employee to resolve the problem, if possible.

Step 2 - If the grievant remains dissatisfied following the informal discussion and review, he/she may submit a written grievance within fifteen (15) working days of the informal discussion to the Department Manager or his/her designee. The grievance shall be submitted on a grievance form and shall contain the following information:

- 1) The name of the grievant.
- 2) The specific nature of the grievance.
- 3) The date, time, and place of occurrence.
- 4) Specific provision(s) of the MOU, or the District's Employee Handbook or Policies and Procedures alleged to have been violated.
- 5) Any steps that were taken to secure informal resolution.
- 6) Corrective action desired.
- 7) The name of any person or representative chosen by the employee to participate in the grievance procedure.

The Department Manager or designee will talk with the employee, the immediate supervisor and others as appropriate and shall give a brief written decision within fifteen (15) working days.

Step 3 - If the grievant remains dissatisfied with the decision of the Department Manager, the grievant should forward the outline of the problem to the General Manager within seven (7) working days of receiving the Department Manager's written response. The General Manager will consider all aspects of the grievance, gathering information from others, including the employee and his/her representative, and shall render a final written response within ten (10) working days after the meeting with the grievant. The decision of the General Manager shall be final.

**ARTICLE 6
Work Rules**

6.1 Job Classifications

To meet changes in technology or work programs, it may be necessary to add or delete duties to the job description of a regular employee. The District will notify the Employees Group of impending actions and meet and confer with the Employees to establish the proper level of compensation.

6.2 Regular Part-Time Employees

Those regularly scheduled employees working more than 999 and less than 2,080 hours in a fiscal year will receive benefits and seniority on a pro-rated basis; total hours worked as a percentage of 2,080.

6.3 Working Out of Class

A. The following conditions must be met for the employee to receive pay for working in a higher class:

- 1) Appointments will be for periods of not less than 8 continuous hours, such temporary assignments should not continue for longer than 60 days, unless due to coverage for disability, or other authorized leave or vacancy.
 - 2) If change in status will be for more than 60 days, then it must be initiated by a Personnel Action Form.
 - 3) Employee must work the majority of the shift and will receive working out of class pay for the hours actually worked.
 - 4) Employees assigned working out of class in an exempt position will retain their non-exempt status during the assignment.
- B. Compensation for working out of class shall be the first step of the salary range for the class in which the employee is working or at least a 5% increase beyond the employee's current salary, but in no event shall it be greater than the highest step of the salary range for that class to which the employee is temporarily assigned.
- C. It is not always necessary to specifically designate an employee to replace an absent employee of a higher classification. In most cases, it is part of the District's cross-training that tasks of the absent employee are spread throughout the organization. Working out of class also will not set off a chain reaction. That is, if an employee is required to fill in for a higher classification, it will not be necessary for someone with a lower classification to fill in for that employee.

6.4 Probationary Period

All new employees and current employees moving to new job classes serve a six-month probationary period to evaluate the employee on the job. Before the employee has completed the probationary period, he/she will receive a written notice if the change to a regular status is approved or disapproved. Failure to complete a probationary period in a new classification still entitles an employee the right to return to a previous classification, if regular status had been attained, and a vacancy exists that has not been permanently filled.

6.5 Promotion

When a District employee is promoted to a position in a higher salary range, he/she will be promoted to the salary step that will provide at least a 3.5% increase. In addition, the employee will be eligible for the next salary step upon completion of the probationary period. If the pay range for the new position cannot accommodate a 3.5% increase, the employee will be placed at the highest step.

6.6 Seniority

Seniority shall be the criterion used to determine the layoff of employees resulting from the elimination of positions. Determination of seniority shall be governed by the following procedures:

- 1) Seniority will first be determined by the length of continuous employment in a pay status within the employee's current regular classification in the classified service. Employees within the same classification shall be subject to layoff in an inverse order of seniority in class.
- 2) In determining seniority, time in regular part-time service will be credited on the same ratio as the part-time hours are to full-time. For example, one year of service in a 3/4-time position would equal nine months seniority credit. Time in temporary positions will not be counted toward seniority.

- 3) If two (2) or more employees have identical seniority, a comprehensive review of their personnel files and a personal interview by the involved Department Manager, and the General Manager shall determine the order of layoff. This determination shall be final.

6.7 Working Hours

- A. Working Day: As used throughout this MOU, the term "working day" shall be defined as any weekday that the administrative office of the Soquel Creek Water District is open for business. Any reference to "day" or "days" in this MOU not preceded by the word "working" shall be defined to mean a regular calendar day or days.
- B. Work Week: Because the District must provide water service 24-hours a day, seven days a week, 365 days a year, an employee may be assigned a work week beginning with any day of the normal calendar year. The work week means any seven consecutive days starting with the same calendar day each week. [A Shift - Sunday (12:01 a.m.), B Shift - Monday, (12:01 a.m.), and C Shift - Saturday, (12:01 am)]. Work week is a fixed and regular recurring period of 168 hours, seven consecutive 24-hour periods. Regular working hours is defined as a 40-hour period in the work week. Staff cannot be transferred to a different work week to avoid overtime. The Employees will be notified of any restructuring in shifts. The District will meet-and-confer with the Employees if so requested. In the event of an emergency, the District may assign employees to work a 12 hours on/12 hours off shift without the obligation to meet and confer.
- C. Work Schedule: The District work schedule is normally Monday through Friday, 8 hours per day, for a total work week of 40 hours.

Field employees generally work from 8:00 a.m. to 4:30 p.m. with one-half hour for lunch. Office employees generally work from 8:00 a.m. to 5:00 p.m. with one hour for lunch. However, staggered schedules may be used in order to provide sufficient coverage.

- D. Regularly scheduled work hours may vary, upon approval of the General Manager; however, in no event shall the normal work week for non-exempt employees extend beyond 40 hours.
- E. One 15-minute break shall be granted during each consecutive 4 hours worked regardless of the scheduled hours of work. These rest periods are to be taken as scheduled and should not be used to lengthen the lunch hour or shorten the work day. Missed breaks do not entitle the Employee to additional compensation and cannot be accrued. Breaks not taken are forfeited.

6.8 Alternative Work Schedule

Upon the recommendation of the Departmental Manager, and with the approval of the General Manager, an Alternative Work Schedule (AWS) such as a 9/80 or 4/10 schedule may be established. The District and the Employees shall meet and confer over the specifics of any such AWS, with the general intent being that individual(s) who are assigned to such schedules shall accrue leave and holiday hours on the same basis as employees working the standard 5/8 work schedule.

6.9 Remote Work

The District may authorize certain employees to perform work remotely. Formal remote work arrangements must be authorized in a written agreement. Under certain

circumstances, short-term remote work arrangements may also be approved. The District maintains a remote work policy setting forth procedures, expectations and other important administrative details of working remotely.

A. Formal Remote Work Agreement

Upon approval by the department manager and review by Human Resources, the terms and conditions of formal remote work arrangements for the employee will be identified in a written remote work agreement.

Eligibility for remote work is based on certain criteria including the specific individual, job classifications and associated job responsibilities. Some District positions may not allow for remote work. A change in job duties and assignments, work out of class, covering for coworkers who are out may also affect eligibility. It is the supervisor's/manager's responsibility to periodically assess remote work arrangements with the employee to address changes. Approval is on a case-by-case basis.

The following criteria are to help the employee and supervisor/manager identify related issues and impacts, and determine if remote work is feasible:

- 1) Job classification and work impacts: specific and associated job duties and responsibilities, affects to service of internal/external customers and clients, impediments to other workers from performing their job duties.
- 2) Employee suitability: needs and work habits of the employee, full or part time status, permanent (non-probationary) status, demonstrated job performance and ability to work independently as determined by the supervisor/manager, compliance with District rules, regulations and policies.
- 3) Location and equipment: Access to required supplies and equipment, acceptable workspace and environment allowing effective, secure and safe remote work performance.
- 4) Work schedules and compliance: scheduling issues, hours tracking, meal and rest breaks, wage and hour compliance, tax implications, state and local government laws, etc.
- 5) Remote work agreement: if authorized, a written agreement must be completed and approved by the employee, supervisor/manager, and reviewed by Human Resources before allowing an employee to work remotely.

B. Informal Remote Work Arrangement

The District may also authorize informal, short-term remote work arrangements for circumstances such as inclement weather or natural disaster emergencies, shelter-in-place, training, etc. These arrangements must be approved by the department manager and only on an as-needed basis only, with no expectation of ongoing continuance. Depending on the length of the informal arrangement, a remote work agreement may be required by Human Resources.

- C. Remote work is a management option, not an entitlement. Any remote work agreement may be revoked or modified by the department manager at any time for any reason. This section is not subject to the grievance procedure. The union shall have the right to meet and confer over proposed changes to the remote work policy.**

6.910 Anniversary Date

Anniversary date shall be the employee's date of hire, unless otherwise specified.

6.1011 Performance Evaluations Except for Special Evaluations (See 7.0 below).

Written performance evaluations are to be made before the end of a probationary period and then annually at approximately the employee's anniversary of completing probation (service anniversary date). The employee shall have the opportunity to discuss these evaluations with his/her supervisor, and to add comments.

ARTICLE 7
Wages and Pay Practices

7.0 Wages and Pay Practices

- A. The salary ranges are set by the Board of Directors. All salary ranges for the Mid-Management Unit have nine steps with 5% between the first seven steps and 3.5% between the seventh and the eighth step and 2.0% between the eighth and ninth step.
- B. Entry level is normally the first step. Upon completion of probation (six months), the employee progresses to the next higher step in the range. Based upon satisfactory progress as documented in a written evaluation, an employee will receive the next step after one full year on paid status from date of completion of the probationary period and an additional step after each full year on paid status thereafter through the eighth step. An employee is eligible for the ninth step after two full years on paid status at the prior step.
- C. A merit increase may be denied by the department manager when an employee's job performance falls below acceptable work standards for the duties assigned. The department manager may, in such a case, recommend a special evaluation. The special evaluation shall describe perceived performance problems and actions to be taken by the employee to correct these deficiencies. The employee's work performance will be reviewed again before the next review date on a date that is mutually agreeable to the department manager and the employee that would allow the employee sufficient time to correct the deficiencies. If a merit increase is granted at that time, the employee's original review date shall not change and s/he shall be eligible for the next merit increase after one year on paid status from the original review date. If a merit increase is denied a second time, the employee will receive monthly evaluations for a period not to exceed ninety (90) days outlining specific goals needed to achieve satisfactory performance. The General Manager shall be notified in all cases where an employee is placed on a special evaluation. Evaluations are not to be used as discipline; however, this section does not limit the District's right to discipline when appropriate.

7.1 Wages

- A. **Effective the first pay period in January 2024, a 5% increase to the salary schedule.**
- B. Effective the first pay period in January in the years ~~2022 and 2023~~ **2025 and 2026** wages shall be increased by the amount of the "San Francisco/Oakland/San Jose All Urban Consumers" Consumer Price Index from October to October, with a minimum of 0.5% and maximum of 4.5%.

- C. The following classifications are recognized as FLSA exempt status:
- Assistant Engineer II
 - Associate Civil Engineer
 - Customer Service Supervisor
 - Supervising Accountant
 - Management Analyst
 - Water Resources Planner

7.2 Overtime

- A. Overtime is defined as all hours required by Management and worked by the employee in excess of forty (40) hours in a work period as defined by the District. It is paid whether the work is continuous (i.e. directly following a regular shift), occurs as a result of an emergency call-back or occurs on a holiday. In accordance with the Fair Labor Standards Act (FLSA), overtime will be paid in quarter-hour increments with a minimum of seven and one half (7-1/2) minutes worked for every 15 minutes of overtime pay.
- B. ~~Sick leave does not qualify as time worked for arriving at a 40-hour work week for the purpose of determining eligibility for overtime.~~ Overtime will be paid at one and one-half times the base rate of pay unless the employee is eligible for overtime as defined by the FLSA.
- C. In accordance with the FLSA regulations, overtime is paid at one and one-half times the regular rate of pay to all eligible employees for time worked in excess of 40 (forty) hours in a work week. Sick, vacation, compensatory time, and holiday leave does not qualify as time worked for arriving at a 40-hour work week for the purposes of determining eligibility for FLSA overtime.

7.3 Compensatory Time Off

- A. Compensatory Time Off (CTO) is that time off given to compensate for; (1) overtime worked at the rate of time-and-one-half; (2) availability for on call duty and call back duty at straight time; and (3) in lieu holiday for holidays worked as a scheduled workday at straight time.
- B. The maximum use of all compensatory time is 60 hours per quarter. Accumulation of CTO is not limited; however, any balance will be paid off at the end of each calendar year. Employees may choose to carry over up to 40 hours of CTO into the next calendar year. Any overtime to be converted to compensatory time shall be converted in no less than one-half (1/2) hour increments. The procedure for requesting compensatory time off is the same as requesting vacation time. Vacation scheduling shall be as described in Section 8.4, and in accordance with Section 8.3 - Vacations. CTO will not be authorized if it creates the need to pay overtime to another employee to cover.

7.4 On-Call

~~Because the District provides a vital community service, we must ensure 24-hour-a-day reliability. As 128 of the hours in a week are not within the normal work week, a significant portion of the work may occur as an emergency. Every employee is responsible for emergency work in their area of responsibility.~~

ATTACHMENT 1 - CONSENT AGENDA ITEM 4.5

~~Emergency work can arise at all hours, around the calendar, and at any District location. Employees must be available for repairs and other urgently needed services, no matter when they occur.~~

~~A. To provide for this emergency service, certain Field employees' scheduled time will extend from 8:00 a.m. on Wednesday through 8:00 a.m. the following Wednesday to serve as on-call supervisor, or on-call service, on a rotating basis.~~

~~Certain employees so scheduled will receive 7 hours (on-call supervisor) or 14 hours (on-call service) of additional straight-time pay for being available during the assigned week, plus an additional 8 hours of straight-time pay if a holiday falls within that period.~~

~~B. On-call Supervisor: The role of the on-call supervisor is to assign and direct the work. This individual, therefore, will not respond to perform the actual field work except in cases where:~~

- ~~1. the urgency of the situation demands a rapid response and the supervisor can be on-site before anyone else;~~
- ~~2. the supervisor's presence is required on-site to direct the work;~~
- ~~3. no one else is available; or~~
- ~~4. the supervisor is uniquely qualified to perform the necessary work.~~

~~Time responding under the first two cases listed above will be paid at the rate of time and a half. In the case of an on-call supervisor responding under situations 3 or 4 above, the response will not be considered part of the on-call supervisor responsibilities and the employee will be eligible to receive callback pay under the provisions listed under Section 7.5.~~

~~C. As compensation for on-call time requiring response to the site, the employee will be credited with forty five (45) minutes straight time for travel. For employees using a District vehicle, time worked will begin when the employee arrives at the work site and will end when the employee leaves the work site. For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard and will end when the employee leaves the yard after the service call is completed. The employee must be available to report to work within one hour.~~

~~D. Change in Schedule: Any change made to the on-call service person's or the on-call supervisor's schedule must be submitted in writing and approved by the Operations and Maintenance Manager or his/her designee. Approval will not be granted for requests for more than two (2) consecutive on-call duty assignments. No requests for less than one full day of the regularly scheduled on-call shift will be approved, except that one (1) time during each on-call rotation, a request for as few as four (4) hours of the regularly scheduled on-call shift will be approved. Employees assigned to on-call duty shall work a minimum of three (3) rotations per year. On-call duty shall be assigned on a weekly rotational basis. The District reserves the right to make mandatory assignments due to insufficient staffing, operational necessity as determined by the Operations and Maintenance Manager or his/her designee or to enforce the minimum rotation requirement.~~

~~E. Sickness or Emergency. In the event of sickness or unexpected emergency causing an employee to be unavailable for his/her scheduled on-call period, and when no other personnel is available to take the on-call period, the next regularly scheduled on-call supervisor shall be assigned as the on-call supervisor until the period ends. The~~

~~employee who was unavailable for his/her scheduled on-call period shall be put into the rotation as the next on-call supervisor, unless other arrangements are made.~~

- A. Because the District provides a vital community service, we must ensure 24 hour-a-day reliability. As 128 of the hours in a week are not within the normal work week, a significant portion of the work may occur as an emergency. Every employee is responsible for emergency work in their area of responsibility. Emergency work can arise at all hours, around the calendar, and at any District location. Employees must be available for repairs and other urgently needed services, no matter when they occur.
- B. In order to provide for this emergency service, certain Field employees' scheduled time will extend from 8:00 a.m. on Wednesday through 8:00 a.m. the following Wednesday. An employee so scheduled will receive 14 hours additional straight-time pay for being available during the assigned week, plus an additional 8-hour straight-time pay if a holiday falls within that period.
- C. Employees working on-call must be available to report to work within one hour.
- D. Off-Site Response:
 - 1) Employees may give directions to customers over the phone in lieu of traveling to the service address.
 - 2) However, an employee shall not give directions over the phone instructing the customer to turn off (or on) the water at the angle meter stop (meter box).
 - 3) Time spent on the phone is compensable as time worked but the employee will not be credited for any travel time. Time will be paid at a 15-minute minimum. An additional 15 minute minimum will not be given when the employee receives a subsequent call within the original (15) minute period.
- E. On-Site Response:
 - 1) As compensation for on-call time requiring response to the site, the employee will be credited with sixty (60) minutes straight time for travel time. However, travel time will not be given for on-call response that begins later than thirty (30) minutes prior to the regularly scheduled start of the shift during the normal work week (i.e., later than 7:30 a.m. for an 8:00 a.m. shift).
 - 2) An additional 60 minutes of travel time will not be given when it is necessary to return to the District yard in the course of a service call, when an employee leaves one job site to travel to another, or if the employee receives a subsequent service call within ten (10) minutes of the end of time worked.
 - 3) For employees using a District vehicle, time worked will begin when the employee arrives at the work site and will end when the employee leaves the work site.
 - 4) For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard and will end when the employee leaves the yard after the service call is completed.
 - 5) The start and end times under both scenarios will be verified the GPS system. Arrival is when the on-call vehicle is turned on at the designated site and end time is when the vehicle is turned off at the designated site.
- F. Employees who drive their private vehicle to District headquarters to pick up a District vehicle for on-call will not be reimbursed for mileage. Employees are not allowed to use a personal vehicle to respond to on-call service calls.
- G. Employees working service on-call shall take a uniform home for the duration of the duty. Time spent changing into and out of uniform will not be compensated.

- H. Change in Schedule. Any change made to the on-call service person's or the on-call supervisor's schedule must be submitted in writing and approved by the Operations and Maintenance Manager or designee.
 - 1) Approval will not be granted for requests for more than two (2) consecutive on-call duty assignments.
 - 2) No requests for less than one full day of the regularly scheduled on-call shift will be approved, except that one (1) time during each on-call rotation, a request for as few as four (4) hours of the regularly scheduled on-call shift will be approved.
- I. Employees assigned to on-call duty shall work a minimum of three (3) rotations per year. On-call duty shall be assigned on a weekly rotational basis. The District reserves the right to make mandatory assignments due to insufficient staffing, operational necessity as determined by the Operations and Maintenance Manager or designee or to enforce the minimum rotation requirement.
- J. Sickness or Emergency. In the event of sickness or unexpected emergency causing an employee to be unavailable for ~~his/her~~ scheduled on-call period, when no other personnel is available to take the on-call period, the next regularly-scheduled on-call person shall be assigned as the on-call person until the period ends. The employee who was unavailable for scheduled on-call period shall be put into the rotation as the next on-call person.
- K. In order to provide for emergency service, it is also necessary to provide for an On-Call Supervisor for each on-call shift. Certain Field employees may be designated as On-Call Supervisor. An employee so scheduled will receive 7 hours additional straight-time pay for being available during the assigned week, plus an additional 8 hours of straight-time pay if a holiday falls within that period.
- L. The role of the on-call supervisor is to assign and direct the work. This individual therefore, will not respond to perform the actual field work except in cases where:
 - 1) the urgency of the situation demands a rapid response, and the supervisor can be onsite before anyone else;
 - 2) the supervisor's presence is required on-site to direct the work;
 - 3) no one else is available; or
 - 4) the supervisor is uniquely qualified to perform the necessary work.
- M. Time responding under the first two cases listed above will be paid at the rate of time and a half. In the case of an on-call supervisor responding under situations 3 or 4 above, the response will not be considered part of the on-call supervisor responsibilities and the employee will be eligible to receive call-back pay under the provisions listed under Section 7.5.

7.5 Call-Back

If an employee who is not on call is called back for emergency work, he/she will receive 3 hours of straight-time pay plus forty-five (45) minutes straight time for travel time in addition to overtime for the actual time worked. For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard. For employees using a District vehicle, time worked will begin when the employee arrives at the work site. Only one 3-hour payment will be granted during each 8-hour period, regardless of the number of times an employee is called back. Continuation of the regular work day will not be considered "call back"; the employee will be paid only for hours worked at the overtime rate.

7.6 Use of Privately Owned Vehicle for District Business

If an employee is required to use his/her own vehicle for District business, the employee will be reimbursed at the current IRS accepted rate. The employee will be subject to District rules contained in Appendix B of this agreement.

7.7 Compensation Study

During the term of this MOU, should the District conduct a compensation study for District positions other than the General Manager utilizing comparative agencies outside Santa Cruz, Monterey, or San Benito Counties, it shall conduct a similar study for the Mid-Management Employee bargaining group and shall reopen this agreement on the issue of wages only.

**ARTICLE 8
Employee Leave**

8.1 Holidays

A. District employees receive twelve paid holidays throughout the year, as follows:

- New Year's Day - January 1
- Martin Luther King's Birthday - third Monday in January
- Presidents' Day - third Monday in February
- Memorial Day - last Monday in May
- Juneteenth - June 19
- Independence Day - July 4
- Labor Day - first Monday in September
- Veterans' Day - November 11
- Thanksgiving Day - fourth Thursday in November
- Day after Thanksgiving Day
- Christmas Eve - December 24
- Christmas Day - December 25

B. When a holiday falls on a Sunday, the following Monday is observed as the holiday. When the holiday falls on a Saturday, the preceding Friday is observed as the holiday. If a holiday is observed while an employee is on authorized vacation or sick leave, the day will not be charged against that employee's accumulated leave time.

C. Holiday pay is at straight time for shift plus one-and-a-half time for time worked to the nearest quarter hour.

D. In order to qualify for holiday compensation, the employee is required to work or be on a paid status such as sick leave or annual leave on his/her last scheduled workday prior to the holiday and his/her first scheduled workday following a holiday.

8.2 Floating Holidays

In addition to the above fixed holidays, employees shall be granted sixteen (16) hours of floating holiday on July 1 of each year.

A. Floating holidays will be added to each employee's vacation accrual.

B. New employees shall be granted floating holidays on a fiscal year prorated basis based on their hire date.

- C. When an employee terminates, the employee’s entitlement to floating holidays will be calculated on a fiscal year prorated basis based on their termination date.
- D. Employees will not be paid for floating holidays not previously earned or taken.
- E. The first 16 hours of vacation taken each fiscal year will be considered the floating holidays and scheduling will be the same as for vacation. Employees must use all floating holidays within the fiscal year that they are earned.

8.3 Vacations

Employees covered by this agreement are eligible for paid vacations. ~~Although vacation credit is earned by new employees during the initial probationary period, it cannot be taken until after completion of the probationary period.~~ All vacation and other leave time is accrued on a bi-weekly basis.

- A. If possible, employees will be allowed to use vacation at the time of their choice; however, the service needs of the District must come first. Seniority, date of request and special individual circumstances will all be considered should scheduling conflicts occur. In the event of a conflict, the decision of the General Manager shall be final.
- B. Annual vacation entitlement shall be as follows:

<u>Years of Service</u>	<u>Vacation Earned</u>
1 through 3	12 days
4 through 5	14 days
6 through 8	17 days
9 through 10	19 days
11 through 13	22 days
14 through 16	23 days
17 through 19	24 days
20 and over	25 days

- C. Paid vacation is granted for the purposes of rest and relaxation, and all employees are encouraged to take at least one half of their vacation entitlement in the year that it is earned.
- D. An employee may accrue no more than twice the annual entitlement plus 40 hours of vacation as of June 30, unless specific written authorization is received from the General Manager. An employee may waive vacation time and remain on the job and receive additional pay in lieu of time off with the specific approval of the General Manager. Employees can only receive pay in lieu of vacation for vacation time already earned.
- E. If an employee leaves the District for any reason, he/she will be paid for any earned but unused vacation.

8.4 Vacation Scheduling

All requests for vacation usage shall be submitted by the individual requesting the leave. The amount of leave hours available will be verified by the employee’s supervisor for review and initial approval. The Department Manager has final approval. Guidelines for approval or denial of requests are as follows:

- A. Requests must be submitted in quarter-hour increments.
- B. When employees request similar dates for vacation leave, the District shall approve or deny said requests in accordance with the date the request was submitted and seniority. Requests for five or more consecutive days will be evaluated prior to requests for less than five consecutive days. Special individual circumstances will also be considered in the determination of granting or denying leave requests. The decision of the General Manager is final and non-grievable.
- C. The maximum number of employees in this bargaining group that will be granted time off from the various sections is listed below. Operational issues may allow for changes to the maximum number that may be off in a particular section:
 - 1) Field (Operations and Maintenance) –Two (2) supervisors, provided the Operations and Maintenance Manager will be present
 - 2) Customer Service Office –One (1) employee unless prior coverage is arranged
 - 3) Customer Service Field – Two (2) employees
 - 4) Engineering – Two (2) employees
 - 5) Accounting – One (1) employee
 - 6) Administration – One (1) employee

Department Managers are not included in the above listed maximum, except as noted.

- D. Vacation and/or comp time used in lieu of sick leave, when an employee no longer possesses any sick leave shall not be subject to this scheduling policy.

8.5 Illness During Vacation

An employee who becomes ill or is hospitalized while on vacation and provides a written statement from a licensed medical practitioner to this effect shall have the period of illness charged against sick leave and not vacation leave.

8.6 Administrative Leave

- A. Mid-Management, FLSA Exempt status employees shall earn two days (16 hours) of paid administrative leave per fiscal year (pro-rated for part-time staff). This time off shall be used in the fiscal year in which it is earned and not carried over.
- B. FLSA Non-Exempt (“hourly”) Mid-Management employees are not eligible for Administrative Leave.

8.7 Personal Leave Office Staff

Office personnel are entitled to two additional days of personal leave annually in lieu of participation in the on-call rotation. This additional leave of sixteen (16) hours will be added to the employee's vacation balance on July 1 of each year. New employees shall be granted personal leave on a fiscal year prorated basis based on their date of hire. When an employee terminates; the employee's entitlement to personal leave will be calculated on a fiscal year prorated basis up to their date of termination. Employees will not be paid for personal leave not previously earned or taken. Scheduling of personal leave will be the same as for vacation.

