



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
REGULAR MEETING
JUNE 15, 2011

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7th Floor Board Room at the Air District Headquarters, 939 Ellis Street, San Francisco, California.

**Questions About
an Agenda Item**

The name, telephone number and e-mail of the appropriate staff Person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

Public Comment Procedures

Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3 For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to commencement of the meeting. The remainder of the speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

Public Comment on Agenda Items After the initial public comment on non-agenda matters, the public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Up to ten (10) speakers may speak for three minutes on each item on the Agenda. If there are more than ten persons interested in speaking on an item on the agenda, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. Speakers are permitted to yield their time to one other speaker; however no one speaker shall have more than six minutes. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

BOARD OF DIRECTORS REGULAR MEETING AGENDA

**WEDNESDAY
JUNE 15, 2011
9:45 A.M.**

**BOARD ROOM
7TH FLOOR**

CALL TO ORDER

Opening Comments
Roll Call
Pledge of Allegiance

Chairperson, Tom Bates
Clerk of the Boards

PUBLIC COMMENT ON NON-AGENDA MATTERS

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.

PROCLAMATION(S)/AWARDS

The Board of Directors will recognize employees who have completed milestones of twenty-five (25), and thirty (30) years of service with the Air District during this first half of the calendar year.

Present Proclamation of Appreciation to Kelly Wee, Director of Compliance and Enforcement upon his retirement for his years of service to the Air District.

CONSENT CALENDAR (ITEMS 1 – 4)

Staff/Phone (415) 749-

1. Minutes of the Board of Directors Budget Hearing Meeting of May 18, 2011 and Board of Directors Regular Meeting of June 1, 2011
K. Krow/5073
kkrow@baaqmd.gov
2. Board Communications Received from June 1, 2011 through June 14, 2011

J. Broadbent/5052

jbroadbent@baaqmd.gov

A list of communications directed to the Board of Directors received by the Air District from June 1, 2011 through June 14, 2011 if any, will be at each Board Member's place.

3. Resolution to authorize a contract with Caltrans for a Regional Bicycle Share Pilot Project

The Board of Directors will consider the adoption of a resolution to authorize the Executive Officer/APCO to enter into a contract with Caltrans on behalf of the Bay Area Air Quality Management District for Congestion Mitigation and Air Quality Improvement Funding in support of a regional bicycle share pilot project.

J. Broadbent/5052

jbroadbent@baaqmd.gov

4. Adoption of Proposed Amendments to the Air District's Administrative Code Division II – Fiscal Policies and Procedures – Section 4 Purchasing Procedures: 4.3 Contract Limitations
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider adoption of proposed amendments to the Administrative Code Division II – Fiscal Policies and Procedures – Section 4: 4.3 Contract Limitations

COMMITTEE REPORTS AND RECOMMENDATIONS

5. Report of the **Mobile Source Committee** Meeting of June 2, 2011
CHAIR: S. HAGGERTY

The Committee recommends Board of Directors' approval of the following items:

A) Audit of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and Request to Reallocate Funds:

1. *Receive and file the results of TFCA Audit #12;*
2. *Authorize the Executive Officer/APCO to amend the contract with Armanino McKenna, LLP, to include the review and modernization of TFCA County Program Manager Fund (CPM) grants at no additional cost.*

B) Selection of an Auditor for Transportation Fund for Clean Air (TFCA) Regional and County Program Manager (CPM) Funds:

1. *Approve the selection of Gilbert Associates, Inc. to conduct TFCA Audit #13;*
2. *Authorize the Executive Officer/APCO to execute a contract with Gilbert Associates, Inc. for audit services, in an amount that shall not exceed \$228,600.*

C) Waiver for San Francisco Municipal Transportation Authority (SFMTA) for a Fiscal Year Ending (FYE) 2010 Bicycle Facility Program (BFP) Policy:

1. *Waive the requirement of Policy #9 of the BFP for FYE 2010 that project sponsors sign and return funding agreements within 120 days of transmittal of the agreement for three SFMTA projects.*

D) Lower Emission School Bus Program (LESBP):

1. *Receive and file an information update on the LESBP;*
2. *Allocate \$4.2 million in Mobile Source Incentive Funding (MSIF) to fund school bus replacement projects under the LESBP.*

6. Report of the **Public Outreach Committee** Meeting of June 6, 2011
CHAIR: M. ROSS

The Committee recommends Board of Director's approval to amend Spare the Air Resource Team Facilitation Contract to increase the contract in the amount of \$25,000.

PUBLIC HEARING(S)

7. Proposed Fee Amendments for Non-Permitted Sources for Fiscal Year Ending (FYE) 2012

B.Bateman/4653

bbateman@baaqmd.gov

The Board of Directors will consider adoption of staff's proposed amendments to Air District Regulation 3: Fees, for Fee Schedules L, Q, R, and S, which apply to non-permitted sources, and consider approving the filing of a Notice of Exemption from CEQA for amendments to Regulation 3: Fees, for Fee Schedules L, Q, R, and S.

8. Public Hearing to Consider Adoption of the Air District's Proposed Budget for Fiscal Year Ending (FYE) 2012

J. McKay/4629

jmckay@baaqmd.gov

The Board of Directors will consider the adoption of a resolution to approve the Proposed Budget for FYE 2012 and various budget related actions; and hold a final Public Hearing.

MEMORANDUM OF UNDERSTANDING

9. Proposed Amendments to the Current Memorandum of Understanding between the Bay Area Air Quality Management District (Air District) and Bay Area Air Quality Management District Employees' Association (EA); and Adopt California Public Employee's Retirement System (CalPERS) Resolutions

J. Broadbent/5052

jbroadbent@baaqmd.gov

Approve proposed Amendments to the Current Memorandum of Understanding between the Bay Area Air Quality Management District and Bay Area Air Quality Management District Employees' Association and consider adopting the resolutions to: (1) adjust employer paid member contributions (EPMC) for the confidential and represented employee groups; (2) adjust EPMC and the reporting of its value for the management group; (3) continue tax deferral of member contributions for the management, confidential and represented employee groups.

PUBLIC COMMENT ON NON-AGENDA MATTERS

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed three minutes each to address the Board on non-agenda matters.

BOARD MEMBERS' COMMENTS

Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

OTHER BUSINESS

10. Report of the Executive Officer/APCO
11. Chairperson's Report
12. Time and Place of Next Meeting – 9:45 A.M. Wednesday, July 27, 2011 – 939 Ellis Streets, San Francisco, CA 94109
13. Adjournment

CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET SF, CA 94109

(415) 749-5130
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities. Notification to the Executive Office should be given at least 3 working days prior to the date of the meeting so that arrangements can be made accordingly.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the Air District's headquarters at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body. Such writing(s) may also be posted on the Air District's website (www.baaqmd.gov) at that time.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF DISTRICT MEETINGS

JUNE 2011

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i> - RESCHEDULED TO JUNE 2, 2011	Thursday	23	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	30	9:30 a.m.	4 th Floor Conf. Room

JULY 2011

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	6	9:45 a.m.	Board Room
Board of Directors Executive Committee <i>(At the Call of the Chair)</i>	Wednesday	6	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(At the Call of the Chair)</i>	Thursday	7	9:30 a.m.	Board Room
Advisory Council Meeting	Wednesday	13	9:00 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
Special Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	27	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	28	9:30 a.m.	4 th Floor Conf. Room

AUGUST 2011

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	3	9:45 a.m.	Board Room
Advisory Council Meeting	Wednesday	10	9:00 a.m.	Board Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	25	9:30 a.m.	4 th Floor Conf. Room
HL – 6/10/11 (9:05 a.m.)				P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 27, 2011

Re: Board of Directors Budget Hearing Draft Meeting Minutes of May 18, 2011
and Board of Directors Draft Regular Meeting Minutes of June 1, 2011

RECOMMENDED ACTION

Approve attached draft minutes of the Board of Directors Budget Hearing Meeting of May 18, 2011 and Board of Directors Regular Meeting of June 1, 2011.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Budget Hearing Meeting of May 18, 2011 and Board of Directors Regular Meeting of June 1, 2011.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kris Perez Krow
Reviewed by: Rex Sanders

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109
(415) 749-5000

Board of Directors Budget Hearing
May 18, 2011

DRAFT MINUTES

CALL TO ORDER: Chairperson Tom Bates called the meeting to order at 12:01 p.m.

Roll Call: Directors John Avalos, Susan Gorin, Scott Haggerty, Jennifer Hosterman, David Hudson, Carol Klatt, Nate Miley, Johanna Partin, Mark Ross, James Spering, Brad Wagenknecht and Shirlee Zane.

Absent: Vice Chairperson John Gioia, Secretary Ash Kalra and Directors Harold Brown, Susan Garner, Carole Groom, Liz Kniss, Eric Mar, Ken Yeager, and Gayle B. Uilkema.

PUBLIC HEARING(S)

1. **Public Hearing on the Proposed Air District Budget for Fiscal Year Ending (FYE) 2012**

Executive Officer/APCO Jack Broadbent received confirmation to postpone the staff presentation until the June 1, 2011 Board meeting and reported that the next public hearing would be held on June 15, 2011.

Public Hearing: Chair Bates opened the public comment period. Andy Katz, from Breathe California appeared before the Board and stated that he supports cost recovery methods to reduce the burden on residential tax payers and hopes that the Air District's general fund can be utilized in planning and protecting public health.

OTHER BUSINESS

2. **Time and Place of Next Meeting** – 9:45 a.m., Wednesday, June 1, 2011, 939 Ellis Street, San Francisco, CA 94109.
3. **Adjournment:** Chair Bates adjourned the meeting at 12:08 p.m.

Kris Perez Krow
Clerk of the Boards

AGENDA: 1

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Board of Directors Regular Meeting
Wednesday, June 1, 2011
9:45 a.m.

DRAFT MINUTES

CALL TO ORDER: Chairperson Tom Bates called the Regular Meeting to order at 9:48 a.m.

Pledge of Allegiance: Chairperson Bates led the Pledge of Allegiance.

Roll Call:

Present: Chairperson Tom Bates; Vice Chair John Gioia; Secretary Ash Kalra; and Directors Susan Garner, Susan Gorin, Carole Groom, Scott Haggerty Jennifer Hosterman, David Hudson, Carol Klatt, Eric Mar, Nate Miley, Mark Ross, James Spring, Gayle B. Uilkema and Brad Wagenknecht

Absent: Directors John Avalos, Harold Brown, Liz Kniss, Johanna Partin, Ken Yeager and Shirlee Zane.

PUBLIC COMMENT ON NON-AGENDA MATTERS:

Chairperson Bates stated that a trial run of real-time language translation services was occurring at the meeting today.

Chairperson Bates opened the public comment period and seeing no one come forward to speak, he closed the public comment period.

CONSENT CALENDAR (Items 1-4):

1. **Minutes of the May 18, 2011 Regular Meeting.**
2. **Board Communications Received from May 18, 2011 through May 31, 2011.**
3. **District Personnel on Out-of-State Business Travel.**
4. **Notice of Proposed Amendments to the Air District's Administrative Code Division II Fiscal Policies and Procedures – Section 4 Purchasing Procedures: 4.3 Contract Limitations**

Board Action: Director Haggerty made a motion to approve Consent Calendar Items 1 through 4; Director Spring seconded the motion, which carried unanimously without objection.

COMMITTEE REPORTS AND RECOMMENDATIONS

5. Report of the Budget and Finance Meeting of May 25, 2011

Chair: Carole Groom

Director Groom reported that the Budget and Finance Committee met on Wednesday May 25, 2011 and approved the minutes of April 28, 2011.

The Committee received an update on the Fiscal Year Ending (FYE) 2011 Budget, and the Air District's current year fiscal challenges and response. The Air District has seen a decrease in permit fees and interest revenue. Penalties and settlement revenues have increased, and the Air District has decreased non-capital expenditures, and cut service and supply costs. The budget for capital projects has decreased over the past three years and continues to trend downward. The Air District has made many cost cutting choices, such as: deferring the modeling system upgrades; reducing technical assistance for local climate action plans; reducing technical assistance for mobile source measures; reducing media buys for Winter Spare the Air; reducing youth outreach; and reducing event sponsorships. Staff expects to only use the reserve amounts projected in the budget, and continue to keep the reserves at above 15% of the general fund.

Staff presented four permitting and inspection enhancement projects to the Committee, and requested authorization for funding. The four projects are Title V Permitting Automation Systems, Enforcement Inspector Tablet Computing, Emission Train Browser, and Registration Program Integration. These projects are part of the itemized Capital Projects in the FYE 2012 budget. The Committee recommends Board of Directors authorization to expend \$700,000 to fund the projects, pending the final approval of the Fiscal Year Ending 2012 Proposed Budget.

The Committee received a presentation regarding purchasing procedures and contract limitations. Staff requested that a change be made in the policy so recurring payments for routine business costs, such as utilities, that are more than, or accumulate over \$70,000, can be presented in the Quarterly Financial Report. The Committee agreed that this change in the policy should go before the Board of Directors.

The Committee discussed the development of a cost recovery policy as a follow up to the Matrix Group Cost Recovery and Containment study. The study recommended that the Air District adopt a formal cost recovery policy to provide greater certainty to fee payers regarding future increases. Staff suggested that a stakeholder advisory group be created to further clarify key points of a cost recovery policy for the Air District.

The next meeting is at the call of the Chair.

Board Action: Director Groom made a motion to approve the report and the recommendations of the Budget and Finance Committee; Director Klatt seconded the motion; which carried unanimously without objection.

6. Report of the Executive Committee Meeting of May 26, 2011

Chair: Tom Bates

Chairperson Bates reported that the Executive Committee met on Thursday, May 26, 2011 and approved the minutes of April 11, 2011.

The Committee received an update from the Joint Policy Committee on their Economic Development and Resilience Work Plan for June 2011 through January 2012. This plan was unanimously approved by the Joint Policy Committee on May 20th and consists of three complementary projects integrating Bay Area economic development and climate/energy resilience, including both adaptation and mitigation actions. These projects will make the Bay Area economically stronger and healthier in the near-term and more prepared for the challenges ahead.

Committee Members viewed a demonstration of interactive video conferencing with remote sites in San Jose and Santa Rosa and discussed how video conferencing would work for the Board of Director's committee meetings. The Committee Members' comments about video conferencing included public access and noticing, the cost of using remote facilities, the need for Directors to be present at meetings, and questions about stipends. The Committee recommended video conferencing during Committee meetings that are informational only.

The Committee received an update on webcasting, and members agreed that the transparency and public access to the Board of Directors meetings is important. The Committee recommends Board of Director's approval of the proposal to expend \$156,000 to purchase video equipment for webcasting of Board meetings.

The Committee adjourned to a closed session conference regarding labor negotiations and there was no reportable action from the closed session. The next meeting of the Executive Committee is September 16, 2011.

Board Action: Chair Bates made a motion to approve the report and recommendations of the Executive Committee; Director Wagenknecht seconded the motion; which carried unanimously without objection.

PRESENTATIONS

7. Legal Framework for the Air District – How Do We Clean the Air?

District Legal Counsel Brian Bunger presented an overview of the legal framework for the Air District, the second in a series of workshops. The first workshop was about air monitoring, and the third one will address permitting and enforcement. Mr. Bunger recognized William Guy and Alexander Crockett in particular for their assistance with the presentation.

Mr. Bunger reviewed the criteria pollutants and Federal and State laws regarding pollutants, air toxics, and greenhouse gases. Slides were shown illustrating the regulatory authority and interconnections from the California Legislature to the California Air Resources Board (ARB),

the Air District, and the authority coming from the U.S. Congress and the Federal Clean Air Act to the Environmental Protection Agency and to the Air District. Most of the Air District's authorities pre-existed ARB.

The Federal Clean Air Act allows ARB to regulate motor vehicles. The Air District has less contact with mobile sources, although they are a larger part of the problem.

Vice Chair Gioia asked where work with the ports fits into the Air District's authority.

Mr. Bunger responded that the ports are an indirect source. The Air District can control the attraction pollution aspect but cannot control the engines in ships or vehicles. Both Federal and State laws cover the concept of indirect sources.

Mr. Bunger reviewed the Air District's primary responsibility under the Health and Safety Code, and the Federal 2001 Ozone Attainment Plan and its components.

California's 2010 Clean Air Plan requires that the Air District demonstrate a 5% reduction in nonattainment pollutant emissions per year averaged over three years or that District implement "every feasible measure". Mr. Bunger described the plan components and implementation of measures.

