

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT**  
**AND**  
**MANAGEMENT UNIT**

July 1, 2019 – June 30, 2024

This Agreement is made and entered into between the Monterey Regional Waste Management District, hereinafter referred to as the "District" and the Managers of the District, hereinafter referred to as the "Management Unit" for and on behalf of the employees hereinafter identified and pursuant to Government Code Section 3500 et seq. of the State of California.

This Memorandum of Understanding shall be presented to the Board of Directors of the District as the recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing July 1, 2019 and ending June 30, 2024. Upon approval by the Board of Directors of the District, this Memorandum shall become binding between the District and the Management Unit.

**1. TERM**

Five (5) Years – July 1, 2019 to June 30, 2024, with two one-year renewals, with wage-only reopeners. Either the District or the Union may re-open the agreement pursuant to Section 16, Re-Opener below.

The negotiations for a successor Memorandum of Understanding shall commence ninety days prior to the expiration of this Memorandum of Understanding.

**2. RECOGNITION**

2.1. **District:** The General Manager of the Monterey Regional Waste Management District (District), or any person or organization duly authorized by the General Manager, is the representative of the District in employer-employee relations, as provided in Resolution No. 2000-02.

2.2. **Management Unit:** The bargaining unit includes all employees who are who are employed by the District in a full-time status in any of the following classifications:

Senior Engineer	Landfill Operations & LFG Systems Manager
Equipment Maintenance Manager	LCM/HHW Manager
MRF Manager	Accounting Manager
Safety & Risk Manager	Assistant MRF Manager
Assistant Accounting Manager	

**3. MEMBERSHIP IN THE MANAGEMENT UNIT**

The parties hereto recognize that membership in the Management Unit is not compulsory, that employees have the right to join, not join, maintain, or drop their membership in the bargaining unit and that neither party shall exert any pressure on or discriminate against an employee regarding such matters.

#### **4. NON-DISCRIMINATION**

Consistent with state and federal law, there shall be no discrimination or harassment of any kind based on any statutorily (federal, state, or local) protected class, including but not limited to: race, religious creed, color, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, medical condition (ex.: cancer), genetic information, marital status, sex, gender identity, gender expression, age, sexual orientation, pregnancy, political affiliation, military and veteran status, membership status in bargaining unit or legitimate bargaining unit activities, against any employee or applicant for employment by any member of the Management Unit, the District or by anyone employed by the District.

#### **5. EMPLOYEE RIGHTS**

- 5.1 Pursuant to the Myers-Milias-Brown Act, employees of the District shall have the right to form, join and participate in the activities of employee bargaining unit of their own choosing for the purposes of representation on all matters of employer-employee relations including wages, hours and other terms and conditions of employment. Employees of the District also shall have the right to refuse to join or participate in the activities of employee bargaining unit and shall have the right to represent themselves individually in their employment relations with the District. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or any employee bargaining unit because of their exercise of these rights.
- 5.2 The Management Unit may select two (2) employees as Union Representatives and shall notify the District who the Representatives are.

#### **6. DISTRICT RIGHTS**

The rights of the District include, but are not limited to, the exclusive right to determine the method of accomplishing its mission of disposing of the region's solid waste; set standards of services; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classification; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work.

#### **7. EMPLOYEE HANDBOOK**

The District's personnel policies are included in the Employee Handbook. Included in the policies are items relating to employment, promotion, discipline and grievance, overtime, vacation, holidays, sick leave, emergency leave, leave of absence, and District Policies on harassment, substance abuse, outside employment and work environment. All District personnel policies not in conflict with the terms of this Memorandum shall apply to all employees. Employees are responsible for familiarizing themselves with the contents of the Employee Handbook.

#### **8. WAGE INCREASES AND OTHER COMPENSATION**

- 8.1. The following Rate Increase(s) shall be made to the Management Unit Pay Schedule, with the exception of that of the Senior Engineer position:
  - a. 100% of CPI of San Francisco Area - April 2019 (within 1.5% - 4.5%), effective 7/1/19;



- b. 100% of CPI of San Francisco Area - April 2020 (within 1.5% – 4.5%), effective 7/1/20;
- c. 100% of CPI of San Francisco Area - April 2021 (within 1.5% – 4.5%), effective 7/1/21;
- d. 100% of CPI of San Francisco Area - April 2022 (within 1.5% – 4.5%), effective 7/1/22;
- e. 100% of CPI of San Francisco Area - April 2023 (within 1.5% – 4.5%), effective 7/1/23.