8.8 Sick Leave

- A. Sick leave is accrued on a bi-weekly basis for a total of 12 days per year, beginning with the date of hire. There is no limit to the number of days of sick leave that can be accumulated. All normal benefits shall continue when an employee is on paid sick leave.
- B. Employees may use paid sick leave for illness or preventive care for themselves or a family member, as well as for the diagnosis, care, or treatment of their own, or their family member's existing health condition. Time off for doctor and dental appointments during normal working hours will be deducted from accrued sick leave. Paid sick leave may be used by an employee who is a victim of domestic violence, sexual assault or stalking.
- C. Family members are defined as the employee's parent, child, spouse, registered domestic partner, grandparent, grandchild, and sibling.
- D. Sick leave is to be used for illness or injury, unless such illness or injury arises from work for another employer. Improper use of sick leave may be grounds for disciplinary action.
- E. It is the employee's responsibility to notify their supervisor or designated District representative if they are to be off on sick leave before the start of their shift.
- F. Employees may be required to file a physician's certificate for their return to work, particularly if the absence lasts three days or more, or if there are a number of absences in a short period of time. In addition, the District may require a medical examination, at its expense, regarding an employee's ability to perform the essential functions of their job, with or without accommodation.

8.9 Personal Sick Leave Time Allowance

After completing the probationary period or if an employee meets the criterion outlined below on June 30 of any year, all qualified employees are entitled to convert three days of accrued sick leave to vacation time. This will reduce the accumulated sick leave balance by the converted amount. The criterion are:

- A. That not more than 8 days (64 hours) of the sick leave entitlement has been used during the prior year, AND
- B. That the employee has an accumulated balance of at least 10 days (80 hours) of sick leave as of June 30.

8.10 Sick Leave Incentive

Upon retirement or termination for other than gross misconduct, employees ~~will be paid~~ **may elect to be compensated** for unused sick leave according to the following **line-item schedule of payment. Unused sick leave balances not cashed out are reported to CalPERS:**

<u>Days of Unused Sick Leave</u>	<u>Straight-Time Payment Upon Termination</u>
For days 1 through 10	No Payment
For days 11 through 30	25% of days accrued
For days 31 through 50	45% of days accrued

For days 51 and over

60% of days accrued

8.11 Bereavement Leave

- A. If a death in an employee's immediate family occurs, the employee may be eligible, with approval by the Department Manager for up to two (2) days of District-paid Bereavement leave annually, to attend to the needs of the family. ~~Annual District-paid Bereavement leave not utilized by June 30th of each year will not be rolled over or accumulated.~~
- B. The employee may also utilize up to three (3) days of sick leave, compensatory time or vacation leave for each subsequent incident and/or additional time beyond the District-paid days. **If additional time is requested, the vacation scheduling rules apply.** ~~If an employee requires more than three (3) days, the General Manager has sole discretion to approve or deny the request.~~
- C. "Immediate family" shall be defined as spouse, registered domestic partner, parent, grandparent, child, step-parent or step-child, grandchild, sibling, and father or mother in-law, brother or sister in-law, and/or son or daughter in-law (in-law relationships also apply to the family members of registered domestic partners)-, **or other close relation residing in the employees household.**
- ~~D. Employees may request bereavement leave under this section for individuals for whom they have acted in the place of a parent (in-loco parentis), and for any close interpersonal relationship. The General Manager has the sole discretion to provide leave for a close interpersonal relationship, make the determination of in-loco parentis, and to determine the duration of the leave period. The decision of the General Manager is final and non-grievable.~~

8.12 Medical/Disability Leave Without Pay

Employees may request medical leave without pay and file for State Disability Insurance (SDI). Medical leave without pay shall be granted in accordance with the standards established by the Family Medical Leave Act ("FMLA") and the California Family Rights Act ("CFRA").

In case of extended disability beyond the FMLA/CFRA provisions and after exhausting all of his/her accrued paid leave (including vacation and comp time), an employee may request the Board of Directors to approve additional leave without pay. The request shall be initially submitted to Human Resources and must contain a statement from a health care provider setting forth the need for the leave and the probable duration.

8.13 Family & Maternity Leave

- A. The District shall implement family leave (including maternity leave) in accordance with the standards established under federal and state of California pregnancy leave laws, including the California Family Rights Act ("CFRA") and California Pregnancy Disability Leave (PDL). Such laws provide leave rights and protections for employees due to pregnancy, childbirth and/or related medical conditions.**
- B. In addition, leave rights and protections for employees due to birth/bonding, adoption and foster care shall be implemented in accordance with the standards**

of by the federal Family Medical Leave Act ("FMLA"), the California Family Rights Act ("CFRA") and ~~California Pregnancy Disability Leave (PDL)~~ other related laws, regulations or provisions. Please reference Article 6.10 of the ~~Employee Handbook~~. Any changes to the above listed provisions are subject to meet and confer.

- C. Human Resources will provide information and guidelines to individual employees on the related laws and benefits as family and maternity leave plans are being made, prior to taking leave.
- D. Additional personal leave related to pregnancy, birth/bonding, adoption or foster care may be granted by the employee's department manager depending upon the employees available leave accruals or comp-time earned. Impacts to District operations and existing will be considered.

If the employee has no available paid leave, the provisions of Article 8.15, Leave of Absence Without Pay will be followed.

- E. District employees are covered under State Disability Insurance (SDI) and Paid Family Leave (PFL) through the State of California. Employees seeking claims for SDI or PFL benefits are subject to approval by the State of California.
- F. Employees shall have the right to integrate SDI or PFL pay with any available paid accruals or comp-time earned. Employees must provide receipts of SDI or PFL payments to Human Resources and/or payroll.

8.14 Leave of Absence Without Pay

The General Manager will make every effort to accommodate an employee with up to a 30-day leave of absence without pay for any legitimate non-medical purpose, with the exception of other employment. The granting of this leave ensures that the employee can be reinstated to his/her same job or to another job in the same classification.

8.15 Benefit Accrual During Leave Without Pay

While on any type of leave without pay, employees will not accrue vacation, sick leave, Compensatory Time or holidays. In addition, time will not accrue toward service retirement or seniority. The District will not continue to pay for insurance coverage except when an employee is on FMLA/CFRA or extended Medical/Disability Leave; however, an employee on leave without pay for other than FMLA/CFRA reasons may continue group coverage by paying the premiums directly to the District for the duration of the leave.

8.16 Safety Leave

In the event a field employee is called out to perform work, or performs work from home for a minimum of one hour (the one hour minimum only applies to work from home and not to call outs) for the District between the hours of 12:00 a.m. and 6:00 a.m. on days immediately followed by a scheduled work shift beginning no later than at 8:00 a.m. or 8:30 a.m., that employee shall be granted paid safety leave which must be taken either at the beginning or end of their scheduled shift on that same work day.

- A. Safety leave shall be granted in the following increments:

1. Hours worked between 12:00 a.m. and 8:00 a.m. which total four (4) hours or less:
Two (2) hours paid safety leave.
 2. Hours worked between 12:00 a.m. and 8:00 a.m. in excess of four (4) hours: Hour for hour in 15- minute increments for those hours worked in excess of four hours.
- B. A maximum of six (6) hours safety leave shall be granted for any one shift. Safety leave is considered "time worked" for purposes of computing eligibility for overtime hours actually worked.

8.17 Supplemental Workers' Compensation Leave

Upon regular employment with the District, each Office and Field employee will be granted a one- time allocation of 60 hours of Supplemental Workers' Compensation Leave. This leave can be thought of as a District self-insured, long-term disability leave.

- A. Supplemental Workers' Compensation Leave can only be used to make up the difference of the payment by Workers' Compensation Insurance and regular salary, shall be used only in conjunction with Workers' Compensation Disability payments, and is subject to the same three-day waiting period.
- B. An employee cannot use this benefit unless eligible for Workers' Compensation Disability payments and only after all but 96 hours of accrued sick leave is used.
- C. In January of each year, employees who have not used their Supplemental Workers' Compensation Leave during the previous calendar year will be awarded 60 hours additional Workers' Compensation Leave with the maximum total accrual for each employee not to exceed 60 hours.
- D. The following examples should help clarify the supplemental Workers' Compensation leave:

		<u>Employee #1</u>	<u>Employee #2</u>	<u>Employee #3</u>
<u>2017</u>	Credit:	60 hours	60 hours	60 hours
	Used:	0 hours	10 hours	60 hours
<u>2018</u>	Credit:	60 hours	50 hours	0 hours
	Used:	20 hours	0 hours	0 hours
<u>2019</u>	Credit:	40 hours	60 hours	60 hours

8.18 Jury Duty and Public Service Leave

- A. If an employee is called for jury duty, the District will pay their regular salary for the duration of service. The amount paid for jury service will be deducted from the employee's regular salary so that the total amount does not exceed the normal salary.
- B. In all circumstances, an employee may not receive more than the total of their regular salary for any public service leave.
- C. If an employee regularly serves in a volunteer public safety capacity (fire or police), special paid leave will be granted if that employee is called for emergency service.

8.19 School and Child-Related Activities Leave

Employees are eligible to leave to attend to specified school activities of their children as required by California Labor Code section 230.8.

8.20 Military Duty and Military Family Leave

- A. Military leaves and benefit accruals while on military leave will be administered in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the California Military and Veterans Code.
- B. Military Family Leave entitlements will be administered in accordance with the Family Medical Leave Act (FMLA) and California Military and Veterans Code.

8.21 Payment of Accrued Leave Benefits Upon Death

If an employee should die while actively employed with the District, all accrued leave benefits will be paid as part of the final compensation, payable to the deceased employee.

**ARTICLE 9
Health and Welfare Benefits**

9.1 Medical Insurance Plans

The District provides medical insurance for employees and their eligible dependents following the applicable waiting period.

The maximum monthly District contribution, including the PERS required minimum, will equal 90% of the premium for the Blue Shield Access+ HMO plan listed for Santa Cruz County (the "base" plan). Employees enrolled in other plans will be required to pay any applicable additional cost. Employee premium contributions are paid through payroll deduction. In no event will an employee be credited based on the plan chosen.

9.2 Cash in Lieu of Medical Plan

If an employee is covered by other than District-offered medical insurance, the District, upon proof of other group medical insurance and written request by the employee to be excluded from the District's plan, will pay the employee as additional compensation, 30% of the adjusted premium. (The adjusted premium is defined as the monthly employer plan contribution identified in Article 9.1 – Medical Insurance Plans) Cash in lieu will be paid as a taxable cash benefit and participation must be renewed and verified annually.

9.3 Dental Plan

The District provides dental coverage for employees and their eligible dependents at no cost to employees. The current plan is the Delta Dental PPO Plan.

9.4 Vision Plan

The District provides vision coverage for employees and their eligible dependents at no cost to employees. The current plan is the VSP plan.

9.5 Flexible Spending Account (FSA)

The District offers two Flexible Spending Account (FSA) plans. The voluntary FSA plans reimburse enrolled employees for eligible out-of-pocket health expenses and child care expenses on a pretax basis.

9.6 Employee Assistance Program (EAP)

The District provides an Employee Assistance Program (EAP) for employees and their eligible dependents at no cost to employees.

9.7 Cafeteria Plans

Employee health plan premium contributions and FSA contributions are made through payroll deduction on a pre-tax basis in accordance with IRS regulations through the District's Section 125 Cafeteria Plans.

9.8 Life Insurance

The District provides a fully paid 2xSalary/\$200k maximum term life insurance plan for employees who work at least 30 hours per week following an applicable waiting period. Subject to the approval of the insurance provider, employees may purchase additional life insurance up to the maximum offered by the provider. Dependent coverage of \$1500 for spouse and \$1000 for dependent children is also included.

9.9 Long Term Disability

The District provides a long-term disability plan through the Standard Insurance Company at no cost to employees who work at least 30 hours per week.

9.10 Insurance Continuation

Federal legislation (COBRA) entitles employees and/or dependents to continuation of group medical insurance at their expense for 18 to 36 months after termination, in most cases. Details of qualifying events, coverage and payment, as well as enrollment forms are available from Human Resources.

**ARTICLE 10
Retirement**

10.1 Retirement

The District provides employee retirement plan enrollment under the California Public Employees Retirement System (CalPERS).

A. Classic CalPERS Members

- 1) The District recognizes CalPERS "classic members" as those that do not fit within the definition of a "new member" defined in B.(1) below and by Government Code 7522.04, the Public Employee's Pension Reform Act of 2013 (PEPRA)
- 2) For employees hired before August 1, 2013, as well as employees hired on or after August 1, 2013, who qualify for pension reciprocity pursuant to Government Code Section 7522.02 (c) and any related reciprocity requirements established by PERS, the District provides the 2.5% at 55 years retirement plan based on the average of the highest three years of the employee's salary.
- 3) These employees shall pay 100% of the employee contribution as determined by PERS. The District shall not pick up any portion of the required employee contribution. The District has set up a qualifying plan under the IRC 414(h)(2)

regulations that provides for employee contributions are to be treated as employer contributions for tax purposes; thereby retaining the tax exemption for deferred compensation.

B. PEPRAs CalPERS Members

- 1) The District recognizes CalPERS “new members” as defined by Government Code 7522.04, the Public Employee’s Pension Reform Act of 2013 (PEPRA):
 - a) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California Public Retirement System.
 - b) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who was a member with another California Public Retirement System prior to January 1, 2013, and who is not eligible for reciprocity.
 - c) A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months.
 - d) The District provides retirement coverage through the PERS retirement formula to these eligible employees under Government Code Section 7522.20 (2% at 62 years). This formula shall be based upon the employee’s final 3-year average salary, as defined by Government Code 7522.32.
- 2) These employees shall pay at least 50% of the annual actuarially determined normal cost of their pension plan as determined by PERS. The District shall not pick up any portion of the required employee contribution. The District has set up a qualifying plan under the IRC 414(h)(2) regulations that provides for employee contributions to be treated as employer contributions for tax purposes; thereby retaining the tax exemption for deferred compensation.

10.2 Disability and Industrial Disability Retirement

The District provides coverage under the California Public Employees Retirement System (PERS) for all regular employees. The District contracts with CalPERS for two disability retirement plans; disability retirement and industrial disability retirement.

A. Disability Retirement

Disability retirement has no minimum age requirement and the disability does not have to be job related. However, an employee must have a minimum of five (5) years of CalPERS service credits to qualify for this type of retirement.

B. Industrial Disability Retirement

Employees hired prior to December 18, 2005 are also eligible for industrial disability retirement should they become permanently disabled from a job-related injury or illness. Industrial disability retirement has no minimum age or service credit requirement.

10.3 Service Retiree Medical Benefits

A. Employees hired prior to August 1, 2013:

- 1) The District will provide continuing basic medical care coverage only, up to the premium cost paid for active employees, to a retired employee and one eligible dependent upon service retirement, provided all of the following conditions apply:
 - a) The employee is not retiring in lieu of being terminated for cause;
 - b) The employee is 55 years of age or older;
 - c) The employee has at least 10 continuous years of District service;
 - d) Medicare or a similar form of governmental health care coverage is unavailable,
 - e) The retiree is not eligible for medical coverage at any other job; and
 - f) A retiree is not covered by a spouse's health insurance.
- 2) The District will pay a pro-rated share of this benefit to eligible part-time employees. The pro-rated share of the premiums shall be based upon the proportion of the part-time employee's hours in relation to full time equivalency (FTE) calculated from date of hire.

B. Employees hired on or after August 1, 2013:

- 1) The District will provide continuing basic medical care coverage only, up to the 50% of the premium cost paid for active employees, to a retired employee and one eligible dependent upon service retirement, provided all of the following conditions apply:
 - a) The employee is not retiring in lieu of being terminated for cause;
 - b) The employee is 62 years of age or older;
 - c) The employee has at least 10 continuous years of District service;
 - d) Medicare or a similar form of governmental health care coverage is unavailable,
 - e) The retiree is not eligible for medical coverage at any other job; and
 - f) A retiree is not covered by a spouse's health insurance.
- 2) For employees who retire with more than 10 years of continuous service the District will provide an additional 5% of the premium cost for each year of continuous District service above 10 years, up to 100% of the premium cost paid for active employees.
- 3) The District will pay a pro-rated share of this benefit to eligible part-time employees. The pro-rated share of the premiums shall be based upon the proportion of the part-time employee's hours in relation to full time equivalency (FTE) calculated from date of hire.

10.4 Disability Retiree Medical Benefits

Upon disability retirement, the District will provide continuing basic medical care coverage, up to the premium cost paid for active employees, to a retired employee and one eligible dependent, provided the following conditions apply:

- 1) The employee has attained 55 years of age or has at least 20 continuous years of District Service;
- 2) Medicare or a similar form of governmental health care coverage is unavailable;
- 3) The retiree is not eligible for medical coverage at any other job; and
- 4) A retiree is not covered by an eligible dependent's health insurance.

10.5 Medicare Eligibility

- A. At such time as the retired employee becomes eligible for Medicare or its equivalent, the District will contribute the minimum PERS percentage toward the Medicare supplemental plan based on the United HealthCare (UHC) Group Medical Advantage PPO Plan, or the lowest cost Medicare supplemental plan offered by CalPERS, should the UHC plan be eliminated.
- B. Continued coverage for a retiree's spouse shall be determined based on that person's age and Medicare eligibility. The District will continue coverage under this program for surviving spouses of deceased eligible retirees.

10.6 Deferred Compensation

The District offers its employees the opportunity to voluntarily participate in a deferred compensation IRS Section 457 Retirement plan. Contributions are made through tax exempt payroll deduction.

**ARTICLE 11
Clothing and Safety**

11.1 Safety

The District and the employees desire to maintain a safe place of employment for all District employees and to that end, the District will work jointly with the Employees to make provisions necessary for the safety of employees in the performance of their work.

11.2 Clothing

- A. Rain gear and uniforms are furnished to Field employees, at District cost. Appropriate safety gear will also be provided to employees assigned to ~~the Engineering and Conservation Divisions~~ **employees** who are required to perform work in the field or at construction sites.
- B. **Employees with fieldwork or outreach as part of their duties are provided an annual allowance of \$100 toward District logo wear.**

11.3 Safety Shoes

- A. The District will reimburse up to ~~\$175~~ **\$250** per Field employee each fiscal year, toward the purchase of one pair of approved safety shoes or boots, **and may include orthotic inserts. If needed due to substantial wear, the Department Manager may authorize a second pair of footwear; however, the total reimbursement for all footwear provided by the District shall not exceed \$400 in any fiscal year. District purchased footwear is not to be worn off duty except to and from work.**
- B. Employees assigned to ~~other departments the Engineering and Conservation Divisions~~ who are required to perform work in the field or at construction sites will be reimbursed for one pair of approved safety shoes on an as-needed basis with prior authorization of the ~~Engineering or Conservation/Customer Service Field~~ **the Department** Manager. These safety shoe reimbursements will not exceed once per year and the maximum allowance ~~of \$175.~~

- C. To receive reimbursement for approved safety shoe purchases, an employee must submit the receipt to ~~his/her~~ **their** Department Manager. If shoes are lost, stolen or damaged not due to the employee's negligence, the District can arrange for an emergency boot allowance or an allowance to be repaid by the employee over a specified period of time.

11.4 Worker's Compensation

District employees are covered by the California Workers' Compensation Laws. If an employee is injured or becomes ill as a result of work or working conditions, sick leave or other accrued leave may be used to make up the difference between the Workers' Compensation payment and full salary.

When an employee is injured or becomes ill from work-related causes, the employee must report this to his/her supervisor immediately. The initial doctor's visit will not be charged against sick leave. If an employee does not report the incident promptly or refuses a medical attention offer, the employee may lose the right to Workers' Compensation benefits.

Employees receiving Workers' Compensation disability payments will be considered to be in a paid status and will continue to receive sick leave, vacation, holidays and service accrual and all insurance benefits.

ARTICLE 12

Education, Licenses and Certifications and Other Incentives

12.1 Educational Incentive

It is the policy of the District to encourage employees to improve their job skills and career potential and, thereby, their effectiveness as District employees.

- A. With prior approval of the supervisor and the General Manager, and upon successful completion of the course(s), an employee will be reimbursed for the costs of tuition and books for courses in subjects that can be shown to improve the employee's job performance and/or District career potential.
- B. Classes should normally be scheduled for non-work hours; however, if this is not possible, an effort can be made to temporarily modify an employee's work schedule for the duration of the course.

12.2 Reimbursement for Licenses and Certificates

- A. The District will reimburse an employee for the actual costs of obtaining and maintaining required special licenses, certificates and registrations. The District will not however, pay additional fees when licenses are not renewed on time. Further the District will not pay for test prep courses or exam fees when these are required to renew a license that has been allowed to lapse.
- B. Reimbursements for two-day exam prep study courses and exam fees are limited to two attempts to obtain any single certification or license. Courses over two days are subject to prior approval by the department manager.
- C. Any employee who attends a District-paid prep study course and fails to register for or take the next scheduled test is not entitled to receive any further District-paid study courses to obtain that particular certification unless the failure to register or take the

test was due to extenuating circumstances. The General Manager has sole discretion in determining what constitutes extenuating circumstances.

- D. With prior approval, a District vehicle may be used to attend any associated training or testing. Mileage will be reimbursed when a personal vehicle is used.
- E. Fees for California Class C driver’s licenses shall not be reimbursed under this provision; however, reimbursement shall be provided for that portion of a Class A and/or B license fee and/or hazardous material endorsement fee, where such licenses and/or endorsements are required by the job class specifications.
- F. The District will pay wages for time spent in test taking for required licenses and certifications.

12.3 Certification Stipends

- A. As an incentive to encourage employees to acquire knowledge in areas related to current or future position(s), the District will provide a monthly stipend of \$50 per certification based on certification at a higher level than what is required for the current classification. The stipend is not subject to any cost of living increases and will continue as long as the certification is maintained and not a requirement of the position. The stipend will, however, cease upon promotion or transfer to a higher classification which includes the certification as a requirement.
- B. Probationary employees are not eligible to receive a certification stipend until the probationary period is satisfactorily completed and the required certification for the current position is obtained.
- C. Only one (1) distribution certification and one (1) treatment certification at a level above the requirement for the current classification will be approved. Obtaining additional certification will not result in the loss of the stipend. Approved certifications are listed below, however these may be subject to change and the employee shall submit a written request for approval from the Department Manager prior to seeking the certification.

Position	Required Certifications	Approved Certifications	Maximum Stipend
Assistant Engineer I/II	Grade D-2	Grade D-3 and Grade T-1	\$50/month \$100/month
Associate Civil Engineer	Grade D-2	Grade D-3 and Grade T-1	\$50/month \$100/month
Customer Service Field Supervisor	Grade D-2	Grade D-3 and Grade T-1	\$50/month \$100/month
Operations & Maintenance Supervisor	Grade D-4 and Grade T-2	Grade D-5 Grade T-3	\$100/month

12.4 Green Commuter Incentive

- A. Eligibility – Staff eligible for other District-provided benefits (full-time or part-time) and who have a work schedule which typically reports to the District office between 6am and 10am during the regular work week are eligible to participate in the Green Commuter Incentive program.

- B. Daily Cash Incentive – For each regular workday an eligible staff member walks, bicycles (including ebikes), uses public transportation or carpools vs. driving alone to work, the District will pay \$1.50. Participating employees must certify they have opted for program-allowable commute options. Green commuter incentives are considered taxable income.
 - 1. Only one daily cash incentive is available for regular round trip commute to the District office, Monday-Friday. Due to the need for immediate response, on-call and emergency call-back responses are not eligible.
 - 2. If combining walking or cycling with public transit commute options, employees are only eligible for one daily cash incentive, but may be eligible for the public transit subsidy and daily cash incentive as described in section C.
 - 3. Payments are taxable income and are processed in the payroll cycle for which the incentive is earned.

- C. Public Transit Subsidy – In addition to the daily cash incentive, eligible employees are also eligible for reimbursement of up to the cost of a 31-Day Santa Cruz Metro pass to use public transit by submitting receipts for the purchase of transit passes.

- D. Certification Process – Eligible staff wishing to participate must submit a Green Commuter Incentive participant election form to Human Resources. Upon approval, Human Resources will notify Payroll to activate Green Commuter Incentive payroll entry. Participants must submit qualifying entries in their daily time/attendance and will be paid in the payroll cycle for which the incentive is earned. Late submission disqualifies an employee from receiving the incentive as requested.

- E. Guaranteed Ride Home - In the event of a bona fide emergency or if unscheduled overtime is required by the supervisor/manager, registered green commuters will be offered a guaranteed ride home by District-approved means.

**ARTICLE 13
Layoff**

The District Board may eliminate any position in the classified service as identified by classification due to lack of funds, work, or need. Whenever, in the judgment of the District Board, it becomes necessary to eliminate any position of employment, the employee may be laid off, bumped to another position, or be reassigned according to the procedures outlined below.

13.1 Notice of Layoff

Employees to be laid off shall be given at least thirty (30) calendar days prior written notice, except during financial emergencies where notice may be shorter. The notice will contain the following:

- A. Reason for layoff
- B. Effective date
- C. Notification of right to meet and confer

Representatives of the Mid-Management Employees Bargaining Group shall receive a copy of the notice using the same timeline and shall be afforded the opportunity to meet and confer.

13.2 Order of Layoffs

Employees to be laid off within a Classification shall be determined by seniority/date of hire in classification, in the following order:

- 1) Temporary/Limited Term (no layoff rights)
- 2) Probationary
- 3) Regular part-time (unless lack of work/funds affords the ability to maintain regular part-time work versus full-time)
- 4) Regular full-time

13.3 Reassignment in Lieu of Layoff

A. Bumping:

Employees may elect reassignment or bumping to the same or previously held classification in lieu of layoff, in accordance with the following provisions:

- 1) An employee may request reassignment to the same classification anywhere in the District provided the employee is more senior than the least senior employee in that classification.
- 2) An employee may request reassignment to a classification in which the employee previously held regular status provided the employee is more senior than the least senior employee in that classification.
- 3) Seniority is determined by adding together time in all other classifications to the previously held lower classification to which the employee is attempting reassignment (bumping).

B. Reassignment to a position not previously held:

1) Vacancy:

An employee may be reassigned to a different position in lieu of a layoff if, at the time of layoff a vacancy exists for which the employee is qualified as described in the job description.

- a. Qualifications will be based on meeting the minimum qualifications (MQ's), and the ability to retrain within ninety (90) days.
- b. After ninety (90) days, a review will be made by the General Manager upon recommendation of the Department Manager, to determine whether the employee is qualified to fill the position as a regular appointment.

2) Classification Series:

An employee may request reassignment to a lower classification within their current job family series, provided the employee is qualified and is more senior than the least senior employee in the lower classification.

- b. The determination of whether an employee is qualified to work in another classification will be made by the General Manager upon recommendation of the Department Manager.