He reviewed the differences between the State and Federal plan requirements and Federal New Source Performance Standards (NSPS). The Air District implements regulations required by Federal and California Clean Air Acts which include: new source review permit programs; specific regulatory actions committed to by the Air District in its Attainment Plans; and additional Air District regulatory provisions.

The Bay Area 2001 Ozone Attainment Plan is a revision to the State Implementation Plan (SIP) and the Air District may need to prepare a SIP for Particulate Matter (PM) in the near future.

Director Uilkema asked about the Board's authority to incorporate controls for a pollutant not on the list. Executive Officer/APCO Jack Broadbent stated that at the end of each year a list is provided to the public outlining regulations, rulemaking, and actions the Air District could be considering. Mr. Bunger added that there is a broad definition of pollutants, dating back to the 1950s.

Director Hudson questioned whether Nitrogen trifluoride (NF₃) is now on the list, and if it needed to be added to Climate Action Plans. Mr. Broadbent said the pollutants of concern for global warming are well known and there may not be many sources of NF₃ in California.

Mr. Bunger continued his presentation stating there are two types of Air District regulations, substantive and procedural. Substantive requirements include Best Available Retrofit Control Technology (BARCT). Procedural requirements include noticing of hearings, analysis of overlapping requirements, socioeconomic impact analysis, and incremental cost analysis. The Board of Directors must find that rules meet the requirements of necessity, authority, clarity, consistency, non-duplication, and reference. The goal is to create rules that are implemented universally and effectively; and picking control measures that are the most effective and most feasible without undue expense.

He further outlined Air District considerations such as pre-construction permits for major sources; Lowest Achievable Emission Rate (LAER); emission offsets; Prevention of Significant Deterioration (PSD) for attainment pollutants; Best Available Control Technology (BACT); operating requirements; equipment registration; Federal and State regulations of air toxics and permitting of Title V and large emitters.

Mr. Bunger went over other topics that have an impact on the Air District, such as California Environmental Quality Act (CEQA); SB 375, the Sustainable Communities Strategy; the Air District's consultative policy role as part of the Regional Transportation Plan (RTP) and Joint Policy Committee (JPC); the prohibition on public nuisances and regulating visible emissions.

Board Member Comments:

Vice Chair Gioia questioned and Mr. Bunger clarified the various levels of authority, standards and roles the Air District has relating to the Chevron Refinery project. Mr. Bunger explained that major sources are sources with 100 tons per year or more of pollutants; the Air District has 114 major sources.

Director Gorin discussed a recent issue in downtown Santa Rosa relating to a restaurant, and clarified that the Air District receives and responds to complaints about cooking and would work with the source and complainant, and also verified that cooking is exempt from Winter Spare the Air alerts.

Public Comments: None.

Board Action: None, informational only.

8. Presentation on the Air District's Proposed Budget for FYE 2012

Deputy Air Pollution Control Officer Jeff McKay, presented the FYE 2012 budget overview, which is scheduled for consideration and final approval at the June 15, 2011 Board of Directors meeting.

Mr. McKay went over the key points of the \$61.1 million general fund budget, noting that there are 363 positions, and reserves remain at over 15% reflecting prior Board direction. He explained that cost containment was being approached in a pro-active, balanced, multi-faceted, multi-year way. Personnel costs are being controlled by keeping the number of full-time equivalent (FTE) positions unchanged from the amended FYE 2008 budget. The vacancy count is steadily increasing with 36 vacancies being held, and 2 additional vacancies from turnover. Management and labor are working together on contract negotiations. Leadership development and training opportunities remain part of the budget for cross training employees and keeping them flexible, to address personnel needs using current staff.

Mr. McKay outlined cuts in services and supplies, and reduced capital spending as a result of deferred maintenance on the building. He also discussed fee increases and cost recovery. Other cost cutting measures will include deferred modeling system upgrades, reduced technical

assistance for local climate action plans, reduced technical assistance for mobile source measures, reduced media buys for Winter Spare the Air, reduced youth outreach, and reduced event sponsorship. He further explained that the Air District has diversified revenue sources, with 1/2 coming from permit fees and 1/3 from property tax. Expenditures are approximately 75% for staffing, and 25% for service, capital and supplies.

Mr. McKay said this is not a single year approach. This budget keeps personnel costs down, reduces expenditures, incorporates fee increases, and in a measured way taps into reserves.

Public Comments: None.

Board Comments:

There was discussion about the potential shared facility with the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). Staff clarified that negotiations are continuing and expect concurrence of the executive boards of the other agencies in July. The Air District owns the current building and anticipates a cost savings with relocation. A special meeting regarding this issue may be held in July.

Board Action: None. Final public hearing and Board consideration will be on the agenda for the June 15, 2011 Board meeting.

Employee Association Representative Steven Chin, addressed the Board of Directors before they adjourned into closed session. Mr. Chin stated that employees have a good relationship with the Board and with management staff. Mr. Chin said he had previously addressed the Executive Committee, and that the employees are opening the contract to have certainty and help address the financial concerns of Air District. He continued that the tentative agreement reflects a reasonable and equitable understanding, and he thanked Mr. Broadbent and Mr. Colbourn. Mr. Chin felt that the contract proposal maintains a good working relationship.

Chairperson Bates stated he appreciates the attitude of the employee association for opening the contract and negotiating.

CLOSED SESSION

9. Conference with Labor Negotiators

Chair Bates adjourned the meeting into a closed session at 11:13 a.m.

OPEN SESSION

The meeting was reconvened at 11:34 a.m. Chairperson Bates said there was no reportable action from the Closed Session.

PUBLIC COMMENT ON NON-AGENDA MATTERS

There was no public comment.

BOARD MEMBERS' COMMENTS

There were no comments from Board Members.

OTHER BUSINESS

10. Report of the Executive Officer/APCO

Mr. Broadbent announced the retirement of Director of Enforcement Kelly Wee. Mr. Brian Bateman will now serve as the Director of Enforcement, and Mr. John Chiladakis will be appointed as the Director of Engineering. He added that employees will be recognized for their years of service at the next Board meeting.

Deputy Air Pollution Control Officer Jean Roggenkamp announced that the Air District has been awarded several new grants totaling over \$2.3 million.

Funding received from Assembly Bill (AB) 118 – Advanced Technology Demonstration:

- Marine - Demonstration of DPF/SCR on a Vessel-Caterpillar - \$261,000
- Locomotive #1 - Construction and Demonstration of Tier-4 Genset - NREC and Richmond Pacific Railroad - \$529,810
- Locomotive #2 - GTE Diesel Particulate Matter Filter Demonstration -BNSF Railroad - \$270,190

Funding received from the Carl Moyer Multi-District Program:

- On-Road Truck Voucher Incentive Program - \$1,252,923

11. Chairperson’s Report

Chairperson Bates announced that the Mobile Source Committee meeting on June 23 has been cancelled and asked that Board members stay flexible during summer as they may need to come together for building negotiations.

12. Time and Place of Next Meeting: 9:45 A.M. Wednesday, June 15, 2011 – 939 Ellis Street, San Francisco, CA 94109

13. Adjournment: Chair Bates adjourned the meeting at 11:38 a.m.

Kris Perez Krow
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 10, 2011

Re: Board Communications Received from June 1, 2011 through June 14, 2011

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

A list of communications directed to the Board of Directors received by the Air District from June 1, 2011 through June 14, 2011 if any, will be at each Board Member's place at the June 15, 2011 Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Maricela Martinez
Reviewed by: Rex Sanders

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 1, 2011

Re: Resolution to authorize a contract with Caltrans for a Regional Bicycle Share
Pilot Project

RECOMMENDED ACTION

Recommend Board of Directors adopt a resolution to authorize the Executive Officer/APCO to enter into a contract with Caltrans on behalf of the Bay Area Air Quality Management District (Air District) for Congestion Mitigation and Air Quality Improvement (CMAQ) funding in support of a regional bicycle share pilot project.

BACKGROUND

On October 27, 2010, the Air District was awarded \$4.29 million in Federal CMAQ funding from the Metropolitan Transportation Commission (MTC) to lead a regional bicycle share pilot project. This project is being conducted in partnership with the Santa Clara Valley Transportation Authority (VTA), SamTrans, San Francisco Municipal Transportation Agency, San Mateo County and Redwood City. CMAQ funds will be matched by \$1.4 million from Fiscal Year Ending 2010 Transportation Fund for Clean Air (TFCA) Regional Funds, approved by the Air District's Board of Directors on November 3, 2010. The partner agencies will also provide \$1.3 million match towards this pilot project. The combined \$7 million in funding will be used to test the deployment of 1,000 shared bicycles in five cities along the peninsula transportation corridor in San Francisco, San Mateo and Santa Clara counties.

DISCUSSION

In order for the Air District to accept CMAQ funding, it is necessary for the Board to adopt a resolution to authorize the Executive Officer/Air Pollution Control Officer to enter into a contract with Caltrans for CMAQ funding. Specifically, this resolution must state the title of the person authorized to enter into a contract with Caltrans.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None; The Air District would distribute CMAQ monies as “pass-through” funds on a reimbursement basis. Administrative costs for project staffing are provided by the following funding sources (CMAQ, TFCA and local funding).

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Karen M. Schkolnick
Reviewed by: Damian Breen

Attachment: Resolution Authorizing Executive Officer/APCO to Contract with Caltrans for Congestion Mitigation and Air Quality Improvement funding

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO. 2011-_____

**A Resolution of the
Board of Directors of the Bay Area Air Quality Management District
Authorizing the Executive Officer/APCO to Enter Into Contract with Caltrans**

WHEREAS, the purpose of this Resolution is to authorize the Bay Area Air Quality Management District's ("Air District") Executive Officer/Air Pollution Control Officer to enter into a contract with the California Department of Transportation ("Caltrans") on behalf of the Air District for Congestion Mitigation and Air Quality Improvement ("CMAQ") funding for the Regional Bicycle Share Pilot;

WHEREAS, on October 6, 2010, the Air District Board of Directors approved a commitment to the Regional Bicycle Share Pilot of \$1.4 million in matching funds from its Transportation Fund for Clean Air ("TFCA");

WHEREAS, on October 27, 2010, the Metropolitan Transportation Commission awarded the Air District \$4.29 million in CMAQ grant funds from its Climate Initiatives Program to administer a Regional Bicycle Share Pilot;

WHEREAS, on April 11, 2011, the Air District received the Administering Agency-Federal Master Agreement and Program Supplement Agreement from the California Department of Transportation ("Caltrans");

WHEREAS, the Air District is eligible to receive Federal and/or State funding for certain Transportation Projects through Caltrans;

WHEREAS, the Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, and/or Fund Transfer Agreements need to be executed with Caltrans before such funds could be claimed;

NOW, THEREFORE, BE IT RESOLVED that the Air District's Board of Directors delegates authority to execute these agreements with Caltrans and any amendments thereto to the Executive Officer/Air Pollution Control Officer.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2011 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tom Bates
Chair of the Board of Directors

ATTEST:

Ash Kalra
Secretary of the Board of Directors

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 1, 2011

Re: Adoption of Proposed Amendments to the Air District's Administrative Code
Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3
Contract Limitations

RECOMMENDED ACTION

The Board of Directors will consider adoption of Proposed Amendments to the Air District's Administrative Code, Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3 Contract Limitations.

BACKGROUND AND DISCUSSION

In accordance with provisions of the Administrative Code, Section 14, notice was given at the Board of Directors regular meeting of June 1, 2011 that the Board of Directors was considering amendments to the Administrative Code, Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3 Contract Limitations.

Current Air District practice does not bring payments for recurring routine business costs such as utilities, licenses, office supplies and the like, before the Board, except as part of the Air District budget. The proposed amendment provides policy direction to list such payments over \$70,000 in each quarterly financial report. The goal is to increase the information flow to the Board, to maintain committee efficiency, and to clarify policy.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

Attachment: Proposed Amendments to Division II Fiscal Policies and Procedures - Section 4
Purchasing Procedures: 4.3 Contract Limitations

PROPOSED ADMINISTRATIVE CODE AMENDMENTS

Proposed Amendment to Division II Fiscal Policies and Procedures - Section 4 Purchasing Procedures: 4.3 Contract Limitations as follows:

4.3 CONTRACT LIMITATIONS.

The APCO or designee shall execute, on behalf of the Bay Area Air Quality Management District, contracts for purchase of supplies and materials and services costing not more than seventy thousand dollars (\$70,000). Contracts for more than seventy thousand dollars (\$70,000) shall be signed by either the Chairperson of the Board of Directors, or the APCO after being directed to execute such a contract by resolution of the Board of Directors.

For efficiency, recurring payments for routine business needs such as utilities, licenses, office supplies and the like, more than, or accumulating to more than seventy thousand dollars (\$70,000) shall be presented in the quarterly Financial Report.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 2, 2011

Re: Report of the Mobile Source Committee Meeting of June 2, 2011

RECOMMENDED ACTION

The Committee recommends that the Board of Directors take the following actions:

- A) Audit of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and Request to Reallocate Funds.
 - 1) Receive and file the results of TFCA Audit #12; and
 - 2) Authorize the Executive Officer/APCO to amend the contract with Armanino McKenna, LLP, to include the review and modernization of TFCA County Program Manager Fund (CPM) grants at no additional cost.

- B) Selection of an Auditor for Transportation Fund for Clean Air (TFCA) Regional and County Program Manager (CPM) Funds.
 - 1) Approve the selection of Gilbert Associates, Inc. to conduct TFCA Audit #13; and
 - 2) Authorize the Executive Officer/APCO to execute a contract with Gilbert Associates, Inc. for audit services, in an amount that shall not exceed \$228,600.

- C) Waiver for San Francisco Municipal Transportation Authority (SFMTA) for a Fiscal Year Ending (FYE) 2010 Bicycle Facility Program (BFP) Policy.
 - 1) Waive the requirement of Policy #9 of the BFP for FYE 2010 that project sponsors sign and return funding agreements within 120 days of transmittal of the agreement for three SFMTA projects.

- D) Lower Emission School Bus Program (LESBP).
 - 1) Receive and file an information update on the LESBP.
 - 2) Allocate \$4.2 million in Mobile Source Incentive Funding (MSIF) to fund school bus replacement projects under the LESBP.

BACKGROUND

The Mobile Source Committee met on Thursday, June 2, 2011. The Committee received and considered the following reports and recommendations:

- A) Audit of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and Request to Reallocate Funds.
- B) Selection of an Auditor for Transportation Fund for Clean Air (TFCA) Regional and County Program Manager (CPM) Funds.
- C) Waiver for San Francisco Municipal Transportation Authority (SFMTA) for a Fiscal Year Ending (FYE) 2010 Bicycle Facility Program (BFP) Policy.
- D) Lower Emission School Bus Program (LESBP).

Attached are the staff reports that were presented in the Mobile Source Committee agenda packet.

Chairperson Scott Haggerty will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None. As required by California Health and Safety Code Section 44242(a), the costs of TFCA audits are taken from the TFCA motor vehicle registration fee surcharges. Resources for this TFCA audit were identified in the Air District's FYE 2011 budget. Funding for the original Armanino McKenna, LLP contract was approved in the amount of \$200,000 by the Board of Directors on September 16, 2009, and the budget was amended to include the funds. At present, Armanino McKenna, LLP, has completed its work on the TFCA Regional Fund and \$110,000 of the original allocation is unspent.
- B) None. As required by Health and Safety Code Section 44242(a), the costs of the TFCA audit are taken from the TFCA motor vehicle registration fee surcharges. The Air District's budget for TFCA administration identifies funds to conduct this audit.
- C) None.
- D) None. Both MSIF and I-Bond funding comes with administrative funding to cover staff time associated with the program. The 2008 LESBP Guidelines allow two percent (2%) for administrative costs (\$170,464), plus an additional five percent (5%) in administrative costs for funds designated to retrofit projects.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kris Perez Krow
Reviewed by: Rex Sanders

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 17, 2011

Re: Audit of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and
Request to Reallocate Funds

RECOMMENDED ACTIONS:

Recommend Board of Directors:

1. Receive and file the results of TFCA Audit #12.
2. Recommend Board of Directors authorize the Executive Officer/APCO to amend the contract with Armanino McKenna, LLP, to include the review and modernization of TFCA County Program Manager Fund (CPM) grants at no additional cost.

BACKGROUND

California Health and Safety Code Section 44242 requires that the Air District perform an audit on each program or projects funded with motor vehicle registration fee surcharges collected under Section 44241. The Air District manages these revenues as the TFCA. Forty percent of this funding is distributed via the Air District's CPM program and 60% is administered directly by the Air District via its TFCA Regional Fund. The Air District is required to have an independent auditor examine both programs. The most recent audit (Audit #12) was conducted for TFCA Regional Fund projects.