**8.2 Market-Based Wage Adjustments:** The following Rate Increase(s) shall be made to the Senior Engineering position:

- a. No wage increase – July 1, 2019;
- b. No wage increase – July 1, 2020;
- c. 100% of CPI of San Francisco Area - April 2021 (within 1.5% – 4.5%), effective 7/1/21;
- d. 100% of CPI of San Francisco Area - April 2022 (within 1.5% – 4.5%), effective 7/1/22;
- e. 100% of CPI of San Francisco Area - April 2023 (within 1.5% – 4.5%), effective 7/1/23;
- f. The step increase anniversary date for the current Senior Engineer shall become July 1.

**8.2 Bilingual Pay:** An employee designated by the General Manager to provide bilingual services shall receive up to five (5) percent of their monthly salary as a premium.

**8.3 Shift Differential:** A shift differential shall be paid to employees scheduled to work the following shift:

- a. 2.5% differential pay for shift start time of 11:00 AM to 1:59 PM
- b. 5.0% differential pay for shift start time of 2:00 PM to 4:59 PM
- c. 7.5% differential pay for shift start time of 5:00 PM to 7:59 PM
- d. 10% differential pay for shift start time of 8:00 PM or later

**8.4 Longevity Pay/457(b) Deferred Compensation Employer-Match Program:** Eligibility for Longevity Pay and 457(b) Deferred Compensation Employer-Match shall be as follows:

- a. The Longevity Pay Program existing on June 30, 2019 is as follows: Regular, full-time employees of the District hired before June 30, 2019, shall be eligible for Longevity Pay as follows:
  - A longevity adjustment of 2.5% of base hourly rate shall be provided to employees with more than ten (10) years of continuous, full-time employment with the District.
  - A longevity adjustment of 5.0% of base hourly rate shall be provided to employees with more than fifteen (15) years of continuous, full-time employment with the District.
- b. The 457(b) Employer Match Program existing on June 30, 2019 is as follows: For employees hired before July 1, 2011, the District shall match up to 4% of an employee's payroll deduction to the District's deferred compensation plan. If the PERS combined rate is between 10% and below 12%, the District shall match employee contributions up to 5%. If the PERS combined rate is less than 10%, the District shall match employee contributions up to 6%.
- c. Employees who are participants in the Longevity Pay Program existing on June 30, 2019 and 457(b) Employer-Match Program existing on June 30, 2019 may elect to continue to participate in these programs.

- d. Effective upon board approval of the MOU, Longevity Pay will be end and all other employees will have the option to participate in the new 457(b) deferred compensation employer-match program as follows:
- After 1 year up to 2% Match
  - After 5 years up to 3% Match
  - After 10 years up to 4% Match
  - After 15 years up to 4% Match plus 1% automatic District contribution
  - After 20 years up to 4% Match plus 2% automatic District contribution
  - After 25 years up to 4% Match plus 3% automatic District contribution
- e. Employees hired after July 1, 2019, will have the option to participate in the 457(b) Deferred Compensation Employer-Match Program, as noted above. Longevity Pay will NOT be available to employees hired after July 1, 2019.

## 9. HEALTH & WELFARE

- 9.1 **Health Insurance Premiums:** The District shall contribute towards health insurance premiums (medical, dental, vision) as follows:
- a. The District will pay 88% toward healthcare insurance premiums and the Employee will pay 12% of premium rate.
  - b. The District will cover any healthcare insurance premium increase up to 7.5% per year.
  - c. Employees are responsible for any healthcare insurance premium increase above 7.5% and up to 10% per year.
  - d. Any healthcare insurance premium increase over 10% per year, shall be split 50/50 between the District and the Employee.
- 9.2 **Short-Term and Long-Term Disability Insurance:** The District shall provide employees with a Short-Term Disability insurance benefit (with benefits beginning on the 8th day of disability) at the rate of 66.7% of the employee's weekly regular earnings. The District shall provide employees with a Long-Term disability insurance benefit at the rate of 66.7% of the employees' regular monthly earnings following a 360-day waiting period.
- 9.3 **Life Insurance:** The District shall provide employees life insurance coverage equal to the employee's annual regular wages.

## 10. HOLIDAYS

- 10.1 The following holidays shall be paid days off or, if worked, employee may take another day off the same week as the holiday:

New Year's Day	Labor Day
Martin Luther King's Birthday	Columbus Day
President's Day	Veteran's Day
Cesar Chavez Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day

- 10.2 **Floating Holidays:** Each contract year, employees shall earn two floating holidays, which they can use at their discretion, subject to scheduling approval of the Department Director or designee. Floating Holidays will be earned on July 1 and December 15 of each year. New employees are eligible for this credit after six months of employment.
- 10.3 Any holidays specified herein for which full-time employees are entitled to holiday leave, which fall on a Sunday shall be observed the following Monday. Such holidays which fall on a Saturday, shall be observed on the preceding Friday.
- 10.4 Holiday pay shall only be paid on the day the holiday is observed.
- 10.5 Employees must have worked during the pay period in which the holiday falls or be on paid leave status on the holiday to receive holiday compensation.

