

Memorandum of Understanding

Between

Novato Sanitary District

Novato, California



AND

TEAMSTERS LOCAL 315

Martinez, California



June 1, 2025 to June 30, 2030

Memorandum of Understanding
Novato Sanitary District and Teamsters Local Union No. 315

Memorandum of Understanding Between
Novato Sanitary District and Teamsters Local Union No. 315

Table of Contents

Article 1: Recognition	3
Article 2: Term	3
Article 3: Discrimination.....	3
Article 4: Employee Rights.....	4
Article 5: Management Rights	5
Article 6: Work Curtailment	6
Article 7: Work Schedule	6
Article 8: Overtime.....	7
Article 9: Compensatory Time Off	8
Article 10: Probationary Period	8
Article 11: Job Classifications and Wages.....	9
Article 12: Leaves	9
Article 13: Industrial Injury Leave	13
Article 14: Certifications/Licenses	13
Article 15: Benefits.....	14
Article 16: Evaluations	17
Article 17: Discipline	17
Article 18: Grievance Procedure	20
Article 19: Full Understanding	23
Article 20: Severability	23
Article 21: Appendix.....	25

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Memorandum of Understanding
Novato Sanitary District and Teamsters Local Union No. 315

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Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Preamble

This Memorandum of Understanding (MOU) is entered into pursuant to the Meyers-Milias-Brown Act, California Government Code Section 3500 et. seq. by the Novato Sanitary District (District) and the Teamsters Local 315 (Union).

Article 1: Recognition

The District recognizes the Union as the certified majority representative of the employees in the unit consisting of those classifications set forth in Section 21.01 of this MOU

Last Revised: June 1, 2025

Article 2: Term

This MOU is deemed effective upon signature by both the authorized Union representative and the District General Manager-Chief Engineer (General Manager), and shall remain in effect from June 1, 2025, through June 30, 2030.

Last Revised: June 1, 2025

Article 3: Discrimination

Neither the District nor the Union shall interfere with the right of its employees to become members of or participate in, or to not become members of or participate in, the Union. Neither the District nor Union, nor any of their agents shall discriminate against, interfere with, restrain, or coerce any employee because of membership or lack of membership, or participation or lack of participation in the Union.

Memorandum of Understanding
Novato Sanitary District and Teamsters Local Union No. 315

Article 4: Employee Rights

Section 4.01 Representation

- (a) The Employer shall supply the Union with names, classifications and work locations of newly hired employees and terminated employees in represented classes within 15 calendar days of hire or termination. The District shall provide the Union with an up-to-date seniority and classification list for all bargaining unit employees upon reasonable request and at least every 120 days.
- (b) The Union may designate up to two employees to serve as employee representatives. Each calendar year the Union shall provide the General Manager with a list of the designated employee representatives.
- (c) Employee representatives shall be granted a reasonable amount of time, with pay, to investigate and process grievances during working hours, to bring about a prompt disposition of the matter. Before leaving their work location assignment to act as employee representatives, they must first obtain permission from their immediate supervisor and inform the supervisor of the nature of the business. Permission shall be granted promptly unless absence would cause an undue interruption of work.
- (d) Upon entering a work location, an employee representative shall inform the proper supervisor of the general nature of the Union representative's business. Permission to leave the job shall be granted to the employee involved unless such absence would cause an undue interruption of work.

Section 4.02 Dues Deduction

- (a) During the term of this MOU, the District shall deduct Union dues, or service fees from an employee's wages for any employee covered by this MOU that has authorized such deductions. The Union shall provide the District with the information regarding such deductions. The District shall transmit monies deducted to the Union within 15 calendar days of the payroll period pay date.
- (b) If for any reason an employee has insufficient funds due him/her to provide for the payment of any of the above payroll deduction after all other authorized or mandatory deductions or garnishments have been made, if any, no such sums shall be payroll deducted and the Union shall assume the duties of direct collection from the employees.
- (c) The Union shall indemnify, defend and hold the District and its officers and employees harmless from any and all claims for deductions made in reliance on the information provided by the Union.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Section 4.03 Personnel Files

- (a) Personnel files within the District's control shall be made available for inspection by an employee, or by a Union representative with the written consent of an employee, within a reasonable time (for the purposes of this section, 24 hours) after an employee's request and without loss of pay, provided that the employee makes arrangements with the General Manager if the inspection occurs on duty. Upon written request, an employee may obtain copies of the materials subject to inspection. The District may preclude inspection of certain information in accordance with the law, such as background and other pre-employment information, and materials relating to confidential investigations.
- (b) The District shall furnish the employee copies of all performance evaluation reports and letters of reprimand or warning prior to placement of such documents into the employee's personnel file. The employee may be required to acknowledge the receipt of any document entered into his/her personnel file without prejudice to subsequent arguments concerning the contents of such documents.
- (c) An employee who disagrees with the contents of a letter of reprimand or warning which is placed in the employee's personnel file may submit a written response thereto within seven working days of such letter of reprimand or warning and have such response placed in the employee's personnel file.

Section 4.04 Work Access

A Union representative desiring access to a work location shall state the purpose of the visit and request the General Manager or his/her designee's authorization prior to the intended visit. If authorization for such access is not granted, the Union representative shall be informed when time shall be made available. Authorized Union representatives may be given access to work locations during working hours solely for the purpose of conducting grievance investigations, posting literature on bulletin boards, and/or observing working conditions. The Union agrees that its representatives shall not interfere with operations of the District or any of its facilities.

Section 4.05 Bulletin Boards

- (a) The District shall furnish reasonable bulletin board space to the Union at all work locations. The boards may be used for the following subjects:
 - (1) Union recreational, social and related Union news bulletins;
 - (2) Scheduled Union meetings;
 - (3) Information concerning Union election or results thereof; and
 - (4) Reports of official business of Union, including newsletters and reports of committees.
- (b) Any other written material must first be approved and initialed by the General Manager or a designee. Material shall be properly posted and timely removed by Union representatives.