DISCUSSION

The Air District retained the services of Gilbert Associates, Inc. to conduct the fiscal audits of closed (completed) TFCA Regional Fund projects that were completed as of June 30, 2009. The audits were conducted from December 2009 through April 2011. Gilbert Associates conducted field work and completed and issued audit reports to each organization audited, and to the Air District for its TFCA-funded programs (Spare the Air and the Smoking Vehicle Program). The auditors also prepared an Audit Summary Report (see Attachment 1), which is a compilation of the individual audit reports. A list of the audited projects is provided in Appendix B of Attachment 1. Each organization was provided an opportunity to respond in writing to any findings and those responses are included in the individual audit reports.

The Audit Summary Report contains nine sponsor findings and one oversight finding; all are being addressed. For Finding 2009-7 (a project involving the retrofit of heavy-duty trucks for Sysco Food systems), Air District staff is working with the project sponsor to fully address the finding.

In order to address the other findings in the audit report, the Air District is in the process of further strengthening its administrative operating procedures. This strengthening will include a mandatory education program for those project sponsors with repeated issues (i.e., late and inconsistent reporting, late invoices, records retention and notification issues, etc.), to be implemented in fall of 2011. The audit findings will be reviewed with the Committee at the June 2, 2011, meeting.

While there are still a number of reporting related findings identified, it should be noted that instances of these types of issues continues to decline when compared to previous audits. A key tool that has aided in this progress has been the modernization of the TFCA Regional Fund files and data. The modernization process was completed by Armanino McKenna, LLP, as part of a contract approved by the Board in September 2009 and has allowed Air District staff to perform better outreach to project sponsors with regard to reporting deadlines and invoice submittal.

In order to provide that the same level of service to CPM Administrators prior to the upcoming audit, staff is requesting that the Board authorize the Executive Officer/APCO to enter into an agreement with Armanino McKenna, LLP for an amount not to exceed \$110,000 to complete the modernization of the entire TFCA program. This funding is the remainder of \$200,000 in general fund monies set aside by the Board when Armanino McKenna, LLP was retained to modernize the TFCA Regional Fund grant files.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. As required by California Health and Safety Code Section 44242(a), the costs of TFCA audits are taken from the TFCA motor vehicle registration fee surcharges. Resources for this TFCA audit were identified in the Air District's FYE 2011 budget.

Funding for the original Armanino McKenna, LLP contract was approved in the amount of \$200,000 by the Board of Directors on September 16, 2009, and the budget was amended to include the funds. At present, Armanino McKenna, LLP, has completed its work on the TFCA Regional Fund and \$110,000 of the original allocation is unspent.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Wiley
Reviewed by: Damian Breen

Attachment: Transportation Fund for Clean Air Program Regional Fund: Audit Summary Report

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 24, 2011

Re: Selection of an Auditor for Transportation Fund for Clean Air (TFCA) Regional
and County Program Manager (CPM) Funds

RECOMMENDED ACTIONS:

Recommend Board of Directors:

1. Approve the selection of Gilbert Associates, Inc. to conduct TFCA Audit #13; and
2. Authorize the Executive Officer/APCO to execute a contract with Gilbert Associates, Inc. for audit services, in an amount that shall not exceed \$228,600.

BACKGROUND

California Health and Safety Code Section 44242 requires that the Air District perform an audit of each program or projects funded with motor vehicle registration fee surcharges collected under Section 44241. The Air District manages these revenues as the TFCA. Forty percent of this funding is distributed via the Air District's CPM program and 60% is administered directly by the Air District via its TFCA Regional Fund. The Air District is required to have an independent auditor examine both programs. In the past, audits of the Regional Fund and CPM Fund have been conducted in alternate years. To date there have been 12 such audits.

Based on the modernization of the TFCA Program, staff is implementing a new auditing procedure. This new auditing methodology will require that projects closing in both programs (TFCA Regional and CPM Funds) be examined each calendar year. The purpose of this new methodology is twofold: 1) it addresses records retention findings in previous audits and 2) it allows the Air District to interact with project sponsors while their knowledge of project parameters is current.

If approved by the Board of Directors, the selected contractor will begin work on the thirteenth TFCA audit on both programs in July 2011, with an expected date of completion and submission of all reports by December 2011. Staff's evaluation of the audit proposals and recommended selection is presented below.

DISCUSSION

Request for Proposals

On February 23, 2011, the Air District issued a Request for Proposals (RFP) to perform the thirteenth audit of projects funded by the TFCA Program. The Air District forwarded the RFP to 13 public accounting firms, posted it to a statewide website for CPA firms, and posted it on the Air District's website. The deadline to submit proposals was March 14, 2011. This process was performed in compliance with the Air District's Administrative Code Division II, Section 4.6, and with applicable portions of the California Public Contract Code Section 1100 et seq.

The Air District received proposals from the following three companies by the deadline: Armanino McKenna LLP; Gilbert Associates, Inc.; and Macias, Gini & O'Connell LLP (MGO).

Evaluation of Proposals

A panel, comprising a grants section manager, the Finance Manager, and two technical representatives from the TFCA Program, conducted the evaluation and scoring of the proposals. The panel relied on the RFP's listed five criteria to evaluate and score the proposals. The individual scores were then averaged to determine the recommended firm. Table 1 below shows each firm's scores:

Table 1: Scoring of Proposals

Criteria	Max. Pts.	Armanino McKenna	Gilbert Associates	MGO
1. Technical expertise: size/structure of firm and personnel; firm's ability to perform and complete work in a professional and timely manner	30	23	28	28
2. Past experience of the firm and team on projects of similar scope for governmental agencies	20	15	18	17
3. Responsiveness of the proposal, stating a clear understanding of the work to be performed	20	14	19	17
4. Proposed cost	20	14	19	10
5. References, and Green/Local Business	10	8	5	7
Total	100	74	89	79

Based on the scores above and adherence to the evaluation criteria, staff is recommending Gilbert Associates, Inc. for a contract not to exceed \$228,600 to conduct the thirteenth audit of TFCA programs and projects. This firm had the highest overall score, and scored highest on the criteria related to past experience and responsiveness of the proposal. Additionally, the Board will have the ability to extend the contract with Gilbert Associates, Inc. for up to an additional two years under the terms of the current RFP.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. As required by Health and Safety Code Section 44242(a), the costs of the TFCA audit are taken from the TFCA motor vehicle registration fee surcharges. The Air District's budget for TFCA administration identifies funds to conduct this audit.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Wiley
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 24, 2011

Re: Waiver for San Francisco Municipal Transportation Authority (SFMTA) for a
Fiscal Year Ending (FYE) 2010 Bicycle Facility Program (BFP) Policy

RECOMMENDATION:

Recommend the Board of Directors:

1. Waive the requirement of Policy #9 of the BFP for FYE 2010 that project sponsors sign and return funding agreements within 120 days of transmittal of the agreement for three SFMTA projects.

BACKGROUND

FYE 2010 Policies for the BFP were approved by the Air District Board on July 1, 2009. Policy #9 requires Project Sponsors to sign and return funding agreements to the Air District within 60 days from the date an agreement is transmitted. This policy also allows the Air District to authorize an extension of up to 120 days from the date of transmittal for return of a signed funding agreement. Such an extension is granted only in cases where circumstances have been demonstrated to the Air District that such a delay is beyond the Project Sponsor's reasonable control. This policy is in place to ensure that funds are spent in a timely fashion on viable projects.

As part of the FYE 2010 BFP, three projects from the SFMTA, one to install bicycle racks citywide (09BFP12) and two others to install Class II bicycle lanes on John Muir Drive (09BFP13) and the Great Highway (09BFP15), were issued contracts in the first quarter of the calendar year 2010.

DISCUSSION

After the funding agreements were sent to SFMTA, they and Air District staff engaged in extensive negotiations over several contract terms, including the duration of the projects. In addition, further delays in contract execution were experienced as a result of SFMTA's internal process of taking these projects to the San Francisco Board of Supervisors for approval. As a result, signed contracts were only recently received from SFMTA, well past the 120 days allowed by the FYE 2010 BFP policies.

Staff recognizes that the current time period allotted by the BFP policies may be insufficient for some jurisdictions to complete negotiations and internal approval processes. Staff is exploring options to allow for more flexibility on contract execution. Any policy modifications will be presented to the Committee and the Board for approval as part of the FYE 2012 BFP Policies in fall 2011.

Staff believes that the SFMTA bicycle projects in question have great merit due to the fact that they will deploy over 1,400 separate bicycle parking spaces in San Francisco and create two additional bicycle lanes that extend and connect the city's current network. Staff is therefore requesting that Committee recommend that the Board waive BFP Policy #9 for these three SFMTA projects.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Geraldina Grünbaum
Reviewed by: Damian Breen

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 12, 2011

Re: Lower Emissions School Bus Program (LESBP)

RECOMMENDATIONS:

Recommend Board of Directors:

1. Receive and file an information update on the LESBP.
2. Allocate \$4.2 million in Mobile Source Incentive Funding (MSIF) to fund school bus replacement projects under the LESBP.

BACKGROUND

The Air District has participated in the LESBP since its creation in fiscal year ending (FYE) 2001 by the California Air Resources Board (CARB). The program is currently subject to the CARB's 2008 LESBP guidelines. These guidelines provide for:

- The replacement of 1986 model year and older public school buses, in order of oldest first, and;
- The retrofitting of 1987 model year and newer school buses with particulate matter (PM) emission control devices.

These guidelines also require a school district match of \$25,000 per bus and impose a cost cap of \$140,000 per bus on the amount of total funds that can be provided. Similarly, school bus retrofit funds are capped at \$20,000 per bus which may include the cost of filter maintenance and any necessary electrical infrastructure. Since 2008, the Air District Board has approved the allocation of MSIF to serve as the local match requirement for school districts. As part of this report, staff will update the Committee on the previous grant cycle, the current program solicitation and request an additional \$4.2 million in MSIF funding for the current program.

DISCUSSION

Previous Grant Cycle

Between August 1, 2008, and September 30, 2008, Air District staff solicited applications for school bus retrofit and replacement projects. As a result of augmenting California Goods Movement Bond (I-Bond) funding with MSIF funds, all eligible applicants from this call for applications have been awarded funding. Specifically, as shown in Attachment 1, over \$4.9 million in I-Bond funding have been allocated to retrofit 264 school buses serving public schools in the Bay Area. Also shown in Attachment 2, nearly \$7 million have been paid out to replace 47 dirty public school buses, over half of which were at least 25 years old.

Current Solicitation

Based on allocations of I-Bond and MSIF funding, the Air District currently has approximately \$8 million available for retrofit and replacement projects (\$3 million in I-Bond funding for retrofits and replacements and \$5 million in MSIF funding for replacements only). To award these funds, the Air District issued a call for retrofit and replacement applications from March 2 through April 29, 2011.

This resulted in the receipt of 41 applications, requesting over \$22.6 million in funding. Of these applications, 12 were for \$1.8 million to retrofit 94 school buses (Attachment 3) and 29 were for \$20 million to replace 135 public school buses (Attachment 4).

Based on preliminary evaluation of the applications received, the Air District expects to provide retrofit funding to all buses requesting it (94 buses requesting just over \$1.8 million) as well as to replace all 1986 model year and older school buses for which funds were requested (29 buses requesting just over \$4.5 million). This funding allocation is in keeping with the funding priority prescribed by the 2008 LESBP Guidelines.

After this preliminary allocation, approximately \$1.7 million would remain to address requests for over \$15 million to replace over one hundred (100) 1986-1993 model year school buses. Staff is currently working with applicants to determine if any are willing to retrofit rather than replace their equipment. This would increase the impact of currently available funding and maximize the emissions reductions benefits for school children. For applicants that choose not to retrofit, any remaining MSIF funds would be prioritized to replace the oldest school buses, with preference given to those operating in Highly Impacted Communities.

In order to increase the number of replacements available to school districts, staff is recommending that an additional \$4.2 million in MSIF funding be allocated to the LESBP. This funding is the available balance of unspent funds allocated to the joint Carl Moyer/MSIF program in FYE 2011. While this funding can in no way address the requests for replacement buses submitted, it is hoped that by using this funding and the remaining I-Bond funding all applicants can upgrade (retrofit or replace) their vehicles ahead of impending CARB requirements.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None. Both MSIF and I-Bond funding comes with administrative funding to cover staff time associated with the program. The 2008 LESBP Guidelines allow two percent (2%) for administrative costs (\$170,464), plus an additional five percent (5%) in administrative costs for funds designated to retrofit projects.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Geraldina Grünbaum
Reviewed by: Damian Breen

- Attachment 1: 2008 Solicitation Retrofits Performed with I-Bond Funding
- Attachment 2: 2008 Solicitation Replacements Performed with MSIF Funding
- Attachment 3: 2011 Solicitation Retrofit Funding Requests
- Attachment 4: 2011 Solicitation Replacement Funding Requests

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson, Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 8, 2011

Re: Report of the Public Outreach Committee Meeting of June 6, 2011

RECOMMENDED ACTION

- A) None; receive and file.
- B) None; receive and file.
- C) Amend Spare the Air Resource Team Facilitation Contract to increase the contract in the amount of \$25,000.

BACKGROUND

The Public Outreach Committee met on Monday June 6, 2011. The Committee received the following reports and recommendations:

- A) Summary of 2009-2010 Community Grant Program
- B) Presentation on Spare the Air Resource Teams
- C) Contract Amendment for New Spare the Air Resource Team

Attached are the staff reports presented in the Public Outreach Committee packet. Chairperson Ross will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) Funding for these grants was part of the FYE 2010 budget.
- B) Funding for the resource teams is included in the annual budget.
- C) Funding for the contract amendment will come from the 2010/11 Communications and Outreach Division budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kris Perez Krow
Reviewed by: Rex Sanders

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 26, 2011

Re: Summary of 2009-2010 Community Grant Program

RECOMMENDED ACTION:

None; receive and file.

BACKGROUND

In October 2009 the Air District Board of Directors approved six grant awards totaling \$254,668 as part of the Community Grant Program. The recipients and award amounts are identified in Table 1 below.

**Table 1:
Community Grant Program Funded Projects**

Applicant	Project	Location	Amount Awarded
American Lung Association	Asthma management in schools	Oakland/Alameda	\$ 43,707
Axis Community Health	Medical and educational asthma interventions for low-income uninsured	Tri-Valley/Alameda	\$ 30,089
Chabot Space and Science Center	Creation of a stationary and web-based climate education laboratory	Multiple County	\$ 50,000
CreatTV	Youth-based climate change social media project	San Jose/Santa Clara	\$ 37,800
Earth Team	Youth leadership development and education about diesel particulates	West Oakland/Alameda	\$ 43,072
Greenaction	Diesel education and emissions reduction	Southeast San Francisco	\$ 50,000
		Total	\$254,668

DISCUSSION

All grant projects have been completed. At your Committee meeting, staff will provide a brief report on outcomes of each grant project.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

Funding for these grants was part of the FYE 2010 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jim Smith
Reviewed by: Lisa Fasano

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 26, 2011

Re: Presentation on Spare the Air Resource Teams

RECOMMENDED ACTION:

None; receive and file.

BACKGROUND

One of the Air District's innovative efforts to engage the public was the formation of local resource teams in 1991, in conjunction with the creation of the Spare the Air program. From that point to the current day local civic groups, agencies, businesses and environmental organizations meet regularly and work collaboratively to implement projects that promote cleaner air.

DISCUSSION

Currently eight active teams exist in the region:

- Napa Valley Clean Air Coalition
- San Francisco Spare the Air Resource Team
- San Mateo County Spare the Air Resource Team
- San Jose Green Vision Resource Team
- Santa Clara County Spare the Air Resource Team
- Sonoma County Spare the Air Resource Team
- Southern Alameda County Spare the Air Resource Team
- Tri-Valley Spare the Air Resource Team

The teams are facilitated by Community Focus, under contract to the Air District. The teams meet anywhere from five to nine times a year to select and coordinate work on team projects. Past projects have included:

- Walk and Roll to School
- Great Race for Clean Air
- Green Business Workshop
- Home Energy Workshops

At the committee meeting, staff will provide a detailed overview of the Resource Team program and its accomplishments.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

Funding for the resource teams is included in the annual budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ana Sandoval
Reviewed by: Lisa Fasano

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 26, 2011

Re: Contract Amendment for New Spare the Air Resource Team

RECOMMENDED ACTION:

Consider recommending Board of Directors approval to amend Spare the Air Resource Team Facilitation Contract to increase the contract in the amount of \$25,000.