## 11. VACATION ACCRUAL

- 11.1 Employees shall accrue vacation hours based on the years of service as described below:

Years 1-3	10 days per year	After 8 years	18 days per year
After 4 years	15 days per year	After 9 years	19 days per year
After 6 years	16 days per year	After 10 years	20 days per year
After 7 years	17 days per year	After 15 years	22 days per year

- 11.2 **Vacation Cash-Out:** Employees may cash-out up to 50% of accrued vacation hours at any time.

## 12. RETIREMENT

- 12.1 Employees shall participate in the California Public Employees Retirement System (CalPERS) and the District shall pay the employees' contribution at the following rates:
- a. **Classic Members:** Employees hired by the District prior to January 1, 2013 or those who are eligible for reciprocity in the CalPERS or public retirement system (as defined in the California Public Employees' Pension Reform Act of 2013 (PEPRA) and CalPERS guidance) and who are classified as "classic" members by CalPERS will be eligible for the Miscellaneous Plan of the District's contract with CalPERS for the 2% @ 55 Retirement Benefit Formula. This plan also provides: One-year Final Compensation (Section 20042); Credit for Unused Sick Leave (Section 20985); Improved Non-Industrial Disability Allowance (Section 21427); Third Level of 1959 Survivor Benefits (Section 21573); 2% @ 55 Full and Modified Formula (Section 21354); and Military Service Credit as Public Service (Section 21024).
- The District is responsible for the Employer contribution and employee is responsible for the Employee contribution as defined by CalPERS.
- b. **New or PEPRA Members:** For employees hired on or after January 1, 2013 or for those who are classified as "new" members of CalPERS as defined by Public Employees' Pension Reform Act (PEPRA), the District shall maintain a contract with CalPERS for the provision of a 2% @ 62 Retirement Benefit Formula. This plan also provides: 36 Months Final Compensation (Section



20037); Credit for unused sick leave (Section 20985); Improved Non-Industrial Disability Allowance (Section 21427); Third level of 1959 Survivor Benefits (Section 21573); and Military Service Credit as Public Service (Section 21024).

The above method shall apply to Tier II, Classic Members under the 2% @ 60 Full and Modified Formula.

The District is responsible for the Employer contribution and employee is responsible for the Employee contribution as defined by CalPERS.

**12.2 Health Insurance Premium Reimbursement for Retirees:** The District shall contribute toward health insurance premiums for employees retired from the District at the age of 55 or older with at least five (5) years of continuous employment with the District. To be considered "retired" and eligible for the benefits under this section, an employee must:

- a. Retire from the District and from CalPERS;
- b. Submit to Human Resources verification of CalPERS retirement and the application for benefits under this section no later than three months from the date of separation from employment.
- c. Eligible retirees shall be reimbursed at the rate of \$27.13 (beginning July 1, 2019) for each year of District service. Payments shall be made until the retiree reaches the age of 65. The monthly rate shall increase by 2% each calendar year.

### **13. EDUCATIONAL BENEFITS**

With prior supervisor recommendation and the General Manager's approval, the District shall reimburse an employee for books and tuition for a job-related course of study. The employee shall receive reimbursement upon successful completion of the course with a pass or grade of "C" or better.

### **14. MANAGEMENT LEAVE**

**14.1** Effective January 1 of each year, management employees shall be credited with one-hundred seventeen (117) hours of Management Leave at the beginning of the calendar year to be used by the end of the calendar year. Employment less than a full calendar year shall reduce the credit proportionate to the time actually worked.

**14.2** Management leave may be accumulated to a maximum of 234 hours at the end of each calendar year. Leave in excess of the permitted maximum shall be liquidated by pay in December or, if the employee so elects, converted to a deferred compensation rollover of equal value or vacation leave to the extent the maximum vacation accumulation has not been reached. Management leave that has been credited at the beginning of the year may be used during that year or converted in December. Leave that has been rolled over from the prior year can be converted at any time during the subsequent year(s).

### **15. MISCELLANEOUS**

**15.2 Bereavement Leave:** Employees may receive up to three (3) days paid bereavement leave per event, in the event of death of an immediate family member. Employees may also use up to 12 days of paid sick leave following the death of an immediate family member. "Immediate family" includes the employee's spouse, child, parent, grandparents, brother, sister, or spouse's parents. It can also include other close persons (subject to the approval of Department Director or General Manager), including a domestic partner, if that person is residing in employee's household.

15.2 **Shoe Allowance:** The District shall provide up to \$250 per fiscal year for safety shoes to employees who regularly work outside the office.