13.4 Re-employment

Individuals laid off or reassigned shall be placed on a re-employment list in order of seniority for a period of eighteen (18) months. The person highest on the list for a particular

classification when a vacancy occurs in this classification, or in a subordinate related classification, shall be offered the appointment without going through the normal selection process, but subject to the following procedures:

- A. Persons on a re-employment list may be required to pass a normal pre-employment/post-offer physical examination, or other qualifying examinations prior to reappointment.
- B. A person offered re-employment must respond to a formal, written offer within ten (10) working days and be available to work within two (2) weeks from the date of offer. The person will be notified by email and by certified mail - return requested to the last known address.
- C. A person's name will be removed from the re-employment list for the following:
 - 1) An offer of re-employment is refused
 - 2) Failure to respond to a written offer within ten (10) working days
 - 3) the individual submits a written request to be removed from the list.
- D. Upon re-employment, all rights and benefits acquired by the individual prior to layoff shall be restored, including credit for years of employment towards seniority, leave accrual rate and previous pay step. In no event, however, will the District be required to restore credits for vacation or other benefits paid out at the time of separation or coverage for any group insurance programs for the period the employee was not working for the District.
- E. An interested person on a re-employment list may elect to be available for temporary work and shall be given preference for work in any department in the individual's former classification, or other classification for which the individual is qualified or as defined above. Any interested person must provide contact information where they can be reached to the Human Resources Office. Failure to respond to a written notice of such an offer of work within ten (10) working days shall result in disqualification.

13.5 Job Counseling and Placement Services

It is the District's intent to assist laid off employees through the transition from District service. The Human Resources office will function as a clearinghouse for information and referrals on outside employment, training opportunities, and potential re-employment opportunities with the District.

13.6 Retraining

It is the District's intent to consider on-the-job training programs for laid off employees and employees designated for layoff who may be interested in applying for other vacant positions within the District for which they may or may not be fully qualified.

- A. If an employee's qualifications are judged to meet the minimum desirable qualifications as outlined in the job description or, if in the opinion of the department manager, it is reasonable to expect the employee to meet the minimum desirable requirements within a 90-day period of on-the-job training, the District will consider the laid off employee along with any other applicants.
- B. An employee who is placed in a position under this provision shall have their name removed from any re-employment lists.
- C. If the position in which the employee is placed is considered a promotion, the employee shall serve a probationary period.

13.7 Severance Benefits

A permanent employee separated from District service as a result of this Article shall have his/her insurance benefits paid by the District at the same level as while employed for a period of ninety (90) calendar days from the date of separation. At the end of the ninety-day period, post-employment insurance continuation will be administered in accordance with COBRA regulations.

**ARTICLE 14
Discipline**

14.1 Discipline Process

A. The purpose of discipline is to improve employee performance, not merely to chastise or punish the employee. Accordingly, any necessary discipline shall be approached positively and in a spirit of fairness and equal treatment. Any actions shall be consistent from department to department and shall follow a logical series of progressive steps, each step documented by a supervisor's notes in an employee's personnel file.

B. In general, the process is as follows:

- 1) Counseling - in which performance deficiencies are verbally explained to the employee and suggestions for improvement made. The supervisor should note the date, time and subject, but no formal record will be made in the employee's personnel file.
- 2) Verbal Reprimand - in which the employee is formally warned regarding his/her performance and a notation is made in the employee's personnel file.
- 3) Written Reprimand - in which an employee receives a written notice documenting the performance problem with a copy to the employee's personnel file.
- 4) Suspension - in which an employee is suspended from work without pay for a period of one to fifteen days.
- 5) Dismissal - in which the employee is terminated for cause.

Discipline may progress through the various steps or may begin at any step, depending upon the nature of the infraction. The immediate supervisor may exercise discipline through suspension. In any event, each step above employee counseling will be reviewed by the General Manager.

14.2 Action Prior to the Imposition of Discipline

Except for verbal or written reprimands or where circumstances dictate the District taking immediate action to remove the employee from the workplace, the District shall provide the affected employee with 5 working days written notice prior to taking disciplinary action. In cases where immediate action is dictated, written notice shall be provided the employee within two (2) working days from the date of the action.

14.3 Notice of Disciplinary Action

Written notice of any major disciplinary action resulting in suspension of at least 5 working days, demotion, or dismissal shall be provided to the employee via certified mail and shall include:

- 1) The nature of the disciplinary action.
- 2) The effective date of the action.
- 3) A summary of the act of the employee that resulted in this disciplinary action.

4) A statement advising the employee of his/her right to appeal.

14.4 Disciplinary Appeal

All disciplinary action taken against an employee in District service must receive the approval of the Department Manager.

A. Minor Discipline

In cases of verbal or written reprimand or suspension of up to five (5) working days, the affected employee shall have the right of appeal up through the General Manager.

Step 1:

An employee who has received discipline from a supervisor may appeal to the Department Manager within ten (10) days from the imposition of the discipline. The appeal must be submitted in writing and contain the following:

- 1) Name of the employee;
- 2) Name of the supervisor;
- 3) Type of discipline imposed;
- 4) Date the discipline was imposed;
- 5) Reasons why the employee believes the discipline is inappropriate;
- 6) Corrective action desired; and
- 7) Name of any person or representative chosen by the employee to participate in the disciplinary appeal hearing.

Upon receipt of the written appeal, the Department Manager shall talk with the employee, the immediate supervisor and others as appropriate and, within ten (10) working days, prepare a written decision to either uphold, repeal or amend the disciplinary action and the basis for the decision.

Step 2:

If the employee remains dissatisfied with the decision of the Department Manager, that decision may be appealed in writing to the General Manager within five (5) working days of receiving the Department Manger's decision. The General Manager will consider all aspects of the appeal, gathering information from others, including the employee and his/her representative, and shall render a final written decision within ten (10) working days after meeting with the employee.

B. Major Discipline

In cases of proposed major discipline (suspension of greater than five working days, demotion, or termination), the employee may request a "Skelly Hearing" within five (5) working days of receipt of a Notice of Intent.

The Department Manager shall hold the Skelly hearing within five (5) working days of the employee's request and shall render a written decision within five (5) working days following the Skelly hearing.

The employee may appeal the Department Manager's decision to the General Manager within five (5) working days of receipt. The General Manager shall meet with the employee and his/her representative and shall render a final written decision, which will include as necessary Board and Attorney review, within ten (10) working days after

completion of the meeting or meetings with the employee. The decision of the General Manager, after any necessary review by the District Board and Attorney, will be final.

14.5 Causes for Disciplinary Action by the District

The District may take disciplinary action against a permanent or probationary promotional employee for misconduct including, but not limited to: fraud in securing employment by making a false statement on an application for employment or on any supporting documents furnished with or made a part of any application; incompetency such as failure to comply with the minimum standard of an employee's position for a significant period of time; inexcusable neglect of duty, such as failure to perform duties required of an employee within his/her position; willful disobedience and insubordination such as a willful failure to submit to duly appointed or acting supervisor or conform to duly established orders or directions of persons in a supervisory position; dishonesty involving employment; being under the influence of alcohol or intoxicating drugs when reporting to duty or while on duty; inexcusable absence without leave; conviction of a felony, or a misdemeanor involving moral turpitude, which shall be deemed to include only crimes involving dishonesty or character depravity; improper or unauthorized use of District property; violation of the Rules and Regulations of any department, which Rules and Regulations are adopted pursuant to or continued to these Rules and Regulations; violation of Safety Rules; any willful act of conduct undertaken in bad faith which either during or outside of duty hours is of such a nature that it causes discredit to fall upon the District, the employee's department or division. Willful failure to maintain proper decorum during working hours causing discredit to the employee's department or division; discourteous treatment of the public or District Board Members; abuse of sick leave; inattention to duty, tardiness, indolence, carelessness or failure to report to work or to call in according to the District's Employee Handbook; acceptance, from any source, of a reward, gift or other form of remuneration in addition to regular compensation by an employee for the performance of official duties; falsification of any District report or record.

14.6 Use of Video Surveillance Cameras

The District may use video cameras as evidence for the discipline or discharge of an employee for any reason listed as Causes for Disciplinary Action by the District (Article 10.5). If the information from the video is to be used to discipline or discharge an employee, the District must provide the Employees, prior to the hearing, an opportunity to review the video used by the District to support the discipline or discharge. The District shall not install or use video cameras in bathrooms or places where employees change clothing.

The District shall notify staff of the locations of all surveillance cameras on District properties. If the District installs new surveillance equipment it shall notify the Employees.

**ARTICLE 15
Savings Clause**

If any article or section of this MOU or any rider thereto should be held invalid, illegal or unenforceable by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal pending final determination as to its validity or legality, the remainder of this contract or any rider thereto, or the application of such article or section to persons or circumstances other than those which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

It is further the intent that should any article or sections of this MOU be held invalid, illegal or unenforceable and inoperable, that article or section shall be renegotiated in an attempt to provide validity, legality and acceptability to such section or article.

Amendments to Agreement - This Agreement may be amended only by the mutual written agreement of the parties. Such amendments shall be lettered, dated, and signed by the parties and shall constitute a part of this Agreement.

**ARTICLE 16
Entire Agreement**

The parties acknowledge that during the negotiations resulting in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties are set forth in this agreement. Therefore, the District and the Employees, for the duration of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject covered in this agreement, except as specifically appropriate under Section 4.1. This agreement may only be amended during its term by the mutual agreement in writing of both parties.

~~Should there be a change in the benefits and leaves in common with the Field & Office or Management groups during the term of this 2021-2023 agreement only, the parties to this Agreement shall reopen only those specific benefits and leaves in common.~~

~~Further, should there be a change in the On-Call and/or Call-Back sections of the MOU in common with the Field & Office employee group during the term of this agreement, the parties agree to reopen Articles 7.4 and 7.5.~~

~~All other provisions of this Agreement would remain in effect.~~

This MOU contains the entire agreement between the parties hereto and neither party shall be bound by any statement, representation, agreement, stipulation, or provision made prior to the execution here of and not set forth herein.

**ARTICLE 17
Term**

This MOU shall expire on July 31, ~~2023~~ 2026. No sooner than ninety (90) days prior to the expiration, the parties shall meet and confer, at the request of the Employees or the District, to amend or extend this Memorandum of Understanding.

Chris Freels
Employee Negotiator

Traci Hart
District Negotiator

Eileen Streller
Employee Negotiator

Date: _____

Date: _____

**SOQUEL CREEK WATER DISTRICT
MOU BETWEEN
MID-MANAGEMENT EMPLOYEES BARGAINING GROUP
AND THE SOQUEL CREEK WATER DISTRICT**

**ARTICLE 1
Preamble**

Pursuant to California law the Soquel Creek Water District, hereafter referred to as District, acting through its negotiator, and representatives of the Mid-Management Employees Bargaining Group, hereafter referred to as Employees, have met and conferred in good faith and have fully communicated and exchanged information concerning wages, hours, and other terms and conditions of employment for the term commencing August 1, 2023 and terminating July 31, 2026. It is the intent of the parties to set forth herein their entire agreement covering rates of pay, wages, working hours, and other conditions of employment; and to provide for prompt and fair settlement of grievances without interruption or other interference with the normal operations of the District.

Both parties have mutually agreed that their objective is for the good of the District, Employees and Members alike. Both parties further agree that, in the interest of collective bargaining and harmonious relations, they will at all times abide by the terms and conditions as hereinafter set forth.

Except as otherwise expressly provided herein, all terms and conditions of the agreement shall apply to all employees represented by the Mid-Management Employees Bargaining Group.

**ARTICLE 2
Recognition**

2.1 No Discrimination

The District and the Employees will cooperate in pursuing a policy of equal employment and equal promotional opportunity for all employees in accordance with the District's adopted Equal Employment Opportunity Policy and applicable law. The District will not discriminate against employees protected by Federal and State laws.

2.2 Mutual Rights and Responsibilities

The Employees recognizes its obligation to cooperate with the District to assure maximum service of the highest quality and efficiency to the customers of Soquel Creek Water District consistent with its obligations to the employees it represents. The District recognizes its responsibilities to treat employees fairly and equitably. The District and the Employees affirm the principal that harmonious labor/management relations are to be promoted and furthered.

**ARTICLE 3
Management Rights**

3.1 Management Rights

Except as expressly modified or restricted by a specific provision of this Agreement, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the District, including, but not limited to, the rights to reprimand, suspend, discharge, or otherwise discipline employees for cause; to determine the number of employees to be employed; to hire employees, determine their qualifications and assign and direct their work; to promote, demote, transfer, lay off, recall to work employees; to set

the standards of productivity and/or the services to be rendered; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors to perform work or services; to subcontract, contract out, close down, or relocate the District's operations or any part thereof; to determine its organization and service levels; to assign employees as necessary; to control and regulate the use of machinery, facilities, equipment, and other property of the District; to introduce new or improved equipment, machinery, methods, processes or services; to adopt, implement, enforce and from time-to-time modify, rescind or change safety and work rules and regulations, with prior notice to the Employees, to determine the number, location and operation of departments, divisions, and all other units of the District; and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission for the District and to direct the District's employees. The District's failure to exercise any right, prerogative, or function hereby reserved to it, or the District's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the District's right to exercise such right, prerogative, or function not in conflict with the express provisions of this Agreement.

3.2 Contracting Out

Before submission of a recommendation to contract out any function traditionally performed by Mid-Management employees which would result in a reduction of the work force, the Employees will be offered the opportunity to examine the proposal for at least thirty (30) working days prior to Board action, whenever possible, and to submit recommendations. If requested, the District will meet and confer over the impact of proposed layoffs prior to the implementation of said layoffs.

This section shall not be construed so as to delay the District's decision in contracting out. Determinations pursuant to this Section shall be made at the sole discretion of the District without any form of appeal.

3.3 Past Practices

The parties agree that they shall adhere to established labor relation's principles in handling past practices. Specifically, in handling past practice issues within the scope of representation:

- 1) Past practice is defined as a generally accepted and clear course of conduct that relates to matters within the scope of representation and is characteristically repeated over a continuous period of time, and which has not been changed through the meet-and-confer process;
- 2) Past practices superseded or contradicted by current MOU language are null and void;
- 3) Past practices which contradict written District rules shall be null and void upon reasonable notice from the District that the language will be followed;
- 4) Past practices within the scope of representation which are not covered by MOU language or District rules shall remain in effect until the District has provided notice to the Employees and completed the meet-and-confer process.

Employee Rights

4.1 Notification to Employees

The Employees Group shall be given at least ten (10) working days advance written notice of any ordinance, rule, resolution, regulation, or action affecting working conditions within the scope of representation, proposed to be adopted by the District Board of Directors and shall be given the opportunity to meet and confer with the District representative prior to its adoption.

4.2 Release Time

A reasonable number, up to two (2), of Employee or representatives shall be allowed to attend, without loss of pay, meetings scheduled with designated representatives of the District to meet and confer on matters within the scope of representation.

**ARTICLE 5
Grievance Procedure**

As in other areas of District activities, the intent of the grievance process is to resolve problems at the lowest possible step and foster harmonious relations between all District employees. The District and the Employees recognize early settlement of grievances is essential to sound employee/management relations. The parties seek to establish a mutually satisfactory and timely method of settlement of grievances. The aggrieved employee is assured freedom from restraint, interference, coercion, discrimination, or reprisal.

5.1 Grievance Presentation

An employee or a group of employees may file a grievance.

5.2 Grievance Defined

A grievance is defined as an alleged violation, misinterpretation, or misapplication of the provisions of the Memorandum of Understanding, or the District's Policies and Procedures, or the District Employee Handbook.

5.3 Time Limits

Time limits may be extended or waived at any level only by written agreement of the parties involved at that level. If the District fails to comply with grievance time limits, the grievance may be advanced to the next step upon request of the grievant. If the grievant fails to comply with the time limits, the grievance will be dropped.

5.4 Steps in the Grievance Procedure

Grievances may, by mutual agreement in writing, be referred back for further consideration or discussion to a prior step or advanced to a higher step of the grievance procedure.

5.5 Grievance Process

The grievance process available to all employees is as follows:

Step 1 - Discuss the problem informally with the Department Manager. This must happen within thirty (30) calendar days of the incident. The Department Manager will work with the employee to resolve the problem, if possible.

Step 2 - If the grievant remains dissatisfied following the informal discussion and review, he/she may submit a written grievance within fifteen (15) working days of the informal discussion to the Department Manager or his/her designee. The grievance shall be submitted on a grievance form and shall contain the following information:

- 1) The name of the grievant.
- 2) The specific nature of the grievance.
- 3) The date, time, and place of occurrence.
- 4) Specific provision(s) of the MOU, or the District's Employee Handbook or Policies and Procedures alleged to have been violated.
- 5) Any steps that were taken to secure informal resolution.
- 6) Corrective action desired.
- 7) The name of any person or representative chosen by the employee to participate in the grievance procedure.

The Department Manager or designee will talk with the employee, the immediate supervisor and others as appropriate and shall give a brief written decision within fifteen (15) working days.

Step 3 - If the grievant remains dissatisfied with the decision of the Department Manager, the grievant should forward the outline of the problem to the General Manager within seven (7) working days of receiving the Department Manager's written response. The General Manager will consider all aspects of the grievance, gathering information from others, including the employee and his/her representative, and shall render a final written response within ten (10) working days after the meeting with the grievant. The decision of the General Manager shall be final.

**ARTICLE 6
Work Rules**

6.1 Job Classifications

To meet changes in technology or work programs, it may be necessary to add or delete duties to the job description of a regular employee. The District will notify the Employees Group of impending actions and meet and confer with the Employees to establish the proper level of compensation.

6.2 Regular Part-Time Employees

Those regularly scheduled employees working more than 999 and less than 2,080 hours in a fiscal year will receive benefits and seniority on a pro-rated basis; total hours worked as a percentage of 2,080.

6.3 Working Out of Class

A. The following conditions must be met for the employee to receive pay for working in a higher class:

- 1) Appointments will be for periods of not less than 8 continuous hours, such temporary assignments should not continue for longer than 60 days, unless due to coverage for disability, or other authorized leave or vacancy.
 - 2) If change in status will be for more than 60 days, then it must be initiated by a Personnel Action Form.
 - 3) Employees must work the majority of the shift and will receive working out of class pay for the hours actually worked.
 - 4) Employees assigned working out of class in an exempt position will retain their non-exempt status during the assignment.
- B. Compensation for working out of class shall be the first step of the salary range for the class in which the employee is working or at least a 5% increase beyond the employee's current salary, but in no event shall it be greater than the highest step of the salary range for that class to which the employee is temporarily assigned.
- C. It is not always necessary to specifically designate an employee to replace an absent employee of a higher classification. In most cases, it is part of the District's cross-training that tasks of the absent employee are spread throughout the organization. Working out of class also will not set off a chain reaction. That is, if an employee is required to fill in for a higher classification, it will not be necessary for someone with a lower classification to fill in for that employee.

6.4 Probationary Period

All new employees and current employees moving to new job classes serve a six-month probationary period to evaluate the employee on the job. Before the employee has completed the probationary period, he/she will receive a written notice if the change to a regular status is approved or disapproved. Failure to complete a probationary period in a new classification still entitles an employee the right to return to a previous classification, if regular status had been attained, and a vacancy exists that has not been permanently filled.

6.5 Promotion

When a District employee is promoted to a position in a higher salary range, he/she will be promoted to the salary step that will provide at least a 3.5% increase. In addition, the employee will be eligible for the next salary step upon completion of the probationary period. If the pay range for the new position cannot accommodate a 3.5% increase, the employee will be placed at the highest step.

6.6 Seniority

Seniority shall be the criterion used to determine the layoff of employees resulting from the elimination of positions. Determination of seniority shall be governed by the following procedures:

- 1) Seniority will first be determined by the length of continuous employment in a pay status within the employee's current regular classification in the classified service. Employees within the same classification shall be subject to layoff in an inverse order of seniority in class.
- 2) In determining seniority, time in regular part-time service will be credited on the same ratio as the part-time hours are to full-time. For example, one year of service in a 3/4-time position would equal nine months seniority credit. Time in temporary positions will not be counted toward seniority.

- 3) If two (2) or more employees have identical seniority, a comprehensive review of their personnel files and a personal interview by the involved Department Manager, and the General Manager shall determine the order of layoff. This determination shall be final.

6.7 Working Hours

- A. Working Day: As used throughout this MOU, the term "working day" shall be defined as any weekday that the administrative office of the Soquel Creek Water District is open for business. Any reference to "day" or "days" in this MOU not preceded by the word "working" shall be defined to mean a regular calendar day or days.
- B. Work Week: Because the District must provide water service 24-hours a day, seven days a week, 365 days a year, an employee may be assigned a work week beginning with any day of the normal calendar year. The work week means any seven consecutive days starting with the same calendar day each week. [A Shift - Sunday (12:01 a.m.), B Shift - Monday, (12:01 a.m.), and C Shift - Saturday, (12:01 am)]. Work week is a fixed and regular recurring period of 168 hours, seven consecutive 24-hour periods. Regular working hours is defined as a 40-hour period in the work week. Staff cannot be transferred to a different work week to avoid overtime. The Employees will be notified of any restructuring in shifts. The District will meet-and-confer with the Employees if so requested. In the event of an emergency, the District may assign employees to work a 12 hours on/12 hours off shift without the obligation to meet and confer.
- C. Work Schedule: The District work schedule is normally Monday through Friday, 8 hours per day, for a total work week of 40 hours.

Field employees generally work from 8:00 a.m. to 4:30 p.m. with one-half hour for lunch. Office employees generally work from 8:00 a.m. to 5:00 p.m. with one hour for lunch. However, staggered schedules may be used in order to provide sufficient coverage.

- D. Regularly scheduled work hours may vary, upon approval of the General Manager; however, in no event shall the normal work week for non-exempt employees extend beyond 40 hours.
- E. One 15-minute break shall be granted during each consecutive 4 hours worked regardless of the scheduled hours of work. These rest periods are to be taken as scheduled and should not be used to lengthen the lunch hour or shorten the work day. Missed breaks do not entitle the Employee to additional compensation and cannot be accrued. Breaks not taken are forfeited.

6.8 Alternative Work Schedule

Upon the recommendation of the Departmental Manager, and with the approval of the General Manager, an Alternative Work Schedule (AWS) such as a 9/80 or 4/10 schedule may be established. The District and the Employees shall meet and confer over the specifics of any such AWS, with the general intent being that individual(s) who are assigned to such schedules shall accrue leave and holiday hours on the same basis as employees working the standard 5/8 work schedule.

6.9 Remote Work

The District may authorize certain employees to perform work remotely. Formal remote work arrangements must be authorized in a written agreement. Under certain

circumstances, short-term remote work arrangements may also be approved. The District maintains a remote work policy setting forth procedures, expectations and other important administrative details of working remotely.

A. Formal Remote Work Agreement

Upon approval by the department manager and review by Human Resources, the terms and conditions of formal remote work arrangements for the employee will be identified in a written remote work agreement.

Eligibility for remote work is based on certain criteria including the specific individual, job classifications and associated job responsibilities. Some District positions may not allow for remote work. A change in job duties and assignments, work out of class, covering for coworkers who are out may also affect eligibility. It is the supervisor's/manager's responsibility to periodically assess remote work arrangements with the employee to address changes. Approval is on a case-by-case basis.

The following criteria are to help the employee and supervisor/manager identify related issues and impacts, and determine if remote work is feasible:

- 1) Job classification and work impacts: specific and associated job duties and responsibilities, affects to service of internal/external customers and clients, impediments to other workers from performing their job duties.
- 2) Employee suitability: needs and work habits of the employee, full or part time status, permanent (non-probationary) status, demonstrated job performance and ability to work independently as determined by the supervisor/manager, compliance with District rules, regulations and policies.
- 3) Location and equipment: Access to required supplies and equipment, acceptable workspace and environment allowing effective, secure and safe remote work performance.
- 4) Work schedules and compliance: scheduling issues, hours tracking, meal and rest breaks, wage and hour compliance, tax implications, state and local government laws, etc.
- 5) Remote work agreement: if authorized, a written agreement must be completed and approved by the employee, supervisor/manager, and reviewed by Human Resources before allowing an employee to work remotely.

B. Informal Remote Work Arrangement

The District may also authorize informal, short-term remote work arrangements for circumstances such as inclement weather or natural disaster emergencies, shelter-in-place, training, etc. These arrangements must be approved by the department manager and only on an as-needed basis only, with no expectation of ongoing continuance. Depending on the length of the informal arrangement, a remote work agreement may be required by Human Resources.

- C. Remote work is a management option, not an entitlement. Any remote work agreement may be revoked or modified by the department manager at any time for any reason. This section is not subject to the grievance procedure. The union shall have the right to meet and confer over proposed changes to the remote work policy.**

6.10 Anniversary Date

Anniversary date shall be the employee's date of hire, unless otherwise specified.

6.11 Performance Evaluations Except for Special Evaluations (See 7.0 below).

Written performance evaluations are to be made before the end of a probationary period and then annually at approximately the employee's anniversary of completing probation (service anniversary date). The employee shall have the opportunity to discuss these evaluations with his/her supervisor, and to add comments.

**ARTICLE 7
Wages and Pay Practices**

7.0 Wages and Pay Practices

- A. The salary ranges are set by the Board of Directors. All salary ranges for the Mid-Management Unit have nine steps with 5% between the first seven steps and 3.5% between the seventh and the eighth step and 2.0% between the eighth and ninth step.
- B. Entry level is normally the first step. Upon completion of probation (six months), the employee progresses to the next higher step in the range. Based upon satisfactory progress as documented in a written evaluation, an employee will receive the next step after one full year on paid status from date of completion of the probationary period and an additional step after each full year on paid status thereafter through the eighth step. An employee is eligible for the ninth step after two full years on paid status at the prior step.
- C. A merit increase may be denied by the department manager when an employee's job performance falls below acceptable work standards for the duties assigned. The department manager may, in such a case, recommend a special evaluation. The special evaluation shall describe perceived performance problems and actions to be taken by the employee to correct these deficiencies. The employee's work performance will be reviewed again before the next review date on a date that is mutually agreeable to the department manager and the employee that would allow the employee sufficient time to correct the deficiencies. If a merit increase is granted at that time, the employee's original review date shall not change and s/he shall be eligible for the next merit increase after one year on paid status from the original review date. If a merit increase is denied a second time, the employee will receive monthly evaluations for a period not to exceed ninety (90) days outlining specific goals needed to achieve satisfactory performance. The General Manager shall be notified in all cases where an employee is placed on a special evaluation. Evaluations are not to be used as discipline; however, this section does not limit the District's right to discipline when appropriate.

7.1 Wages

- A. Effective the first pay period in January 2024, a 5% increase to the salary schedule.
- B. Effective the first pay period in January in the years 2025 and 2026 wages shall be increased by the amount of the "San Francisco/Oakland/San Jose All Urban Consumers" Consumer Price Index from October to October, with a minimum of 0.5% and maximum of 4.5%.