Article 5: Management Rights

The Union recognizes that the District continues as the sole and exclusive manager of the District's facilities, having all the power, rights, functions, and authority formerly or usually held by management, except to the extent these are limited by a specific expressed provision of this MOU.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Article 6: Work Curtailment

The purpose of this section is to ensure that the health and safety of the public is not compromised due to a failure of District employees to properly operate and maintain District facilities and equipment.

Under no conditions or circumstances shall the Union or any of the employees it represents individually or collectively cause, sanction, honor or engage in any strike, sit-down, stay-in, sick-out, slow-down, speed-up, work to rule or in any other type of job action, curtailment of work, restriction of production or restriction of service during the term of this Agreement.

Article 7: Work Schedule

Section 7.01 Work Schedule

The General Manager or designee shall determine the work schedule. The General Manager or designee shall schedule employees to work on regular work shifts, having regular starting and quitting times. The General Manager may implement a work schedule that provides for weekend work.

Section 7.02 Standby Duty

- (a) Due to the potential consequences of an operating failure in the District's treatment and reclamation facilities, pumping stations and collection system, it is necessary that all qualified District employees be available during nonworking hours to receive and respond to emergency calls. The General Manager may require qualified employees to be on standby duty during non-working hours, including Saturdays, Sundays and holidays.
- (b) An employee on standby duty must be able to be contacted within 10 minutes by telephone and must be able to respond to an emergency within 30 minutes after being notified. Standby employees must also be prepared to comply with all District safety and substance abuse policies.
- (c) When appropriately authorized by the General Manager, an employee shall receive standby duty pay as specified in the Salary Plan.

Section 7.03 Changes in Work Shifts

- (a) The District shall have the sole discretion to determine the number, type, duration and start time of shifts for any classification. Normally, employees shall be notified 72 hours in advance of any changes in work shifts.
- (b) This provision may be waived in the event of an emergency.

Section 7.04 Meal Break

- (a) Employees shall receive a 30-minute unpaid meal break at approximately the middle of the shift. During that time employees shall be relieved of all duty and be permitted a reasonable opportunity to take an uninterrupted, 30-minute break.
- (b) If the employee is authorized in advance to perform work duties during the meal break or is required to respond to an emergency, the employee shall be compensated for the meal break.
- (c) Employees may not combine or use their meal breaks to shorten their workday, i.e. by choosing not to take their breaks or taking a break at the beginning or end of the workday.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (d) When a work period of not more than six hours will complete the day's work, the meal break may be waived by mutual consent of the employer and the employee.
- (e) A second meal break of no fewer than 30 minutes is provided when an employee works more than 10 hours. The second meal break is provided no later than the end of an employee's 10th hour of work.
- (f) An employee may waive the second meal period if:
 - (1) The total hours worked on that workday are not more than 12;
 - (2) The waiver is mutually agreed upon; and
 - (3) The first meal break of the workday was not waived.

Section 7.05 Rest Breaks

- (a) Employees whose total daily work time is at least 3.5 hours are to be allowed a paid 15-minute rest break for each four hours worked; to be taken as practicable, in the middle of each work period. In a normal workday this break may be in the morning and the afternoon. This break shall be taken at the job site.
- (b) Employees may not combine or use their breaks to shorten their workday, i.e., by choosing not to take their breaks or taking a break at the beginning or end of the workday.

Article 8: Overtime

- (a) Overtime is defined as hours worked beyond the employee's regular scheduled work hours as described below and is paid in quarter hour increments. It is the District's general policy to avoid the need for overtime work whenever possible. Except in cases of emergencies, all overtime work must be authorized in advance by the appropriate supervisor.
Note: For purposes of Fair Labor Standards Act (FLSA) overtime, the beginning and end of the workweek shall be the midpoint of the regularly scheduled 8-hour workday.
- (b) Nonexempt employees on the 8/40 schedule, are paid on an hourly basis for an eight-hour workday. Hours worked per day in excess of eight or 40 hours for the workweek are paid at an overtime rate of one and one-half times the employee's regular rate of pay.
- (c) Nonexempt employees on the 9/80 schedule, are paid on an hourly basis for eight 9-hour and one 8-hour workday over a two-week period. Hours worked per day in excess of this or 40 hours for the workweek are paid at an overtime rate of one and one-half times the regular rate of pay.
- (d) For approved work required outside of the employee's regular work hours that is assigned with less than 12 hours advance notice the District shall pay a minimum of two hours at one and one-half times the regular rate of pay.
- (e) **Remote Response to Alarm or Event**

Any employee, including a standby employee, who remotely responds to an alarm or pump station notification, will receive a minimum of 0.5 hours of pay at one-and-one-half times (1.5x) their base hourly wage rate. Compensation for multiple incidents within the one 0.5 hours window will be compensated for only one 0.5 hours of pay at one-and-one-half times their base hourly wage rate.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Last Revised: June 1, 2025

Article 9: Compensatory Time Off

- (a) A non-exempt employee may elect to be compensated for overtime with compensatory time off (comp time) on the basis of one and one-half hours of time off for each hour of overtime worked at the discretion of the immediate supervisor, and approval of the General Manager, with due regard to District needs.
- (b) Non-exempt employees may accrue up to 80 hours of comp time. Once an employee accrues 80 hours, future earned overtime will be paid until the comp time total drops below 80 hours.
- (c) Accrued comp time may be carried over from one year to the next.
- (d) An employee who wishes to use comp time must follow the Leave Request procedure as with other types of leave.
- (e) Any employee who separates from District employment shall be compensated for all unused comp time at the employee's regular rate of pay at the time of separation.