BACKGROUND

Under contract to the Air District, Community Focus facilitates eight Spare the Air Resource Teams throughout the region. At the March 3, 2011 Public Outreach Committee Meeting, the Committee recommended approval of a contract in the amount of \$200,000 with Community Focus for Resource Team Facilitation.

DISCUSSION

Air District staff is adding a new Contra Costa County Resource Team. The team will focus on air quality issues and will follow the project-based model used by the other Spare the Air Resource Teams which has proven successful.

Creation of a new team will have budgetary impacts. Staff recommends amending the contract to cover the additional cost of recruiting new members and facilitating the team.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

Funding for the contract amendment will come from the 2010/11 Communications and Outreach Division budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ana Sandoval
Reviewed by: Lisa Fasano

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 6, 2011

Re: Proposed Fee Amendments for Non-Permitted Sources for Fiscal Year Ending
(FYE) 2012

RECOMMENDED ACTION

The Board of Directors will consider adoption of staff's proposed amendments to Air District Regulation 3: Fees, for Fee Schedules L, Q, R, and S, which apply to non-permitted sources, and consider approving the filing of a Notice of Exemption from CEQA for amendments to Regulation 3: Fees, for Fee Schedules L, Q, R, and S.

BACKGROUND

At the May 4, 2011 Board of Directors meeting, the Board approved staff's proposed fee amendments for FYE 2012 that apply to permitted sources of air pollution. The Board also received testimony on proposed fee amendments for non-permitted sources which are covered by District Regulation 3: Fees, Schedules L, Q, R, and S. Under California Health and Safety Code Section 41512.5, the adoption or revision of fees applicable to emission sources not included within a permit system, require a public hearing at least 30 days prior to the Board meeting at which adoption or revision is to be considered. The public hearing to consider adoption of fee amendments for non-permitted sources has been set for June 15, 2011.

DISCUSSION

The proposed fee amendments for non-permitted sources, along with those already adopted for permitted sources, were designed to increase overall fee revenue by approximately 5% from current budgeted levels. Based on a current shortfall between budgeted and actual fee revenue, and the assumption that fees related to business activity will remain at current levels through the next fiscal year, fee rates need to be increased by an average of 10 percent to reach this revenue target. With these fee increases, and with rigorous cost containment measures included in the proposed FYE 2012 budget, modest use of reserve accounts is still expected to be needed.

The details of the proposed fee amendments are described in the staff report which was provided to Board members prior to the May 4, 2011 Board of Directors meeting. A 12% increase is proposed for Fee Schedules L: Asbestos Operations, which the 2011 Cost Recovery and Containment Study determined recovered 62 percent of costs in FYE 2010. Schedule L applies to operations subject to District Regulation 11, Rule 2: Asbestos Demolition, Renovation, and

Manufacturing. A 14 percent increase is proposed for Fee Schedule S: Naturally Occurring Asbestos Operations, which was determined to recover less than 50 percent of costs in FYE 2010. Schedule S applies to operations subject to the Asbestos Airborne Toxic Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations.

A two percent increase is proposed for Fee Schedule R: Equipment Registration Fees. The fee rates in Schedule R were all established in recent years based on staff's considerations of cost recovery, and the proposed fee increase represents a cost of living increase. An additional new fee is proposed for registered diesel engines that elect to comply under an Alternative Compliance Plan (ACP). An ACP provision was established in District Regulation 11, Rule 17: Limited Use Stationary Compression Ignition (Diesel) Engines in Agricultural Use, which was adopted by the Board of Directors on May 18, 2011. The proposed one-time fee for an engine covered under an ACP would be \$129 (the same as the initial registration fee), and this fee would cover a portion of the District's costs of implementing and enforcing the ACP.

A two percent cost of living increase is also proposed for Fee Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks. Schedule Q applies to certain operations subject to District Regulation 8, Rule 40: Aeration of Contaminated Soil and Removal of Underground Storage Tanks. Almost all operations subject to Regulation 8, Rule 40 currently qualify for a fee exemption because other agencies have programs that are equivalent to the District's program.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed fee amendments for non-permitted sources, along with those already adopted for permitted sources, are expected to increase fee revenue in FYE 2012 by approximately 5 percent from FYE 2011 budgeted levels, or \$1.54 million. This revenue has been included in the proposed FYE 2012 budget. Even with these fee increases, the proposed budget includes a transfer of approximately \$900,000 from reserve funds.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian Bateman
Revised by: Jeffrey McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 9, 2011

Re: Public Hearing to Consider Adoption of the Air District's Proposed Budget for
Fiscal Year Ending (FYE) 2012

RECOMMENDED ACTION

Recommend Board of Directors adopt a resolution to approve the proposed budget for FYE 2012 and various budget related actions; and hold a final Public Hearing.

DISCUSSION

Pursuant to Health and Safety Code Section 40131, the Executive Officer/APCO will present the FYE 2012 proposed budget to the Board of Directors for adoption.

BUDGET CONSIDERATION/FINANCIAL IMPACT

No impact on current year budget. The proposed consolidated budget for FYE 2012 is \$72,360,101.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Glasser
Reviewed by: Jack M. Colbourn

Attachments: Resolution to Approve the Budget for FYE 2012 and Various Budget Related Actions

Salary Schedule for Management and Confidential Classes

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Resolution No. 2011-__

**A Resolution to Approve the Budget for Fiscal Year Ending (FYE) June 30, 2012
and Various Budget Related Actions**

WHEREAS, the Board of Directors has the statutory authority and direction to set the Air District's financial budget pursuant to Health & Safety Code Sections 40130-40131 and 40270-40276;

WHEREAS, by Resolution No. 2010-08, the Board of Directors adopted the Air District budget for FYE 2011 on June 16, 2010, pursuant to the above- mentioned statutory authority;

WHEREAS, the Board of Directors, in connection with that action, approved the following budget related actions:

- A. Transfer Funds from Unencumbered Balance of Appropriations to the General Reserve
- B. Fund Contingency Reserve
- C. Fund The General Reserve from Year to Year
- D. Authorize Modification to Name and Purpose of certain Designated Reserve Funds
- E. Authorize Disposal of Surplus Government Property
- F. Approve Salary Ranges for District Employees
- G. Approve Proposed District Budget for FYE 2012;

WHEREAS, Air District staff has determined through its annual budget review and analysis that similar actions are necessary in connection with the adoption of a budget for FYE 2012 and that all of these actions be incorporated into a single resolution;

WHEREAS, the Budget & Finance Committee of the Board of Directors reviewed the proposed FYE 2012 Air District Budget at public meetings held on March 23, 2011, and April 28, 2011, and recommended that the Board of Directors approve as submitted.

WHEREAS, an initial public hearing was duly noticed and held on May 18, 2011, at a Meeting of the Board of Directors held pursuant to Health & Safety Code Section 40131, for the purpose of reviewing the Air District's proposed FYE 2012 Budget and of providing the public with an opportunity to comment upon the proposed Air District budget;

WHEREAS, at the May 18, 2011, Regular Meeting of the Board of Directors the Proposed FYE 2012 Air District Budget was set for further hearing and proposed adoption of the FYE 2012 Air District Budget at the Regular Meeting of the Board of Directors to be held on June 15, 2011;

WHEREAS, in connection with the public hearing and consideration of the Proposed FYE 2012 Air District Budget on June 15, 2011, the Board of Directors decided to take the following actions related to the FYE 2011 Air District Budget:

A. TRANSFER FUNDS FROM UNENCUMBERED BALANCE OF APPROPRIATIONS TO THE GENERAL RESERVE

WHEREAS, the Proposed Air District Budget provides sufficient funds for the operation of the Air District for FYE 2012;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby directs Air District staff, that in the event there is an unencumbered balance of appropriations from FYE 2011, to transfer such excess balance to the General Reserve.

B. FUND THE GENERAL RESERVE FROM YEAR TO YEAR

WHEREAS, the Board of Directors on June 12, 1958, created a General Reserve in the Air District's budget and transferred certain funds into it;

WHEREAS, the Air District has operated for much of its existence with a General Reserve in its fiscal year budget;

WHEREAS, the Air District retained the consulting firm of KPMG LLP in 1998 and 1999 to conduct a permit fee cost recovery study of the Air District;

WHEREAS, KPMG determined through their study of Air District finances that the General Reserve was inadequately funded and therefore recommended that the General Reserve be funded to a level consistent with generally accepted governmental practices;

WHEREAS, Air District staff concurred with this finding and recommendation from KPMG LLP;

WHEREAS, the Board of Directors concurs with the recommendation of KPMG LLP, Air District staff and its Budget & Finance Committee that maintaining a healthy and properly funded General Reserve in the Air District's budget is a prudent and financially sound decision;

NOW THEREFORE, BE IT FURTHER RESOLVED that the General Reserve be continued for FYE 2012, and thereafter until discontinued by resolution of the Board of Directors.

C. AUTHORIZE DISPOSAL OF SURPLUS GOVERNMENT PROPERTY

WHEREAS, the Air District Budget for FYE 2012 provides for the replacement of certain equipment and other property that has either become obsolete and surplus or will become obsolete and surplus;

WHEREAS, Air District staff has determined that certain equipment or other property will no longer be economically feasible to maintain or repair, and that some equipment will become obsolete and not useful for Air District purposes;

WHEREAS, from time to time during the course of the coming fiscal year it may be advantageous to the Air District to sell or dispose of such equipment or other property;

WHEREAS, the Board of Directors desires to authorize the Executive Officer/APCO, or his or her designee, to sell or dispose of such surplus or obsolete equipment or other property pursuant the requirements and guidelines of Government Code Sections 25363 and 25504.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors hereby authorizes the Executive Officer/APCO, or his or her designee, to sell or dispose of surplus or obsolete equipment or other property during FYE 2012.

D. SALARY RANGES FOR DISTRICT EMPLOYEES

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District established Salary Ranges and Classifications on June 10, 1962, pursuant to Resolution No. 270 and has from time to time amended those Salary Ranges and Classifications;

WHEREAS, management employees and confidential employees are not represented by a recognized employee organization;

WHEREAS, the approved Air District Budget for FYE 2012 includes funds for Board of Director discretionary use in adjusting salaries and fringe benefits for Air District employees;

WHEREAS, on March 17, 2010, by Resolution No. 2010-04, the Board of Directors approved a Memorandum of Understanding (MOU) with the employees represented by the recognized employee organization Bay Area Air Quality Management District Employees Association (EA) which MOU had been previously ratified by the EA;

WHEREAS, the MOU provides, among other things, for certain adjustments to the salary and fringe benefits for EA members for FYE 2012 including a cost of living adjustment (COLA);

WHEREAS, on October 16, 2002, by Resolution No. 2002-17, the Board of Directors approved certain adjustments to salary and fringe benefits for non-Board of Director appointed management and confidential employee groups who are not represented by a recognized employee organization;

WHEREAS, by Resolution No. 2003-04, on June 18, 2003, the Board of Directors approved adjustments to the salaries for non-Board of Director appointed management and confidential employee groups to reflect the same COLA as provided for in the MOU; and

WHEREAS, the attached salary schedules reflect salaries adjusted in accordance with the provisions of the MOU for Represented Classes; salaries for non-Board of Director appointed Management and Confidential employee groups adjusted in accordance with Resolution Nos. 2002-17, 2003-04, 2005-02, 2006-12, 2007-08, 2008-06 and the proposed FYE 2012 budget; and salaries adjusted pursuant to contracts with Board appointed management employees.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors approves the revised salary schedules attached hereto which, consistent with the MOU and Resolution Nos. 2002-17, 2003-04, 2005-02, 2006-12, 2007-08, 2008-06 2010-04 and the proposed FYE 2012 budget, and with contracts with Board appointed management employees, provide salary increases effective July 1, 2011.

E. APPROVE PROPOSED DISTRICT BUDGET FOR FYE 2012

WHEREAS, on May 18, 2011, and June 15, 2011, public proceedings have been held in a manner and form required by Health & Safety Code Section 40131 for the adoption of the FYE 2012 Budget of the Bay Area Air Quality Management District;

WHEREAS, the Board of Directors has considered the Proposed Budget for the FYE 2012, as well as the report on this proposed budget from the Budget & Finance Committee of the Board of Directors which considered the proposed FYE 2012 Air District Budget at their meetings of March 23, 2011 and April 28, 2011;

WHEREAS, at the April 28, 2011, Regular Meeting of the Board of Directors, in its report to the Board of Directors, the Budget & Finance Committee of the Board of Directors forwarded the proposed FYE 2012 Air District Budget to the Board of Directors; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Proposed Air District Budget for FYE 2012 in the total consolidated amount of Seventy Two Million, Three Hundred Sixty Thousand, One Hundred and One Dollars (\$72,360,101), specifying by appropriation classification – personnel, services and supplies, and capital outlay – is hereby adopted by the Board of Directors of the Bay Area Air Quality Management District to become effective as of July 1, 2011.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the _____ day of _____ 2011 by the following vote of the Board:

AYES:

NOES:

ABSENT:

ATTEST:

TOM BATES
Chairperson of the Board of Directors

ASH KALRA
Secretary of the Board of Directors

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
SALARY SCHEDULE FOR MANAGEMENT AND CONFIDENTIAL CLASSES
 Annually/Monthly/Bi-weekly/Hourly effective July 1, 2011

ID-JDE MANAGEMENT

Per Employment Agreement

1B101 Executive Officer/Air Pollution Control Officer	256015.45 21334.62 9846.75 123.08
1B102 Counsel	240892.42 20074.37 9265.09 115.81

ID-JDE MANAGEMENT

	Range	Step A	Step B	Step C	Step D	Step E
3M101 Air Monitoring Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M102 Air Quality Engineering Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M103 Air Quality Planning Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M104 Air Quality Program Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
8M101 Assistant Counsel I	149M	112120.22 9343.35 4312.32 53.90	117726.23 9810.52 4527.93 56.60	123612.54 10301.05 4754.33 59.43	129793.17 10816.10 4992.04 62.40	136282.83 11356.90 5241.65 65.52
7M101 Assistant Counsel II	153M	125761.47 10480.12 4836.98 60.46	132049.55 11004.13 5078.83 63.49	138652.03 11554.34 5332.77 66.66	145584.63 12132.05 5599.41 69.99	152863.86 12738.65 5879.38 73.49
3M117 Audit & Special Projects Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M105 Business Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05

ID-JDE	MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
1M101	Deputy Air Pollution Control Officer		149179.85 12431.65 5737.69 71.72	156638.84 13053.24 6024.57 75.31	164470.78 13705.90 6325.80 79.07	172694.32 14391.19 6642.09 83.03	181329.04 15110.75 6974.19 87.18
2M101	Director of Administration	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M106	Director of Communications & Outreach	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M102	Director of Enforcement	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M103	Director of Engineering	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M108	Director of Strategic Incentives	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M104	Director of Information Services	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M105	Director of Planning and Research	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
2M107	Director of Technical Services	156M	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81	163384.96 13615.41 6284.04 78.55
3M113	Executive Office Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M107	Finance Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05

ID-JDE MANAGEMENT(CONTINUED)	Range	Step A	Step B	Step C	Step D	Step E
3M106 Fleet and Facilities Manager	134M	79113.26 6592.77 3042.82 38.04	83068.92 6922.41 3194.96 39.94	87222.37 7268.53 3354.71 41.93	91583.49 7631.96 3522.44 44.03	96162.66 8013.56 3698.56 46.23
6M104 Health Officer	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M108 Human Resources Officer	154M	128016.39 10668.03 4923.71 61.55	134417.21 11201.43 5169.89 64.62	141138.07 11761.51 5428.39 67.85	148194.97 12349.58 5699.81 71.25	155604.72 12967.06 5984.80 74.81
3M109 Information Systems Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M110 Laboratory Services Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M115 Manager, Executive Operations	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M111 Meteorology and Data Analysis Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M112 Research and Modeling Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
6M101 Senior Assistant Counsel	157M	138652.03 11554.34 5332.77 66.66	145584.63 12132.05 5599.41 69.99	152863.86 12738.65 5879.38 73.49	160507.05 13375.59 6173.35 77.17	168532.40 14044.37 6482.02 81.03
6M102 Senior Policy Advisor	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05
3M116 Strategic Facilities Planning Manager	148M	111320.30 9276.69 4281.55 53.52	116886.32 9740.53 4495.63 56.20	122730.63 10227.55 4720.41 59.01	128867.16 10738.93 4956.43 61.96	135310.52 11275.88 5204.25 65.05