- C. The following classifications are recognized as FLSA exempt status:
- Assistant Engineer II
 - Associate Civil Engineer
 - Customer Service Supervisor
 - Supervising Accountant
 - Management Analyst
 - Water Resources Planner

7.2 Overtime

- A. Overtime is defined as all hours required by Management and worked by the employee in excess of forty (40) hours in a work period as defined by the District. It is paid whether the work is continuous (i.e. directly following a regular shift), occurs as a result of an emergency call-back or occurs on a holiday. In accordance with the Fair Labor Standards Act (FLSA), overtime will be paid in quarter-hour increments with a minimum of seven and one half (7-1/2) minutes worked for every 15 minutes of overtime pay.
- B. Overtime will be paid at one and one-half times the base rate of pay unless the employee is eligible for overtime as defined by the FLSA.
- C. In accordance with the FLSA regulations, overtime is paid at one and one-half times the regular rate of pay to all eligible employees for time worked in excess of 40 (forty) hours in a work week. Sick, vacation, compensatory time, and holiday leave does not qualify as time worked for arriving at a 40-hour work week for the purposes of determining eligibility for FLSA overtime.

7.3 Compensatory Time Off

- A. Compensatory Time Off (CTO) is that time off given to compensate for; (1) overtime worked at the rate of time-and-one-half; (2) availability for on call duty and call back duty at straight time; and (3) in lieu holiday for holidays worked as a scheduled workday at straight time.
- B. The maximum use of all compensatory time is 60 hours per quarter. Accumulation of CTO is not limited; however, any balance will be paid off at the end of each calendar year. Employees may choose to carry over up to 40 hours of CTO into the next calendar year. Any overtime to be converted to compensatory time shall be converted in no less than one-half (1/2) hour increments. The procedure for requesting compensatory time off is the same as requesting vacation time. Vacation scheduling shall be as described in Section 8.4, and in accordance with Section 8.3 - Vacations. CTO will not be authorized if it creates the need to pay overtime to another employee to cover.

7.4 On-Call

- A. Because the District provides a vital community service, we must ensure 24 hour-a-day reliability. As 128 of the hours in a week are not within the normal work week, a significant portion of the work may occur as an emergency. Every employee is responsible for emergency work in their area of responsibility. Emergency work can arise at all hours, around the calendar, and at any District location. Employees must be available for repairs and other urgently needed services, no matter when they occur.

- B. In order to provide for this emergency service, certain Field employees' scheduled time will extend from 8:00 a.m. on Wednesday through 8:00 a.m. the following Wednesday. An employee so scheduled will receive 14 hours additional straight-time pay for being available during the assigned week, plus an additional 8-hour straight-time pay if a holiday falls within that period.
- C. Employees working on-call must be available to report to work within one hour.
- D. Off-Site Response:
 - 1) Employees may give directions to customers over the phone in lieu of traveling to the service address.
 - 2) However, an employee shall not give directions over the phone instructing the customer to turn off (or on) the water at the angle meter stop (meter box).
 - 3) Time spent on the phone is compensable as time worked but the employee will not be credited for any travel time. Time will be paid at a 15-minute minimum. An additional 15 minute minimum will not be given when the employee receives a subsequent call within the original (15) minute period.
- E. On-Site Response:
 - 1) As compensation for on-call time requiring response to the site, the employee will be credited with sixty (60) minutes straight time for travel time. However, travel time will not be given for on-call response that begins later than thirty (30) minutes prior to the regularly scheduled start of the shift during the normal work week (i.e., later than 7:30 a.m. for an 8:00 a.m. shift).
 - 2) An additional 60 minutes of travel time will not be given when it is necessary to return to the District yard in the course of a service call, when an employee leaves one job site to travel to another, or if the employee receives a subsequent service call within ten (10) minutes of the end of time worked.
 - 3) For employees using a District vehicle, time worked will begin when the employee arrives at the work site and will end when the employee leaves the work site.
 - 4) For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard and will end when the employee leaves the yard after the service call is completed.
 - 5) The start and end times under both scenarios will be verified the GPS system. Arrival is when the on-call vehicle is turned on at the designated site and end time is when the vehicle is turned off at the designated site.
- F. Employees who drive their private vehicle to District headquarters to pick up a District vehicle for on-call will not be reimbursed for mileage. Employees are not allowed to use a personal vehicle to respond to on-call service calls.
- G. Employees working service on-call shall take a uniform home for the duration of the duty. Time spent changing into and out of uniform will not be compensated.
- H. Change in Schedule. Any change made to the on-call service person's or the on-call supervisor's schedule must be submitted in writing and approved by the Operations and Maintenance Manager or designee.
 - 1) Approval will not be granted for requests for more than two (2) consecutive on-call duty assignments.
 - 2) No requests for less than one full day of the regularly scheduled on-call shift will be approved, except that one (1) time during each on-call rotation, a request for as few as four (4) hours of the regularly scheduled on-call shift will be approved.

- I. Employees assigned to on-call duty shall work a minimum of three (3) rotations per year. On-call duty shall be assigned on a weekly rotational basis. The District reserves the right to make mandatory assignments due to insufficient staffing, operational necessity as determined by the Operations and Maintenance Manager or designee or to enforce the minimum rotation requirement.
- J. Sickness or Emergency. In the event of sickness or unexpected emergency causing an employee to be unavailable for his/her scheduled on-call period, when no other personnel is available to take the on-call period, the next regularly-scheduled on-call person shall be assigned as the on-call person until the period ends. The employee who was unavailable for scheduled on-call period shall be put into the rotation as the next on-call person.
- K. In order to provide for emergency service, it is also necessary to provide for an On-Call Supervisor for each on-call shift. Certain Field employees may be designated as On-Call Supervisor. An employee so scheduled will receive 7 hours additional straight-time pay for being available during the assigned week, plus an additional 8 hours of straight-time pay if a holiday falls within that period.
- L. The role of the on-call supervisor is to assign and direct the work. This individual therefore, will not respond to perform the actual field work except in cases where:
 - 1) the urgency of the situation demands a rapid response, and the supervisor can be onsite before anyone else;
 - 2) the supervisor's presence is required on-site to direct the work;
 - 3) no one else is available; or
 - 4) the supervisor is uniquely qualified to perform the necessary work.
- M. Time responding under the first two cases listed above will be paid at the rate of time and a half. In the case of an on-call supervisor responding under situations 3 or 4 above, the response will not be considered part of the on-call supervisor responsibilities and the employee will be eligible to receive call-back pay under the provisions listed under Section 7.5.

7.5 Call-Back

If an employee who is not on call is called back for emergency work, he/she will receive 3 hours of straight-time pay plus forty-five (45) minutes straight time for travel time in addition to overtime for the actual time worked. For employees using their private vehicle, time worked will begin when the employee arrives at the District Yard. For employees using a District vehicle, time worked will begin when the employee arrives at the work site. Only one 3-hour payment will be granted during each 8-hour period, regardless of the number of times an employee is called back. Continuation of the regular work day will not be considered "call back"; the employee will be paid only for hours worked at the overtime rate.

7.6 Use of Privately Owned Vehicle for District Business

If an employee is required to use his/her own vehicle for District business, the employee will be reimbursed at the current IRS accepted rate. The employee will be subject to District rules contained in Appendix B of this agreement.

7.7 Compensation Study

During the term of this MOU, should the District conduct a compensation study for District positions other than the General Manager utilizing comparative agencies outside Santa Cruz, Monterey, or San Benito Counties, it shall conduct a similar study for the Mid-Management Employee bargaining group and shall reopen this agreement on the issue of wages only.

**ARTICLE 8
Employee Leave**

8.1 Holidays

A. District employees receive twelve paid holidays throughout the year, as follows:

- New Year's Day - January 1
- Martin Luther King's Birthday - third Monday in January
- Presidents' Day - third Monday in February
- Memorial Day - last Monday in May
- Juneteenth - June 19
- Independence Day - July 4
- Labor Day - first Monday in September
- Veterans' Day - November 11
- Thanksgiving Day - fourth Thursday in November
- Day after Thanksgiving Day
- Christmas Eve - December 24
- Christmas Day - December 25

B. When a holiday falls on a Sunday, the following Monday is observed as the holiday. When the holiday falls on a Saturday, the preceding Friday is observed as the holiday. If a holiday is observed while an employee is on authorized vacation or sick leave, the day will not be charged against that employee's accumulated leave time.

C. Holiday pay is at straight time for shift plus one-and-a-half time for time worked to the nearest quarter hour.

D. In order to qualify for holiday compensation, the employee is required to work or be on a paid status such as sick leave or annual leave on his/her last scheduled workday prior to the holiday and his/her first scheduled workday following a holiday.

8.2 Floating Holidays

In addition to the above fixed holidays, employees shall be granted sixteen (16) hours of floating holiday on July 1 of each year.

A. Floating holidays will be added to each employee's vacation accrual.

B. New employees shall be granted floating holidays on a fiscal year prorated basis based on their hire date.

C. When an employee terminates, the employee's entitlement to floating holidays will be calculated on a fiscal year prorated basis based on their termination date.

D. Employees will not be paid for floating holidays not previously earned or taken.

- E. The first 16 hours of vacation taken each fiscal year will be considered the floating holidays and scheduling will be the same as for vacation. Employees must use all floating holidays within the fiscal year that they are earned.

8.3 Vacations

Employees covered by this agreement are eligible for paid vacations. All vacation and other leave time is accrued on a bi-weekly basis.

- A. If possible, employees will be allowed to use vacation at the time of their choice; however, the service needs of the District must come first. Seniority, date of request and special individual circumstances will all be considered should scheduling conflicts occur. In the event of a conflict, the decision of the General Manager shall be final.

- B. Annual vacation entitlement shall be as follows:

<u>Years of Service</u>	<u>Vacation Earned</u>
1 through 3	12 days
4 through 5	14 days
6 through 8	17 days
9 through 10	19 days
11 through 13	22 days
14 through 16	23 days
17 through 19	24 days
20 and over	25 days

- C. Paid vacation is granted for the purposes of rest and relaxation, and all employees are encouraged to take at least one half of their vacation entitlement in the year that it is earned.
- D. An employee may accrue no more than twice the annual entitlement plus 40 hours of vacation as of June 30, unless specific written authorization is received from the General Manager. An employee may waive vacation time and remain on the job and receive additional pay in lieu of time off with the specific approval of the General Manager. Employees can only receive pay in lieu of vacation for vacation time already earned.
- E. If an employee leaves the District for any reason, he/she will be paid for any earned but unused vacation.

8.4 Vacation Scheduling

All requests for vacation usage shall be submitted by the individual requesting the leave. The amount of leave hours available will be verified by the employee’s supervisor for review and initial approval. The Department Manager has final approval. Guidelines for approval or denial of requests are as follows:

- A. Requests must be submitted in quarter-hour increments.
- B. When employees request similar dates for vacation leave, the District shall approve or deny said requests in accordance with the date the request was submitted and seniority. Requests for five or more consecutive days will be evaluated prior to requests for less than five consecutive days. Special individual circumstances will also be considered in

the determination of granting or denying leave requests. The decision of the General Manager is final and non-grievable.

- C. The maximum number of employees in this bargaining group that will be granted time off from the various sections is listed below. Operational issues may allow for changes to the maximum number that may be off in a particular section:
 - 1) Field (Operations and Maintenance) –Two (2) supervisors, provided the Operations and Maintenance Manager will be present
 - 2) Customer Service Office –One (1) employee unless prior coverage is arranged
 - 3) Customer Service Field – Two (2) employees
 - 4) Engineering – Two (2) employees
 - 5) Accounting – One (1) employee
 - 6) Administration – One (1) employee

Department Managers are not included in the above listed maximum, except as noted.

- D. Vacation and/or comp time used in lieu of sick leave, when an employee no longer possesses any sick leave shall not be subject to this scheduling policy.

8.5 Illness During Vacation

An employee who becomes ill or is hospitalized while on vacation and provides a written statement from a licensed medical practitioner to this effect shall have the period of illness charged against sick leave and not vacation leave.

8.6 Administrative Leave

- A. Mid-Management, FLSA Exempt status employees shall earn two days (16 hours) of paid administrative leave per fiscal year (pro-rated for part-time staff). This time off shall be used in the fiscal year in which it is earned and not carried over.
- B. FLSA Non-Exempt (“hourly”) Mid-Management employees are not eligible for Administrative Leave.

8.7 Personal Leave Office Staff

Office personnel are entitled to two additional days of personal leave annually in lieu of participation in the on-call rotation. This additional leave of sixteen (16) hours will be added to the employee's vacation balance on July 1 of each year. New employees shall be granted personal leave on a fiscal year prorated basis based on their date of hire. When an employee terminates; the employee's entitlement to personal leave will be calculated on a fiscal year prorated basis up to their date of termination. Employees will not be paid for personal leave not previously earned or taken. Scheduling of personal leave will be the same as for vacation.

8.8 Sick Leave

- A. Sick leave is accrued on a bi-weekly basis for a total of 12 days per year, beginning with the date of hire. There is no limit to the number of days of sick leave that can be accumulated. All normal benefits shall continue when an employee is on paid sick leave.

- B. Employees may use paid sick leave for illness or preventive care for themselves or a family member, as well as for the diagnosis, care, or treatment of their own, or their family member's existing health condition. Time off for doctor and dental appointments during normal working hours will be deducted from accrued sick leave. Paid sick leave may be used by an employee who is a victim of domestic violence, sexual assault or stalking.
- C. Family members are defined as the employee's parent, child, spouse, registered domestic partner, grandparent, grandchild, and sibling.
- D. Sick leave is to be used for illness or injury, unless such illness or injury arises from work for another employer. Improper use of sick leave may be grounds for disciplinary action.
- E. It is the employee's responsibility to notify their supervisor or designated District representative if they are to be off on sick leave before the start of their shift.
- F. Employees may be required to file a physician's certificate for their return to work, particularly if the absence lasts three days or more, or if there are a number of absences in a short period of time. In addition, the District may require a medical examination, at its expense, regarding an employee's ability to perform the essential functions of their job, with or without accommodation.

8.9 Personal Sick Leave Time Allowance

After completing the probationary period or if an employee meets the criterion outlined below on June 30 of any year, all qualified employees are entitled to convert three days of accrued sick leave to vacation time. This will reduce the accumulated sick leave balance by the converted amount. The criterion are:

- A. That not more than 8 days (64 hours) of the sick leave entitlement has been used during the prior year, AND
- B. That the employee has an accumulated balance of at least 10 days (80 hours) of sick leave as of June 30.

8.10 Sick Leave Incentive

Upon retirement or termination for other than gross misconduct, employees may elect to be compensated for unused sick leave according to the following line-item schedule of payment. Unused sick leave balances not cashed out are reported to CalPERS:

<u>Days of Unused Sick Leave</u>	<u>Straight-Time Payment Upon Termination</u>
For days 1 through 10	No Payment
For days 11 through 30	25% of days accrued
For days 31 through 50	45% of days accrued
For days 51 and over	60% of days accrued

8.11 Bereavement Leave

- A. If a death in an employee's immediate family occurs, the employee may be eligible, with approval by the Department Manager for up to two (2) days of District-paid Bereavement leave to attend to the needs of the family.
- B. The employee may also utilize up to three (3) days of sick leave, compensatory time or vacation leave for each subsequent incident and/or additional time beyond the District-paid days. If additional time is requested, the vacation scheduling rules apply.
- C. "Immediate family" shall be defined as spouse, registered domestic partner, parent, grandparent, child, step-parent or step-child, grandchild, sibling, and father or mother in-law, brother or sister in-law, and/or son or daughter in-law (in-law relationships also apply to the family members of registered domestic partners), or other close relation residing in the employees household.

8.12 Medical/Disability Leave Without Pay

Employees may request medical leave without pay and file for State Disability Insurance (SDI). Medical leave without pay shall be granted in accordance with the standards established by the Family Medical Leave Act ("FMLA") and the California Family Rights Act ("CFRA").

In case of extended disability beyond the FMLA/CFRA provisions and after exhausting all of his/her accrued paid leave (including vacation and comp time), an employee may request the Board of Directors to approve additional leave without pay. The request shall be initially submitted to Human Resources and must contain a statement from a health care provider setting forth the need for the leave and the probable duration.

8.13 Family & Maternity Leave

- A. The District shall implement family leave (including maternity leave) in accordance with the standards established under federal and state of California pregnancy leave laws, including the California Family Rights Act ("CFRA") and California Pregnancy Disability Leave (PDL). Such laws provide leave rights and protections for employees due to pregnancy, childbirth and/or related medical conditions.
- B. In addition, leave rights and protections for employees due to birth/bonding, adoption and foster care shall be implemented in accordance with the standards of the federal Family Medical Leave Act ("FMLA"), the California Family Rights Act ("CFRA") and other related laws, regulations or provisions. Any changes to the above listed provisions are subject to meet and confer.
- C. Human Resources will provide information and guidelines to individual employees on the related laws and benefits as family and maternity leave plans are being made, prior to taking leave.
- D. Additional personal leave related to pregnancy, birth/bonding, adoption or foster care may be granted by the employee's department manager depending upon the employees available leave accruals or comp-time earned. Impacts to District operations and existing will be considered.

If the employee has no available paid leave, the provisions of Article 8.15, Leave of Absence Without Pay will be followed.

- E. District employees are covered under State Disability Insurance (SDI) and Paid Family Leave (PFL) through the State of California. Employees seeking claims for SDI or PFL benefits are subject to approval by the State of California.
- F. Employees shall have the right to integrate SDI or PFL pay with any available paid accruals or comp-time earned. Employees must provide receipts of SDI or PFL payments to Human Resources and/or payroll.

8.14 Leave of Absence Without Pay

The General Manager will make every effort to accommodate an employee with up to a 30-day leave of absence without pay for any legitimate non-medical purpose, with the exception of other employment. The granting of this leave ensures that the employee can be reinstated to his/her same job or to another job in the same classification.

8.15 Benefit Accrual During Leave Without Pay

While on any type of leave without pay, employees will not accrue vacation, sick leave, Compensatory Time or holidays. In addition, time will not accrue toward service retirement or seniority. The District will not continue to pay for insurance coverage except when an employee is on FMLA/CFRA or extended Medical/Disability Leave; however, an employee on leave without pay for other than FMLA/CFRA reasons may continue group coverage by paying the premiums directly to the District for the duration of the leave.

8.16 Safety Leave

In the event a field employee is called out to perform work, or performs work from home for a minimum of one hour (the one hour minimum only applies to work from home and not to call outs) for the District between the hours of 12:00 a.m. and 6:00 a.m. on days immediately followed by a scheduled work shift beginning no later than at 8:00 a.m. or 8:30 a.m., that employee shall be granted paid safety leave which must be taken either at the beginning or end of their scheduled shift on that same work day.

- A. Safety leave shall be granted in the following increments:
 - 1. Hours worked between 12:00 a.m. and 8:00 a.m. which total four (4) hours or less: Two (2) hours paid safety leave.
 - 2. Hours worked between 12:00 a.m. and 8:00 a.m. in excess of four (4) hours: Hour for hour in 15- minute increments for those hours worked in excess of four hours.
- B. A maximum of six (6) hours safety leave shall be granted for any one shift. Safety leave is considered "time worked" for purposes of computing eligibility for overtime hours actually worked.

8.17 Supplemental Workers' Compensation Leave

Upon regular employment with the District, each Office and Field employee will be granted a one- time allocation of 60 hours of Supplemental Workers' Compensation Leave. This leave can be thought of as a District self-insured, long-term disability leave.

- A. Supplemental Workers' Compensation Leave can only be used to make up the difference of the payment by Workers' Compensation Insurance and regular salary, shall be used only in conjunction with Workers' Compensation Disability payments, and is subject to the same three-day waiting period.
- B. An employee cannot use this benefit unless eligible for Workers' Compensation Disability payments and only after all but 96 hours of accrued sick leave is used.
- C. In January of each year, employees who have not used their Supplemental Workers' Compensation Leave during the previous calendar year will be awarded 60 hours additional Workers' Compensation Leave with the maximum total accrual for each employee not to exceed 60 hours.
- D. The following examples should help clarify the supplemental Workers' Compensation leave:

		<u>Employee #1</u>	<u>Employee #2</u>	<u>Employee #3</u>
<u>2017</u>	Credit:	60 hours	60 hours	60 hours
	Used:	0 hours	10 hours	60 hours
<u>2018</u>	Credit:	60 hours	50 hours	0 hours
	Used:	20 hours	0 hours	0 hours
<u>2019</u>	Credit:	40 hours	60 hours	60 hours

8.18 Jury Duty and Public Service Leave

- A. If an employee is called for jury duty, the District will pay their regular salary for the duration of service. The amount paid for jury service will be deducted from the employee's regular salary so that the total amount does not exceed the normal salary.
- B. In all circumstances, an employee may not receive more than the total of their regular salary for any public service leave.
- C. If an employee regularly serves in a volunteer public safety capacity (fire or police), special paid leave will be granted if that employee is called for emergency service.

8.19 School and Child-Related Activities Leave

Employees are eligible to leave to attend to specified school activities of their children as required by California Labor Code section 230.8.

8.20 Military Duty and Military Family Leave

- A. Military leaves and benefit accruals while on military leave will be administered in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the California Military and Veterans Code.
- B. Military Family Leave entitlements will be administered in accordance with the Family Medical Leave Act (FMLA) and California Military and Veterans Code.

8.21 Payment of Accrued Leave Benefits Upon Death

If an employee should die while actively employed with the District, all accrued leave benefits will be paid as part of the final compensation, payable to the deceased employee.

**ARTICLE 9
Health and Welfare Benefits**

9.1 Medical Insurance Plans

The District provides medical insurance for employees and their eligible dependents following the applicable waiting period.

The maximum monthly District contribution, including the PERS required minimum, will equal 90% of the premium for the Blue Shield Access+ HMO plan listed for Santa Cruz County (the "base" plan). Employees enrolled in other plans will be required to pay any applicable additional cost. Employee premium contributions are paid through payroll deduction. In no event will an employee be credited based on the plan chosen.

9.2 Cash in Lieu of Medical Plan

If an employee is covered by other than District-offered medical insurance, the District, upon proof of other group medical insurance and written request by the employee to be excluded from the District's plan, will pay the employee as additional compensation, 30% of the adjusted premium. (The adjusted premium is defined as the monthly employer plan contribution identified in Article 9.1 – Medical Insurance Plans) Cash in lieu will be paid as a taxable cash benefit and participation must be renewed and verified annually.

9.3 Dental Plan

The District provides dental coverage for employees and their eligible dependents at no cost to employees. The current plan is the Delta Dental PPO Plan.

9.4 Vision Plan

The District provides vision coverage for employees and their eligible dependents at no cost to employees. The current plan is the VSP plan.

9.5 Flexible Spending Account (FSA)

The District offers two Flexible Spending Account (FSA) plans. The voluntary FSA plans reimburse enrolled employees for eligible out-of-pocket health expenses and child care expenses on a pretax basis.

9.6 Employee Assistance Program (EAP)

The District provides an Employee Assistance Program (EAP) for employees and their eligible dependents at no cost to employees.

9.7 Cafeteria Plans

Employee health plan premium contributions and FSA contributions are made through payroll deduction on a pre-tax basis in accordance with IRS regulations through the District's Section 125 Cafeteria Plans.

9.8 Life Insurance

The District provides a fully paid 2xSalary/\$200k maximum term life insurance plan for employees who work at least 30 hours per week following an applicable waiting period. Subject to the approval of the insurance provider, employees may purchase additional life

insurance up to the maximum offered by the provider. Dependent coverage of \$1500 for spouse and \$1000 for dependent children is also included.

9.9 Long Term Disability

The District provides a long-term disability plan through the Standard Insurance Company at no cost to employees who work at least 30 hours per week.

9.10 Insurance Continuation

Federal legislation (COBRA) entitles employees and/or dependents to continuation of group medical insurance at their expense for 18 to 36 months after termination, in most cases. Details of qualifying events, coverage and payment, as well as enrollment forms are available from Human Resources.

**ARTICLE 10
Retirement**

10.1 Retirement

The District provides employee retirement plan enrollment under the California Public Employees Retirement System (CalPERS).

A. Classic CalPERS Members

- 1) The District recognizes CalPERS “classic members” as those that do not fit within the definition of a “new member” defined in B.(1) below and by Government Code 7522.04, the Public Employee’s Pension Reform Act of 2013 (PEPRA)
- 2) For employees hired before August 1, 2013, as well as employees hired on or after August 1, 2013, who qualify for pension reciprocity pursuant to Government Code Section 7522.02 (c) and any related reciprocity requirements established by PERS, the District provides the 2.5% at 55 years retirement plan based on the average of the highest three years of the employee’s salary.
- 3) These employees shall pay 100% of the employee contribution as determined by PERS. The District shall not pick up any portion of the required employee contribution. The District has set up a qualifying plan under the IRC 414(h)(2) regulations that provides for employee contributions are to be treated as employer contributions for tax purposes; thereby retaining the tax exemption for deferred compensation.

B. PEPRA CalPERS Members

- 1) The District recognizes CalPERS “new members” as defined by Government Code 7522.04, the Public Employee’s Pension Reform Act of 2013 (PEPRA):
 - a) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California Public Retirement System.
 - b) A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who was a member with another California Public

Retirement System prior to January 1, 2013, and who is not eligible for reciprocity.

- c) A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months.
 - d) The District provides retirement coverage through the PERS retirement formula to these eligible employees under Government Code Section 7522.20 (2% at 62 years). This formula shall be based upon the employee's final 3-year average salary, as defined by Government Code 7522.32.
- 2) These employees shall pay at least 50% of the annual actuarially determined normal cost of their pension plan as determined by PERS. The District shall not pick up any portion of the required employee contribution. The District has set up a qualifying plan under the IRC 414(h)(2) regulations that provides for employee contributions to be treated as employer contributions for tax purposes; thereby retaining the tax exemption for deferred compensation.

10.2 Disability and Industrial Disability Retirement

The District provides coverage under the California Public Employees Retirement System (PERS) for all regular employees. The District contracts with CalPERS for two disability retirement plans; disability retirement and industrial disability retirement.

A. Disability Retirement

Disability retirement has no minimum age requirement and the disability does not have to be job related. However, an employee must have a minimum of five (5) years of CalPERS service credits to qualify for this type of retirement.

B. Industrial Disability Retirement

Employees hired prior to December 18, 2005 are also eligible for industrial disability retirement should they become permanently disabled from a job-related injury or illness. Industrial disability retirement has no minimum age or service credit requirement.

10.3 Service Retiree Medical Benefits

A. Employees hired prior to August 1, 2013:

- 1) The District will provide continuing basic medical care coverage only, up to the premium cost paid for active employees, to a retired employee and one eligible dependent upon service retirement, provided all of the following conditions apply:
 - a) The employee is not retiring in lieu of being terminated for cause;
 - b) The employee is 55 years of age or older;
 - c) The employee has at least 10 continuous years of District service;
 - d) Medicare or a similar form of governmental health care coverage is unavailable,
 - e) The retiree is not eligible for medical coverage at any other job; and
 - f) A retiree is not covered by a spouse's health insurance.
- 2) The District will pay a pro-rated share of this benefit to eligible part-time employees. The pro-rated share of the premiums shall be based upon the

proportion of the part-time employee's hours in relation to full time equivalency (FTE) calculated from date of hire.

