

RESOLUTION NO. OC SAN 22-31

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE ORANGE COUNTY SANITATION DISTRICT AND THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 501, FOR FISCAL YEARS 2022/2023, 2023/2024 & 2024/2025

WHEREAS, on August 28, 2019, the Board of Directors (“Directors”) of the Orange County Sanitation District (OC San) authorized the General Manager to sign the Memoranda of Understanding with the International Union of Operating Engineers (referred hereinafter as “Local 501”), regarding salaries, benefits and terms and conditions of employment for the period July 1, 2019 through June 30, 2022 (“2019 MOUs”);

WHEREAS, prior to the expiration of the 2019 MOU on November 17, 2021 Local 501 requested to meet and confer regarding successor MOUs;

WHEREAS, pursuant to Government Code Section 3500, *et seq.*, representatives of Local 501 have met and conferred with the representatives of OC San and have reached an understanding with regard to certain terms and conditions relative to employment;

WHEREAS, through negotiations the parties agreed that any salary changes would take effect the first pay period in the current fiscal year;

WHEREAS, through negotiations the parties agreed to pay grade changes of the following classifications: Mechanic (LOC61 to LOC62), Senior Mechanic (LOC67 to LOC68), and Lead Mechanic (LOC71 to LOC72); and

WHEREAS, the parties have modified the 2022 MOU between the District and Local 501 to reflect the parties’ understanding regarding certain terms and conditions, which include:

- Duration of the MOU has been modified and will be for a 3-year term commencing July 1, 2022, and terminating June 30, 2025, as reflected in the Cover Page and Articles 1 and 2 of the MOU.
- Discipline and Dismissal of the MOU has been modified as set forth below and as reflected in Article 10 of the MOU:
  - Language added to specify that “no call/no show” is considered serious misconduct.
- Grievance Procedure has been modified as set forth below and as reflected in Article 11 of the MOU:
  - Language added to specify that a copy of the grievance documentation must be submitted to the Director of Human Resources or designee in addition to the Department Head.

- Salary Adjustments and Compensation has been modified as set forth below and as reflected in Article 13 of the MOU:
  - Year 1 – 4.5% Salary Increase, effective the first pay period of July 2022.
  - Year 2 – 4.0% Salary Increase, effective the first pay period of July 2023.
  - Year 3 – 3.5% Salary Increase, effective the first pay period of July 2024.
  - One-Time Lump Sum Payment – Employees hired or promoted into the Group as of the last day of the first full pay period in July 2022 will receive a \$2000 one-time payment.
  
- Severance Pay has been modified as set forth below and as reflected in Article 14 of the MOU:
  - Deleted: Employees are expected to give a minimum of two (2) weeks written notification when terminating employment with OC San.
  
- Deferred Compensation has been modified as set forth below and as reflected in Article 15 of the MOU:
  - Effective the first full pay period in July 2022, employees covered by OCERS Plans B and U and who participate in the deferred compensation plan, are eligible to receive up to a \$98 per month matching OC San contribution for FY 2022/2023, and \$168 per month for FY 2023/2024 and 2024/2025.
  
- Holidays has been modified as set forth below and as reflected in Article 16 of the MOU:
  - Add Martin Luther King, Jr. holiday, and remove Lincoln’s birthday.
  - Updated floating holiday language to say, “Employees will be granted “Floating Holiday” hours equal to and no less than one (1) regular workday during each calendar year. Floating Holiday hours may be utilized in one quarter (.25) hour increments.”
  - Employees must use the “Floating Holiday” within the calendar year it is granted, and it is not subject to cash out or eligible for any mandatory payout regardless of the reason.
  - Updated Holiday Schedule A and Holiday Schedule B charts.
  
- Hours of Work has been modified as set forth below and as reflected in Article 17 of the MOU:
  - Add language that the supervisor may authorize a paid thirty (30) minute meal period for certain employees working in Collections, understanding employees may be required to perform work, and work through lunch as necessary.
  - Add language indicating that the shift is inclusive of the Passdown period and in exigent circumstances where an employee is required to be present outside of the regular shift, overtime may be authorized by management.
  - Remove Power Plant Operator reopener.
  
- Standby Pay has been modified as set forth below and as reflected in Article 19 of the MOU:
  - Increase standby pay from \$500 to \$550/week.
  - Add language for Special Risk Standby based on Director of Operations & Maintenance determination.

- Insurance has been modified as set forth below and as reflected in Article 20 of the MOU:
  - Remove HRA Reopener language.
  - Add language to reflect that calculation of benefits for retiring employees is based on continuous service for benefitted employment only, time worked as an intern or in a non-benefitted status will not count.
  