ID-JDE CONFIDENTIAL

	Range	Step A	Step B	Step C	Step D	Step E
7C007 Administrative Secretary (Confidential)	118	51987.35 4332.28 1999.51 24.99	54586.72 4548.89 2099.49 26.24	57316.05 4776.34 2204.46 27.56	60181.85 5015.15 2314.69 28.93	63190.95 5265.91 2430.42 30.38
5C101 Clerk of the Boards	136	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13
8C004 Executive Secretary I (1)	127	64751.45 5395.95 2490.44 31.13	67989.02 5665.75 2614.96 32.69	71388.48 5949.04 2745.71 34.32	74957.90 6246.49 2883.00 36.04	78705.79 6558.82 3027.15 37.84
7C001 Executive Secretary II (1)	131	71388.48 5949.04 2745.71 34.32	74957.90 6246.49 2883.00 36.04	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72
8C101 Human Resources Analyst I	130	69668.02 5805.67 2679.54 33.49	73151.42 6095.95 2813.52 35.17	76808.99 6400.75 2954.19 36.93	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71
7C103 Human Resources Analyst II	134	76808.99 6400.75 2954.19 36.93	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89
8C001 Human Resources Technician I	116	49511.76 4125.98 1904.30 23.80	51987.35 4332.28 1999.51 24.99	54586.72 4548.89 2099.49 26.24	57316.05 4776.34 2204.46 27.56	60181.85 5015.15 2314.69 28.93
7C002 Human Resources Technician II	120	54586.72 4548.89 2099.49 26.24	57316.05 4776.34 2204.46 27.56	60181.85 5015.15 2314.69 28.93	63190.95 5265.91 2430.42 30.38	66350.49 5529.21 2551.94 31.90
7C003 Legal Office Services Specialist	124	60181.85 5015.15 2314.69 28.93	63190.95 5265.91 2430.42 30.38	66350.49 5529.21 2551.94 31.90	69668.02 5805.67 2679.54 33.49	73151.42 6095.95 2813.52 35.17
8C002 Legal Secretary I	116	49511.76 4125.98 1904.30 23.80	51987.35 4332.28 1999.51 24.99	54586.72 4548.89 2099.49 26.24	57316.05 4776.34 2204.46 27.56	60181.85 5015.15 2314.69 28.93
7C004 Legal Secretary II	120	54586.72 4548.89 2099.49 26.24	57316.05 4776.34 2204.46 27.56	60181.85 5015.15 2314.69 28.93	63190.95 5265.91 2430.42 30.38	66350.49 5529.21 2551.94 31.90
8C003 Office Assistant I (HR)	104	36946.44 3078.87 1421.02 17.76	38793.76 3232.81 1492.07 18.65	40733.45 3394.45 1566.67 19.58	42770.12 3564.18 1645.00 20.56	44908.63 3742.39 1727.25 21.59

(1) Per Board action of November 17, 2010

ID-JDE CONFIDENTIAL(CONTINUED)

	Range	Step A	Step B	Step C	Step D	Step E
7C005 Office Assistant II (HR)	108	40733.45	42770.12	44908.63	47154.06	49511.76
		3394.45	3564.18	3742.39	3929.50	4125.98
		1566.67	1645.00	1727.25	1813.62	1904.30
		19.58	20.56	21.59	22.67	23.80
7C102 Paralegal	124	60181.85	63190.95	66350.49	69668.02	73151.42
		5015.15	5265.91	5529.21	5805.67	6095.95
		2314.69	2430.42	2551.94	2679.54	2813.52
		28.93	30.38	31.90	33.49	35.17
5C102 Supervising Human Resources Analyst	142	93361.81	98029.90	102931.39	108077.96	113481.86
		7780.15	8169.16	8577.62	9006.50	9456.82
		3590.84	3770.38	3958.90	4156.84	4364.69
		44.89	47.13	49.49	51.96	54.56

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
SALARY SCHEDULE FOR TECHNICAL/GENERAL AND PROFESSIONAL EMPLOYEES**

Effective July 1, 2011 per Memorandum of Understanding dated May 15, 2002

ID-JDE PROFESSIONAL	Range	Step A	Step B	Step C	Step D	Step E
7P001 Accountant	123	58731.48	61668.05	64751.45	67989.02	71388.48
		4894.29	5139.00	5395.95	5665.75	5949.04
		2258.90	2371.85	2490.44	2614.96	2745.71
		28.24	29.65	31.13	32.69	34.32
7P002 Advanced Projects Advisor	144	98029.90	102931.39	108077.96	113481.86	119155.95
		8169.16	8577.62	9006.50	9456.82	9929.66
		3770.38	3958.90	4156.84	4364.69	4582.92
		47.13	49.49	51.96	54.56	57.29
8P001 Air Quality Chemist I	127	64751.45	67989.02	71388.48	74957.90	78705.79
		5395.95	5665.75	5949.04	6246.49	6558.82
		2490.44	2614.96	2745.71	2883.00	3027.15
		31.13	32.69	34.32	36.04	37.84
7P003 Air Quality Chemist II	131	71388.48	74957.90	78705.79	82641.08	86773.14
		5949.04	6246.49	6558.82	6886.76	7231.09
		2745.71	2883.00	3027.15	3178.50	3337.43
		34.32	36.04	37.84	39.73	41.72
8P002 Air Quality Engineer I	132	73151.42	76808.99	80649.44	84681.91	88916.01
		6095.95	6400.75	6720.79	7056.83	7409.67
		2813.52	2954.19	3101.90	3257.00	3419.85
		35.17	36.93	38.77	40.71	42.75
7P004 Air Quality Engineer II	136	80649.44	84681.91	88916.01	93361.81	98029.90
		6720.79	7056.83	7409.67	7780.15	8169.16
		3101.90	3257.00	3419.85	3590.84	3770.38
		38.77	40.71	42.75	44.89	47.13
8P003 Air Quality Meteorologist I	131	71388.48	74957.90	78705.79	82641.08	86773.14
		5949.04	6246.49	6558.82	6886.76	7231.09
		2745.71	2883.00	3027.15	3178.50	3337.43
		34.32	36.04	37.84	39.73	41.72
7P005 Air Quality Meteorologist II	135	78705.79	82641.08	86773.14	91111.79	95667.38
		6558.82	6886.76	7231.09	7592.65	7972.28
		3027.15	3178.50	3337.43	3504.30	3679.51
		37.84	39.73	41.72	43.80	45.99
7P006 Atmospheric Modeler	140	88916.01	93361.81	98029.90	102931.39	108077.96
		7409.67	7780.15	8169.16	8577.62	9006.50
		3419.85	3590.84	3770.38	3958.90	4156.84
		42.75	44.89	47.13	49.49	51.96
8P004 Environmental Planner I	130	69668.02	73151.42	76808.99	80649.44	84681.91
		5805.67	6095.95	6400.75	6720.79	7056.83
		2679.54	2813.52	2954.19	3101.90	3257.00
		33.49	35.17	36.93	38.77	40.71

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
7P007 Environmental Planner II	134	76808.99	80649.44	84681.91	88916.01	93361.81
		6400.75	6720.79	7056.83	7409.67	7780.15
		2954.19	3101.90	3257.00	3419.85	3590.84
		36.93	38.77	40.71	42.75	44.89
7P008 Legislative Analyst	138	84681.91	88916.01	93361.81	98029.90	102931.39
		7056.83	7409.67	7780.15	8169.16	8577.62
		3257.00	3419.85	3590.84	3770.38	3958.90
		40.71	42.75	44.89	47.13	49.49
7P009 Librarian	128	66350.49	69668.02	73151.42	76808.99	80649.44
		5529.21	5805.67	6095.95	6400.75	6720.79
		2551.94	2679.54	2813.52	2954.19	3101.90
		31.90	33.49	35.17	36.93	38.77
4P001 Principal Accountant	135	78705.79	82641.08	86773.14	91111.79	95667.38
		6558.82	6886.76	7231.09	7592.65	7972.28
		3027.15	3178.50	3337.43	3504.30	3679.51
		37.84	39.73	41.72	43.80	45.99
4P002 Principal Air and Meteorological Monitoring Specialist	143	95667.38	100450.75	105473.29	110746.96	116284.30
		7972.28	8370.90	8789.44	9228.91	9690.36
		3679.51	3863.49	4056.67	4259.50	4472.47
		45.99	48.29	50.71	53.24	55.91
4P005 Principal Air Quality Chemist	139	86773.14	91111.79	95667.38	100450.75	105473.29
		7231.09	7592.65	7972.28	8370.90	8789.44
		3337.43	3504.30	3679.51	3863.49	4056.67
		41.72	43.80	45.99	48.29	50.71
4P003 Principal Air Quality Engineer	144	98029.90	102931.39	108077.96	113481.86	119155.95
		8169.16	8577.62	9006.50	9456.82	9929.66
		3770.38	3958.90	4156.84	4364.69	4582.92
		47.13	49.49	51.96	54.56	57.29
4P004 Principal Environmental Planner	142	93361.81	98029.90	102931.39	108077.96	113481.86
		7780.15	8169.16	8577.62	9006.50	9456.82
		3590.84	3770.38	3958.90	4156.84	4364.69
		44.89	47.13	49.49	51.96	54.56
7P010 Research Analyst	130	69668.02	73151.42	76808.99	80649.44	84681.91
		5805.67	6095.95	6400.75	6720.79	7056.83
		2679.54	2813.52	2954.19	3101.90	3257.00
		33.49	35.17	36.93	38.77	40.71
6P001 Senior Advanced Projects Advisor	148	108077.96	113481.86	119155.95	125113.75	131369.44
		9006.50	9456.82	9929.66	10426.15	10947.45
		4156.84	4364.69	4582.92	4812.07	5052.67
		51.96	54.56	57.29	60.15	63.16
6P002 Senior Air Quality Chemist	135	78705.79	82641.08	86773.14	91111.79	95667.38
		6558.82	6886.76	7231.09	7592.65	7972.28
		3027.15	3178.50	3337.43	3504.30	3679.51
		37.84	39.73	41.72	43.80	45.99

ID-JDE PROFESSIONAL(continued)	Range	Step A	Step B	Step C	Step D	Step E
6P003 Senior Air Quality Engineer	140	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49	108077.96 9006.50 4156.84 51.96
6P004 Senior Air Quality Meteorologist	139	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99	100450.75 8370.90 3863.49 48.29	105473.29 8789.44 4056.67 50.71
6P005 Senior Atmospheric Modeler	144	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49	108077.96 9006.50 4156.84 51.96	113481.86 9456.82 4364.69 54.56	119155.95 9929.66 4582.92 57.29
6P006 Senior Environmental Planner	138	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49
7P011 Statistician	137	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99	100450.75 8370.90 3863.49 48.29
5P001 Supervising Air Quality Engineer	144	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49	108077.96 9006.50 4156.84 51.96	113481.86 9456.82 4364.69 54.56	119155.95 9929.66 4582.92 57.29
5P002 Supervising Air Quality Meteorologist	143	95667.38 7972.28 3679.51 45.99	100450.75 8370.90 3863.49 48.29	105473.29 8789.44 4056.67 50.71	110746.96 9228.91 4259.50 53.24	116284.30 9690.36 4472.47 55.91
5P003 Supervising Environmental Planner	142	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49	108077.96 9006.50 4156.84 51.96	113481.86 9456.82 4364.69 54.56
7P012 Toxicologist	144	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49	108077.96 9006.50 4156.84 51.96	113481.86 9456.82 4364.69 54.56	119155.95 9929.66 4582.92 57.29
ID-JDE TECHNICAL/GENERAL	Range	Step A	Step B	Step C	Step D	Step E
8T001 Accounting Assistant I	106	38793.76 3232.81 1492.07 18.65	40733.45 3394.45 1566.67 19.58	42770.12 3564.18 1645.00 20.56	44908.63 3742.39 1727.25 21.59	47154.06 3929.50 1813.62 22.67
7T001 Accounting Assistant II	110	42770.12 3564.18 1645.00 20.56	44908.63 3742.39 1727.25 21.59	47154.06 3929.50 1813.62 22.67	49511.76 4125.98 1904.30 23.80	51987.35 4332.28 1999.51 24.99

ID-JDE TECHNICAL/GENERAL(cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T002 Administrative Analyst	131	71388.48	74957.90	78705.79	82641.08	86773.14
		5949.04	6246.49	6558.82	6886.76	7231.09
		2745.71	2883.00	3027.15	3178.50	3337.43
		34.32	36.04	37.84	39.73	41.72
7T003 Administrative Secretary	118	51987.35	54586.72	57316.05	60181.85	63190.95
		4332.28	4548.89	4776.34	5015.15	5265.91
		1999.51	2099.49	2204.46	2314.69	2430.42
		24.99	26.24	27.56	28.93	30.38
8T002 Air Quality Case Settlement Specialist I	126	63190.95	66350.49	69668.02	73151.42	76808.99
		5265.91	5529.21	5805.67	6095.95	6400.75
		2430.42	2551.94	2679.54	2813.52	2954.19
		30.38	31.90	33.49	35.17	36.93
7T004 Air Quality Case Settlement Specialist II	130	69668.02	73151.42	76808.99	80649.44	84681.91
		5805.67	6095.95	6400.75	6720.79	7056.83
		2679.54	2813.52	2954.19	3101.90	3257.00
		33.49	35.17	36.93	38.77	40.71
8T003 Air Quality Inspector I	124	60181.85	63190.95	66350.49	69668.02	73151.42
		5015.15	5265.91	5529.21	5805.67	6095.95
		2314.69	2430.42	2551.94	2679.54	2813.52
		28.93	30.38	31.90	33.49	35.17
7T005 Air Quality Inspector II	128	66350.49	69668.02	73151.42	76808.99	80649.44
		5529.21	5805.67	6095.95	6400.75	6720.79
		2551.94	2679.54	2813.52	2954.19	3101.90
		31.90	33.49	35.17	36.93	38.77
8T004 Air Quality Instrument Specialist I	124	60181.85	63190.95	66350.49	69668.02	73151.42
		5015.15	5265.91	5529.21	5805.67	6095.95
		2314.69	2430.42	2551.94	2679.54	2813.52
		28.93	30.38	31.90	33.49	35.17
7T006 Air Quality Instrument Specialist II	128	66350.49	69668.02	73151.42	76808.99	80649.44
		5529.21	5805.67	6095.95	6400.75	6720.79
		2551.94	2679.54	2813.52	2954.19	3101.90
		31.90	33.49	35.17	36.93	38.77
8T005 Air Quality Laboratory Technician I	122	57316.05	60181.85	63190.95	66350.49	69668.02
		4776.34	5015.15	5265.91	5529.21	5805.67
		2204.46	2314.69	2430.42	2551.94	2679.54
		27.56	28.93	30.38	31.90	33.49
7T007 Air Quality Laboratory Technician II	126	63190.95	66350.49	69668.02	73151.42	76808.99
		5265.91	5529.21	5805.67	6095.95	6400.75
		2430.42	2551.94	2679.54	2813.52	2954.19
		30.38	31.90	33.49	35.17	36.93
8T006 Air Quality Permit Technician I	122	57316.05	60181.85	63190.95	66350.49	69668.02
		4776.34	5015.15	5265.91	5529.21	5805.67
		2204.46	2314.69	2430.42	2551.94	2679.54
		27.56	28.93	30.38	31.90	33.49