B. Employees hired on or after August 1, 2013:

- 1) The District will provide continuing basic medical care coverage only, up to the 50% of the premium cost paid for active employees, to a retired employee and one eligible dependent upon service retirement, provided all of the following conditions apply:
 - a) The employee is not retiring in lieu of being terminated for cause;
 - b) The employee is 62 years of age or older;
 - c) The employee has at least 10 continuous years of District service;
 - d) Medicare or a similar form of governmental health care coverage is unavailable,
 - e) The retiree is not eligible for medical coverage at any other job; and
 - f) A retiree is not covered by a spouse's health insurance.
- 2) For employees who retire with more than 10 years of continuous service the District will provide an additional 5% of the premium cost for each year of continuous District service above 10 years, up to 100% of the premium cost paid for active employees.
- 3) The District will pay a pro-rated share of this benefit to eligible part-time employees. The pro-rated share of the premiums shall be based upon the proportion of the part-time employee's hours in relation to full time equivalency (FTE) calculated from date of hire.

10.4 Disability Retiree Medical Benefits

Upon disability retirement, the District will provide continuing basic medical care coverage, up to the premium cost paid for active employees, to a retired employee and one eligible dependent, provided the following conditions apply:

- 1) The employee has attained 55 years of age or has at least 20 continuous years of District Service;
- 2) Medicare or a similar form of governmental health care coverage is unavailable;
- 3) The retiree is not eligible for medical coverage at any other job; and
- 4) A retiree is not covered by an eligible dependent's health insurance.

10.5 Medicare Eligibility

- A. At such time as the retired employee becomes eligible for Medicare or its equivalent, the District will contribute the minimum PERS percentage toward the Medicare supplemental plan based on the United HealthCare (UHC) Group Medical Advantage PPO Plan, or the lowest cost Medicare supplemental plan offered by CalPERS, should the UHC plan be eliminated.
- B. Continued coverage for a retiree's spouse shall be determined based on that person's age and Medicare eligibility. The District will continue coverage under this program for surviving spouses of deceased eligible retirees.

10.6 Deferred Compensation

The District offers its employees the opportunity to voluntarily participate in a deferred compensation IRS Section 457 Retirement plan. Contributions are made through tax exempt payroll deduction.

**ARTICLE 11
Clothing and Safety**

11.1 Safety

The District and the employees desire to maintain a safe place of employment for all District employees and to that end, the District will work jointly with the Employees to make provisions necessary for the safety of employees in the performance of their work.

11.2 Clothing

- A. Rain gear and uniforms are furnished to Field employees, at District cost. Appropriate safety gear will also be provided to employees assigned to employees who are required to perform work in the field or at construction sites.
- B. Employees with fieldwork or outreach as part of their duties are provided an annual allowance of \$100 toward District logo wear.

11.3 Safety Shoes

- A. The District will reimburse up to \$250 per Field employee each fiscal year, toward the purchase of one pair of approved safety shoes or boots and may include orthotic inserts. If needed due to substantial wear, the Department Manager may authorize a second pair of footwear; however, the total reimbursement for all footwear provided by the District shall not exceed \$400 in any fiscal year. District purchased footwear is not to be worn off duty except to and from work.
- B. Employees assigned to other departments who are required to perform work in the field or at construction sites will be reimbursed for one pair of approved safety shoes on an as-needed basis with prior authorization of the Department Manager. These safety shoe reimbursements will not exceed once per year and the maximum allowance.
- C. To receive reimbursement for approved safety shoe purchases, an employee must submit the receipt to their Department Manager. If shoes are lost, stolen or damaged not due to the employee's negligence, the District can arrange for an emergency boot allowance or an allowance to be repaid by the employee over a specified period of time.

11.4 Worker's Compensation

District employees are covered by the California Workers' Compensation Laws. If an employee is injured or becomes ill as a result of work or working conditions, sick leave or other accrued leave may be used to make up the difference between the Workers' Compensation payment and full salary.

When an employee is injured or becomes ill from work-related causes, the employee must report this to his/her supervisor immediately. The initial doctor's visit will not be charged against sick leave. If an employee does not report the incident promptly or refuses a medical attention offer, the employee may lose the right to Workers' Compensation benefits.

Employees receiving Workers' Compensation disability payments will be considered to be in a paid status and will continue to receive sick leave, vacation, holidays and service accrual and all insurance benefits.

ARTICLE 12
Education, Licenses and Certifications and Other Incentives

12.1 Educational Incentive

It is the policy of the District to encourage employees to improve their job skills and career potential and, thereby, their effectiveness as District employees.

- A. With prior approval of the supervisor and the General Manager, and upon successful completion of the course(s), an employee will be reimbursed for the costs of tuition and books for courses in subjects that can be shown to improve the employee's job performance and/or District career potential.
- B. Classes should normally be scheduled for non-work hours; however, if this is not possible, an effort can be made to temporarily modify an employee's work schedule for the duration of the course.

12.2 Reimbursement for Licenses and Certificates

- A. The District will reimburse an employee for the actual costs of obtaining and maintaining required special licenses, certificates and registrations. The District will not however, pay additional fees when licenses are not renewed on time. Further the District will not pay for test prep courses or exam fees when these are required to renew a license that has been allowed to lapse.
- B. Reimbursements for two-day exam prep study courses and exam fees are limited to two attempts to obtain any single certification or license. Courses over two days are subject to prior approval by the department manager.
- C. Any employee who attends a District-paid prep study course and fails to register for or take the next scheduled test is not entitled to receive any further District-paid study courses to obtain that particular certification unless the failure to register or take the test was due to extenuating circumstances. The General Manager has sole discretion in determining what constitutes extenuating circumstances.
- D. With prior approval, a District vehicle may be used to attend any associated training or testing. Mileage will be reimbursed when a personal vehicle is used.
- E. Fees for California Class C driver's licenses shall not be reimbursed under this provision; however, reimbursement shall be provided for that portion of a Class A and/or B license fee and/or hazardous material endorsement fee, where such licenses and/or endorsements are required by the job class specifications.
- F. The District will pay wages for time spent in test taking for required licenses and certifications.

12.3 Certification Stipends

- A. As an incentive to encourage employees to acquire knowledge in areas related to current or future position(s), the District will provide a monthly stipend of \$50 per

certification based on certification at a higher level than what is required for the current classification. The stipend is not subject to any cost-of-living increases and will continue as long as the certification is maintained and not a requirement of the position. The stipend will, however, cease upon promotion or transfer to a higher classification which includes the certification as a requirement.

- B. Probationary employees are not eligible to receive a certification stipend until the probationary period is satisfactorily completed and the required certification for the current position is obtained.

- C. Only one (1) distribution certification and one (1) treatment certification at a level above the requirement for the current classification will be approved. Obtaining additional certification will not result in the loss of the stipend. Approved certifications are listed below, however these may be subject to change and the employee shall submit a written request for approval from the Department Manager prior to seeking the certification.

Position	Required Certifications	Approved Certifications	Maximum Stipend
Assistant Engineer I/II	Grade D-2	Grade D-3 and Grade T-1	\$100/month
Associate Civil Engineer	Grade D-2	Grade D-3 and Grade T-1	\$100/month
Customer Service Field Supervisor	Grade D-2	Grade D-3 and Grade T-1	\$100/month
Operations & Maintenance Supervisor	Grade D-4 and Grade T-2	Grade D-5 and Grade T-3	\$100/month

12.4 Green Commuter Incentive

- A. Eligibility – Staff eligible for other District-provided benefits (full-time or part-time) and who have a work schedule which typically reports to the District office between 6am and 10am during the regular work week are eligible to participate in the Green Commuter Incentive program.

- B. Daily Cash Incentive – For each regular workday an eligible staff member walks, bicycles (including ebikes), uses public transportation or carpools vs. driving alone to work, the District will pay \$1.50. Participating employees must certify they have opted for program-allowable commute options. Green commuter incentives are considered taxable income.
 - 1. Only one daily cash incentive is available for regular round trip commute to the District office, Monday-Friday. Due to the need for immediate response, on-call and emergency call-back responses are not eligible.
 - 2. If combining walking or cycling with public transit commute options, employees are only eligible for one daily cash incentive, but may be eligible for the public transit subsidy and daily cash incentive as described in section C.
 - 3. Payments are taxable income and are processed in the payroll cycle for which the incentive is earned.

- C. Public Transit Subsidy – In addition to the daily cash incentive, eligible employees are also eligible for reimbursement of up to the cost of a 31-Day Santa Cruz Metro pass to use public transit by submitting receipts for the purchase of transit passes.

- D. Certification Process – Eligible staff wishing to participate must submit a Green Commuter Incentive participant election form to Human Resources. Upon approval, Human Resources will notify Payroll to activate Green Commuter Incentive payroll entry. Participants must submit qualifying entries in their daily time/attendance and will be paid in the payroll cycle for which the incentive is earned. Late submission disqualifies an employee from receiving the incentive as requested.
- E. Guaranteed Ride Home - In the event of a bona fide emergency or if unscheduled overtime is required by the supervisor/manager, registered green commuters will be offered a guaranteed ride home by District-approved means.

**ARTICLE 13
Layoff**

The District Board may eliminate any position in the classified service as identified by classification due to lack of funds, work, or need. Whenever, in the judgment of the District Board, it becomes necessary to eliminate any position of employment, the employee may be laid off, bumped to another position, or be reassigned according to the procedures outlined below.

13.1 Notice of Layoff

Employees to be laid off shall be given at least thirty (30) calendar days prior written notice, except during financial emergencies where notice may be shorter. The notice will contain the following:

- A. Reason for layoff
- B. Effective date
- C. Notification of right to meet and confer

Representatives of the Mid-Management Employees Bargaining Group shall receive a copy of the notice using the same timeline and shall be afforded the opportunity to meet and confer.

13.2 Order of Layoffs

Employees to be laid off within a Classification shall be determined by seniority/date of hire in classification, in the following order:

- 1) Temporary/Limited Term (no layoff rights)
- 2) Probationary
- 3) Regular part-time (unless lack of work/funds affords the ability to maintain regular part-time work versus full-time)
- 4) Regular full-time

13.3 Reassignment in Lieu of Layoff

A. Bumping:

Employees may elect reassignment or bumping to the same or previously held classification in lieu of layoff, in accordance with the following provisions:

- 1) An employee may request reassignment to the same classification anywhere in the District provided the employee is more senior than the least senior employee in that classification.
- 2) An employee may request reassignment to a classification in which the employee previously held regular status provided the employee is more senior than the least senior employee in that classification.
- 3) Seniority is determined by adding together time in all other classifications to the previously held lower classification to which the employee is attempting reassignment (bumping).

B. Reassignment to a position not previously held:

1) Vacancy:

An employee may be reassigned to a different position in lieu of a layoff if, at the time of layoff a vacancy exists for which the employee is qualified as described in the job description.

- a. Qualifications will be based on meeting the minimum qualifications (MQ's), and the ability to retrain within ninety (90) days.
- b. After ninety (90) days, a review will be made by the General Manager upon recommendation of the Department Manager, to determine whether the employee is qualified to fill the position as a regular appointment.

2) Classification Series:

An employee may request reassignment to a lower classification within their current job family series, provided the employee is qualified and is more senior than the least senior employee in the lower classification.

- b. The determination of whether an employee is qualified to work in another classification will be made by the General Manager upon recommendation of the Department Manager.

13.4 Re-employment

Individuals laid off or reassigned shall be placed on a re-employment list in order of seniority for a period of eighteen (18) months. The person highest on the list for a particular classification when a vacancy occurs in this classification, or in a subordinate related classification, shall be offered the appointment without going through the normal selection process, but subject to the following procedures:

- A. Persons on a re-employment list may be required to pass a normal pre-employment/post-offer physical examination, or other qualifying examinations prior to reappointment.
- B. A person offered re-employment must respond to a formal, written offer within ten (10) working days and be available to work within two (2) weeks from the date of offer. The person will be notified by email and by certified mail - return requested to the last known address.
- C. A person's name will be removed from the re-employment list for the following:
 - 1) An offer of re-employment is refused
 - 2) Failure to respond to a written offer within ten (10) working days
 - 3) the individual submits a written request to be removed from the list.
- D. Upon re-employment, all rights and benefits acquired by the individual prior to layoff shall be restored, including credit for years of employment towards seniority, leave

accrual rate and previous pay step. In no event, however, will the District be required to restore credits for vacation or other benefits paid out at the time of separation or coverage for any group insurance programs for the period the employee was not working for the District.

- E. An interested person on a re-employment list may elect to be available for temporary work and shall be given preference for work in any department in the individual's former classification, or other classification for which the individual is qualified or as defined above. Any interested person must provide contact information where they can be reached to the Human Resources Office. Failure to respond to a written notice of such an offer of work within ten (10) working days shall result in disqualification.

13.5 Job Counseling and Placement Services

It is the District's intent to assist laid off employees through the transition from District service. The Human Resources office will function as a clearinghouse for information and referrals on outside employment, training opportunities, and potential re-employment opportunities with the District.

13.6 Retraining

It is the District's intent to consider on-the-job training programs for laid off employees and employees designated for layoff who may be interested in applying for other vacant positions within the District for which they may or may not be fully qualified.

- A. If an employee's qualifications are judged to meet the minimum desirable qualifications as outlined in the job description or, if in the opinion of the department manager, it is reasonable to expect the employee to meet the minimum desirable requirements within a 90-day period of on-the-job training, the District will consider the laid off employee along with any other applicants.
- B. An employee who is placed in a position under this provision shall have their name removed from any re-employment lists.
- C. If the position in which the employee is placed is considered a promotion, the employee shall serve a probationary period.

13.7 Severance Benefits

A permanent employee separated from District service as a result of this Article shall have his/her insurance benefits paid by the District at the same level as while employed for a period of ninety (90) calendar days from the date of separation. At the end of the ninety-day period, post-employment insurance continuation will be administered in accordance with COBRA regulations.

**ARTICLE 14
Discipline**

14.1 Discipline Process

- A. The purpose of discipline is to improve employee performance, not merely to chastise or punish the employee. Accordingly, any necessary discipline shall be approached positively and in a spirit of fairness and equal treatment. Any actions shall be consistent from department to department and shall follow a logical series of progressive steps, each step documented by a supervisor's notes in an employee's personnel file.

B. In general, the process is as follows:

- 1) Counseling - in which performance deficiencies are verbally explained to the employee and suggestions for improvement made. The supervisor should note the date, time and subject, but no formal record will be made in the employee's personnel file.
- 2) Verbal Reprimand - in which the employee is formally warned regarding his/her performance and a notation is made in the employee's personnel file.
- 3) Written Reprimand - in which an employee receives a written notice documenting the performance problem with a copy to the employee's personnel file.
- 4) Suspension - in which an employee is suspended from work without pay for a period of one to fifteen days.
- 5) Dismissal - in which the employee is terminated for cause.

Discipline may progress through the various steps or may begin at any step, depending upon the nature of the infraction. The immediate supervisor may exercise discipline through suspension. In any event, each step above employee counseling will be reviewed by the General Manager.

14.2 Action Prior to the Imposition of Discipline

Except for verbal or written reprimands or where circumstances dictate the District taking immediate action to remove the employee from the workplace, the District shall provide the affected employee with 5 working days written notice prior to taking disciplinary action. In cases where immediate action is dictated, written notice shall be provided the employee within two (2) working days from the date of the action.

14.3 Notice of Disciplinary Action

Written notice of any major disciplinary action resulting in suspension of at least 5 working days, demotion, or dismissal shall be provided to the employee via certified mail and shall include:

- 1) The nature of the disciplinary action.
- 2) The effective date of the action.
- 3) A summary of the act of the employee that resulted in this disciplinary action.
- 4) A statement advising the employee of his/her right to appeal.

14.4 Disciplinary Appeal

All disciplinary action taken against an employee in District service must receive the approval of the Department Manager.

A. Minor Discipline

In cases of verbal or written reprimand or suspension of up to five (5) working days, the affected employee shall have the right of appeal up through the General Manager.

Step 1:

An employee who has received discipline from a supervisor may appeal to the Department Manager within ten (10) days from the imposition of the discipline. The appeal must be submitted in writing and contain the following:

- 1) Name of the employee;
- 2) Name of the supervisor;
- 3) Type of discipline imposed;
- 4) Date the discipline was imposed;
- 5) Reasons why the employee believes the discipline is inappropriate;
- 6) Corrective action desired; and
- 7) Name of any person or representative chosen by the employee to participate in the disciplinary appeal hearing.

Upon receipt of the written appeal, the Department Manager shall talk with the employee, the immediate supervisor and others as appropriate and, within ten (10) working days, prepare a written decision to either uphold, repeal or amend the disciplinary action and the basis for the decision.

Step 2:

If the employee remains dissatisfied with the decision of the Department Manager, that decision may be appealed in writing to the General Manager within five (5) working days of receiving the Department Manger's decision. The General Manager will consider all aspects of the appeal, gathering information from others, including the employee and his/her representative, and shall render a final written decision within ten (10) working days after meeting with the employee.

B. Major Discipline

In cases of proposed major discipline (suspension of greater than five working days, demotion, or termination), the employee may request a "Skelly Hearing" within five (5) working days of receipt of a Notice of Intent.

The Department Manager shall hold the Skelly hearing within five (5) working days of the employee's request and shall render a written decision within five (5) working days following the Skelly hearing.

The employee may appeal the Department Manager's decision to the General Manager within five (5) working days of receipt. The General Manager shall meet with the employee and his/her representative and shall render a final written decision, which will include as necessary Board and Attorney review, within ten (10) working days after completion of the meeting or meetings with the employee. The decision of the General Manager, after any necessary review by the District Board and Attorney, will be final.

14.5 Causes for Disciplinary Action by the District

The District may take disciplinary action against a permanent or probationary promotional employee for misconduct including, but not limited to: fraud in securing employment by making a false statement on an application for employment or on any supporting documents furnished with or made a part of any application; incompetency such as failure to comply with the minimum standard of an employee's position for a significant period of time; inexcusable neglect of duty, such as failure to perform duties required of an employee within his/her position; willful disobedience and insubordination such as a willful failure to submit to duly appointed or acting supervisor or conform to duly established orders or directions of persons in a supervisory position; dishonesty involving employment; being under the influence of alcohol or intoxicating drugs when reporting to duty or while on duty; inexcusable absence without leave; conviction of a felony, or a misdemeanor involving moral turpitude, which shall be deemed to include only crimes involving dishonesty or character depravity; improper or unauthorized use of District property; violation of the

Rules and Regulations of any department, which Rules and Regulations are adopted pursuant to or continued to these Rules and Regulations; violation of Safety Rules; any willful act of conduct undertaken in bad faith which either during or outside of duty hours is of such a nature that it causes discredit to fall upon the District, the employee's department or division. Willful failure to maintain proper decorum during working hours causing discredit to the employee's department or division; discourteous treatment of the public or District Board Members; abuse of sick leave; inattention to duty, tardiness, indolence, carelessness or failure to report to work or to call in according to the District's Employee Handbook; acceptance, from any source, of a reward, gift or other form of remuneration in addition to regular compensation by an employee for the performance of official duties; falsification of any District report or record.

14.6 Use of Video Surveillance Cameras

The District may use video cameras as evidence for the discipline or discharge of an employee for any reason listed as Causes for Disciplinary Action by the District (Article 10.5). If the information from the video is to be used to discipline or discharge an employee, the District must provide the Employees, prior to the hearing, an opportunity to review the video used by the District to support the discipline or discharge. The District shall not install or use video cameras in bathrooms or places where employees change clothing.

The District shall notify staff of the locations of all surveillance cameras on District properties. If the District installs new surveillance equipment it shall notify the Employees.

ARTICLE 15
Savings Clause

If any article or section of this MOU or any rider thereto should be held invalid, illegal or unenforceable by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal pending final determination as to its validity or legality, the remainder of this contract or any rider thereto, or the application of such article or section to persons or circumstances other than those which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

It is further the intent that should any article or sections of this MOU be held invalid, illegal or unenforceable and inoperable, that article or section shall be renegotiated in an attempt to provide validity, legality and acceptability to such section or article.

Amendments to Agreement - This Agreement may be amended only by the mutual written agreement of the parties. Such amendments shall be lettered, dated, and signed by the parties and shall constitute a part of this Agreement.

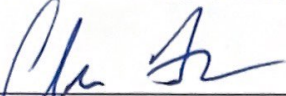
ARTICLE 16
Entire Agreement

The parties acknowledge that during the negotiations resulting in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties are set forth in this agreement. Therefore, the District and the Employees, for the duration of this agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject covered in this agreement, except as specifically appropriate under Section 4.1. This agreement may only be amended during its term by the mutual agreement in writing of both parties.

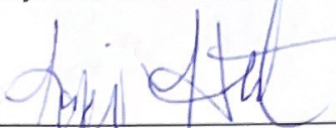
This MOU contains the entire agreement between the parties hereto and neither party shall be bound by any statement, representation, agreement, stipulation, or provision made prior to the execution here of and not set forth herein.

**ARTICLE 17
Term**


This MOU shall expire on July 31, 2026. No sooner than ninety (90) days prior to the expiration, the parties shall meet and confer, at the request of the Employees or the District, to amend or extend this Memorandum of Understanding.



Chris Freels
Employee Negotiator



Traci Hart
District Negotiator



Eileen Streller
Employee Negotiator

Date: 10-12-23

Date: 10/12/23

October 17, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Consent Agenda Item No. 4.6

Title: Deny Claim of Damage – Palm Terrace Mobilehome Owners Association, Inc., 2711 Mar Vista Drive, Aptos; Alleged Damages to Underground Water Lines

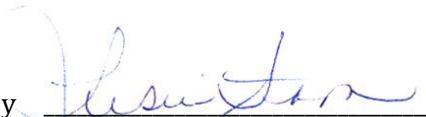
Attachment(s):

1. Claim No. 23-05 and Attachments: 12 pages

Submitted for the Board’s review is Claim No. 23-05, along with the above referenced attachments. The claimant, Palm Terrace Mobilehome Owners Association, Inc., at 2711 Mar Vista Drive in Aptos, alleges damage underground water lines due to work being performed on the Mar Vista Pressure Reducing Valve (PRV) back in 2022. There was a misunderstanding about the claimant’s response to an earlier inquiry, which is why this claim is delayed. The claimant is seeking reimbursement of \$36,215.00 for damage to underground water service lines allegedly caused by pressure spikes during work on the Mar Vista PRV. As the amount of the claim exceeds \$2,500, staff recommends the claim be denied and forwarded to the Joint Power Insurance Authority (JPIA) for resolution.

POSSIBLE BOARD ACTION(S):

1. By MOTION, deny the subject claim and forward to JPIA for review and resolution.

By 
Leslie Strohm
Finance and Business Services Manager

Leslie Strohm

From: noreply@civicplus.com
Sent: Sunday, November 27, 2022 11:17 AM
To: Leslie Strohm; Ryan Kinney; Rebecca Rubin
Subject: Online Form Submittal: Claim Form

Claim Form

Step 1

ANSWER ALL QUESTIONS, OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT

Claimant

Name	Palm Terrace Mobilehome Owners Association, Inc.
Email Address	contactptmoa@gmail.com
Address	physical: 2711 Mar Vista Drive - mailing: PO Box 2200
City	Aptos
State	CA
Zip Code	95001
Phone Number	831-607-9711
Witness Contact	Palm Terrace's Board of Directors

Step 2

Date and Time of Occurrence	6/29/2022 5:30 PM
Place of Occurrence	2711 Mar Vista Drive
Circumstances	On June 29, 2022, it became known to Palm Terrace's Board of Directors that a Soquel Creek Water water pressure regulator on or near Soquel Drive had been faulty and was the cause for substantial damage to Palm Terrace's underground water lines. The water pressure reached close to 100 psi and caused several underground water lines to burst. Palm Terrace spent over \$35k on plumbers fees to stop the water leaks caused by the burst pipes and to repair the damaged pipes.
Upload	IMG_20220518_152917.jpg

ATTACHMENT 1 - CONSENT AGENDA ITEM 4.6

Step 3

General Description	\$35+ in plumbers fees
People Involved	unknown
Amount Claimed	Mr. Rooter bills in the amounts of \$11,321, \$4,442, \$10,211, \$6,352, \$3,889
Electronic Signature Agreement	I agree.
Electronic Signature	Angela Fischer, as Treasurer of Palm Terrace Mobilehome Owners Association, Inc.
Date	11/27/2022

Email not displaying correctly? [View it in your browser.](#)

From: [Leslie Strohm](#)
To: angela.ptmoa@gmail.com
Subject: RE: FW: Online Form Submittal: Claim Form
Date: Monday, December 19, 2022 3:01:00 PM

Hi Angela,

The claim form you provided says the date of the incident was 6/29/2022 at 5:30 pm. All of these plumbing invoices predate the incident date. Do you have any invoices that support repairs made due to the incident you are claiming occurred on 6/29/2022?

Thanks,

Leslie

From: angela.ptmoa@gmail.com <angela.ptmoa@gmail.com>
Sent: Friday, December 9, 2022 9:00 PM
To: Leslie Strohm <leslies@soquelcreekwater.org>
Subject: Re: FW: Online Form Submittal: Claim Form

Hello again, Ms. Strohm,

Attached are a few additional invoices related to the leaks caused by the high water pressure from the faulty regulator. These were for finding the exact locations of the leaks.

Angela Fischer, Treasurer
angela.ptmoa@gmail.com
Palm Terrace Mobilehome Owners Association, Inc.
PO Box 2200, Aptos, CA 95001

On Tue, Dec 6, 2022 at 11:55 AM Leslie Strohm <leslies@soquelcreekwater.org> wrote:

Good morning Angela,

I have received your claim dated November 27, 2022. In order to consider your claim I will need copies of the Mr. Rooter bills. You can email them to me or send them USPS, whichever is easier

for you.

Please let me know if you have any questions.