Article 10: Probationary Period

Section 10.01 Initial Appointment

- (a) All employee appointments shall be subject to a probationary period of six months from the date of appointment.
- (b) An employee's probationary period may be extended by the General Manager, upon recommendation of the employee's immediate supervisor, for a period of up to six months to allow further observation of an employee's work performance.
- (c) During probation, periods of time on paid or unpaid leave exceeding ten consecutive working days shall automatically extend the probationary period by the number of days the employee is on leave.
- (d) During the probationary period, employees are considered "at will" and may be dismissed for any reason, at any time, without cause, without notice, and without any right of appeal.

Section 10.02 Promotional Probation

- (a) When a permanent employee is promoted, a promotional probationary period of six months shall begin on the effective date of the promotion.
- (b) During the probationary period, the promoted employee has no rights of tenure in the position and may be returned to his/her former position, range and salary without cause, without notice and without any right of appeal.
- (c) Successful completion of the probationary period does not provide the employee any additional, or greater, rights to employment than those held by regular employees.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Section 10.03 Completion of Probation

Successful completion of probation is contingent upon written confirmation prior to the expiration of the employee's probationary period from the General Manager.

Article 11: Job Classifications and Wages

- (a) The General Manager, or his/her designee, shall recruit and appoint personnel to classified positions. The District may use any legitimate recruitment procedure for attracting qualified applicants.
- (b) The General Manager is the only District employee authorized to appoint District employees. All candidates recommended for appointment by a Department head are to be interviewed by the General Manager or his/her designee prior to appointment. This includes part-time, temporary, seasonal and promotional appointments.
- (c) The District's Classification and Salary Plan are attached and included as Article 21, Appendix, of this MOU.

Article 12: Leaves

Section 12.01 Holidays

- (a) The holidays for the District are:
 - (1) January 1st (New Year's Day)
 - (2) The Third Monday in January (Martin Luther King Day)
 - (3) The Third Monday in February (Presidents Day)
 - (4) The Last Monday in May (Memorial Day)
 - (5) July 4th (Independence Day)
 - (6) The First Monday in September (Labor Day)
 - (7) November 11th (Veterans Day)
 - (8) Thanksgiving Day
 - (9) The Day after Thanksgiving
 - (10) December 24th
 - (11) December 25th (Christmas Day)
 - (12) December 31st
- (b) When a holiday falls on a Sunday, the following Monday shall be observed as the holiday. When a holiday falls on a Saturday, the preceding Friday shall be observed as the holiday.
- (c) All full-time probationary and regular employees while in paid status are eligible to receive paid holidays. Employees shall be paid eight hours per holiday regardless of employee's alternate work schedule.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (d) Holiday pay is not considered time worked for the purposes of overtime calculations. Employees scheduled to work on a holiday shall receive holiday pay in addition to their regular pay unless the actual time worked causes the employee to exceed 40 work hours for the workweek.
- (e) In addition to the holidays listed above, full-time regular employees who have served at least one full year of continuous employment with the District are entitled to receive two floating holidays (16 hours) per fiscal year. On the anniversary of his/her appointment, new regular employees shall receive a pro-rated number of "floating holiday hours" during their first eligible year. Floating holidays may not be carried over to another fiscal year and are forfeited unless used prior to the end of the fiscal year. The scheduling of a Floating holiday is subject to approval by the employee's supervisor.

Section 12.02 Vacation

- (a) All full-time probationary and regular employees, while in paid status, shall accrue vacation as follows:

Years of Cumulative Service	Vacation Accrual	Maximum Cap on Accrual
Up to 3 years' service	80 hours	240 hours
After 3 years' service	96 hours	240 hours
After 5 years' service	120 hours	240 hours
After 10 years' service	136 hours	240 hours
After 13 years' service	144 hours	320 hours
After 15 years' service	160 hours	320 hours
After 20 years' service	184 hours	320 hours
After 25 years' service	200 hours	320 hours

- (b) Once an employee has reached the maximum cap on accrual based on years of service, the employee ceases accruing vacation. When the employee's vacation accrual falls below the maximum cap on accrual, the employee shall resume accruing paid vacation time.
- (c) Part-time regular employees (both benefited and non-benefited) are eligible to accrue vacation leave on a pro rata basis. Temporary, seasonal, and emergency employees are not eligible to accrue paid vacation leave.
- (d) Eligible employees begin accruing paid vacation time as of the date of hire. Employees may request to take accrued vacation upon completion of at least six months of continuous service with the District, subject to the approval of their supervisor.
- (e) Use of vacation leave must be approved in advance by the employee's supervisor. Employees shall submit a Leave Request form at least two weeks prior to a vacation leave of five or more days.
- (f) Employees may not borrow against their leave bank. Requested paid leave shall not exceed the total leave accrued as of the pay date of the payroll period that paid leave is scheduled to be taken. Leave taken in excess of that which is available will be considered leave without pay.
- (g) If a District-paid holiday falls within the employee's scheduled vacation, the employee shall be credited with the holiday pay, and shall not be charged vacation for that day.
- (h) Employees who separate from District service shall be paid for any accrued but unused vacation time at the time of separation from District service.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Section 12.03 Sick Leave

(a) *Accrual*

- (1) Eligible employees accrue paid sick leave to be used in the event of an illness or injury, medical/dental or other appointment with a licensed health care provider for examination or treatment, for the employee, or the employee's family (only the parents, spouse, registered domestic partner, or children).
- (2) Full time employees (regular and probationary) earn paid sick leave at the rate of eight hours for each calendar month of service. Part-time regular employees (both benefited and non-benefited) accrue paid sick leave on a pro-rata basis.

(b) *Medical Authorization*

- (1) If an employee is absent because of illness, the employee must notify their supervisor within one hour of the time the employee is scheduled to report for work. An ill or injured employee is expected to personally call and, if not possible, provide a reasonable explanation for not contacting the supervisor upon return to work.
- (2) The General Manager or designee may require an employee who has been absent from work to provide medical authorization from a healthcare provider before returning to work.