ID-JDE TECHNICAL/GENERAL(cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T008 Air Quality Permit Technician II	126	63190.95	66350.49	69668.02	73151.42	76808.99
		5265.91	5529.21	5805.67	6095.95	6400.75
		2430.42	2551.94	2679.54	2813.52	2954.19
		30.38	31.90	33.49	35.17	36.93
8T007 Air Quality Specialist I	130	69668.02	73151.42	76808.99	80649.44	84681.91
		5805.67	6095.95	6400.75	6720.79	7056.83
		2679.54	2813.52	2954.19	3101.90	3257.00
		33.49	35.17	36.93	38.77	40.71
7T009 Air Quality Specialist II	134	76808.99	80649.44	84681.91	88916.01	93361.81
		6400.75	6720.79	7056.83	7409.67	7780.15
		2954.19	3101.90	3257.00	3419.85	3590.84
		36.93	38.77	40.71	42.75	44.89
7T010 Air Quality Technical Assistant	118	51987.35	54586.72	57316.05	60181.85	63190.95
		4332.28	4548.89	4776.34	5015.15	5265.91
		1999.51	2099.49	2204.46	2314.69	2430.42
		24.99	26.24	27.56	28.93	30.38
8T008 Air Quality Technician I	122	57316.05	60181.85	63190.95	66350.49	69668.02
		4776.34	5015.15	5265.91	5529.21	5805.67
		2204.46	2314.69	2430.42	2551.94	2679.54
		27.56	28.93	30.38	31.90	33.49
7T011 Air Quality Technician II	126	63190.95	66350.49	69668.02	73151.42	76808.99
		5265.91	5529.21	5805.67	6095.95	6400.75
		2430.42	2551.94	2679.54	2813.52	2954.19
		30.38	31.90	33.49	35.17	36.93
7T012 Building Maintenance Mechanic	114	47154.06	49511.76	51987.35	54586.72	57316.05
		3929.50	4125.98	4332.28	4548.89	4776.34
		1813.62	1904.30	1999.51	2099.49	2204.46
		22.67	23.80	24.99	26.24	27.56
7T013 Data Entry Operator	111	43826.33	46017.65	48318.53	50734.46	53271.18
		3652.19	3834.80	4026.54	4227.87	4439.26
		1685.63	1769.91	1858.40	1951.33	2048.89
		21.07	22.12	23.23	24.39	25.61
7T014 Database Specialist	135	78705.79	82641.08	86773.14	91111.79	95667.38
		6558.82	6886.76	7231.09	7592.65	7972.28
		3027.15	3178.50	3337.43	3504.30	3679.51
		37.84	39.73	41.72	43.80	45.99
7T015 Deputy Clerk of the Boards	123	58731.48	61668.05	64751.45	67989.02	71388.48
		4894.29	5139.00	5395.95	5665.75	5949.04
		2258.90	2371.85	2490.44	2614.96	2745.71
		28.24	29.65	31.13	32.69	34.32
7T028 Facilities Maintenance Worker	108	40733.45	42770.12	44908.63	47154.06	49511.76
		3394.45	3564.18	3742.39	3929.50	4125.98
		1566.67	1645.00	1727.25	1813.62	1904.30
		19.58	20.56	21.59	22.67	23.80

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
5T008 Facilities Services Supervisor	130	69668.02	73151.42	76808.99	80649.44	84681.91
		5805.67	6095.95	6400.75	6720.79	7056.83
		2679.54	2813.52	2954.19	3101.90	3257.00
		33.49	35.17	36.93	38.77	40.71
7T031 Fiscal Services Coordinator	139	86773.14	91111.79	95667.38	100450.75	105473.29
		7231.09	7592.65	7972.28	8370.90	8789.44
		3337.43	3504.30	3679.51	3863.49	4056.67
		41.72	43.80	45.99	48.29	50.71
8T009 Mechanic I	121	55934.74	58731.48	61668.05	64751.45	67989.02
		4661.23	4894.29	5139.00	5395.95	5665.75
		2151.34	2258.90	2371.85	2490.44	2614.96
		26.89	28.24	29.65	31.13	32.69
7T016 Mechanic II	125	61668.05	64751.45	67989.02	71388.48	74957.90
		5139.00	5395.95	5665.75	5949.04	6246.49
		2371.85	2490.44	2614.96	2745.71	2883.00
		29.65	31.13	32.69	34.32	36.04
8T010 Office Assistant I	104	36946.44	38793.76	40733.45	42770.12	44908.63
		3078.87	3232.81	3394.45	3564.18	3742.39
		1421.02	1492.07	1566.67	1645.00	1727.25
		17.76	18.65	19.58	20.56	21.59
7T017 Office Assistant II	108	40733.45	42770.12	44908.63	47154.06	49511.76
		3394.45	3564.18	3742.39	3929.50	4125.98
		1566.67	1645.00	1727.25	1813.62	1904.30
		19.58	20.56	21.59	22.67	23.80
5T001 Office Services Supervisor	116	49511.76	51987.35	54586.72	57316.05	60181.85
		4125.98	4332.28	4548.89	4776.34	5015.15
		1904.30	1999.51	2099.49	2204.46	2314.69
		23.80	24.99	26.24	27.56	28.93
7T029 Organizational Development and Training Specialist	134	76808.99	80649.44	84681.91	88916.01	93361.81
		6400.75	6720.79	7056.83	7409.67	7780.15
		2954.19	3101.90	3257.00	3419.85	3590.84
		36.93	38.77	40.71	42.75	44.89
7T018 Permit Coordinator	134	76808.99	80649.44	84681.91	88916.01	93361.81
		6400.75	6720.79	7056.83	7409.67	7780.15
		2954.19	3101.90	3257.00	3419.85	3590.84
		36.93	38.77	40.71	42.75	44.89
4T001 Principal Air Quality Specialist	142	93361.81	98029.90	102931.39	108077.96	113481.86
		7780.15	8169.16	8577.62	9006.50	9456.82
		3590.84	3770.38	3958.90	4156.84	4364.69
		44.89	47.13	49.49	51.96	54.56
8T011 Programmer Analyst I	127	64751.45	67989.02	71388.48	74957.90	78705.79
		5395.95	5665.75	5949.04	6246.49	6558.82
		2490.44	2614.96	2745.71	2883.00	3027.15
		31.13	32.69	34.32	36.04	37.84

ID-JDE TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
7T019 Programmer Analyst II	131	71388.48 5949.04 2745.71 34.32	74957.90 6246.49 2883.00 36.04	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72
8T012 Public Information Officer I	127	64751.45 5395.95 2490.44 31.13	67989.02 5665.75 2614.96 32.69	71388.48 5949.04 2745.71 34.32	74957.90 6246.49 2883.00 36.04	78705.79 6558.82 3027.15 37.84
7T020 Public Information Officer II	131	71388.48 5949.04 2745.71 34.32	74957.90 6246.49 2883.00 36.04	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72
7T027 Purchasing Agent	122	57316.05 4776.34 2204.46 27.56	60181.85 5015.15 2314.69 28.93	63190.95 5265.91 2430.42 30.38	66350.49 5529.21 2551.94 31.90	69668.02 5805.67 2679.54 33.49
7T021 Radio/Telephone Operator	113	46017.65 3834.80 1769.91 22.12	48318.53 4026.54 1858.40 23.23	50734.46 4227.87 1951.33 24.39	53271.18 4439.26 2048.89 25.61	55934.74 4661.23 2151.34 26.89
5T002 Radio/Telephone Operator Supervisor	119	53271.18 4439.26 2048.89 25.61	55934.74 4661.23 2151.34 26.89	58731.48 4894.29 2258.90 28.24	61668.05 5139.00 2371.85 29.65	64751.45 5395.95 2490.44 31.13
7T022 Receptionist	104	36946.44 3078.87 1421.02 17.76	38793.76 3232.81 1492.07 18.65	40733.45 3394.45 1566.67 19.58	42770.12 3564.18 1645.00 20.56	44908.63 3742.39 1727.25 21.59
7T023 Secretary	112	44908.63 3742.39 1727.25 21.59	47154.06 3929.50 1813.62 22.67	49511.76 4125.98 1904.30 23.80	51987.35 4332.28 1999.51 24.99	54586.72 4548.89 2099.49 26.24
6T001 Senior Accounting Assistant	114	47154.06 3929.50 1813.62 22.67	49511.76 4125.98 1904.30 23.80	51987.35 4332.28 1999.51 24.99	54586.72 4548.89 2099.49 26.24	57316.05 4776.34 2204.46 27.56
6T002 Senior Air Quality Inspector	132	73151.42 6095.95 2813.52 35.17	76808.99 6400.75 2954.19 36.93	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75
6T003 Senior Air Quality Instrument Specialist	132	73151.42 6095.95 2813.52 35.17	76808.99 6400.75 2954.19 36.93	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75

ID-JDE	TECHNICAL/GENERAL (cont'd)	Range	Step A	Step B	Step C	Step D	Step E
6T007	Senior Air Quality Permit Technician	130	69668.02 5805.67 2679.54 33.49	73151.42 6095.95 2813.52 35.17	76808.99 6400.75 2954.19 36.93	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71
6T004	Senior Air Quality Specialist	138	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49
6T006	Senior Air Quality Technician	130	69668.02 5805.67 2679.54 33.49	73151.42 6095.95 2813.52 35.17	76808.99 6400.75 2954.19 36.93	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71
6T005	Senior Public Information Officer	135	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99
5T003	Supervising Air Quality Inspector	136	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13
5T004	Supervising Air Quality Instrument Specialist	136	80649.44 6720.79 3101.90 38.77	84681.91 7056.83 3257.00 40.71	88916.01 7409.67 3419.85 42.75	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13
5T005	Supervising Air Quality Specialist	142	93361.81 7780.15 3590.84 44.89	98029.90 8169.16 3770.38 47.13	102931.39 8577.62 3958.90 49.49	108077.96 9006.50 4156.84 51.96	113481.86 9456.82 4364.69 54.56
5T006	Supervising Public Information Officer	139	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99	100450.75 8370.90 3863.49 48.29	105473.29 8789.44 4056.67 50.71
5T007	Supervising Systems Analyst	139	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99	100450.75 8370.90 3863.49 48.29	105473.29 8789.44 4056.67 50.71
7T024	Systems Analyst	135	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99
7T025	Systems Quality Assurance Specialist	135	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99
7T026	Web Master	135	78705.79 6558.82 3027.15 37.84	82641.08 6886.76 3178.50 39.73	86773.14 7231.09 3337.43 41.72	91111.79 7592.65 3504.30 43.80	95667.38 7972.28 3679.51 45.99

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Tom Bates and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 26, 2011

Re: Proposed Amendments to the Current Memorandum of Understanding between the Bay Area Air Quality Management District (Air District) and Bay Area Air Quality Management District Employees' Association (EA); and Adopt California Public Employee's Retirement System (CalPERS) Resolutions

RECOMMENDATION

Approve amendments to the current Memorandum of Understanding (MOU) between the Air District and EA which provides a two year extension of the MOU term; and adopt the resolutions to: (1) adjust the employer paid member contributions (EPMC) for the confidential and represented employee groups; (2) adjust EPMC and the reporting of its value for the management group; and (3) continue tax deferral of member contributions for the management, confidential, and represented employee groups.

BACKGROUND

The MOU between the Air District and the EA will expire on June 30, 2012. On May 24, 2011, the Air District's negotiators reached Tentative Agreement (TA) with the EA on all matters under discussion which includes removing EPMC over the next three years.

The TA is subject to ratification both by the Air District Board and the EA membership. The members of the EA are in the process of voting on the TA. The results will be known prior to the date this agenda item will be considered by the Board of Directors.

BUDGET CONSIDERATION/FINANCIAL IMPACT

All amendments are reflected in the attached underline/strikethrough version of the proposed MOU. The items with significant financial impact are discussed below.

The proposed amendment introduces employee cost sharing of health benefits. In fiscal year ending (FYE) 2013, the fringe benefit allowance will increase by no more than one half of the increase in health benefits premium, and in FYE 2014, there will be no increase in the fringe benefit allowance.

Also, the amendment incrementally removes the 7% CalPERS employer paid member contributions (EPMC). In FYE 2012, employees will pay 2% of the contribution, in FYE 2013, employees will pay 4.5% of the contribution and in FYE 2014, employees will pay the entire 7%

of the contribution. The Air District will make downward adjustments in the value of EPMC reported as additional compensation for the management group until this benefit, which has the effect of increasing pension income, disappears in FYE 2014. Member contributions will continue to be tax deferred.

In addition, the proposed amendment caps the cost of living adjustment (COLA) at no more than the increase in CalPERS contributions. In FYE 2012, the COLA will be 1.8%. In FYE 2013, the COLA will be capped at 2.5% and in FYE 2014, the COLA will be capped at 2.5%. Under the current MOU, the COLA is capped at 6%.

Finally, under the proposed amendment, the MOU would expire on June 30, 2014.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

Reviewed by: Jack M. Colbourn

Attachment: Proposed Memorandum of Understanding between the Bay Area Air Quality Management District and Bay Area Air Quality Management District Employees' Association

Resolution to Adjust Employer Paid Member Contributions (EPMC) for Confidential and Represented Employee Groups.

Resolution to Adjust Paying and Reporting the Value of Employer Paid Member Contributions (EPMC) for Management Employees

Resolution to Tax Defer Employer Paid Member Contributions – Internal Revenue Code (IRC) 414(H)(2) Employer Pick Up

MEMORANDUM OF UNDERSTANDING

Between

Bay Area Air Quality Management District

And

Bay Area Air Quality Management District
Employees' Association, Inc.

June 7, 2000 to June 30, 2012~~4~~
(Adopted May 15, 2002)
(Amended November 17, 2004,
March 17, 2010 and June 15, 2011)

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ARTICLE I PARTIES

SECTION 1.01 DESIGNATION

This Agreement is between the Bay Area Air Quality Management District (hereinafter referred to as "BAAQMD", "District", or "Employer") and the Bay Area Air Quality Management District Employees' Association, Inc. (hereinafter referred to as "BAAQMD EA" or the "Association"). This document is referred to herein as either "Agreement" or the "MOU."

Throughout this MOU, when specific management positions are indicated, such references shall be understood to include the phrase "or his/her designee."

Throughout this MOU, the term "days" shall refer to calendar days, unless otherwise stated.

SECTION 1.02 NOTIFICATION

Official notification for purposes of this Agreement shall be by U.S. Mail or personal service to:

for the District
Executive Officer (EO)
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109
for the Association

(personal service)
President (or Designee)

(U.S. Mail)
President (or Designee)

BAAQMD Employees' Association, Inc.
939 Ellis Street
San Francisco, CA 94109

BAAQMD Employees' Association, Inc
P.O. Box 420434
San Francisco, CA 94109

ARTICLE II RECOGNITION, COVERAGE AND EXCLUSIVE REPRESENTATION

SECTION 2.01 RECOGNITION

The Bay Area Air Quality Management District (District) has recognized the Bay Area Air Quality Management District Employees' Association, Inc. as the representative of the employees in the Technical/General representation unit and the Professional Employees' representation unit for all matters of employer-employee relations. (Hereinafter the term Association will apply to either or both units as applicable and appropriate.)

SECTION 2.02 COVERAGE OF EMPLOYEES

1. The classifications within each unit are listed in the Appendix A. For the purpose of this Memorandum of Understanding, the classification system which is adopted by the Board of Directors and maintained by the Human Resources Section is the source for determination of unit representation.

2. The District will notify the Association's Recording Secretary within ten (10) days when a new employee is hired into regular employment in a bargaining unit position.

SECTION 2.03 EXCLUSIVE REPRESENTATION BY THE ASSOCIATION

The District agrees that during the term this Memorandum of Understanding is in effect, the Association shall be the exclusive bargaining agent of those employees covered by this Memorandum.

SECTION 2.04 AGENCY SHOP / MAINTENANCE OF MEMBERSHIP

Each employee covered by this Agreement except supervisory employees shall, as a condition of continued employment, within thirty (30) days of first employment at the District, or for a supervisor who does not already pay association dues, effective July 1, 2010, either 1) become and remain a member in good standing of the Association, or 2) commence and continue to make payment(s) of an amount equivalent to the Association's periodic dues to the Association as a service fee for Association representation, except such amount shall not exceed that amount as outlined by or required by law having to do with the subject of non-member fees paid to unions for representation.

SECTION 2.05 RELIGIOUS EXEMPTION

No District employee shall be required to join the Association or to make an agency fee payment if the District employee is an actual verified member of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting employee organizations, or if the District employee has personal moral objections to joining or financially supporting employee organizations. Such employee must, instead, arrange with the Association to satisfy his/her obligation by donating the equivalent amount to a non-labor, non-religious charitable fund chosen by the employee, which is tax exempt under Section 501 (c)(3) of the Internal Revenue Code (IRC).

SECTION 2.06 DUES/FEE DEDUCTIONS

The parties agree that the District will provide payroll deductions to the Association on the following terms:

1. Authorization:

The District shall deduct dues and initiation fees (or agency fees or charitable contributions in lieu of Association dues and initiation fees) from the salaries of unit members every pay day and remit the total deductions to the Association member designated in writing as the person authorized to receive such funds, and at the address specified by the Association. Such remittance will contain an itemized statement and will be made to the Association no later than seven (7) days following the payday. No deductions shall be made except in accordance with a deduction authorization form individually and voluntarily executed by the employee for whom the deduction is made.

2. Amount of Dues:

The Association shall certify to the District in writing the current rate of membership dues and agency fees. The District shall put into effect any new, changed, or discontinued

deduction no later than the beginning of the second pay period after receipt of written notice from the Association.