Thanks,

Leslie Strohm (she/her) | Finance and Business Services Manager
Soquel Creek Water District | 5180 Soquel Dr., Soquel CA 95073 | www.soquelcreekwater.org
direct 831-475-8501 x132 | main 831-475-8500

 Please consider the environment before printing this e-mail

From: noreply@civicplus.com <noreply@civicplus.com>
Sent: Sunday, November 27, 2022 11:17 AM
To: Leslie Strohm <leslies@soquelcreekwater.org>; Ryan Kinney <ryank@soquelcreekwater.org>;
Rebecca Rubin <beccar@soquelcreekwater.org>
Subject: Online Form Submittal: Claim Form

Claim Form

Step 1

ANSWER ALL QUESTIONS, OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT

Claimant

Name	Palm Terrace Mobilehome Owners Association, Inc.
Email Address	contactptmoa@gmail.com
Address	physical: 2711 Mar Vista Drive - mailing: PO Box 2200
City	Aptos
State	CA
Zip Code	95001
Phone Number	831-607-9711
Witness Contact	Palm Terrace's Board of Directors

Step 2

Date and Time of Occurrence	6/29/2022 5:30 PM
-----------------------------	-------------------

ATTACHMENT 1 - CONSENT AGENDA ITEM 4.6

Place of Occurrence	2711 Mar Vista Drive
Circumstances	On June 29, 2022, it became known to Palm Terrace's Board of Directors that a Soquel Creek Water water pressure regulator on or near Soquel Drive had been faulty and was the cause for substantial damage to Palm Terrace's underground water lines. The water pressure reached close to 100 psi and caused several underground water lines to burst. Palm Terrace spent over \$35k on plumbers fees to stop the water leaks caused by the burst pipes and to repair the damaged pipes.
Upload	IMG_20220518_152917.jpg

Step 3

General Description	\$35+ in plumbers fees
People Involved	unknown
Amount Claimed	Mr. Rooter bills in the amounts of \$11,321, \$4,442, \$10,211, \$6,352, \$3,889
Electronic Signature Agreement	I agree.
Electronic Signature	Angela Fischer, as Treasurer of Palm Terrace Mobilehome Owners Association, Inc.
Date	11/27/2022

Email not displaying correctly? [View it in your browser.](#)





April 21, 2021

Palm Terrace HOA
ATTN: Evans Management Services
871 38th Ave
Santa Cruz, CA 95062

Subject: Service Replacement – Backflow device location

Dear Palm Terrace HOA,

This letter is a follow up to a letter that was sent in October 2020 regarding installation of a backflow prevention device and an upcoming increase to water pressure. To summarize the previous letter, it is your responsibility to install a backflow prevention device on your service by the end of the Calendar year 2021 as well as prepare for a modest increase to pressure. Please review the prior letter for details, included as an attachment for your convenience.

The District needs to replace your water service as part of our work in this area and I would like to coordinate with the Palm Terrace HOA regarding the exact location of the service replacement. Considering you will need to find a place to install the above ground backflow device, I want to make sure the new service location lines up with your plans.

I've attached a photo with some markups showing where I'm proposing the new service be located. Your above ground backflow device will need to be installed directly after your meter in accordance with the attached standard detail.

Please reach out to me to coordinate a time to meet with someone who is responsible for the HOA owned facilities out in the field.

Sincerely,
SOQUEL CREEK WATER DISTRICT

Brice Dahlmeier, P.E.
Associate Engineer
Phone: (831) 475-8501 x120
briced@soquelcreekwater.org

Attachments: Photo of proposed new water service location, Backflow Device Detail, Letter dated Oct 6, 2020



Customer's Existing point of Connection
2711 Mar Vista Dr

Green Boxes are possible locations for an above ground backflow device

Proposed New Service line and meter

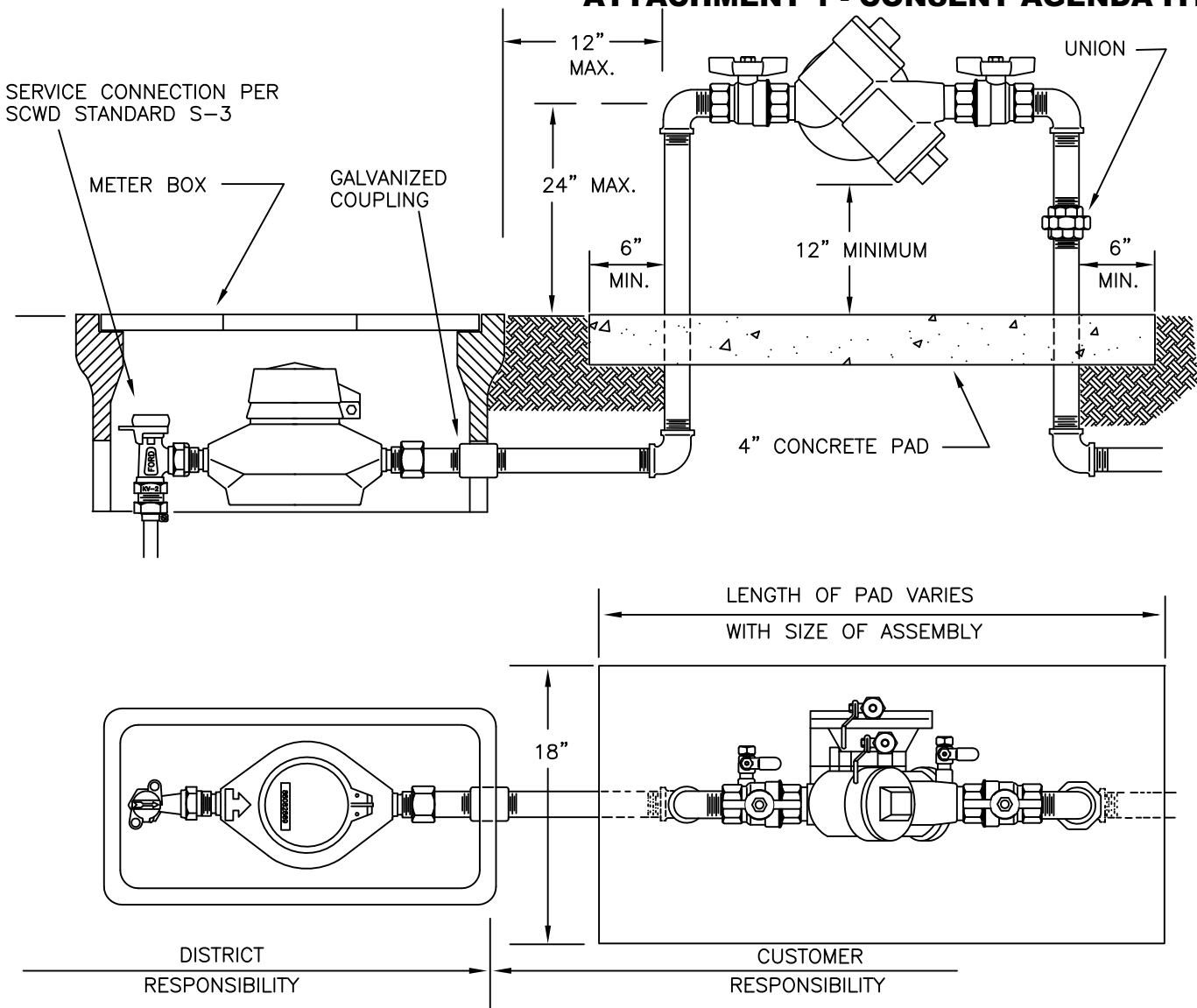
Mar Vista Dr. looking North

Water Main

Existing Service Line w/ 2" Meter

Existing Hydrant Lateral

ATTACHMENT 1 - CONSENT AGENDA ITEM 4.6



NOTES:

1. REDUCED PRESSURE BACKFLOW PREVENTION ASSEMBLY SHALL BE FROM THE DISTRICT'S LIST OF APPROVED ASSEMBLIES.
2. ASSEMBLY SHALL BE READILY ACCESSIBLE FOR REPAIR AND INSPECTION.
3. PIPE SHALL BE STANDARD GALVANIZED SCHEDULE 40 STEEL, OR COPPER IF COPPER PIPING IS USED.
4. FITTINGS SHALL BE STANDARD GALVANIZED MALLEABLE IRON, OR COPPER IF COPPER PIPING IS USED.
5. ALL PIPE AND FITTINGS BELOW GROUND OR IN CONCRETE TO BE PRIMED AND WRAPPED WITH PROTECTIVE TAPE.
6. ALL GALVANIZED IRON PIPE ABOVE GROUND TO BE PAINTED WITH DARK GREEN ENAMEL.
7. ASSEMBLY TO BE SET LEVEL AND STANDPIPES PLUMB.
8. MINIMUM OF ONE UNION, INSTALLED IN HORIZONTAL OR VERTICAL PIPING.
9. A REDUCED PRESSURE PRINCIPLE BACKFLOW PREVENTION ASSEMBLY SHALL HAVE A MINIMUM SIDE CLEARANCE OF TWELVE INCHES, EXCEPT THAT A MINIMUM SIDE CLEARANCE OF 24" SHALL BE PROVIDED ON THE SIDE OF THE ASSEMBLY THAT CONTAINS THE TEST COCKS AND OR RELIEF VALVE.
10. ANY DEVIATION OF INSTALLATION FROM THE DIAGRAMS AND DESCRIPTIONS PROVIDED, SHALL HAVE APPROVAL OF SOQUEL CREEK WATER DISTRICT'S BACKFLOW SPECIALIST PRIOR TO INSTALLATION.

STD S-19

SOQUEL CREEK WATER DISTRICT

P.O. BOX 1550 CAPITOLA, CALIFORNIA 95010

CAD: JTS

DATE: JULY-12

CHECKED: MJW

APPROVED: MJW

**3/4-INCH TO 2-INCH
REDUCED PRESSURE PRINCIPLE BACKFLOW
PREVENTION ASSEMBLY INSTALLATION**

STD. NO.

S-19



Board of Directors
Dr. Bruce Daniels, President
Rachél Lather, Vice-President
Dr. Thomas R. LaHue
Dr. Bruce Jaffe
Carla Christensen

Mail: P.O. Box 1550 • Capitola, CA 95010 • Office: 5180 Soquel Drive, Soquel, CA 95073

Tel.831.475.8500 • Fax.831.475.4291 • www.soquelcreekwater.org

Ron Duncan, *General Manager*

October 6, 2020

PALM TERRACE MOBILE HOMEOWNERS ASSOCIATION INC
871 38TH AVE
SANTA CRUZ, CA 95062

Subject: Construction Notice & Mar Vista Dr. Water Pressure Increase at 2711 MAR VISTA DR

Dear Property Owner,

As part of the upcoming Soquel Dr. Cast Iron Main Replacement Project, Soquel Creek Water District will be installing some new infrastructure to increase the pressure on Mar Vista Dr. This project will impact the property at 2711 MAR VISTA DR in Aptos. Water pressure has historically been 30-40 psi and the new pressure regulating valves will allow the District to raise the pressure up to 65 psi in this area. This increased pressure will greatly benefit the area through better fire flows and higher flows out of shower heads and faucets. While the project will take place over the next 12 months, your property will likely experience increased water pressure in Summer 2021. A more detailed timeline will be provided once it is available.

Permanent Impacts

While this increase in pressure will be well within the typical range allowed by the California Plumbing Code, please be aware that any increase in pressure may cause leaks on your private side plumbing. If you have old and fragile plumbing (ie. old galvanized steel from the 1960s) you may want to consider contacting a plumber to assess your situation. Replacing old fragile piping may be a good proactive solution, but this may be expensive. You might also consider installing a pressure regulating valve to maintain the current pressure of the water in your home, which would most likely be cheaper than replacing existing plumbing. When the District transitions to this new operating pressure, we will have staff on site to respond to any customer side leaks and turn off water service while repairs are made. While we hope leaks will be minimized, coordinating and paying for leak repairs beyond the water meter will be your responsibility. We hope that you agree that the improvement in water pressure is a benefit that outweighs the possible leaks that may occur.

Temporary Construction Impacts

There will be a need to shut off your water service for several hours during this project when the new infrastructure is connected to the existing water mains in Mar Vista Dr. The District will distribute notices to be hung on your front door 3 days ahead of the scheduled shutoff.

Timeline

As mentioned earlier, this work is part of a larger main replacement project that will be replacing a failing cast iron watermain along Soquel Dr. from Cabrillo College to State Park Dr. Construction of this entire project is expected to span over a year, starting in September. The detailed schedule is still under development from the District’s contractor but the pressure increase will likely happen in the Summer of 2021.

Installation of Backflow Prevention Device

The District requires water services to be equipped with a backflow prevention device if there are multiple homes off of one service (ie. mobile home parks), if your home has a sewage injection pump, a pump to boost water pressure or significant irrigation. Backflow prevention devices can reduce pressure by 5-10 psi, so requiring a device for your service right now would lower your pressure to an unacceptable level. However, once the pressure increase has gone into effect for your water service, the District will require you to install a backflow device if you meet any of the above conditions. The District will require the backflow device be installed by December 31, 2021, so please make the financial arrangements necessary to have the work completed by then. The device shall be a Reduced Pressure Backflow Prevention Assembly that is on the current list of Approve Backflow Prevention Assemblies published by the University of Southern California (USC). This list can be viewed online by going to <http://fccchr.usc.edu/list.html>

If you have any questions regarding backflow prevention, please call our backflow prevention specialist, Doug Martin, at (831) 475-8501 x 121.

Thank you for your patience and understanding while we work to improve the community's drinking water system. If you have questions, please feel free to reach out by phone or email. Attached to this letter you will find a picture of an underground vault that is similar to what will be installed at the intersection of Madeline Dr. and Mar Vista Dr. to allow for this water pressure increase.

Sincerely,
SOQUEL CREEK WATER DISTRICT



Brice Dahlmeier, P.E.
Associate Engineer
Phone: (831) 475-8501 x120
briced@soquelcreekwater.org

Attached: Photo of underground Pressure Regulating Valve Vault

Photo of Underground Vault Installation on Sumner Ave. in Aptos



PALM TERRACE MOBILE HOMEOWNERS ASSOCIATION INC
871 38TH AVE
SANTA CRUZ, CA 95062

This picture is the bottom half of an underground vault with valving to regulate pressure from a high pressure zone to a lower pressure main. A very similar underground vault will be installed near the intersection of Madeline Dr. and Mar Vista Dr. in order to raise the pressure of the low pressure main that serves homes along Mar Vista Dr. from Soquel Dr. to the dead end of Mar Vista Dr. near Hwy 1.

ORAL AND WRITTEN COMMUNICATIONS

PUBLIC COMMENT

Public members are encouraged to provide thoughtful oral comments during Board Meetings. Those wishing to provide public comment should come to the podium and be recognized by the Board President. The maximum time set aside for public comment will be set at 15 minutes unless extended by the Board President. Speakers must address the entire Board and will not be permitted to engage in dialogue with Board Members (or other members of the public), while making their public comment. To encourage the efficient use of time, speakers are encouraged not to be repetitive, and simply to acknowledge support of positions already stated.

Public members may address the Board while adhering to the following procedures:

- **Consent/Regular Agenda**
Public members may address the Board on a specific agenda item during the District's consideration of it. Public members may provide comment for up to two (2) minutes per item, or the length of time established by the Board President. Individuals may speak only once per item.
- **Oral Communications – Item 5.0 (Items not on the Agenda)**
Oral Communications provides the opportunity for public members to speak on any item of interest (for items not on the Agenda), within the jurisdiction of the District. Public members may provide comment for up to three (3) minutes, or the length of time established by the Board President. Individuals may speak only once during Oral Communications. The Board may not take action on Oral Communications but may direct that the issue discussed be agendized for a future meeting.

Organized groups wishing to make a presentation are asked to contact the Board Clerk prior to the Board Meeting.

WRITTEN COMMUNICATIONS

Written communications addressed to the Board (if any) are available on the District's website by clicking on the meeting date and associated correspondence link:

<https://www.soquelcreekwater.org/AgendaCenter>

Written communications to the Board can be submitted by the following:

- Email: bod@soquelcreekwater.org
- Mail: Board of Directors, P.O. Box 1550, Capitola, CA 95010
- District Office: Board of Directors, 5180 Soquel Drive, Soquel, CA 95073

Deadlines for Submittal:

- Written correspondence received by 4:00 pm, on the Wednesday prior to a regular Board Meeting, will be distributed to the Board and made available on the District's [website](#) at the time the Agenda is posted.
- Written correspondence received after 4:00 pm, on the Wednesday prior to a regular Board Meeting, will be distributed to the Board and made available on the District's [website](#) at the earliest opportunity. Please note that written correspondence received after 9:00 am on the Monday immediately preceding a Board Meeting may not have time to reach Board members, nor be read by them prior to consideration of an item.
- Written correspondence received at the Board Meeting will be distributed to the Board and made available on the District's [website](#) at the earliest opportunity.

Please note that all correspondence addressed to the Board becomes a public record. Please do not include any private information in your correspondence that you do not want made available to the public.

October 17, 2023

MEMO TO THE BOARD OF DIRECTORS

Subject: Agenda Item No. 7.2

Title: Presentation by Raftelis of Water Rate Study Finance Plan

Attachment(s): *None*

Introduction

Raftelis Financial Consultants, as part of the 2024 water rate study, is presenting a draft 10-year finance plan and the key assumptions used to formulate the long-term forecasts. The purpose of the finance plan is to identify and prepare for future expenditures and activities that may impact the District and to determine the amount of revenue that will be required to sustain the water system during the four years covered by the rate study, and planned estimated revenue needs beyond the study period. The annual revenue needed will then be used to develop water rates. Still, because rate structure significantly impacts how costs are recovered, increases in revenue needs do not always result in a corresponding increase in rates. Raftelis has met with District staff and the Ad Hoc Water Rates Advisory Committee (WRAC) throughout the planning process and is now seeking input from the Board regarding the assumptions and examples to develop the draft financial plan.

Key Priorities

The key priorities identified in early rate discussions with the Board are financial sustainability, social equitability, and legal defensibility. These priorities serve as the guiding principles throughout the finance plan development and the District's water rate study.

Finance Plan Assumptions

Based on the key priorities, Raftelis has developed a conservative finance plan using the following assumptions:

- Water Demands
 - Growth – State laws mandate housing and planned growth goals and our region's Regional Housing Needs Allocation (RHNA) numbers have identified over 4,500 additional housing units in Santa Cruz County over the next eight-year planning horizon. That said, it is not expected that the District's service area will experience any significant near-term growth over the course of the four-year study period, and construction currently underway would most likely impact future rates studies but is not expected to have any appreciable water sales-impact on the current study. As a conservative assumption, the number of service accounts has remained static in our finance plan.
 - Water Demand – The prior rate study assumed a baseline water demand of 2,900 AF per year. Revenue recovery is highly dependent on water demand, and usage has decreased over the last few years. To stay fiscally conservative, water demand is projected to remain consistent at 2,600 acre feet (AF) per year.
- Inflation
 - The finance plan uses the adopted budget for FY 2024 and projects off of those values for the rate study period. General inflation is assumed to be higher in the first two years of projections. Other inflationary assumptions are based on industry indices, staff direction based on internal projections, and/or professional judgment.

- Grants
 - The state and federal grant programs have contributed over \$100 million dollars to the District through the State Water Resource Control Board's Prop 1 Program, Department of Water Resource's Sustainable Groundwater Program, and the Bureau of Reclamation's Title XVI Program.
- Debt Profile
 - The District has three existing lines of debt. The 2020 Revenue Refunding Bonds are currently being repaid, the Seawater Intrusion Control Fund repayments begin in FY 2026, and WIFIA repayments start in FY 2030. The final payment for the CoBank Revolving Line of Credit will be in FY 2025.
- Operations
 - Operation costs for a water district are primarily fixed costs, which include staffing, operating projects, and services to ensure clean, high-quality water is provided 24 hours/seven days a week. Operation costs also include member agency contributions to Santa Cruz Mid-County Groundwater Agency. Beginning in FY2025, costs associated with groundwater extraction, replenishment, and monitoring are included.
- Capital Improvement Plan (CIP)
 - Repair, replacement, and maintenance of existing infrastructure, the completion of the Pure Water Soquel Project and Well Master Plan, and supporting community projects predominantly encompass the District's CIP.
- Reserves
 - Financial reserve target policies currently include an operating reserve of 40% of annual operating costs, a debt reserve of 1 year of debt service, and a rate stabilization reserve of \$2 million. The total cash target equals approximately 180 days of cash on hand.
 - The debt service coverage ratio target is not to go below 1.70.
 - No changes to the financial policies are proposed.

Financial Plan Examples

The following four examples have been identified for consideration by the Board of Directors. The four examples are based on the financial plan assumptions listed above. Examples 1 and 3 represent bookends, while Example 2 represents a middle-ground. Example 4 is presented as a comparison to the previous rate study, to convey financial drivers in the intervening years. Of the four discrete financial plan examples presented, Raftelis and staff can model a hybrid or intermediate of these examples before finalizing the financial plan component of the rate study.

- **Example 1:** Current and future annual water demand is assumed at 2,600 AF. No new debt issuances are assumed for future capital projects, aside from the existing WIFIA proceeds for Pure Water Soquel. In this example, 10% annual gross revenue adjustments are projected for the next ten years from fiscal year (FY) 2024 through FY 2033. Total fund balance reserves are drawn down to a relatively low level (Operating cash only) in FY 2026 and FY 2027 before rebuilding to the target reserve level by 2033. While these more modest, level rate adjustments do avoid rate spikes for customers, this example results in a high degree of financial risk for the District, relative to the other examples.
- **Example 2:** Current and future annual water demand is assumed at 2,600 AF. Like Example 1, no new debt is assumed for capital projects, except for WIFIA proceeds to complete PWS. This example requires a 25% gross rate revenue adjustment in FY 2024 (current year) followed by annual adjustments of 7.5% from FY 2025 through FY 2033. This example provides the least financial risk for the District (relative to the other examples) as financial policy targets are achieved in nearly every year of the financial planning period. However, a significant initial rate revenue increase is required to achieve this degree of financial stability. Depending on the results of the cost of service and any rate re-structuring, this initial increase could be mitigated or amplified.

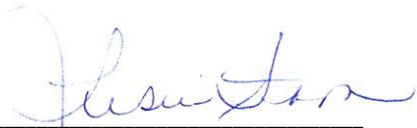
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- **Example 3:** Current and future annual water demand is assumed at 2,600 AF. Like Example 1 and 2, no new debt is assumed for capital projects, except for WIFIA proceeds to complete PWS. With this example, 12.5% annual gross revenue adjustments are projected from FY 2024 through FY 2028, followed by 5.5% adjustments from FY 2029 through FY 2033. This scenario moderates financial risk for the District by achieving, or nearly achieving, financial policy target levels throughout the financial planning period. This example solves the long-range financial plan stepwise, with a uniform set of revenue adjustments in the current rate cycle and a uniform set of revenue adjustments planned for the next rate cycle. Example 3 avoids the significant one-time increase in Example 2 and avoids the increased financial risk in Example 1.
- **Example 4:** For comparative purposes, this “what-if” scenario assumes an annual water demand of 2,900 AF, which was the projected baseline demand used in the previous rate study. All other underlying assumptions remain the same. In this what-if scenario, 8.5% annual gross revenue adjustments are projected from FY 2024 through FY 2033. The results largely align with the adjustments forecasted in the previous study and demonstrate the District’s sensitivity to fluctuations in customer demand.

Raftelis will attend the October 17, 2023 Board Meeting to present the draft finance plan, facilitate discussion of the examples, and answer questions.

POSSIBLE BOARD ACTION(S):

1. Provide staff with direction regarding the financial plan examples; or
2. Take no action.

By 
 Leslie Strohm
 Finance and Business Services Manager

By 
 Ryan Kinney
 Supervising Accountant

October 17, 2023

MEMO TO THE BOARD OF THE DIRECTORS

Subject: Agenda Item No. 7.3

Title: Review of Policy on Requiring Separate Metering for New Individual Residential & Commercial Units

Attachment(s):

1. Attachment 1 - District Ordinance No. 16-02 (Establishing Indoor Water Conservation Regulations)
2. Attachment 2 - District Ordinance No. 22-03 (Establishing Rules & Regulations for Water Service by the District)
3. Attachment 3 – Accessory Dwelling Unit Requirements Fact Sheet
4. Attachment 4 – New Water Service Charges for Common Residential Developments

Purpose

The purpose of this memo is to provide background information and a high-level review of the District's policy to require all new individual residential and non-residential units to be supplied with separate meters. Board President Christensen requested this information following comments received from a District customer at the October 3, 2023 Board meeting regarding the District fees and private contractor costs associated with separately metering their new construction Accessory Dwelling Unit (ADU) that is currently under construction. If desired, the Board may consider asking staff to come back with a more detailed analysis of the pros and cons associated with changes to the policy.

Separate Metering Requirement

Separate metering for all new multi-family residential dwelling units, ADUs, and non-residential units was first required by the Board in August 2002, to better manage and protect our overdrafted groundwater supply from further seawater intrusion by aiding in conservation. Separate metering encourages conservation by providing a price signal for the customer and by facilitating timely detection and resolution of leaks.

The separate metering policy is currently memorialized in District Ordinances No. 16-02 (**Attachment 1**) and No. 22-03 (Section 4(E)(1))(**Attachment 2**). No variances to the policy for new ADUs or multi-family development projects have been granted by the Board.

The current separate metering policy applies to the following development types:

- Commercial units
- Single Family homes
- Multi-family dwelling units
- New construction ADUs (up to 1200 sq. ft)
- Tiny homes and tiny homes on wheels (less than 400 sq. ft)

Several laws that have taken effect in the last five years have prohibited water agencies like the District from requiring separate metering for particular development types. Senate Bill (SB) 229 (Wieckowski) excludes conversion ADUs, which are ADUs that are contained within the existing square footage of a legal structure, from separate metering mandates. SB 7 (Wolk) prohibits water agencies from requiring individual metering for multi-family projects defined as low-income housing.

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Thus, the current separate metering policy does not apply to the following development types:

- Conversion ADUs, including junior accessory dwelling units (JADUs)
- Multi-family units designated as low-income (residential building financed with housing tax credits, revenue bonds, general obligation bond, or local/state/federal loans or grants, in which at least some of the rents are prescribed by deed restrictions or regulatory agreement, and in which at least 90% of the dwelling units are designated for lower-income occupants)

Current District Requirements for ADU Development Projects

SB 229 described above has shaped the District’s ordinances and policies pertaining to ADUs. Currently, per Ordinances 16-02 and 22-03, we only require a separate new water service connection and charge associated connection fees for new construction ADUs. For reference, please see the District’s ADU Requirements Fact Sheet (**Attachment 3**) for differences between a conversion/junior ADU and a new construction ADU.

The District’s 2023 new water service charges for new construction ADUs as well as other residential development projects is included as **Attachment 4**. New construction ADUs up to 640 square feet qualify for a 5/8” restricted meter with a Water Capacity fee half the cost of that for a 5/8” meter. In addition to District charges, the applicant must hire a contractor to install the new service. The average cost of service installation is approximately \$12,000 - \$15,000.

Discussion & Staff Recommendation

Staff does not recommend any changes to the separate metering policy at this time due to its continued benefit to protecting the groundwater basin by aiding in water savings, but suggests the policy be reviewed after the Pure Water Soquel facility is operational.

Additionally, eliminating the new water service fees for new construction ADUs would affect water rates and capacity fees. As the current rate and water capacity fee studies to inform the next rate and fee schedules are well underway, eliminating the new construction ADU fees at this time would likely negatively impact the rate and fee-setting schedule.

Any changes to the current policy will require amending Ordinances 16-02 and 22-03.

POSSIBLE BOARD ACTION(S):

1. By MOTION and roll call, direct staff to come back with a more detailed analysis of the pros and cons associated with changes to the separate metering policy if desired; or
2. Take no action.