(c) *Use of Sick Leave*

In cases where the employee knows in advance of the need to use sick leave, the employee shall complete a Leave Request Form in advance of the requested time off. Employees on unanticipated sick leave shall complete the leave request form immediately upon returning to work.

(d) *Separation from Employment*

Upon retirement from the District, accrued sick leave shall be credited to the employee's length of service and will become a part of the calculation upon which CalPERS retirement benefits are established. Other than at retirement from the District, employees are not entitled to receive payment for any unused sick leave upon separation.

(e) *Sick Leave Abuse*

Sick leave is to be used in the case of sickness, disability, medical or dental care for the employee or to attend to the health needs of an immediate family member. If the supervisor finds that an employee is abusing the sick leave program, those findings shall be reviewed by the General Manager or designee and presented to the employee. The employee may request the presence of the Shop Steward. The employee shall be notified in writing and required to provide a healthcare provider's authorization for any additional sick leave. This requirement, once invoked, shall remain in effect for a period of six months. At the end of the six-month period, the employee, their immediate supervisor, and the General Manager shall review the employee's sick leave record and decide whether continuing the requirement is warranted and the employee shall receive a written notice outlining the decision. Upon request, employees failing to provide a healthcare provider's authorization under these terms, may result in a loss of pay for the day(s) or time in question.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Section 12.04 Other Leave with Pay

(a) ***Bereavement Leave***

- (1) Leave, up to five working days each calendar year, may be granted at the discretion of the General Manager in the event of the death of an employee's family member. For purposes of this Section, "family member" means parent, spouse, registered partner, sibling, child, grandparent and grandchild of an employee or the employee's spouse. The District, in its discretion, may require proof that death of a family member has occurred.
- (2) Bereavement leave shall be charged against the employee's accrued sick leave. If more time is necessary, the leave shall be charged first against the employee's accrued sick leave, comp time bank, and then vacation balance. If the employee requesting bereavement leave has no sick leave, vacation, or comp time off, the bereavement leave shall be unpaid.

(b) ***Jury Duty and Court Witness Leave***

- (1) An employee who receives a jury duty summons or a witness subpoena shall bring the summons or subpoena to their supervisor within three working days of receipt so that arrangements can be made to accommodate the employee's need for time off. Employees must keep their supervisors informed of jury or witness service schedule.
- (2) If called to jury duty or witness duty, any regular full-time employee shall be paid for the working hours lost while on jury or witness duty. Time spent on jury duty is not considered time worked for overtime calculations.
- (3) For the period of District-paid jury or witness leave, the employee shall decline Court payment.
- (4) This policy does not apply to witnesses testifying as an expert in any matter. Employees wishing to testify as an expert witness must apply for unpaid leave or use vacation, floating holiday, or compensatory time off.

(c) ***Military Leave***

Military leave shall be granted in accordance with applicable state and federal law.

Section 12.05 Personal Leave without Pay

- (a) The District, in its sole discretion and such discretion is not grievable, may permit employees to be on personal leave without pay for a maximum of six months. Employees must obtain permission in writing from the General Manager for personal leave without pay. Leave without pay in excess of six months shall not be granted unless specifically approved by both the General Manager and District Board.
- (b) Personal leave without pay shall only be granted after all other applicable accrued leave is exhausted. Once all other paid leave is exhausted, the employee is in unpaid status and shall not receive service credit, nor accrue vacation, or sick leave. Health and life insurance benefits, provided by the District, and for which the employee is otherwise eligible, shall be continued but not to exceed 30 days. After 30 days, an employee may elect to continue health insurance benefits at the employee's own expense.
- (c) The employee's anniversary date shall be adjusted to thereby delay any scheduled date for salary increase and accrual of service credits towards retirement.

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Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (d) Failure of an employee on leave without pay to report to work promptly at the conclusion of the approved leave without pay shall be considered a voluntary resignation effective as of the scheduled return to work date.

Last Revised: June 1, 2025

Article 13: Industrial Injury Leave

- (a) Incidents involving injury or illness of an employee in connection with District employment shall be reported promptly to the employee's supervisor or Safety Officer.
- (b) Employees suffering injuries in the course and scope of their work may be entitled to workers' compensation benefits in accordance with state law. An employee receiving workers' compensation insurance benefits shall have his/her sick leave, vacation and compensatory time off benefits integrated, (unless the employee indicates in writing to the contrary) so that the employee's pay equals, but does not exceed, the employee's regular rate of pay earnings.

Article 14: Certifications/Licenses

- (a) When certifications are required for a position, the District shall reimburse the employee for the cost of renewing the certificate.
- (b) The District shall provide reimbursement for employees who renew/maintain their Class B Drivers Licenses. (the minimum qualification for the Collection System Worker I, II & III, and Collections Lead Worker Classifications include the possession of a valid Class B Driver's License).
- (c) Employees who receive certification reimbursement or awards are responsible for ensuring that the certificate is maintained as current.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Article 15: Benefits

Section 15.01 Life Insurance Plan

- (a) The District agrees to maintain and pay the premium on a \$50,000 Group Life Insurance Benefit for all full-time, regular employees beginning the first of the Insurance month following one month from date of appointment.
- (b) For regular employees working less than 40 but more than 30 regularly scheduled hours per week, the District shall pay a pro-rata share of the premium.

Section 15.02 Dental, Vision and Employee Assistance Plans

- (a) The District agrees to maintain and pay the premiums for Dental, Vision and Employee Assistance Plan for all full-time, regular employees and their dependents beginning the first of the Insurance month following one month from date of appointment.
- (b) The District shall pay a pro-rata share of the Dental Plan premium for regular employees working less than 40 but more than 30 regularly scheduled hours per week.
- (c) The District shall pay a pro-rata share of the Vision Plan premium for regular employees working less than 40 but more than 32 regularly scheduled hours per week.