SECTION 2.07 INDEMNIFICATION

The Association will defend, indemnify, and hold harmless the District from any loss, liability, or cause of action arising out of the operation of this Article. The indemnity obligation is more fully set forth as follows. Upon commencement of any such legal action, the District shall have the right to decide and determine whether any claim, liability, suit or judgment made or brought against the District because of such action shall or shall not be compromised, resisted, defended, tried or appealed. Any such decision on the part of the District shall not diminish the Association's indemnification obligations under this agreement.

The District, immediately upon receipt of notice of such legal action, shall inform the Association of such action; provide the Association with all information, documents and assistance necessary for the District's defense or settlement of such action; and fully cooperate with the Association in providing all necessary witnesses, experts, and assistance necessary for said defense.

ARTICLE III RIGHTS AND OBLIGATIONS

SECTION 3.01 EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is the District's policy to provide equal employment opportunities for all persons to be recruited, employed, placed, selected for training, trained, evaluated, promoted, demoted, laid off, terminated, compensated, assigned work and otherwise treated without regard to race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, sex, age or sexual orientation. This Section is not subject to the Grievance Procedure of this Document.

SECTION 3.02 EMPLOYEE RIGHTS

1. The rights of employees of the District include, but are not limited to, the right to, subject to the provisions of this agreement and consistent with applicable laws and regulations:
 - A. Form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matter of employer-employee relations.
 - B. Refuse to join or participate in the activities of any employee organizations.
2. The scope of representation by the Association shall include all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order. This subsection parallels Section 3504 of the Meyers-Miliias-Brown Act and will automatically be amended to reflect any amendment to or replacement of said statutory section on the effective date of any such change.

3. The District and the Association shall not interfere with, intimidate, restrain, coerce, retaliate, or discriminate against employees because of their exercise of these rights.
4. Any matter within the scope of the Meyers-Milias-Brown Act or within the scope of the Memorandum of Understanding that the District acts upon without meeting and conferring shall be null and void.
5. The District shall deduct dues and/or agency fees from the paychecks of all members of the Association and from non-members who are employed by the District in a classification represented by the Association.
6. The Association agrees to hold harmless and indemnify the District against any claims, causes of action or lawsuits arising out of the deductions or transmittal of such funds to the Association, except the intentional failure of the District to transmit moneys deducted from employees to the Association pursuant to this Article.

SECTION 3.03 PHYSICAL EXAMINATION

The District may require a physical examination or a personal statement of good health after an employment offer has been made.

SECTION 3.04 SEXUAL HARASSMENT AND OTHER UNACCEPTABLE CONDUCT

The provisions of Division III, Section 3.6 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association. This section is excluded from the grievance procedure.

SECTION 3.05 EMPLOYEES' TIME OFF TO VOTE

The provisions of Division III, Section 3.7 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 3.06 DRUG-FREE WORKPLACE

The provisions of Division III, Section 3.8 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 3.07 SAFETY

The provisions of Division III, Section 3.9 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 3.08 WORKPLACE VIOLENCE

The provisions of Division III, Section 3.10 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 3.09 SMOKE-FREE WORK SITE

The provisions of Division III, Section 3.11 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 3.10 ASSOCIATION RIGHTS

Nothing contained in this Memorandum of Understanding shall be interpreted or construed in any way that prohibits or restricts the Association of its rights granted by law and accordingly the Association retains all rights guaranteed to employee organizations under the Meyers-Milias-Brown Act (Government Code Sections 3500 and following), the Public Records Act (Government Code Sections 6250 and following) and all other applicable provisions of law.

SECTION 3.11 MANAGEMENT RIGHTS

The rights of the District include, but are not limited to, the exclusive right to, subject to the provisions of this agreement and consistent with applicable laws and regulations:

- (a) Determine the mission of its constituent departments, boards, and committees.
- (b) Set standards of service.
- (c) Determine the procedures and standards of selections for employment and promotion.
- (d) Hire, promote, transfer, assign, retain in position, direct, or take other non-disciplinary action toward its employees and to relieve them from duty because of lack of work or for other legitimate reasons.
- (e) Maintain the efficiency of governmental operations and exercise complete control and discretion over its organization and the technology of performing its work.
- (f) Determine the methods, means, and personnel by which government operations are to be conducted.
- (g) Determine the content of job classifications.
- (h) Take all necessary actions to carry out its mission in emergencies.

The District will not use the provisions of this Article, for the purpose of discriminating against any employee or to avoid or evade the provisions of this agreement.

The provisions of this Article do not absolve the District or District Management from their obligation to meet and confer with the Association in advance of taking any action changing, modifying, or affecting employee wages, hours or working conditions.

This Section is not subject to the Grievance Procedure.

ARTICLE IV GRIEVANCE PROCEDURE

SECTION 4.01 DEFINITION OF A GRIEVANCE

A grievance is a claimed violation, misinterpretation, inequitable application of, or non-compliance with, a specific provision of this Memorandum of Understanding, or any disputed disciplinary action against an employee or employees covered by this MOU.

SECTION 4.02 ASSOCIATION AS THE GRIEVANT

The Association may be the grievant.

Process: When the Association is the grievant the Association shall file the first step with the Human Resources Officer (HRO). The Association shall submit the grievance in writing. The written grievance shall state the factual particulars of the matter, any provision(s) of the Memorandum of Understanding that has allegedly been misinterpreted or misapplied, how the alleged misinterpretation or misapplication has affected the grievant to the grievant's detriment, and the redress sought. The HRO shall meet with the Association representative(s) and respond to the grievance within the proper time limits. The response shall be in writing and set forth the reason(s) therefore. Except as otherwise specified herein, all of the rights, responsibilities and procedures of the grievance procedure apply to grievances filed by the Association. If a grievance is not resolved to the satisfaction of the Association, the Association may submit the grievance in writing to the EO as set forth in 4.05 Step 3 below:

SECTION 4.03 TIME LIMITS

1. The employee and/or the Association must initiate a grievance within thirty (30) working days from the event giving rise to the grievance or from the date the employee could reasonably have been expected to have had knowledge of such event.
2. At each step District representatives shall have fifteen (15) working days from the filing of the grievance to meet with the grievant and Association representative(s) and to respond to the grievance in writing. In the event that the District fails to respond to a grievance within specified timelines the grievant has the right to continue to process the grievance at the next higher step in the process.
3. If a grievance is not resolved to the satisfaction of the grievant at each step below, the grievant may within fifteen (15) working days, submit the grievance in writing to the next higher step. Failure of the grievant to act within the specified time limits, unless such time limits are extended, shall dismiss and nullify the grievance.
4. These time limits may only be extended by mutual written agreement by the parties.

SECTION 4.04 REPRESENTATION

The Association may represent the employee(s) at any stage of the process contained herein.

SECTION 4.05 PROCEDURE

Grievances filed, except when the Association is the grievant, shall be processed in the following manner:

Step 1: The grievant shall discuss the grievance with his or her immediate supervisor and/or section manager who shall meet with the employee and Association representative(s) and respond to the grievance within the proper time limits as set forth in Section 4.03.2 above. The response shall be in writing and set forth the reason(s) therefor.

Step 2: If a grievance is not resolved to the satisfaction of the grievant in Step 1 above, the grievant may submit the grievance in writing to the HRO. The HRO shall either process the grievance at Step 2 or shall route the grievance to the appropriate Division Director for step 2 processing. The written grievance shall state the factual particulars of the matter, any provision(s) of the Memorandum of Understanding that has allegedly been violated or misapplied, how the alleged violation or misapplication has affected the grievant to the grievant's detriment, and the redress sought. The grievant shall provide a copy of the grievance to the Association. The Division Director or HRO shall meet with the grievant and Association representative(s) and respond to the grievance within the proper time limits. The response shall be in writing and set forth the reason(s) therefor.

Step 3: If a grievance is not resolved to the satisfaction of the grievant in Step 2 above, the grievant may submit the grievance in writing to the EO or designee. The grievant shall provide a copy of the grievance to the Association. The EO shall meet with the grievant and Association representative(s) and respond to the grievance within the proper time limits. The response shall be in writing and set forth the reason(s) therefor.

STEP 3A - REQUEST FOR MEDIATION

If the grievant is not satisfied with the written response of the EO, he/she may within the time limits specified in this Article request that the matter be submitted to Mediation. Mediation shall be by mutual written agreement of the grievant and the EO. If Mediation is not agreed upon, the grievant may proceed to Step 4. If Mediation is agreed upon, within ten (10) working days from receipt of the EO's response, the parties shall request that a Mediator be appointed by the State Mediation and Conciliation Services.

Step 4: If a grievance is not resolved to the satisfaction of the grievant in Step 3 above, the grievant may, within ten (10) working days, submit the grievance to binding arbitration. The rules and procedures of the American Arbitration Association will prevail.

SECTION 4.06 DISCIPLINARY DISPUTES

The decision to proceed to binding arbitration regarding disciplinary complaints shall be at the sole discretion of the grievant.

SECTION 4.07 MOU DISPUTES

An employee or Association claim of an alleged violation of a specific section of the MOU may be submitted to binding arbitration. Such request for binding arbitration shall come only from the Association Board of Directors. An individual member may not file for arbitration on a dispute of the MOU.

SECTION 4.08 REQUEST FOR ARBITRATION

A written request for arbitration shall be submitted to the EO within ten (10) working days following the receipt of the EO's written response as required in 4.05 Step 3 above, or the conclusion of mediation, if mediation does not resolve the grievance to the satisfaction of the grievant.

SECTION 4.09 SELECTION OF AN ARBITRATOR

The District and the grievant(s) will select an arbitrator from the California State Mediation and Conciliation Service. If the grievant(s) is (are) represented by the Employees' Association, then the Employee's Association President or designee and the District will select an arbitrator from the California State Mediation and Conciliation Service. If the parties cannot agree on the selection of an arbitrator, the grievant will request of the California State Mediation and Conciliation Service a list of nine (9) arbitrators. Within ten (10) working days from the receipt of the list of nine (9) arbitrators, each party beginning by lot shall alternatively cross off one name on the list; the first party to cross off a name will be selected by a flip of a coin. The final name left on the list shall be the arbitrator if he/she agrees to serve. If he/she will not serve, the process shall be repeated until an arbitrator is found. The rules and procedures of the California State Mediation and Conciliation Service will prevail.

SECTION 4.10 DECISION OF THE ARBITRATOR

The decision of the arbitrator shall be final and binding on the parties and on any affected employees covered by this agreement. Such decision shall be issued in writing.

SECTION 4.11 FEES AND EXPENSES

The fees of the arbitrator and related expenses shall be shared equally by the District and the grievant.

SECTION 4.12 LIMITATIONS ON ARBITRATOR'S AUTHORITY AND JURISDICTION

The limitations on the arbitrator's authority and jurisdiction are as set forth below:

1. No arbitrator shall entertain, hear, or decide any dispute unless such dispute involves a represented employee and unless such dispute falls within the grievance procedure as set forth in section 4.01 Definition of a Grievance.
2. Any dispute regarding whether an issue is grievable or applicable to arbitration shall be determined by the arbitrator as an initial determination prior to proceeding with the hearing on the merits of the grievance.

3. No arbitrator shall entertain, hear, decide, or make recommendations on any disciplinary action unless such dispute involves a bargaining unit employee who has successfully completed an initial (new hire) probationary period and who has availed him/herself of the response and appeals procedures of the Disciplinary Procedures Article of this Agreement.

ARTICLE V DISCIPLINARY PROCEDURE

SECTION 5.01 PROGRESSIVE DISCIPLINE

In order to maintain the orderly and efficient operation of the District, it may be necessary for District Management to impose discipline on an employee who violates work instructions or District policies and procedures, whose service is unsatisfactory, whose conduct is unacceptable or for other just cause. However, no employee shall be disciplined without just and sufficient cause.

The administration of discipline by District Management is intended to be corrective rather than punitive, and discipline will normally be imposed in progressive steps. The progressive steps in the imposition of discipline will normally include: (a) informal verbal reprimand, (b) formal written reprimand, (c) warning and one-day suspension, (d) extended suspension and (e) dismissal.

An employee who has been demoted, suspended or terminated from employment may appeal such disciplinary action in accordance with ARTICLE IV of this Memorandum of Understanding. An employee may provide a written response to any written disciplinary action taken against that employee.

SECTION 5.02 GROUNDS FOR DISCIPLINE

Disciplinary Action shall be for fact(s) which establish unacceptable conduct such as, but not limited to, one or more of the following:

1. Fraud in securing appointment.
2. Incompetence.
3. Inefficiency.
4. Inexcusable neglect of duty.
5. Insubordination.
6. Failure to follow District policy.
7. Dishonesty.
8. Being under the influence of alcohol or illicit drugs while on duty.
9. Unexcused absence.
10. Conviction of a felony or conviction of a misdemeanor which is of such a nature as to adversely affect the employee's ability to perform the duties and responsibilities of the employee's position. A plea of guilty, or a conviction following a plea of nolo contendere is deemed to be a conviction within the meaning of this Section.
11. Discourteous treatment of the public or other employees.
12. Political activity prohibited by state or federal law.

13. Engaging in sexual harassment of another employee or member of the public.
14. Refusal to take and sign any oath or affirmation which is a federal, state or District requirement.
15. Any failure of good behavior during duty hours which is of such nature that it causes discredit to the District or his/her employment.
16. Failure to possess or keep in effect any license, certificate or other similar requirement specified in the employee's position specification as a condition of employment.

SECTION 5.03 REPRIMANDS

1. The initial step in the imposition of discipline is normally a verbal reprimand. When delivering the reprimand, the supervisor shall identify the action(s) which the employee should take to correct the basis for the reprimand. A verbal reprimand is an informal disciplinary measure and is not entered in the employee's personnel record unless discipline progresses to a written reprimand or beyond.
2. If, after receiving a verbal reprimand, an employee continues to perform his or her work in an unsatisfactory manner, to engage in the same violation of a District work instruction, policy or procedure, or to manifest the unacceptable behavior or conduct for which the employee received the verbal reprimand, the employee's immediate supervisor may either: (i) repeat the verbal reprimand and again identify the action(s) which the employee should take to correct the basis for the reprimand; or (ii) move to the next step of progressive discipline and request the section manager to issue a formal written reprimand.
3. A written reprimand shall document all previously delivered verbal reprimands, shall state the basis for such verbal reprimand(s) and shall specify the action(s) which the employee should take to correct the basis for the formal written reprimand and the possible consequences of a failure by the employee to take such corrective action. A written reprimand is a formal disciplinary measure and is entered in the employee's personnel record.
 - A. If, after receiving a formal written reprimand, an employee continues to perform his or her work in an unsatisfactory manner, to engage in the violation of a District work instruction, policy or procedure, or to manifest the unacceptable behavior or conduct for which the employee received the written reprimand(s), the employee's section manager may either: (i) repeat the formal written reprimand and again identify the action(s) which the employee should take to correct the basis for the reprimand; or (ii) move to the next step of progressive discipline and request the division director to issue a formal written warning and one-day suspension without pay.
 - B. An employee may appeal a written reprimand through the grievance procedure at Step 3. The decision of the EO shall be final. An employee has the right to respond to a written reprimand in writing and to have that response attached to the reprimand in the personnel file.

- C. If an employee does not receive any discipline more severe than a verbal reprimand for a period of 18 months then all previous written reprimands will be sealed. However, for just cause, the District may open the employee's sealed reprimand file and use any of the contents contained therein on an as needed basis. If the sealed reprimand is opened the employee shall be notified in writing within five (5) working days. The notification shall include the reason for such action.
4. Notwithstanding paragraphs 1-3 of this section, the District has the right to impose more serious discipline or to escalate disciplinary action without satisfying each of the recommended progressive discipline steps.

SECTION 5.04 WARNING AND ONE-DAY SUSPENSION

If, for good cause shown, or after receiving a formal written reprimand, an employee continues to perform his or her work in an unsatisfactory manner, to engage in the violation of a District work instruction, policy or procedure, or continues to manifest the unacceptable behavior or conduct for which the employee received the written reprimand, the employee's division director may impose a warning and suspend the employee without pay for a full working day. The imposition of the warning and one-day suspension without pay shall be in writing, shall state the factual basis for this disciplinary action and shall specify the action(s) which the employee should take to correct the basis for this disciplinary action and the possible consequences of a failure by the employee to take such corrective action. This written documentation is entered in the employee's personnel record. A Warning and One Day Suspension may not be grieved or appealed.