By Alyssa Abbey
Alyssa Abbey
Staff Analyst

By Shelley Flock
Shelley Flock
Water Resources Manager

**ORDINANCE NO. 16-02
(REPEALING AND REPLACING 13-02)**

**SOQUEL CREEK WATER DISTRICT,
COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA
ESTABLISHING INDOOR WATER CONSERVATION REGULATIONS**

THIS ORDINANCE is adopted in light of the following facts and circumstances, which are hereby found and declared by the Soquel Creek Water District (“the District”) Board of Directors:

WHEREAS, a reliable supply of potable water is essential to the public health, safety and welfare of the people and economy of the District; and

WHEREAS, the District is located in a semi-arid region and is solely dependent upon groundwater sources. Factors such as drought, groundwater overdraft, seawater intrusion, development, climate change, and environmental and regulatory concerns affect our region’s water reliability and make the region highly susceptible to water supply shortages; and

WHEREAS, the local groundwater basin that provides water to the District is in a serious state of overdraft whereby more water is being annually extracted than can be recharged naturally by precipitation; and

WHEREAS, on June 17, 2014, the Board of Directors adopted Resolution 14-22 declaring a Groundwater Emergency due to the long-term overdraft of the coastal aquifers and seawater intrusion; and

WHEREAS, careful water management requires active water conservation measures, not only in times of drought but at all times, to help ensure a reliable supply of water to meet current and future water supply needs; and

WHEREAS, Article X, Section 2 of the California Constitution and Section 100 of the California Water Code declare that the general welfare requires water resources be put to beneficial use, waste or unreasonable use or unreasonable method of use of water be prevented, and conservation of water be fully exercised with a view to the reasonable and beneficial use thereof; and

WHEREAS, the Board of Directors finds and determines that this Ordinance is consistent with the provisions requiring high efficiency water conserving fixtures and appliances and reductions in indoor water use in the 2013 California Plumbing Code and the 2013 California Green Building Standards Code, respectively, as such provisions will be implemented in the coming years. Implementation of this Ordinance is necessary to expedite the use of high efficiency water conserving

fixtures and appliances and assist Soquel Creek Water District in achieving water savings; and

WHEREAS, the State Legislature has identified urban water conservation as a cost-effective approach to addressing water supply needs and determined that there are many water conservation practices that produce significant energy and water resource savings that should be encouraged as a matter of state policy. Pursuant to this finding, the State Legislature passed Senate Bill 407 (Chapter 587, Stats. 2009), requiring all residential and commercial property owners to replace existing plumbing fixtures with water-conserving fixtures by 2017 and 2019, respectively, and to upgrade existing plumbing fixtures upon any remodel initiated after January, 1 2014. Senate Bill 407 further authorizes a city, county, or retail water supplier to enact local ordinances that promote compliant use of water efficient plumbing fixtures or which will result in a greater amount of water savings than those provided for in Senate Bill 407. Accordingly, the Board of Directors finds and determines that this Ordinance is consistent with the mandates of Senate Bill 407 and will result in water savings as provided for in Senate Bill 407; and

WHEREAS, the District has the power to perform all acts necessary to fully carry out the provisions of the County Water District Law (Water Code Section 31001), may establish rules and regulations for the distribution and use of water supplies (Water Code Section 31024), may adopt and enforce a comprehensive water conservation program to reduce potable water consumption and conserve supplies (Water Code Section 375), and may require as a condition of new service, that reasonable water-saving devices and water reclamation devices be installed to reduce water use (Water Code Section 31035); and

WHEREAS, the District has followed the procedures for notice, public participation and adoption set forth in Sections 375 and 31027 of the California Water Code; and

WHEREAS, the Board of Directors finds and determines that the more restrictive building standards for water conserving fixtures and appliances provided for in this Ordinance are reasonably necessary because of local hydrologic conditions; and

WHEREAS, the Board of Directors finds and determines that this Ordinance is not subject to the California Environmental Quality Act (Public Resources Code Section 2100 et seq.) ("CEQA") pursuant to Section 15307 (the activity assures the maintenance, restoration, enhancement, or protection of a natural resource) and Section 15378(b)(2) (the activity is not a project as it involves general policy and procedure making) of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, since it makes and implements policies and procedures for ensuring that water resources are conserved by reducing water consumption through the use of water efficient indoor plumbing fixtures; and

WHEREAS, the adoption and enforcement of this Ordinance is necessary to manage the Soquel Creek Water District's potable water supply and to avoid or minimize the effects of groundwater overdraft, seawater intrusion, and drought within the District; and

WHEREAS, this Ordinance rescinds and replaces Soquel Creek Water District Ordinance No. 13-02, Establishing Indoor Water Conservation Regulations, as related to indoor water use; and

WHEREAS, as changes in indoor water efficiency technology occur over time and provide opportunities to conserve water, or hydrologic conditions or regulatory requirements change, or as deemed necessary, this Ordinance may be revised or modified by Resolution.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SOQUEL CREEK WATER DISTRICT DOES ORDAIN AS FOLLOWS:

I. Title

THIS ORDINANCE shall be known as the Soquel Creek Water District Indoor Water Use Efficiency Ordinance.

II. Coordination with the 2013 California Plumbing Code and 2013 California Green Building Standards Code

The District acknowledges that it is not legally empowered to adopt or enforce the code of rules and regulations published by the International Association of Plumbing and Mechanical Officials, under the title “California Plumbing Code, 2013 Edition,” and the appendices printed therein, and all supplements subsequently issued thereto, hereinafter collectively called the “Plumbing Code,” prescribing regulations for the installation of all plumbing fixtures, or the 2013 California Green Building Standards Code (Part 11 of the California Building Standards Code). However, the District intends to implement the measures provided for in this Ordinance in connection with an application for new or expanded water service.

III. Definitions

- A. “certified professional” means a licensed contractor, licensed architect or licensed professional engineer.
- B. “Energy Star Qualified” means that a given fixture meets the United States Environmental Protection Agency Energy Star Program standard for an energy efficient product.
- C. “expanded water service” means an additional water meter or larger capacity meter is required to serve the existing or proposed development, as determined by the Soquel Creek Water District.
- D. “gal/cycle” means gallons per cycle.
- E. “gpf” means gallons per flush.
- F. “gpm” means gallons per minute.
- G. “local agency” means a city, county, or water district that is responsible for adopting and implementing this Ordinance. The local agency is also responsible for the enforcement of this Ordinance, including but not limited to, in the case of a city or county, approval of

a permit and plan check or design review of a project; and in the case of a water district, approval of a new or expanded water service application.

- H. “LSI” means Langlier Saturation Index providing an indication of the degree of saturation of water with respect to calcium carbonate related to cooling tower efficiency.
- I. “local water purveyor” means any entity, including a public agency, city, county, or private water company that provides retail water service.
- J. “permit” means the document issued by local agencies in connection with new construction, remodels or renovations and which authorizes the lawful initiation of construction, improvements or repairs to a building or structure.
- K. “project applicant” means the individual or entity submitting a Indoor Water Use Efficiency Checklist as required under Section VII, and requesting a permit, plan check, design review, or new or expanded water service application from the local agency. A project applicant may be the property owner or his or her designee.
- L. “sq. ft.” means square feet.
- M. “WaterSense Qualified” means that a given fixture meets the United States Environmental Protection Agency WaterSense Program standard for a water efficient product.

IV. Applicability

- A. The provisions of this Ordinance shall apply to the following:
1. All new development, regardless of building classification, requiring new or expanded water service.
 2. Any existing development, regardless of building classification, requiring new or expanded water service.
 3. All kitchen and bathroom remodels requiring a building permit, plan check, design review, or new or expanded water service, except that the provisions of this Ordinance will only apply to the fixtures normally included in the kitchen or bathroom, as the case may be, to be remodeled. This provision only applies if this requirement is not already enforced by the local applicable land use planning agency.
- B. This provisions of this Ordinance shall not apply to:
1. Existing development not seeking a building permit, plan check, design review or new or expanded water service.
 2. Registered local, state or federal historical sites, if exempt by law.
 3. Remodels where, in the discretion of the appropriate building authority, the unique configuration of the building, its drainage system or portions of the public sewer, or both, are incompatible with efficiency standards listed in the Indoor Water Use Efficiency Table and require a greater quantity of water to flush the system in a manner that is consistent with public health.

V. Minimum Indoor Fixture and Appliance Requirements

1. All new and existing development subject to this Ordinance will have, at a minimum, fixtures and appliances that comply with the efficiency standards listed below (the "Indoor Water Use Efficiency Table"). If more stringent Plumbing Code or California Green Building Standards Code exists at the time of development, the project applicant must meet those efficiency standards.

INDOOR WATER USE EFFICIENCY TABLE

Fixture/Appliance	Residential	Non-Residential
Toilets	≤ 1.28 gpf, or WaterSense Qualified	≤ 1.28 gpf, or WaterSense Qualified
Urinals	≤ 0.5 gpf, or WaterSense Qualified	≤ 0.5 gpf, or WaterSense Qualified
Showers	≤ 2.0 gpm, or WaterSense Qualified	≤ 2.0 gpm, or WaterSense Qualified
Bathroom faucets	≤ 1.5 gpm, or WaterSense Qualified	≤ 0.5 gpm ≤ 0.20 gal/cycle (for metering faucets)
Kitchen faucets	≤ 1.8 gpm	≤ 1.8 gpm
Clothes washers	Energy Star Qualified	Energy Star Qualified
Dishwashers	Energy Star Qualified	Energy Star Qualified
Cooling towers	--	≥ 5 - 10 cycles, or ≥ 2.5 LSI
Food steamers	--	Boiler less, or Self-contained
Ice machines	--	Energy Star Qualified
Pre-rinse spray valves	--	≤ 1.1 gpm
Automatic vehicle wash facilities	--	≥ 75% of water that is recycled on site
Commercial refrigeration	--	Closed loop, or Air-cooled
Meters	Individual meter for each unit	Individual meter for each unit

VI. Compliance with Ordinance**A. The District shall:**

1. Provide the project applicant with the Indoor Water Use Efficiency Checklist requirements when it provides applicant with the procedures for new or expanded water service applications.
2. Review the Indoor Water Use Efficiency Checklist submitted by the project applicant.
3. Approve or deny the project applicant's Indoor Water Use Efficiency Checklist submittal.
4. Only upon approval of the Indoor Water Use Efficiency Checklist, approve the new, expanded or continued water service for the project applicant.
5. At its discretion, inspect the installation of the water efficient fixtures and appliances to verify that they have been installed and are performing at the required use levels.

B. The project applicant shall:

1. Meet the minimum water use efficiency standards for indoor fixtures and appliances provided for in the Indoor Water Use Efficiency Table and Checklist. If more stringent Plumbing Code or California Green Building Standards Code exists at the time of development, the project applicant must meet those efficiency standards.
2. Prior to construction, submit a completed Indoor Water Use Efficiency Checklist to the District for verification.
3. Consider voluntary installation of additional water-conserving features such as dual plumbing for graywater or hot water recirculation.

VII. Components of the Indoor Water Use Efficiency Checklist

The Indoor Water Use Efficiency Checklist shall require, at a minimum:

- A. Project Information;
- B. Quantity and unit water use factors of all indoor fixtures and appliances relative to the standards listed in the Indoor Water Use Efficiency Table and Checklist;
- C. Contain the following statement to be completed by the project applicant: “I certify that the subject project meets the specified requirements of the Indoor Water Use Efficiency Ordinance”; and
- D. Bear the signature of the project applicant, or that of a certified professional.

VIII. Enforcement and Penalties

A. Enforcement

If an applicant for new, expanded or continued water service fails to comply with the provisions of this Ordinance, the District may require the applicant to resubmit a revised Indoor Water Use Efficiency Checklist for approval, and may withhold approval of the submittal and deny, limit or discontinue water service until the applicant complies with the terms of this Ordinance.

B. Violation and Notice of Correction

It is unlawful for any person, firm, partnership, association, or corporation subject to the requirements of this Ordinance to fail to comply with the provisions of the Ordinance, or to alter or replace components and/or practices required by this Ordinance with other noncompliant components and/or practices after completion of new construction or new or expanded water service connection.

1. Whenever the Soquel Creek Water District determines that a violation of this Ordinance has occurred, the District may serve a notice of correction on the owner(s) of the property on which the violation is situated. The owner(s) of record shall have ninety (90) calendar days to take corrective action. If the violation is not corrected within ninety days, the District may pursue any of the following options:
 - a. The District may discontinue or limit water service, or upon conviction thereof, the person shall be punished by imprisonment in the county jail for not more than 30 days or by fine of not more than six hundred dollars (\$600), or by both the fine and imprisonment.

IX. Public Education

The District shall provide information to all applicants regarding the installation and use of water efficient fixtures and appliances.

X. Variances

As technology changes and more information is available regarding plumbing fixtures, appliances, equipment and other practices that enhance water conservation, the District may allow the substitution of well-designed conservation alternatives or innovations which, at a minimum, equally reduce water consumption and meet the intent of this Ordinance.

XI. Severability

If any section, subsection, provision or part of this Ordinance, or its application to any person or circumstance, is held to be unconstitutional or otherwise invalid, the remainder of this Ordinance, and the application of such provision to other person or circumstances, shall not be affected thereby and shall remain in full force and effect and, to that end, the provisions of this Ordinance are severable.

XII. Effective Date

This Ordinance shall become effective on March 16, 2016.

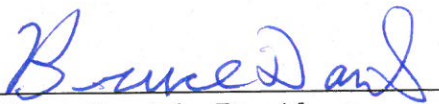
PASSED AND ADOPTED by the Soquel Creek Water District Board of Directors at its regular meeting held on March 15, 2016, by the following vote:

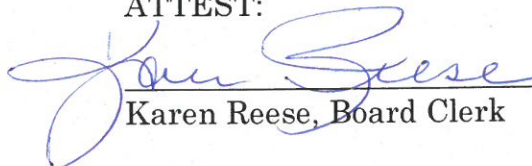
AYES: Directors LaHue, Daniels, Jaffe, Christensen, Lather

NOES: None

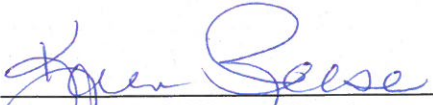
ABSENT: None

ABSTAIN: None


Bruce Daniels, President

ATTEST:

Karen Reese, Board Clerk

This is to certify that the above and foregoing document is the original of Soquel Creek Water District Ordinance No. 16-02 and that it has been published in the Santa Cruz Sentinel, a newspaper of general circulation in accordance with California Government Code Section 36933 (a).


Soquel Creek Water District
Secretary of Said Board

Ordinance 22-03 (8/16/2022)

Page 1 of 22

**ORDINANCE NO. 22-03
(Repealing and Replacing Ordinance No. 17-01)**

**SOQUEL CREEK WATER DISTRICT, COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA
ESTABLISHING RULES AND REGULATIONS FOR WATER SERVICE BY THE DISTRICT**

THIS ORDINANCE is adopted in light of the following facts and circumstances, which are hereby found and declared by the Soquel Creek Water District ("District") Board of Directors:

WHEREAS, Article X, Section 2 of the California Constitution and Section 100 of the California Water Code declare that the general welfare requires water resources to be put to beneficial use, and therefore waste or unreasonable use or method of use of water must be prevented and conservation of water must be fully exercised with a view to the reasonable and beneficial use thereof; and

WHEREAS, the adoption and enforcement of this Ordinance is necessary to describe and define the water service-related functions of the District, the obligations of the customers of the District, metering and cross-connection requirements, maintenance standards and requirements, billing and payment methodologies, rates and charges, customer options for disputed charges, discontinuation of service; and the disposition of the District's funds received from water rates and charges; and

WHEREAS, the District has the power to perform all acts necessary to carry out the provisions of this Ordinance consistent with Section 375 and Sections 31001-31029 of the California Water Code; and

WHEREAS, as changes are deemed prudent, this Ordinance may be revised or modified by Ordinance or Resolution; and

WHEREAS, this Ordinance No. 22-03 rescinds and replaces Ordinance No. 17-01, Establishing Rules and Regulations for Water Service by the District.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Soquel Creek Water District as follows:

ARTICLE I

Section 1. Ordinance 17-01 Rescinded

Ordinance No. 17-01 is hereby rescinded.

Section 2. Short Title

This ordinance shall be known and may be cited as Soquel Creek Water District Rules and Regulations.

Ordinance 22-03 (8/16/2022)

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Section 3. Separability

If any section, sub-section, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance.

ARTICLE II

Section 1. Definition of Terms

Applicant: An individual, business, corporation, or government entity agency applying for water service.

AWWA: American Water Works Association

Board of Directors: The Board of Directors of the Soquel Creek Water District.

Commercial service: Provision of water to premises where the customer is engaged in trade.

Conditional Will Serve Letter: Document provided by the District to Applicant for new water service confirming preliminary availability of water service for land use planning, permitting and other related purposes.

Cross connection: Any actual or potential unprotected connection between the water system from the District service connection and any other unapproved water system or source.

Customer: An individual, business, corporation, or government entity receiving water service from the utility.

Date of presentation: The date upon which a bill or notice is mailed or delivered personally to the customer.

Dedicated irrigation service: Provision of water to premises through a separate meter used exclusively for irrigation.

District: The Soquel Creek Water District.

District service connection: The pipe, valves, and other facilities by means of which the utility conducts water from its distribution mains to and through the meter, and meter spud up to the customer's service line. For services with detector check meters on backflow devices, the District's owned portion of the service connection is from the main to the customer's property line unless otherwise noted in a new service agreement and a utility easement.

Domestic service: Provision of water for household residential purposes, including water for landscape irrigation, watering livestock; washing vehicles; and other similar and customary purposes.

Ordinance 22-03 (8/16/2022)

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Fire protection service: Provision of water to premises for automatic fire protection and/or for privately owned and maintained fire hydrants.

Land Use Agency: The central authority with jurisdiction to regulate the use of land within a given area.

Mains: Distribution pipelines located in streets, highways, public ways, or private rights of way which are used to serve the general public.

Municipal or public use: Provision of water to a municipality or other public agency.

Premises: The integral property or area, including improvements thereon, to which water service is or will be provided.

Rate and fee schedules: The effective rates, fees, rentals, charges, and regulations, as set forth herein.

Temporary service: A service for construction work, landscape rehabilitation and similar uses, that because of their nature will not be used steadily or permanently.

Unconditional Will Serve Letter: Document provided by the District to the Applicant for new water service confirming District Board Approval guaranteeing water service to premises.

Section 2. Service Area

The District's service area comprises the area within the boundaries of the District, and such areas outside as the Board may designate, subject to land agency formation commission approval. Water service shall be furnished by the District only to property located within said service area. Water service provided by the District may be restricted per the requirements of the District's Water Shortage Contingency Plan.

Section 3. Description of Service

A. Statement of Policy

The District will endeavor, so far as is reasonably possible, to deliver a continuous supply of water to the customer at a sufficient pressure at the meter, and to avoid any shortage or interruption in delivery. From time to time, it may be necessary for the District to shut off the flow of water in any portion of the District's system. Except in emergencies, such interruptions will not be made without attempt to provide prior notice to the customers affected.

If, in the opinion of the District, it is doubtful that satisfactory water service can be given, due to location or elevation of the premises, then the District may require a written release from liability for any damage or inconvenience that may occur by reason of insufficient or excessive pressure, inadequate volume of water or intermittent supply. The said release shall, without further notice from the District, remain in effect for all consumers taking water through the service, until

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changes, extensions or betterments may be made to the distribution system by the District. The minimum operating pressure in the water main at the user service line connection throughout the distribution system shall not be less than 20 psi at all times.

The customer's responsibility for his or her own water system begins at the customer's water meter. All connections, pumps, tanks, chlorinators, or other appurtenances installed at any point in the line between the meter and the customer's water outlets shall be the sole responsibility of the customer, both as to the original installation and as to the maintenance and upkeep. Such installations must be approved by the District.

Nothing in this Ordinance shall be construed as a contract on the part of the District to furnish its water for any definite period, or as a public utility in respect to any water furnished outside the District.

B. Quality

The District will endeavor to supply safe and potable water at all times.

C. Classes of Service

All services installed by the District will be classified as follows:

1. Residential – Single and Multi-Family
2. Commercial
3. Irrigation
4. Public fire protection
5. Private fire protection

D. Types of Service

All services will be metered.

E. Resale of Water

No customer shall resell any of the water received by them from the District, nor shall such water be delivered to premises other than those served by the meter associated with the customer's account.

Section 4. New Service and Modifications of Existing Services**A. Application for Water Service: Issuance of Will Serve letters**

Each applicant for water service must submit a New Water Service Application Request and pay a filing fee in order to initiate the Will Serve process to obtain water service. Applicant or applicant's designee(s) will coordinate with District staff and the pertinent land use agency to determine appropriate new service conditions, metering requirements, infrastructure details, fees, and the like.

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The New Water Service Application Request is merely a written request for service. It does not guarantee final water service approval. Final approval and service installation is contingent upon fulfillment of new service requirements as set forth by District policy effective at the time of application and fulfillment of any applicable conditions of service that the District may adopt prior to granting water service.

Upon request, and upon the District's approval of the applicant's New Water Service Application Request and the applicant's payment of any applicable fees, the District may issue a Conditional or Unconditional Will Serve letter to an applicant.

B. Change in the Class of Service or Modifications to Existing Premises

Modifications to premises, including construction of additional structures, increases in building square footages, changes in commercial, residential and/or landscape use, change in the underlying class of service requested, and any other changes to premises approved by the land use agency may require change in meter size, additional metering and/or backflow protection in accordance with applicable District policies including compliance with the requirements of the Will Serve process.

Customers making any material change in the size, character or extent of the equipment or operations utilizing District water service, or whose change in operations results in a large increase in the use of water, shall immediately give the District written notice of the nature of the change and, if necessary, comply with the requirements of the Will Serve process.

C. Services to Separate Premises, Undeveloped Premises, and Non-Permanent Structures

Separate premises must be supplied through individual service connections, except where otherwise provided by law. Undeveloped parcels cannot receive water supplied by another parcel and can only receive water when developing the parcel in accordance with the District's Will Serve process. Non-permanent structures, such as but not limited to motor homes and trailers, are not eligible to apply for District water service.

D. Right to Require Additional Information or Agreement

The District reserves the right to request additional information from an applicant beyond that contemplated in the New Water Service Application Request, or to require an applicant to enter into an additional water service agreement when appropriate due to the nature of a particular service request.

E. Metering Requirements for New Construction**1. New Residential and Non-Residential Units**

All residential dwelling units and non-residential units constructed after August 20, 2002, shall be supplied through individually metered service connections, supplied and monitored by the District, except as prohibited by law, or by Board approved

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variance. Submetering does not meet the District's standards, unless as approved by variance.

Each meter required under this section is subject to the District's related charges.

For existing multiple unit projects constructed before August 20, 2002, that are supplied through a single service connection, the responsibility for payment of charges (for all water furnished to combined units) must be assumed by the owner of said premises.

2. New Landscapes

Rules and regulations regarding the separate metering of landscape water use are as detailed in the current Outdoor Water Use Efficiency Ordinance.

F. Metering Requirements when Separating Existing Service or Changing Use

1. Existing Residential Water Use

Existing duplexes and triplexes which were built before 2002 and are served by a single meter may request separation of their services without additional Water Capacity charges. The size of the additional meter(s) will be determined by the size and fixture count of the unit which will be served by said meter. The additional water meter will be subject to meter installation charges and any applicable service and/or water quantity charges.

All other separations of service of residential dwellings shall be required to pay water capacity fees in addition to meter installation and service and water quantity charges. If the existing meter will be downsized or removed, Water Capacity credit will be granted for the removed meter.

2. Existing Landscape Water Use

Existing commercial, institutional and multi family services may be separated to facilitate installation of dedicated irrigation meter service to the premises, without additional Water Capacity fees. The additional irrigation water meter will be subject to meter installation charges and any applicable service and/or water quantity charges.

Customer may submit a request to the District that the previous master meter be downsized to account for decrease in demand, after customer has engaged in proper consultation with a professional civil engineer or architect and obtained approval from the fire department, as needed for shared private fire protection systems. Requests for such downsize in the master meter are subject to final approval by the District.

3. Existing Commercial Water Use

Commercial and institutional services seeking to separate their existing water services are subject to additional water capacity fees. The size of the additional

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meter(s) will be determined by the size and fixture count of the unit which will be served by said meter. The additional water meter will be subject to meter installation charges, service and water quantity charges.

Commercial entities currently on a shared meter may be required to separately meter if a change in use results in a higher flow and/or volume on the current shared meter than is supported.

G. Service to Fire Protection

Fire protection equipment such as hydrants or fire sprinklers shall not be served by a domestic, irrigation, commercial or any other service other than a dedicated fire service.

H. Extension of Service

1. To New Customers Other Than Subdivisions

Mains will be extended to serve new customers under the terms and conditions set forth in the District's Main Extension Policy. No main extension will be made by the District except on an approved dedicated street, alley, or recorded easement.

Prior to construction of any extension to the main, every applicant for water service relative to that extended main shall enter into a written form agreement for such extension and shall deposit with the District the amount and required bonds described in said agreement. Should the District desire to install facilities greater than are needed to meet said service demands, the cost of the excess size of facilities shall be assumed by the District.

2. Main Extensions to Subdivisions

Where water main extensions are required for subdivisions, it will be the responsibility of the owner or subdivider to complete the requisite applications and pay the cost for complete installation of all water facilities required within the subdivision and for extension of water transmission mains from the subdivision to the nearest existing main of adequate capacity for the area to be served. Such transmission mains shall be subject to all District Rules and to any and all modifications and supplements to said regulations. Upon official acceptance by the District, the District shall assume full ownership, maintenance, and control of such mains.

I. Service Connections

The District will approve installation of a service of such size and at such location as the applicant requests, provided such requests are reasonable. The service will be installed from the District's water distribution main to the curb line or property line of the premises which may abut on the street, on other thoroughfares, or on the District right-of-way or easement. Only duly authorized employees or agents approved by the District will be permitted to install a service connection from the District's main to the customer's premises.

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Charges for new or expanded service are payable in advance and shall be as fixed by the Board of Directors by resolution, ordinance, or policy.

The service connection, whether located on public or private property, is the property of the District, and the District reserves the right to relocate, repair, replace and maintain it, as well as to remove it upon discontinuance of service.

J. Meters

Water meters are part of the District's water distribution system. Installation, relocation, or removal of water meters, and connection to and disconnection from the District's system, shall be made only by District employees or agents.

Meters will be installed at or near the curb or at the property line unless the configuration of the lot does not allow for that location, at which time another suitable location will be chosen at the determination of the District and shall be owned by the District.

No rent or other charge will be paid by the District for a meter or other facilities, including housing and connections, located on a customer's premises.

K. Change in Location of Meters or Services

Meters or services moved for the convenience of the customer will be relocated at the customer's expense. These costs include the costs associated with building the new service, as well as abandoning the old service at the Distribution Main or as directed by the District. Meters or services moved to protect the District's property or to solely serve the District's interests will be moved at District expense.

L. Meter Downsizing or Upsizing

1. At Customer Request

Customers may request the downsizing or upsizing of their existing meter(s) by written application to the District. The cost for this service will be on an actual cost basis. The District may require the customer to place a deposit for a portion of or the entire amount of the service before starting work. Capacity fees are not required on downsizing. Customer forfeits water capacity credit when electing to downsize their service line unless the downsize is part of a change in use or development project where that water capacity is applied towards the new metering requirement.