Section 15.03 Health Care Benefit

- (a) The District agrees to maintain and pay the premiums for health care benefits as described below, beginning on the employee's date of appointment.
- (b) The District contracts with the California Public Employees' Retirement System (PERS) for the provision of health care benefits for active full-time, regular employees, their dependents, and eligible retired employees. Eligibility and participation to participate in this program shall be in accordance with regulations promulgated by PERS and, for retirees, as referenced in the Retiree Health Care Coverage section.
- (c) Employees may opt out of health care benefits if they can provide proof of adequate medical insurance coverage from another source. Employees who opt out of the PERS health care coverage shall be required to provide written confirmation of alternative coverage, by the first day of the PERS open enrollment period and annually thereafter. If such confirmation is not provided, the employee shall be required to enroll in the PERS Medical Program. Employees that are eligible and opt out of the District's health care benefit shall receive \$350 per month.
- (d) Towards the Health Care benefit, the District shall provide the employee, employee plus dependent or employee plus dependents the lesser of either:
 - (1) The Kaiser Bay Area rate, or
 - (2) The 2018 Kaiser Bay Area Rate adjusted by the April-to-April movement of the Consumer Price Index (CPI), (Medical Care in U.S. city average, all urban consumers, base period 1982-84 =100), and the April-to-April movement of the CPI (San Francisco-Oakland-Hayward, CA, base period 1982-84=100, Urban Wage Earners and Clerical Workers).
 - (3) If the costs of an employee's PERS health care selections exceed the District's monthly contributions, the employee shall designate a portion of his/her wages to cover the cost of such selections.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (4) Each employee shall be responsible for providing immediate written notification to the District regarding any change to the number of his or her dependents that affects the amount of the District's monthly contributions on the employee's behalf. Changes to the District's contribution rate shall take effect at the start of the first pay period in the month following the month in which the eligible dependent is either added or deleted under the plan.
- (5) Each employee shall be solely and personally responsible for any Federal, State, or local tax liability that may arise out of the implementation of this section.

Section 15.04 Medicare

Employees shall be required to participate in Medicare Coverage Program. The cost of the program is shared equally between the employer and the employee. The employee's contribution shall be deducted from the employee's salary.

Section 15.05 Retiree Health Care Benefit

(a) Employees Hired prior to July 1, 2008

- (1) Employees hired prior to July 1, 2008 who retire from the District, commence drawing retirement from PERS in accordance with all qualifications set forth in PERS as to eligibility, enrollment and coverage, and continue with PERS Healthcare coverage shall receive the PERS defined Healthcare benefit for the single person (or the two-party health care coverage, depending on eligibility) based upon the following vesting schedule:

Age at Retirement	Years of Service	Retirement Healthcare Coverage
55	10	Single rate
55	25	Single + 1 dependent
60	15	Single + 1 dependent

- (2) Towards the retiree Health Care benefit, the District shall provide the lesser of either:

- The Kaiser Bay Area rate (Kaiser Senior Advantage rate if over 65) for employee, or employee plus dependent, or
- The 2018 Kaiser Bay Area Rate (Kaiser Senior Advantage rate if employee or dependent is over 65) adjusted by the April-to-April movement of the Consumer Price Index (CPI), (Medical Care in U.S. city average, all urban consumers, base period 1982-84 =100), and the April-to-April movement of the CPI (San Francisco-Oakland-Hayward, CA, base period 1982-84=100, Urban Wage Earners and Clerical Workers) for employee, employee plus dependent.

(b) Employees Hired after July 1, 2008

- (1) During employment, the District shall deposit 1.5 % of the employee's base monthly salary into a Retiree Health Savings Account (RHS).

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (2) For employees hired after July 1, 2008, who retire from the District and commence drawing retirement from PERS in accordance with the qualifications set forth in PERS as to eligibility, enrollment and coverage, and choose to continue with PERS health care coverage after retirement, the District shall contribute the current Public Employees' Medical and Hospital Care Act (PEHMCA) minimum towards healthcare coverage.
(PEHMCA establishes the minimum employer health premium contribution annually for participating employees.)

Section 15.06 Retirement

- (a) The District participates in the California Public Employees' Retirement System (PERS), a "defined benefit" plan which provides retirement benefits using a defined formula. Retirement benefits are calculated using a member's years of service credit, age at retirement, and final compensation as per CalPERS regulations.

- (b) Employees Hired prior to January 1, 2012:

The District shall provide the PERS Miscellaneous Members 2% at age 55 retirement formula. Under this program, retirement is calculated based on the employee's highest average 12-month salary formula for determination of final retirement compensation.

- (c) Employees Hired on or after January 1, 2012 and prior to January 1, 2013:

The District shall provide the PERS Miscellaneous Members 2% at age 60 retirement formula for employees hired on or after January 1, 2012 but before January 1, 2013. Under this program, retirement is calculated based on the employee's highest average 36-month salary formula for determination of final retirement compensation.

Employees hired on or after January 1, 2013 that were PERS members, or members of reciprocal employers prior to January 1, 2013 ("classic members") shall also utilize the 2% at age 60 retirement formula with final retirement compensation based on the highest average 36-month salary formula.

- (d) Employees Hired on or after January 1, 2013:

The District shall provide the PERS Miscellaneous Members 2% at age 62 retirement formula for employees hired on or after January 1, 2013. Under this program, retirement is calculated based on the employee's highest average 36-month salary formula for determination of final retirement compensation.

- (e) Without regard to retirement tier (see table below), all employees are responsible for paying the employee contribution rate as determined by CalPERS.