- Probationary Period has been modified as set forth below and as reflected in Article 23 of the MOU:
  - Add language to reflect that the initial probationary period has been changed from six (6) months to one (1) year.
  - New employees serving their initial probationary period shall be eligible for Development Pay and/or certification/license reimbursement the first day of the pay period following six months of employment without a break in service.
  - An employee may be released during his/her initial probationary period at the discretion of OC San without recourse to the Grievance, Discipline or Appeal Procedure (i.e., an employee is “at-will” during his/her initial probationary period). Employees within the initial probationary period do not have any property rights in their job during probation and may be separated with or without cause.
  
- Promotions has been modified as set forth below and as reflected in Article 24 of the MOU:
  - Add language that if a promotion is for a classification that is subject to Department of Transportation requirements, the employee selected for the promotion must successfully complete alcohol and controlled substances testing in order to be promoted.
  
- Retirement has been modified as set forth below and as reflected in Article 25 of the MOU:
  - Delete language regarding Plan G, as there are no longer any Plan G members.
  
- Leaves of Absence with Pay has been modified as set forth below and as reflected in Article 27 of the MOU:
  - Add language that employees who fail to provide any notice to their supervisor and fail to report to work as scheduled shall be considered “no call/no show” and shall be subject to discipline, up to and including termination. Employees who fail to provide any notice to their supervisor and fail to report to work for three (3) or more consecutive days will be considered to have abandoned their job and shall be subject to discipline up to and including termination.
  
- Classification Studies has been modified as set forth below and as reflected in the MOU:
  - Add language to clarify that employee reclassification request decisions made by the Human Resources Department are final and not subject to appeal, problem-solving, or the grievance process.

- Reopener: OC San and Local 501 agree to reopen this Agreement to meet and confer regarding the comparison agencies used for any classification and compensation studies.
- Remove Classification Adjustment Reopener language.
- Substance Abuse Policy has been modified as set forth below and as reflected in the MOU:
  - Add language that any employee promoted, reassigned, or transferred into a classification subject to DOT requirements will be required to successfully complete alcohol and controlled substances testing prior to assuming the position.
- Shift Changes has been modified as set forth below and as reflected in Article 49 of the MOU:
  - Add language clarifying that the 30 days for employees to begin their new shift who are awarded a shift bid may be extended if the shift change would interfere with the initial training of a newly hired Power Plant Operator.
- Resignation has been modified as set forth below and as reflected in Article 51 of the MOU:
  - Employees resigning from OC San are expected to give a minimum of two (2) weeks advanced written notice prior to leaving. OC San may accept in writing any verbal or written resignation at any time and deem such resignation irrevocable. Voluntary written resignation of employment with OC San is automatically deemed irrevocable after seventy-two (72) hours from OC San's receipt of the resignation except by approval of the Human Resources Department.
- Operator Rotations has been added as a new article, Article 53, as set forth below and as reflected in the same article of the MOU as follows:
  - Add language that all employees assigned to the Lead Plant Operator, Senior Plant Operator, Plant Operator or Operator-In-Training classifications will be subject to Plant Operator Process Area and Plant Rotation Programs as developed.
- Housekeeping
  - Changes have been made throughout the MOU to reflect the name change from OCSD to OC San.
  - Changes have been made to modify language in accordance with law (i.e. CFRA leave).

NOW, THEREFORE, the Board of Directors of the Orange County Sanitation District, DOES HEREBY RESOLVE, DETERMINE AND ORDER:

Section 1. The aforementioned MOU between OC San and Local 501 for the contract period of July 1, 2022, through June 30, 2025, as outlined herein are hereby approved.

Section 2. The General Manager is authorized to sign the Memoranda of Understanding with Local 501 for the period of July 1, 2022, through June 30, 2025, in a form approved by General Counsel.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Orange County Sanitation District held September 28, 2022.

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Chad P. Wanke  
Board Chairman

ATTEST:

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Kelly A. Lore, MMC  
Clerk of the Board

STATE OF CALIFORNIA )  
 )            ss  
COUNTY OF ORANGE )

I, Kelly A. Lore, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OC SAN 22-31 was passed and adopted at a regular meeting of said Board on the 28<sup>th</sup> day of September 2022, by the following vote, to wit:

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 28<sup>th</sup> day of September 2022.

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Kelly A. Lore, MMC  
Clerk of the Board of Directors  
Orange County Sanitation District