2. District Initiated

If the premises receiving water service no longer qualify for the current size of the meter serving said premises, the District reserves the right to decrease or increase the size of the meter without the consent of the customer. The District may also require an upsize to the meter if the customer's water use exceeds the presently allowed flow and/or volume of the customer's meter. The District will make a

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reasonable attempt to notify the customer in advance and coordinate a schedule for the work. However, if after thirty (30) days from the first notification to the customer no response has been received, the District will schedule and complete the work at its convenience. The cost for this service will be on an actual cost basis and will be at the customer's expense.

Section 5. Inactive Services

With the exception of fire service, customers may elect to use no water through any meter classified for specific purposes to the premises. In such cases, customer must continue payment of any billed charges regardless of duration of zero use. Inactive services, in which a service is installed but no water is being used and no recurring billing charge is being paid by customer, are not considered valid existing services for the purposes of determining new water service requirements.

In the event no water is being used on a service and the billing charges are not being paid for one year, District can determine that the service is abandoned. Once service has been abandoned, the District may, at its discretion, physically abandon the service and remove its meters or other appurtenances in the interest of maintaining the integrity of its distribution system. All costs of abandonment shall be charged to the customer.

If, after said removal, water service is subsequently requested by the same property owner for the same address or location, service will be resumed only upon payment of the following:

1. All regular billing and other charges that were delinquent at the time of removal of the meter or other appurtenances.
2. All fees associated with a new service, in accordance with the District's Will Serve process.

Section 6. Temporary Service

Temporary service and/or water for multi-unit construction and landscape rehabilitation and the like will be approved or denied on a case-by-case basis in accordance with applicable District policy.

Charges for water furnished through a temporary service shall be at the rates set in the most updated District rate ordinance.

Section 7. Customer Control Valves and Pressure Regulators

The customer shall install a suitable control valve, as close to the meter location as practicable, the operation of which will control the entire water supply from the service. The operation by the customer (or their agent, contractor, etc.) of the curb stop valve at the meter box is not permitted. Only District staff are authorized to operate the curb stop.

The District may require a written release from liability for any damage or inconvenience that may occur by reason of insufficient or excessive pressure. Where reduced or increased pressure is desired, the customer shall be responsible for installing and maintaining the necessary regulators,

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pumps and relief valves. In such cases, the equipment shall be installed on the customer's side of the meter and at their own risk and expense in such a manner as not to endanger the water system.

Customer installed equipment may also require the customer to install a backflow prevention device as detailed in Section 8 Cross Connections.

Section 8. Cross Connections

A. Statutory Authority

The District regulates cross connections pursuant to Title 17, Chapter V (as may be renumbered or amended from time to time) of the California Administrative Code, entitled "Regulations Relating to Cross- Connections."

Title 17, Section 7583 of the California Administrative Code states, among other things, "The Water Purveyor has primary responsibility to prevent water from unapproved sources, or any other substance, entering the public water supply system." The District is a water purveyor within the meaning of Title 17.

In order to provide for an orderly and adequate means of protection of the District's water distribution system from backflow, the requirements set forth below are hereby determined to be reasonable and necessary. The District adopts these requirements for the protection of the District's water distribution system from backflow. New water service connections shall be installed and existing water connections shall be modified to conform to these requirements as set forth in this ordinance and any other applicable District policies.

B. District Requirements

To comply with the regulations of Title 17, California Administrative Code, the District will require the installation of approved backflow protection assemblies at the expense of the customer before service will be granted under any of the following conditions:

1. Premises having an auxiliary water supply.
2. Premises which use a booster pump.
3. Any premises on which any toxic substance in toxic concentration, or any material dangerous to health is, may be handled.
4. Any premises on which a substance which would be objectionable if introduced into the District water supply is, or may be handled.
5. Any service to any sewage treatment plant pumping station, or any other premises involved in the handling of sewage, wastewater, or recycled water.

C. Customer Responsibility

Customers are prohibited from making or allowing any cross connection that could permit a backflow of water or other substance into the District's system. Water service shall not be furnished unless each customer has, at his/her own expense, installed any and all backflow

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prevention assemblies required in this section. Once installed, the customer must keep said assemblies in good working order and safe condition. The District shall not be responsible for any loss or damage directly or indirectly resulting from or caused by the improper or negligent installation, operation, use, repair or maintenance of or interference with, any protective assembly by any customer or any other person. The type of protective assembly required shall be determined by the District and in accordance with the degree of hazard.

D. Inspections, Recordkeeping, Cost Responsibility

The customer on whose premises any backflow prevention assembly is installed shall have such assembly inspected and tested annually by a person approved of by the District to perform such inspections and tests. The testing and repairs shall be done solely at the expense of the customer. If successive inspections and tests disclose repeated failures in the operation of any assembly, the District may require more frequent inspections and tests. Records of tests shall be reported to the District Cross-Connection Control Specialist.

If a customer fails to have any of the inspections and tests made, as required herein, or to make the above described records available, the District shall have the right to inspect and test the assembly and the customer shall pay the cost thereof. The cost of any inspection or test made by the District shall be included as part of the next ensuing bill presented to the customer.

E. New Service

No water service connection shall be installed on the premises of any customer unless the District water supply is protected as required by this Section.

F. Service to be Discontinued

Water service to the premises of any customer may be discontinued by the District if any protective assembly required by this Section has not been installed, inspected, tested, and maintained, or is defective, or has been removed or bypassed.

Water service shall be disconnected immediately and without notice to the customer if the District determines that the District water supply is being contaminated or is in immediate danger of contamination.

Water service shall not be resumed until any protective assembly required by this Section and approved by the District has been properly installed or until conditions at the customer's premises causing the contamination or danger of contamination have been abated or corrected to the satisfaction of the District.

G. Notice and Extension

Water service shall not be discontinued until written notice thereof has been given to the customer unless the District determines that the District water supply is being contaminated or is in immediate danger of contamination.

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The notice shall state the conditions or defects which must be corrected and the date on or after which water service will be discontinued, which shall not be less than fifteen (15) days or more than ninety (90) days following the date of mailing the notice.

The District may grant the customer an extension of an additional period not to exceed ninety (90) days, upon a showing of good cause.

H. Non-testable Backflow

The District may require customers with non-testable backflow prevention devices to either provide proof that the backflow prevention device is in working order or replace the non-testable device with a device that meets current standards and is testable. Consistent with the requirements of this section, the customer is responsible for the cost to bring the device up to current standards. Customer shall have 12 months to replace a non-testable device. If the District determines that a public health threat is imminent due to a suspected failed backflow prevention device, the District can require the device to be replaced immediately.

I. Water Pressure Fluctuations causing Reverse Flow

In cases where water pressure fluctuations cause flow in the reverse direction and increase the risk of water backflowing into the District's distribution system, and in the absence of other site characteristics which require a backflow prevention device, the District may require customers to install a lead-free single check valve at a suitable location between the house valve and the meter in lieu of a backflow prevention device.

Section 9. Maintenance

A. Access to Premises

In accordance with California Water Code section 35404, as may be amended or renumbered from time to time, the District and its duly authorized agents shall at all times have the right to enter or leave the customer's premises for any purpose properly connected with the service of water to the customer. Efforts will be made to notify the customer in advance of the District or its authorized agents entering the premises but notification is not required.

Any inspection made by the District or its agents on plumbing or appliances or use of water on the customer's premises, either as the result of a complaint or otherwise, will be made or offered without charge.

B. Responsibility for Equipment

The customer shall, at their own risk and expense, furnish, install and keep in good and safe condition all equipment that may be required for receiving, controlling, applying and utilizing water, and the District shall not be responsible for any loss or damage caused by the improper installation of such water equipment, or the negligence, want of proper care or wrongful act of

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the customer or of any of their tenants, agents, employees, contractors, licensees or permittees in installing, maintaining, using, operating or interfering with such equipment. The District shall not be responsible for damage to property caused by spigots, faucets, valves and other equipment that are open when water is turned on at the meter, either when the water is turned on originally or when turned on after a temporary shutdown.

C. Damage to District Property

The District is the only entity permitted to turn off the meter at the curb stop valve, handle the meter, or perform any other act or service with respect to the District's system, including meters.

Any person who tampers or interferes with any part or component of the District's system, including a water meter, or causes or permits any act of tampering or interfering with the system, including breaking or interfering with locks on or near a meter or otherwise causing damage to the water meter, shall be liable for any injury or damage caused thereby or resulting therefrom, and may be subject to appropriate civil and/or criminal penalties, including cost recovery by the District.

D. Service Connection

The service connection, including the connection from the water main to the meter, the meter spud, and the meter box, will be repaired and maintained by the District at its expense, unless damage has occurred due to customer action in which case the customer is liable for the cost of the repair. The District is not responsible for the installation and maintenance of water lines beyond the end of its service. The repair and replacement of all equipment on the customer side of the meter, not including the meter spud, is the responsibility of the customer. Water lost by failing customer equipment or negligent or impermissible operation of equipment by the customer will be charged as consumption.

E. Inaccessible Meter

Meter boxes must be kept clear of any and all vegetation, landscaping, paving or other covering to ensure access by the District at all times. If needed, the District has the right to restore access to the meter through removal of vegetation or other covering or may require customer to do so at their expense. While efforts will be made to notify customers in advance of District staff taking action to restore access to the meter, it is not required

F. Service Lines

Service lines from the District meter spud to the customer 's point of use shall be maintained by the customer such that routine meter maintenance by District staff does not cause breakage of customer's equipment.

G. Interruptions in Service

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Temporary shutdowns may be required by the District for improvements and repairs. Whenever possible, and as time permits, all customers affected will be notified prior to such shutdowns.

The District will not be liable for interruption, shortage or insufficiency of supply, or for any loss or damage occasioned thereby, if caused by accident, fire, power outages, strikes, riots, war or any other cause not within its control. The District, whenever it shall find it necessary or convenient for the purpose of making repairs or improvements to its system, shall have the right temporarily to suspend delivery of water and it shall not be liable for any loss or damage occasioned thereby. Repairs or improvements will be completed as rapidly as is practicable and, so far as possible, at such times as will cause the least inconvenience to the customers.

H. Ground-wire Attachments

All individuals or business organizations are forbidden to attach any ground-wires to any plumbing which is or may be connected to a service connection or main belonging to the District. The District will hold the customer liable for any damage to its property occasioned by such ground wire attachments.

Section 10. Notices

Notices from the District to a customer may be delivered by mail, telephone, text, doorhanger left at the customer premises, emailed to the addressee(s) on file with the District, or a combination of any of the above or any other means that may become available with the adoption of new technology.

Section 11. Billing

A. Customer's Request to Establish a Billing Account

A customer may establish a utility billing account by contacting the District and verifying their identity through a Social Security Number, government issued photo identification, or other method that complies with the District's Identity Theft Policy.

A customer may not open an account for another person.

A customer may open a joint account or add an authorized user to their account as long as the proposed additional user can first verify their identity through a pre-established security password set by the customer before account information is released. Once their identity is verified, the joint account holder or authorized user has the authority to change contact information and discontinue an account without confirmation by the original account holder.

B. Customer's Request for Billing Account Discontinuance

A customer may have their water service discontinued by notifying the District reasonably well in advance of the desired date of discontinuance. They will be required to pay all water charges until the date of such discontinuance.

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If notice is not given, the customer may be required to pay for water service for up to three days after the District has learned that the customer has vacated the premises or otherwise has discontinued service to the account.

C. Utility Billing (UB) Deposits

1. Establishment of Creditworthiness for Utility Billing (UB)

Customers who do not provide a social security number will be required to verify identity with another form of identification and establish account creditworthiness through a deposit. The amount required to establish creditworthiness for a UB account shall be calculated as follows: twice the estimated average of a recent bill typical for that parcel, based on the rate ordinance in effect at the time the UB account is established.

2. Unpaid or Delinquent UB accounts

Deposits prescribed herein may be required for unpaid utility bills when:

- an account has been shut off for nonpayment
- an account has been delinquent for more than 90 days
- a returning customer has a poor credit history with the District

The District will require returning customers to pay all outstanding bills and late fees, and establish a deposit as prescribed herein, before establishing a new UB account.

3. Refund or Disposition of Deposits

Deposits, less the amount of any unpaid water bills, will be refunded, without interest, on discontinuance of the UB account.

D. Utility Bills and Payment

1. General

Each customer receiving service from the District assumes all responsibility and liability for charges incurred under this Ordinance or other policy of the District, including all utility bills charged hereunder, until said customer notifies the District, as provided herein, of discontinuation of service.

2. Meter Reading Frequency

Meters will be read at regular intervals for the preparation of regular bills, and as required for the preparation of opening bills, closing bills and special bills. Meters are also read each time a meter is turned on or off.

3. Obstructed Meters

When a meter is covered or otherwise inaccessible due to the customer's failure to keep it clear, the District will notify the customer in writing of the corrective action required. If the customer does not correct the inaccessibility within the specified time, the District will make the corrections at customer expense. During the period of inaccessibility, the District may estimate water consumption and render a bill based on such estimated

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amount. Adjustment to the consumption will occur at the next regular meter reading cycle.

If a meter cannot be read due to natural disaster, malfunction, or radio signal interruption, the District may estimate the read based on prior account or meter usage history.

4. Combined Meters

Each meter on a customer's premises will be read separately and the readings of two or more meters will not be combined, unless done so for the District's operating convenience. The billing service charge for such combined meters will be based on the diameter and capacity of the largest service line.

Combination water and fire services will be read separately and the readings of two or more meters will not be combined. The billing service charge for water service will be based on meter size; the charge for fire service will be based on the diameter and capacity of the fire service line.

Section 12. Water Rates and Charges

A. Service Charge

The service charge for each residential, commercial, irrigation, and fire service within the District, which may be charged in addition to utility billing for actual water use, shall be fixed by the Board of Directors from time to time and set forth by ordinance.

B. Billing Period

Bills for water service will be issued monthly.

C. Opening and Closing Bills

Service charges for both opening and closing bills will be prorated for the number of active days in the billing cycle.

D. Payment of Bills

Bills are due and payable by the due date specified on the bill and shall be delinquent if not paid by the due date specified. Payment may be made at the District's Office, by mail, by phone, electronically, or by any other means the District designates as new payment options become available.

Closing bills, if the UB account is to be discontinued, are due and payable by the due date specified on the bill. Delinquent closing bills will be turned over to a collection agent for resolution.

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UB accounts may accrue late fees and be discontinued for nonpayment according to the terms of the District's Collection Policy in effect at the time of delinquency.

When bills are delinquent, the District may demand that the full amount of both delinquent and current bills be paid in full. The District may impose a reasonable rate of interest for any outstanding balances, from the due date of the balance until paid in full. The District reserves the right to pursue payment of all delinquent fees and charges, including any interest and penalties owed, by means of a civil suit. If judgment is rendered in the District's favor, the District shall be entitled to payment of its attorney's fees and court costs incurred in the lawsuit.

If a customer receives water service at more than one location and the bill for service at any one location is delinquent, water service at all locations may be turned off in accordance with state law and District policy, as long as the notification requirements in the District's Collection Policy have been applied to all locations.

Section 13. Disputed Utility Bills

If a customer disputes the water bill in writing and exercises their right to appeal to the Board of Directors, the District will not discontinue water service for non-payment while the appeal is pending.

If the dispute is resolved in the customer's favor the account will be adjusted and the revised balance will be due in full unless a payment plan is signed.

If the dispute is not resolved in the customer's favor, they have the option to pay the disputed bill in full or establish a signed payment plan.

Bills issued subsequent to the disputed bill will be due by their respective due dates and the terms of the District's Collection Policy apply.

Section 14. Meter Error

A. Meter Test

A customer may, after giving the District not less than one week's notice, request the District test the meter serving their premises.

The meter will be tested at a high, medium, and low flow rate and a weighted average will be used to determine if the meter is within recommended acceptable limits based on current standards in the American Water Works Association's (AWWA) Water Meters – Selection, Installation, Testing and Maintenance, Manual M6.

The customer is required to pay for the reasonable cost of the test, as set out in rate ordinances of the District (for meters tested by the District) or as charged by a third-party testing contractor, unless the meter test results indicate that it is outside of the acceptable limits.

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A written report giving the results of the test will be provided to the customer within 10 business days after completion of the test or within 10 business days of receiving test results from a third-party testing contractor.

B. Adjustment of Bills for Meter Error1. Fast Meters

When, upon test, a meter is found to be registering outside of the recommended acceptable limits, based on the AWWA M6 manual, the District will refund to the customer the full amount of the overcharge based on corrected meter readings for the period, not exceeding six months, that the meter was in use; unless the exact duration of fast meter registration can be determined.

2. Slow Meters

When, upon test, a meter is found to be registering more than 25 percent slow, the District may bill the customer for the amount of the undercharge based upon corrected meter readings for the period, not exceeding six months, that the meter was in use.

3. Nonregistering and Unreadable Meters

The District may bill the customer for water consumed while the meter was not registering or not readable. The District may estimate the usage based on prior account or meter usage history.

The opinion and findings of the Finance and Business Services Manager on the subject of billing adjustments for meter error shall be conclusive, subject to the right of review and alteration by the General Manager or the Board of Directors.

Section 15. Discontinuance of Service for Reasons Other Than Nonpayment**A. General**

Because water is a vital resource, the District has determined that it is appropriate to adopt and enforce District prohibitions on use of unsafe apparatuses by customers, customer use of District services in a manner that is detrimental to other customers, theft or fraud relating to water service, or noncompliance with any applicable state or local law.

B. Unsafe Apparatus

The District may refuse to furnish water and may discontinue service to any premises where apparatus, appliances or equipment using water is dangerous, unsafe or not in conformity with any laws or ordinances.

The District does not assume liability for inspecting any apparatus on the customer's property. The District does reserve the right of inspection, however, if there is reason to believe that an unsafe apparatus is in use.

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C. Exceedance of Flow Capacity

All customer-installed booster pump installations shall be approved by the District and include provisions to remain within the capacity of the water meter. The District does not assume responsibility for operation or maintenance of such booster pump nor guarantee flow or pressure resulting there from.

The District may refuse to furnish water, may discontinue service, may require a flow restrictor be installed at the customer's expense, may require the meter to be upsized at the customer's expense, or require other modifications as necessary, if the customer's consumption exceeds the flow capacity of the water meter/service line or if the conditions of service are not complied with, such as the restricted meter capacity policy.

D. Service Detrimental to Others

The District may refuse to furnish water and may discontinue or restrict service to any premises where the demand is greatly in excess of past average or seasonal use, and where such excessive demands by one customer are or may be detrimental or injurious to the service furnished to other customers.

The District may refuse to furnish water and may discontinue or restrict service, including the installation of a flow restrictor, to any premises where excessive demands by one customer will result in inadequate service to others.

E. Water Waste

The District may discontinue or restrict service, including the installation of a flow restrictor, to any premises which is wasting water and has not corrected the violation after multiple notice by the District, as defined by the District's Water Waste Ordinance.

F. Fraud, Theft, or Abuse

The District shall have the right to refuse, restrict or discontinue water service to any premises to protect itself against fraud, water theft, or abuse. For purposes of this section, "water theft" means and includes all of the following:

- The use, diversion, receipt, or taking of District water by any means from any public fire hydrant, blow-off valve, water main, water service lateral, or other District facility or connection to a District facility to which a District-authorized metering device has not been installed or has been removed by the District.
- The use, diversion, receipt, or taking of District water by any means without paying the full and lawful District charges for such water, or by tampering with District property or facilities, including but not limited to removing a lock or plug that has been placed on a customer's service or meter or unauthorized use, tampering with a service connection or bypassing a meter, or making an unauthorized connection to any District facilities or any public fire hydrant.

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Water theft is prohibited. Each act of water theft constitutes a misdemeanor which the District may report to the appropriate prosecuting agency. In addition to pursuing criminal penalties, the District, upon discovering water theft or customer tampering with District property, may also pursue the following remedies or other remedies available at law or equity:

- Require the immediate removal of any equipment, connections or tools used to accomplish the water theft that is attached to District property.
- Impose on the customer or perpetrator an administrative penalty, for any of the following occurrences of tampering, in accordance with Gov. Code 53069.45:
 - For cutting a District lock, cutting/damaging angle meter stop, preventing a meter from accurately performing its measuring function, or straight-lining across a District meter;
 - For a second violation of any of the above tampering provisions within one year; and
 - For each additional violation within one year.
- Impose on the customer or perpetrator an administrative penalty for any other form of water theft (e.g. illegal hydrant use, illegal connection to water system, etc.), in accordance with Gov. Code 53069.45:
 - For a first violation;
 - For a second violation within one year; and
 - For each additional violation within one year.
- Charge the customer or perpetrator for the amount of the unauthorized used water at applicable rates and charges. For fire hydrants, the District may presume the amount of water is 10 units per day unless the evidence establishes a different amount.

G. Noncompliance

The District may, unless otherwise provided, discontinue or restrict water service to a customer for noncompliance with any of these regulations if the customer fails to comply with them within five days after receiving written notice of the District's intention to discontinue or restrict service. If such noncompliance affects matters of health and safety, and conditions warrant, the District may discontinue water service immediately.

H. Restoration-Reconnection and Removing Flow Restrictor Charges

The District will charge a fee for restoring water service which has been discontinued or restricted, in accordance with our current rates and fees.

Section 16. Fire Hydrants

A. Use of and Damage to Fire Hydrants

No person or persons, other than those designated and authorized by the Fire District authority, or by the District, shall open any fire hydrant, attempt to draw water from it or in any manner damage or tamper with it, unless an agreement has been entered into with the District for such withdrawal of water. Tampering with a fire hydrant for the unauthorized use of water, or any other reason, is a misdemeanor as provided by California Penal Code Sections 148.4 and 498, as

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may be amended or renumbered from time to time. Such actions are punishable by imprisonment in the County Jail, or a fine, or both.

B. Moving of Fire Hydrants

When a fire hydrant has been installed in the location specified by the proper authority, the District has fulfilled its obligation. Cost of such installation shall be borne by applicant. If a property owner or other party desires a change in the size, type or location of the hydrant, he/she shall bear all costs of such charges, without refund. Any change in the location of a fire hydrant must be approved by the proper authority.

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PASSED AND ADOPTED by the Soquel Creek Water District Board of Directors at its regular meeting held on the August 16, 2022, by the following vote:

AYES: Directors LaHue, Christensen, Daniels and Lather

NOES: None

ABSENT: Director Jaffe

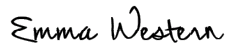
ABSTAIN: None

APPROVED:



Dr. Thomas R. Lahue
President of the Board of Directors

ATTEST:



Emma Western
Clerk to the Board of Directors

ACCESSORY DWELLING UNIT (ADU) REQUIREMENTS



WHAT IS AN ADU?

ADU stands for Accessory Dwelling Unit. It is an additional, self-contained housing unit that is secondary to the main residence on a single family home lot. It must have all features that are required in a standard residence (kitchen, bathroom, sleeping area, heat, etc.). ADUs are also known as granny units, in-law apartments and second units.

DOES MY ADU REQUIRE A NEW WATER SERVICE?

It depends on the type of ADU you are building. Conversion/junior ADU (see definition below) do NOT require a new water service.

CONVERSION/JUNIOR ADU

Your ADU is considered a **conversion/junior ADU** if

- It is contained within the square footage of an existing home (e.g. family room) or a legal structure on your property (e.g., detached garage) or
- It is considered a Junior ADU by your planning agency

*NOTE: Up to 150 square feet may be added (for any purpose) and still be considered a conversion/junior ADU for our purposes. This may not match the classification of your project by the land use agency.

NO NEW SERVICE IS REQUIRED.



NEW CONSTRUCTION ADU

Your ADU is considered **new construction** if

- Square footage was added horizontally or vertically
- It is not part of an existing home or structure on your property
- Contained within an illegal structure (constructed without permits)

NEW DEDICATED WATER SERVICE IS REQUIRED. Fees include:

- **Application Fee**
- **Water Capacity Fee**
- **Meter Fee**



This information is intended to help you determine which Water District fees may apply to your project. Please refer to either the City of Capitola or the County of Santa Cruz to officially determine if your project is considered a new construction or conversion ADU.

NEW WATER SERVICE CHARGES FOR COMMON RESIDENTIAL DEVELOPMENTS



Project Type	New Construction Accessory Dwelling Unit ¹ (up to 640 sq. ft.)	New Construction Accessory Dwelling Unit ¹ (greater than 640 sq. ft.)	Single-Family Residence	Multi-Family Residential ²
Meter Type				
	5/8" Restricted Domestic Meter	5/8" Domestic Meter	5/8" Domestic Meter 5/8" Fire Meter	5/8" Domestic Meter per unit ³
Fee Type				
Application Fee	\$300	\$300	\$300	\$300 per project
2023 Water Capacity Fee	\$11,125	\$22,250	\$22,250	\$22,250 per unit ⁴
Meter Cost	\$410	\$370	\$740	\$370 per unit ⁴
Construction Inspection Deposit	\$1,500	\$1,500	\$1,500	see note 2
Total	\$13,335	\$24,420	\$24,790	\$22,620

1. Conversion accessory dwelling units (ADUs) are exempt from new water service requirements. Additional information on ADUs can be found on the District website.
2. The following fees for multi-family residential depends on project size and complexity: fire service meter, dedicated irrigation meter, infrastructure improvements, construction inspection deposit.
3. Low-income housing is exempt from separate metering.
4. Dwelling units up to 640 sq. ft. qualify for a 5/8" Restricted Meter, Water Capacity fee of \$11,125, and meter fee of \$410.

NEW WATER SERVICE CHARGES EXPLAINED

Application Fee: This fee is due at the time of application and is non-refundable.

Water Capacity Fee (reevaluated annually): This is your "buy-in" to the water system. This pays for your capacity to use the SqCWD infrastructure, including pumps, wells, main lines, treatment facilities, etc. The fee is determined by the size of the meter required at the development. Projects are charged the current Water Capacity Fee at the time of meter installation.

Meter Cost: New single-family residences are required to have a domestic meter and a fire service meter. New construction ADUs must have a dedicated domestic meter.

Construction Inspection Deposit: Before the meter is installed and service can begin, an inspector from SqCWD must inspect the service line installation work by the applicant's contractor and make sure it is done to District standards. When the inspector confirms the service line is acceptable, a portion of the deposit may be refunded. You are only charged for the inspector's time.

Additional Costs Not Paid to Soquel Creek Water District Installation of New Service:

The Applicant must hire a contractor to install the new service. The average cost of installation is approximately \$12,000 to \$15,000. This is NOT a Soquel Creek Water District fee and is contractor and site specific.

***This cost sheet is meant to give common residential development types an estimate of their total costs to get new water service from SqCWD. All costs are subject to change and some developments may incur higher costs.**

Additional information is on our [Residential Construction webpage](#)

To begin a new service application, fill out the [New Water Service Application](#). SqCWD staff will respond as soon as possible.