Retirement Tier Summary

Date of Hire	Retirement Formula	Final Compensation Basis*
Hired prior to January 1, 2012	2% at 55	12 mo average
Hired on or after January 1, 2012 or PERS/ reciprocal employer member prior to January 1, 2013 **	2% at 60	36 mo average
Hired on or after January 1, 2013	2% at 62	36 mo average

* retirement formula uses either a 12-month highest compensation average or a 36-month highest compensation average

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

**** subject to PERS acceptance of reciprocity**

Section 15.07 Deferred Compensation Plan

- (a) Employees may contribute a portion of their salary in accordance with Internal Revenue Service (IRS) regulations to be invested into a Deferred Compensation Plan. Plan information is available from the General Manager or designee.
- (b) Beginning January 1, 2026, the District will match \$0.50 for every \$1.00 contributed by an employee to the District's 457 Plan, up to the first \$200 contributed by the employee each calendar month.

Section 15.08 State Disability Insurance

- (a) The District agrees to deduct for state disability benefits through payroll for all classifications in the bargaining unit.
- (b) After July 1, 2027, the bargaining unit may request in writing that the Union schedule a vote on the termination of Disability Insurance Elective Coverage. Upon written notification from the Union, the District shall submit a request to the State Employment Development Department to terminate the elective coverage for the bargaining unit. Such request shall be submitted on or before January 31 of the next calendar year. For example, if a request to terminate is delivered to the District on or before December 31, 2027, the District will submit a request to terminate coverage by January 31, 2028.

Last Revised: June 1, 2025

Article 16: Evaluations

All regular employees shall receive an annual performance evaluation on or about the anniversary of their hire date or promotion. The evaluation shall be reviewed with the employee in a pre-planned private counseling session. A copy of the final evaluation shall be provided to the employee.

Article 17: Discipline

Section 17.01 General Rules of Conduct

It is expected that all employees shall render the best possible service and reflect credit on the District. Therefore, the highest standards of professional conduct are essential and expected of all employees.

Section 17.02 Disciplinary Actions

- (a) The District may invoke the following types of disciplinary actions:
 - (1) Oral Counseling or Reprimand;
 - (2) Written Reprimand;
 - (3) Suspension without Pay;
 - (4) Reduction in Pay;
 - (5) Demotion;

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (6) Disciplinary Probation; and
- (7) Discharge/Termination.

Section 17.03 Grounds for Discipline

- (a) An employee holding a permanent appointment with the District may be disciplined for cause. District employees who are seasonal, temporary or probationary, are not subject to the requirement of cause, and are not entitled to pre-discipline procedures or appeals. Such employees may be disciplined without reference to these provisions.
- (b) Good cause exists, not only when there has been an improper act or omission by an employee in the employee's official capacity, but when any conduct by an employee brings discredit to the District, affects the employee's ability to perform his or her duties, causes other employees to not be able to perform their duties, or involves any improper use of their position for personal advantage or the advantage of others. The type of disciplinary action shall depend on the seriousness of the offense and the relevant employment history of the employee. Causes for disciplinary action against an employee may include, but shall not be limited to, the following:
 - (1) Misstatements or omissions of fact on an employment application or in the application or appointment process for a position with the District;
 - (2) Furnishing knowingly false information in the course of the employee's duties and responsibilities;
 - (3) Inefficiency, incompetence, carelessness or negligence in the performance of duties;
 - (4) Violation of safety rules;
 - (5) Violation of any of the provisions of these personnel rules and regulations, department rules and regulations, or District policies, ordinances or resolutions;
 - (6) Inattention to duty;
 - (7) Tardiness or overstaying lunch periods;
 - (8) In violation of the District's Drug and Alcohol Policy; under the influence of: an intoxicating beverage or nonprescription drug; prescription drugs not authorized by the employee's physician, while on duty or on District property, or when called in for emergency duty; or prescription drugs when the employee does not follow the prescription or the physician's restrictions regarding use of the drug, while on duty or on District property, or when called in for emergency duty;
 - (9) Disobedience to proper authority, including but not limited to refusing or failing to perform assigned work, comply with a lawful order, or accept a reasonable and proper assignment from an authorized supervisor;
 - (10) Any violation of the District's Nondiscrimination and Harassment Policy;
 - (11) Unauthorized soliciting on District property;
 - (12) Unauthorized absence without leave; failure to report after leave of absence has expired or after a requested leave of absence has been disapproved, revoked or canceled; or any other unauthorized absence from work;
 - (13) Conviction of a felony, or a misdemeanor involving moral turpitude, or a violation of a federal, state or local law which negatively impacts the employee's ability to effectively perform his/her job or brings discredit to the District. (For purposes of this section, a misdemeanor conviction does not include a conviction based on a plea of nolo contendere);

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (14) Discourteous or offensive treatment of the public, other employees, Board members or contractors;
- (15) Falsifying any District document or record;
- (16) Misuse of District property; improper or unauthorized use of District equipment or supplies; damage to or negligence in the care and handling of District property;
- (17) Fighting, assault and/or battery;
- (18) Theft or sabotage of District property;
- (19) Sleeping on the job, except as specifically authorized for twenty-four (24) hour duty personnel;
- (20) Accepting bribes or kickbacks;
- (21) Intimidation or interference with the rights of any employee;
- (22) Engaging in outside employment or any other activity or conduct which conflicts with an employee's responsibilities, creates a conflict of interest with District work, which causes discredit to the District, negatively impacts the effective performance of District functions or is not compatible with good public service or interests of the District service;
- (23) Abusive or intemperate language toward or in the presence of others in the workplace;
- (24) Failure to maintain minimum qualifications for a position, including required licenses or certificates;
- (25) Failure to timely respond to an emergency after being notified while on standby duty;
- (26) Any other conduct of equal gravity to the reasons enumerated above as determined by the District.