**16. RE-OPENER**

Either the District or the Management Unit may re-open the agreement (MOU) pursuant to Section 8.1 and 8.2 Rate Increases only, provided that prior to May 20, 2022, the party requesting the reopener provides written notice to the other party reopening the Memorandum of Understanding. In the event of a reopener, the Rate Increases effective July 1, 2022 will not be implemented. Either the District or the Management Unit may re-open the agreement (MOU) Section 8.1 and 8.2 Rate Increases only, provided that prior to May 20, 2023, the party requesting the reopener provides written notice to the other party reopening the Memorandum of Understanding. In the event of a reopener, the Rate Increases effective July 1, 2023 will not be implemented

**17. RATIFICATION**

Nothing in this Memorandum shall be deemed binding on either the District or Management Unit until it has been adopted by the District's Board of Directors and ratified by the Unit's members.

**MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT**

\_\_\_\_\_  
Timothy S. Flanagan, General Manager

Date: \_\_\_\_\_

**MANAGEMENT UNIT REPRESENTATIVES**

\_\_\_\_\_  
Garth Gregson, Accounting Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
Clyde Walkup, MRF Manager

Date: \_\_\_\_\_

\_\_\_\_\_  
David Ramirez, Senior Engineer

Date: \_\_\_\_\_

**Management Unit**  
**Effective July 1, 2019**

CLASSIFICATION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	LONGEVITY	
							10 Year	15 Year
Senior Engineer								
Monthly	10,819.37	11,363.27	11,927.99	12,523.93	13,152.40	13,809.51	14,154.75	14,499.99
Semi-Monthly	5,409.69	5,681.63	5,964.00	6,261.97	6,576.20	6,904.75	7,077.37	7,249.99
Hourly	62.42	65.56	68.82	72.25	75.88	79.67	81.66	83.65
Landfill Operations & LFG Systems Manager								
Monthly	9,720.29	10,207.45	10,714.91	11,252.15	11,817.80	12,405.11	12,715.24	13,025.37
Semi-Monthly	4,860.14	5,103.72	5,357.46	5,626.07	5,908.90	6,202.55	6,357.62	6,512.68
Hourly	56.08	58.89	61.82	64.92	68.18	71.57	73.36	75.15
MRF Manager								
Monthly	9,720.29	10,207.45	10,714.91	11,252.15	11,817.80	12,405.11	12,715.24	13,025.37
Semi-Monthly	4,860.14	5,103.72	5,357.46	5,626.07	5,908.90	6,202.55	6,357.62	6,512.68
Hourly	56.08	58.89	61.82	64.92	68.18	71.57	73.36	75.15
Equipment Maintenance Manager								
Monthly	9,720.29	10,207.45	10,714.91	11,252.15	11,817.80	12,405.11	12,715.24	13,025.37
Semi-Monthly	4,860.14	5,103.72	5,357.46	5,626.07	5,908.90	6,202.55	6,357.62	6,512.68
Hourly	56.08	58.89	61.82	64.92	68.18	71.57	73.36	75.15
LCM/HHW Manager								
Monthly	9,720.29	10,207.45	10,714.91	11,252.15	11,817.80	12,405.11	12,715.24	13,025.37
Semi-Monthly	4,860.14	5,103.72	5,357.46	5,626.07	5,908.90	6,202.55	6,357.62	6,512.68
Hourly	56.08	58.89	61.82	64.92	68.18	71.57	73.36	75.15
Accounting Manager								
Monthly	8,396.83	8,817.68	9,257.49	9,720.29	10,207.45	10,714.91	10,982.79	11,250.66
Semi-Monthly	4,198.41	4,408.84	4,628.74	4,860.14	5,103.72	5,357.46	5,491.39	5,625.33
Hourly	48.44	50.87	53.41	56.08	58.89	61.82	63.36	64.91
Safety & Risk Manager								
Monthly	8,396.83	8,817.68	9,257.49	9,720.29	10,207.45	10,714.91	10,982.79	11,250.66
Semi-Monthly	4,198.41	4,408.84	4,628.74	4,860.14	5,103.72	5,357.46	5,491.39	5,625.33
Hourly	48.44	50.87	53.41	56.08	58.89	61.82	63.36	64.91
Assistant MRF Manager								
Monthly	7,616.00	7,996.26	8,396.83	8,817.68	9,257.49	9,720.29	9,963.30	10,206.30
Semi-Monthly	3,808.00	3,998.13	4,198.41	4,408.84	4,628.74	4,860.14	4,981.65	5,103.15
Hourly	43.94	46.13	48.44	50.87	53.41	56.08	57.48	58.88
Assistant Accounting Manager								
Monthly	7,602.40	7,982.52	8,381.65	8,800.72	9,240.77	9,702.81	9,945.38	10,187.95
Semi-Monthly	3,801.20	3,991.26	4,190.83	4,400.36	4,620.38	4,851.40	4,972.69	5,093.97
Hourly	43.86	46.05	48.35	50.78	53.31	55.98	57.38	58.78