Section 17.04 Authority to Discipline

Any authorized supervisory employee may initiate disciplinary action for cause against an employee under their supervision in accordance with the procedures outlined in these Rules.

Section 17.05 Pre-Discipline Procedure

- (a) For an oral counseling, oral reprimand or written reprimand, an employee may submit a written response within seven working days to the discipline which shall be lodged in the employee's personnel file. No further appeal shall be permitted.
- (b) For all other discipline, the District shall issue a notice of intent to impose discipline, which shall describe the intended discipline, include a summary of the facts on which the intended discipline is based, and attach any documents upon which the intended discipline is based. The notice shall state that the employee has a right to respond, orally and/or in writing, before the discipline is imposed. A meeting with the General Manager or designee who shall be a neutral decision-maker shall be scheduled approximately one week from the date of the notice, unless a different time and/or date is set by mutual agreement. The employee may bring a representative of his/her choice; however, the inability of a particular representative to attend the meeting shall not be cause to require continuance of the meeting. The meeting shall not be an evidentiary hearing, and the employee shall not have the right to call or examine witnesses at this meeting. Rather, the employee shall be provided the opportunity to respond to the charges and to present any new information the employee believes the District should consider.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (c) At some reasonable time after the employee has been provided the opportunity to respond to the notice of intent, the District shall render a written decision. If the decision is to issue discipline, the notice shall be a final notice of discipline. The notice shall include the final decision, the effective date of the discipline, and the facts upon which the discipline is based.

Section 17.06 Post-Discipline Appeal

- (a) For suspensions of five working days or more, demotions and terminations, employees shall have the right to appeal from the final notice of discipline.
- (b) The notice of appeal must be in writing and must be received by the General Manager within seven working days from the date of the final notice of discipline. Failure to timely file a written notice of appeal shall constitute a forfeiture of the employee's right to appeal the discipline.
- (c) The appeal shall be heard by an independent hearing officer selected by the District.
- (d) The District shall pay the cost of the hearing officer. Either party or the hearing officer may request that the hearing be transcribed. If the hearing officer or the District requests that a court reporter transcribe the hearing, the District shall pay the cost of the court reporter and one transcript for each party. If only the employee desires that the hearing be transcribed, the employee shall pay the cost of the court reporter and for the cost of the employee's copy of the transcript.
- (e) The hearing officer shall have the authority to convene the hearing, receive evidence through testimony and documents and to make findings of fact and conclusions about the discipline. Within two months of the close of the hearing, the hearing officer shall serve a recommended decision on the General Manager and the employee. The hearing officer's decisions must contain detailed findings of fact relating to the disciplinary charges. The decision may include a recommendation regarding outcome, but the final decision regarding discipline rests with the General Manager. After consideration of the hearing officer's recommended decision, the General Manager shall issue a final decision in writing. The General Manager's decision is reviewable by administrative writ of mandamus within the timeframes established by law.

Article 18: Grievance Procedure

Section 18.01 Definitions

- (a) A "grievance" shall mean a complaint concerning the interpretation or application of this Memorandum of Understanding. This grievance procedure may not be used for any of the following: to change wages, hours or working conditions; to challenge the content of performance evaluations, to contest discipline; or to challenge a reclassification, layoff, transfer, denial of reinstatement or denial of salary increase. If any party initiates litigation, including, but not limited to, administrative proceedings with a state or federal agency such as OSHA, EEOC, DFEH, PERB, etc. concerning a matter which is otherwise subject to the grievance process, the other party may (at their discretion) deem the litigating party as having elected judicial/administrative remedies and waived any rights under this grievance procedure.

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

- (b) A “grievant” is any employee adversely affected by an alleged violation of the specific provisions of the MOU, or the Union, on behalf of one or more represented employees adversely affected by an alleged violation of the specific provisions of the MOU. An employee has the right to the assistance of a representative in the preparation of a written grievance and to be represented in all grievance meetings.

Section 18.02 Procedure

- (a) Grievances must be in writing and initiated within 10 working days following the occurrence, or knowledge of the events on which the grievance is based. Failure to do so shall result in the grievant being barred from advancing the grievance. A grievance, or a copy of the grievance, should be provided to the grievant’s supervisor and the General Manager.
- (b) Elements of a Grievance: – The written grievance should include:
- (1) a description of the specific facts and grounds upon which the grievance is based including the names, dates, and places necessary for a complete understanding of the grievance;
 - (2) a specific explanation of how the grievant has been adversely affected;
 - (3) a listing of the provisions of the MOU which are alleged to have been violated;
 - (4) a listing of specific actions requested by the grievant of the District which shall remedy the grievance, including a specific dollar amount, and the basis for the dollar amount, of any alleged damages at issue, provided the employee has access to relevant financial data;
 - (5) a statement declaring self-representation or the selection of representation by the Union for said grievance;
 - (6) the printed name and signature of the grievant;
 - (7) the name, address and telephone number of the persons(s) to whom notices may be sent regarding the grievance; and
 - (8) date of grievance
- (9) Grievances that fail to include these elements may not be considered or appealed unless the District waives this section.
- (c) Waiver of Timelines – Any level or review, or any time limits established in this procedure may be waived or extended by mutual agreement confirmed in writing. If a particular grievance is of an unusual or unique nature, which may place it outside the scope of authority of an immediate supervisor, the grieving party may contact the General Manager to determine the appropriate level for filing such grievance. The determination of the General Manager in this regard shall be final.
- (d) Level I - Informal Resolution – It is the intent to deal with and resolve grievances informally, at the nearest practical organizational level, and as promptly and fairly as possible. An employee who has a grievance shall first try to settle it through discussions with the employee’s immediate supervisor. The immediate supervisor shall respond within thirty (30) working days which may be extended ten (10) working days with notice to the grievant. Any decisions rendered shall be consistent with the authority to do so.

Memorandum of Understanding
Novato Sanitary District and Teamsters Local Union No. 315

- (e) Level II – General Manager – If the employee is not satisfied with the outcome of the informal resolution, the employee may file a formal written appeal to the General Manager within five working days after the date a decision was rendered by the supervisor. The appeal shall contain an explanation why the grievant believes the decision of the supervisor was unsatisfactory.
 - (1) In considering the grievance the General Manager or designee may, but is not required, to schedule a meeting with the grievant and/or other relevant persons. If the General Manager or designee schedules a meeting, the General Manager or designee shall have the right to decide how the meeting is conducted. The meeting shall not be a formal hearing, and examination and cross-examination of witnesses typically shall not be permitted.
 - (2) The General Manager or designee shall submit a written decision within the later of either 20 working days after receipt of the grievance or after the grievance meeting(s).
- (f) Level III – Appeal to Non-Binding Arbitration – If the Union is dissatisfied with the General Manager's or designee's response, the Union has the sole right to appeal the decision by submitting a request for non-binding arbitration. The appeal must be received by the General Manager within 10 working days of the General Manager's or designee's response to the grievance.
 - (1) The Union and District shall attempt to agree upon an arbitrator. If no agreement can be reached, they shall request that the State Conciliation Service supply a panel of five names of persons experienced in hearing grievances involving public employees. Each party shall alternately strike a name until only one name remains. The remaining panel member shall be the arbitrator. The order of striking shall be determined by lot.
 - (2) If either the District or the Union so requests, an arbitrator shall hear the merits of any issue raised regarding arbitrability first. No hearing on the merits of the grievance shall be conducted until the issue of arbitrability has been decided. If the issue of arbitrability is heard by an arbitrator and the arbitrator decides the underlying dispute is arbitrable, either the District or Union may require that the merits of the underlying grievance be heard by a different arbitrator.
 - (3) The arbitrator shall, as soon as possible, hold a hearing and hear evidence regarding the grievance. Written argument following the hearing may be submitted by the parties if permitted or requested by the arbitrator. A certified court reporter shall record the entire arbitration hearing, unless the parties mutually agree otherwise. The fees and expense of the arbitrator and the certified court reporter shall be shared equally by the District and the Union. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expense of witnesses called by the other. A party requesting a transcript shall bear the cost thereof; or if each party receives a copy, the cost shall be shared equally.
 - (4) Following the hearing, and receipt of post-hearing written argument, if any, the arbitrator shall submit written findings and a non-binding recommendation to the District's Board of Directors. The General Manager and the Union shall receive a copy. The Board of Directors may accept, reject or modify the recommendation(s). The Board shall issue a written decision which shall be provided to the Union. The decision of the Board of Directors shall be final.

Signature on file

District Rep Initials / Date

Signature on file

Union Rep Initials / Date

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Article 19: Full Understanding

- (a) The parties agree that this MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein.
- (b) Except as specifically otherwise provided herein, it is agreed that neither the District nor Union shall be required to meet and confer with respect to any subject or matter covered in this MOU.
- (c) All Ordinances, Resolutions, Rules and Practices not inconsistent with this MOU, whether known by the parties at the time this MOU was negotiated and signed or not, shall not be superseded, modified or repealed by implication or otherwise by this MOU.

Article 20: Severability

If any provisions of this agreement should be held invalid or restrained by operation of law or by any court of competent jurisdiction, the remainder of this agreement shall not be affected thereby and the parties shall enter into negotiations for the sole purpose of arriving at a mutually satisfactory replacement for such provision.

By Signature on file
Sandeep Karkal
General Manager-Chief Engineer

Dated: September 9, 2025

By Signature on file
Jimmy Thiessen
Teamsters, Local 315

Dated: August 18, 2025

Memorandum of Understanding

Novato Sanitary District and Teamsters Local Union No. 315

Article 21: Appendix

Section 21.01 Job Classifications

- Collection System Worker I
- Collection System Worker II
- Collection System Worker III
- Collection System Lead Worker
- Electrical/ Instrumentation Tech
- Construction Inspector II
- Information System Specialist II
- Staff Engineer

Section 21.02 Compensation

(a) **Salary Plan**

The District's *Position Salary Ranges, Salary Schedules, and Special Duty Rates*, attached hereto as **Exhibit A** and incorporated herein, as may be updated from time to time consistent with this MOU, shall constitute the Salary Plan as referenced in the MOU.

(b) **Standby Pay**

Effective the first pay period after July 1, 2025, Standby Pay shall be paid out at \$94.00 per day. Each year thereafter, this amount shall be increased by the cost-of-living increase for salaries provided in subsection (c), below, for the applicable fiscal year.

(c) **Cost of Living Increase**

- (1) Effective the first pay period in June 2025, the salaries for all classifications in the Bargaining Unit were increased by three percent (3.0%).
- (2) Effective July 1, 2026, and at the beginning of each contract year (7/1), the salaries for all classifications in the Bargaining Unit will be increased by the actual Consumer Price Index change (82/84=100 All Urban Consumers San Francisco-Oakland Bay Area) for the period of April through April of the preceding year however they will be limited by utilizing a floor and ceiling application (Minimum and Maximum).
- (3) The minimum increase and a maximum increase are set forth as follows:
 - 7/1/26 3.0% - 5.0% - Wage only reopener at 6% or higher
 - 7/1/27 3.0% - 5.0% - Wage only reopener at 6% or higher
 - 7/1/28 3.0% - 5.0% - Wage only reopener at 6% or higher
 - 7/1/29 3.0% - 5.0% - Wage only reopener at 6% or higher
- (4) The annual CPI increases will be processed on the pay period that is the most proximate prior to the effective date of the scheduled increase. Should the actual said Consumer Price Index reach 6.0% or higher, this contract shall be reopened no more than once that year for the sole purpose of salary negotiations for that contract year.