SECTION 5.05 EXTENDED SUSPENSION

1. If, for good cause shown or after being issued a warning and being placed on a one-day suspension without pay, an employee continues to perform his or her work in an unsatisfactory manner, persists in engaging in the violation of a District work instruction, policy or procedure, or continues to manifest the unacceptable behavior or conduct for which the employee was issued a warning and placed on a one-day suspension without pay, the EO may suspend the employee from work without pay for a period of up to two weeks. Prior to placing an employee on an extended suspension without pay, the EO shall cause to be served on the employee a written Notice of Proposed Disciplinary Action, which shall contain the following information: (i) a statement of the action which is proposed to be taken, (ii) a statement of the factual basis for this proposed disciplinary action, (iii) a specific reference to any District work instruction, policy or procedure which the employee is alleged to have violated, (iv) a specification of the action(s) which the employee should take to correct the basis for this disciplinary action and the possible consequences of a failure by the employee to take such corrective action, (v) a statement that the employee may review and request copies of materials upon which the proposed disciplinary action is based, and (vi) a statement that the employee will be given an opportunity to address the charges supporting this disciplinary action with the EO prior to the suspension becoming effective.

2. An employee who is to be placed on an extended suspension from work without pay will be given an opportunity to address the charges supporting this disciplinary action with the EO prior to the suspension becoming effective. This meeting with the EO should take place as soon as possible, and in no event more than five (5) working days after the recommendation for suspension from work without pay has been provided to the employee. The employee may bring a representative of the Association and/or a private personal representative to the meeting with the EO. Within five (5) working days after meeting with the employee and the Division Director recommending the suspension, the EO shall prepare a written decision regarding the recommended suspension. If, after considering the Division Director's recommendation and the information presented by the employee at the meeting, the EO determines to impose a suspension from work without pay, the suspension shall begin on the day after the EO's written decision is served on the employee, and all written documentation pertaining to the suspension will be entered in the employee's personnel record.
3. Employees who are placed on an extended suspension without pay will not accrue sick or annual leave during the period of such suspension.
4. Notwithstanding the progressive discipline policy outlined in Sections 5.01 through 5.04 above, the EO may place an employee guilty of serious misconduct on extended suspension. In such case, the EO shall follow the procedure set forth in 2 above.

SECTION 5.06 DISMISSAL

1. If, for good cause shown or after being suspended from work without pay, an employee continues to perform his or her work in an unsatisfactory manner, persists in engaging in the violation of a District work instruction, policy or procedure, or continues to manifest the unacceptable conduct or behavior for which the employee was placed on an extended suspension from work without pay, the EO may dismiss the employee from employment with the District. Prior to the dismissal of an employee from employment with the District, the EO shall cause to be served on the employee a written Notice of Proposed Disciplinary Action, which shall contain the following information: (i) a statement of the action which is proposed to be taken, (ii) a statement of the factual basis for this proposed disciplinary action, (iii) a specific reference to any District work instruction, policy or procedure which the employee is alleged to have violated, (iv) a statement that the employee may review and request copies of materials upon which the proposed disciplinary action is based, and (v) a statement that the employee will be given an opportunity to address the charges supporting this disciplinary action with the EO prior to the dismissal becoming effective.
2. An employee who is to be dismissed from employment with the District will be given an opportunity to address the charges supporting this disciplinary action with the EO prior to the dismissal becoming effective. In such event, the employee's Division Director will inform the employee of the Director's recommendation that the employee be dismissed from employment. This meeting should take place as soon as possible, and in no event more than ten (10) working days after the recommendation for dismissal. The employee may bring a representative of the Association and/or a private personal representative to

the meeting with the EO. Within five (5) working days after meeting with the employee and the Division Director recommending the dismissal, the EO shall prepare a written decision regarding the recommended dismissal. If, after considering the Division Director's recommendation and the information presented by the employee at the meeting, the EO determines to dismiss the employee from employment with the District, the dismissal shall be effective on the day on which the EO's written decision is mailed to the employee. An employee may be placed on administrative leave with pay when they are informed of the Director's recommendation that he/she be dismissed from employment. In that event, he/she shall remain on administrative leave with pay until such time as he/she is either directed to return to work or until the date the EO's written decision is mailed to the employee.

3. After the EO takes action on a proposed dismissal of an employee, the Notice of Proposed Disciplinary Action and all related written documentation will be entered in the employee's personnel record.

ARTICLE VI CLASSIFICATION STUDIES

See side letter in Appendix B.

ARTICLE VII SALARIES

SECTION 7.01 SALARIES

The following changes to unit wages or salaries shall be made effective as identified below:

- ~~1. Effective 7/1/2010, wages and salaries of unit employees shall be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco-Oakland-San Jose for calendar year 2009, as reported by the Bureau of Labor Statistics, U.S. Department of Labor, over the wage and salaries in effect on 6/30/2010. The minimum increase shall be zero percent (0%) and the maximum increase shall be six percent (6%).~~
- ~~2. Effective every subsequent July, wages and salaries of unit employees shall be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers for San Francisco-Oakland-San Jose, as reported by the Bureau of Labor Statistics, U.S. Department of Labor, over the wage and salaries in effect on the preceding June 30. The minimum increase shall be zero percent (0%) and the maximum increase shall be six percent (6%).~~

Effective every July 1st, wages and salaries of unit employees shall be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers for San Francisco-Oakland-San Jose for the preceding calendar year, as reported by the Bureau of Labor Statistics, U.S. Department of Labor, over the wage and salaries in effect on the preceding June 30. The minimum increase shall be zero percent (0%) and the maximum increase shall be no more than the increase in the PERS employee contribution in the corresponding year as provided in Section 11.10 (2).

SECTION 7.02 SALARY STEPS

1. There are five (5) steps within the salary range for each position, with a 5% increment between the steps. The time between Entrance Step A and Step B is six (6) months of satisfactory service in Step A. The time between Step B and Step C is six (6) months of satisfactory service in Step B. The time between Step C and Step D is one (1) year of satisfactory service in Step C, and the time between Step D and Step E is one (1) year of satisfactory service in Step D.
2. An employee promoted to a higher position will receive the minimum salary for the higher position nearest a 5% increase (not less than 4.9%) above the employee's former position, whichever is higher, provided the increase is within the range of the higher position. If a promotion is awarded within thirty days of a scheduled step increase, the step increase and promotional increase will both be effective at the time of the change.
3. If a position is reclassified, a competitive recruitment will occur and the salary placement of the selected employee will be in accordance with subsection 2 above.
4. If a position is reclassified to a position having a lower salary range, the incumbent will be Y-rated according to the provision section 7.05.
5. If an employee is transferred, the employee will remain in the same step of the salary range effective prior to the transfer.
6. Any employee who has passed through the initial probationary period with the District and who is promoted or transfers to another position in the District shall not be subject to any "up or out" probation. Such an employee may be terminated for cause. However, if an employee is promoted prior to the completion of his/her initial probation period, the employee must successfully complete the full probationary period designated for the higher classification before attaining regular status.
7. If an employee is demoted for disciplinary reasons to a position having a lower salary range, the employee will be placed in the new range at the step held prior to the demotion.
8. If an employee is demoted because of lack of funds, the employee will be placed in the salary step in the new range that reflects the least decrease in salary. If an employee promoted to a higher class fails to pass a promotional probationary period, the employee will be returned to a position in the formerly held classification and will revert back to the step in the salary range he/she occupied in the former position effective prior to promotion. Step increases will be awarded on the schedule appropriate to the prior position.

SECTION 7.03 STEP INCREASES

Step increases are effective on the first day of the pay period in which the employee's anniversary date falls providing that a formal performance evaluation has been completed which indicates at least an overall "meets standard" rating. For purposes of this section, a delayed performance evaluation exceeding 30 calendar days shall cause the employee's performance

evaluation to be an overall “meets standard” rating and the employee shall receive the increase retroactive to the first of the pay period in which the employee’s anniversary date falls.

SECTION 7.04 DETERMINATION OF SALARY RATES

1. ORIGINAL APPOINTMENTS: Unless special conditions warrant otherwise, employees will be hired at the entrance salary of the position classification. Hiring at a higher salary step will require justification from the Hiring Manager and approval of the EO for Steps B and C. Recommendation by the EO and approval of the appropriate committee of the Board of Directors is required for hiring at Steps D and E.
2. LIMITED-TERM EMPLOYMENT: Limited-term employees will be placed on the salary range of the classification in which the person is employed. If a former regular District employee is re-hired as a limited-term employee for the same classification in which he/she held upon separation, the former regular employee will be paid at the same step of the salary range for the classification at the time of separation. If a former regular employee is re-hired as a limited-term employee for a classification other than that held at the time of separation, the former regular employee will be paid the same step of the salary range for the classification at the time of separation providing that the salary range of the classification in which the person is employed is equal to or less than the salary range of the classification held at the time of separation. If the salary range for the classification in which the former regular employee is employed is higher than the salary range of the classification held at the time of separation, the former regular employee will be placed at the step of the salary range of the classification based on the needs of the District pursuant to 7.04.1 above.

SECTION 7.05 Y-RATING

Y-Rating refers to a position which has been reclassified to a position having a lower salary range. The incumbent will retain his/her present salary until the appropriate step in the reclassified position is equal to or greater than the incumbent's current salary. A Y-Rating status must be approved by the EO and the Board of Directors.

SECTION 7.06 DIFFERENTIAL PAY

Employees not working a regular scheduled late shift or flextime will be compensated an additional \$1.00 per hour for hour worked between 8:00 P.M. and 6:00 A.M. Differential pay is a premium payment and is, therefore, included in the computation of overtime.

SECTION 7.07 SHIFT DIFFERENTIAL PAY

A \$2.50 per hour payment shall be paid to any employee assigned regularly established shift differential assignments. For purposes of this Section, shift differential hours are 5:00 P.M. to 8:30 A.M. and all day Saturday and Sunday. Shift differential is a premium payment and is, therefore, included in the computation of overtime. The schedule for employees working a flex time or compressed schedule shall not be considered shift differential hours.

SECTION 7.08 STANDBY DUTY/CALL BACK

1. Standby Duty

- A. Standby duty shall be defined as that circumstance when an employee assigned by the District to:

- (1). Be ready to respond immediately to a call for services;
 - (2). Be readily available at all hours by telephone, pager or other agreed upon communication equipment; and
 - (3). Refrain from activities which might impair his/her assigned duties upon call.
- B. With the approval of the EO, a manager may request volunteers or, if needed, assign an employee or employees to standby duty.
- C. Standby duty is normally assigned in one-week increments. Standby duty will be distributed among those employees deemed qualified by the District to perform the duty. An employee assigned standby duty shall be paid \$2.50 per standby duty hour (those hours before and after normal working hours) or at the employee's discretion, one (1) hour of Compensatory Time Off for each twelve (12) hours. A standby duty shift shall consist of a twenty-four (24) hour period of time as determined by the District less any regular or overtime hours.
- D. An employee called to respond while on standby duty shall be compensated for the time worked in accordance with the Call Back provision, below.

2. Call Back

- A. A bargaining unit employee who is called back to work while on standby or after he/she has worked the scheduled shift and has departed from the place of employment shall be compensated with overtime for the time worked, either in cash or compensating time off (if applicable), at the rate of time and one-half with a minimum of two (2) hours at such rate.
- B. Should the time worked while called back become contiguous with the regular work schedule, time worked shall not be treated as a call back and the minimum time period shall not apply.
- C. An employee being paid for Call Back shall not receive Stand-By Pay for the same hours.

SECTION 7.09 SALARY DEDUCTIONS

Salary deductions may be authorized from time to time by the EO.

1. Mandatory deductions include but not be limited to Federal Withholding Tax, State Withholding Tax, Medicare tax, if applicable, State Disability Insurance premium, and the employees' Public Employees' Retirement System contribution.

2. Voluntary deductions include the regular deduction of health insurance, life insurance, credit union, union dues and other voluntary program deductions that may be authorized by the employee and provided for by the District.

SECTION 7.10 PAY PERIOD AND PAYDAY

1. The pay period will be a two-week period beginning on Sunday and ending on Saturday. Employees will be paid biweekly no later than the Friday following the close of a pay period. If payday falls on a holiday, warrants will be distributed on the previous workday. Start of the pay period will be adjusted for an employee working a compressed workweek. The District shall indicate on each employee's paycheck stub the following: accrued annual leave, accrued sick leave, accrued compensatory time, and accrued floating holiday time.
2. The District shall provide employees with the option of direct deposit of their paychecks to those banks that provide this capability.

SECTION 7.11 FINAL PAYMENTS

1. SALARY. Final salary payments to any person who terminates will be paid within 72 hours of the last day worked. When an employee is discharged for cause, the final salary payment will be issued on the last day of employment.
2. ACCRUED ANNUAL LEAVE. An employee leaving the service of the District shall receive a single payment covering the amount of the accrued annual leave remaining on account.
3. ACCRUED SICK LEAVE. Employees leaving the service of the District will not be paid for any unused accumulated sick leave credit remaining on account. Accrued sick leave will be applied to service credit upon retirement under the PERS contract.
4. FLOATING HOLIDAYS. Floating holidays must be used within the fiscal year they are credited. An employee leaving the service of the District shall receive a single payment covering the amount of the accrued floating holidays remaining on account.
5. COMPENSATORY TIME. An employee leaving the service of the District shall receive a single payment covering the amount of accrued compensatory time remaining on account.

SECTION 7.12 SALARY ADVANCES

Employees may apply for a payroll advance under the following conditions:

1. An employee must have been in a paid status for at least one week in the pay period prior to receiving a salary advance.
2. The amount requested cannot exceed amount earned to date during the pay period.
3. The amount advanced must be deducted from the paycheck for that pay period.
4. No more than two (2) such requests can be submitted annually. Exceptions may be approved by the EO and must be announced to the Board under "Report of EO".

5. Requests for salary advance must be received by the HRO at least one (1) week prior to the date of requested distribution for which the advance is requested.
6. Requests are subject to the approval of the HRO.

SECTION 7.13 ACTING APPOINTMENTS

When appointed to a higher position by the EO in an “acting” status, an employee shall receive “Acting Pay” from the first day of such appointment until the end of the appointment or until withdrawn by the EO. The rate for “Acting Pay” shall be determined by Section 7.02.2 of this MOU. Acting appointments shall not be for less than ten (10) working days. Only the EO may approve an acting appointment.

SECTION 7.14 SPECIAL PAY AND ALLOWANCES

1. **BILINGUAL PAY.** Division directors shall identify those employees who, in the performance of their duties, are required to converse with the public or translate documents in a language other than English. Employees so designated, who have demonstrated their competency in a second language to the satisfaction of the Division Director, shall receive bilingual pay in the amount of \$30 per pay period provided the employee utilizes the bilingual skills as described above for ten (10) or more hours per pay period. The compensation shall be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the San Francisco-Oakland-San Jose based on the previous year’s CPI-W on each July 1, as reported by the Bureau of Labor Statistics, U.S. Department of Labor.
2. **PER DIEM.** Employees who travel away from the District for training or other work assignments that extend for more than one day shall be reimbursed for reasonable expenses provided that receipts are submitted for such expenses. The employee should submit a detailed expense report within 7 days of the travel, including receipts for other expenses (e.g. travel and lodging).
3. **HAZARD PAY.** Division directors shall identify those employees who, in the performance of their duties, are required to 1) climb to the sampling point of stacks, storage tanks or any structure at a height of 30 feet or more 2) wear a Self-Contained Breathing Apparatus (SCBA) or safety harness 3) perform confined space entries or 4) climb to a height of 30 feet or more wearing SCBA, harness and is in a confined space. Such employees shall receive additional compensation in the amount of two and one-half percent (2½%) above the employees’ current salary step for the duration of that assignment.

Employees may be required to successfully complete training prescribed by The District as a condition of employment in positions requiring the above duties.

The hazard pay shall not constitute a part of the employee's base rate, but shall be a bonus for performing these duties. Hazard pay shall be considered part of the regular rate for the purpose of computing overtime.

SECTION 7.15 LONGEVITY INCENTIVE

Upon ratification in May, 2002, the District shall provide a Longevity Incentive payment of \$325 to each unit member.

ARTICLE VIII EMPLOYMENT AND MERIT INCREASES

SECTION 8.01 POLICY

Employment, passing of a probationary period and merit increases are based solely on merit of the individual employee. No employee is guaranteed a continuation of employment or of receiving any future salary benefits.

SECTION 8.02 DEFINITIONS

1. Original Date of Hire: The date of hire into a regular position with the District in an unbroken period of employment that includes the most recent employment with the District. The period of time an employee is on Workers' Compensation shall be considered a continuous period of employment.
2. Adjusted Hire Date: The most recent hire date preceding any period of absence due to layoff of six (6) months or less adjusted forward to account for the lapse in service.
3. Salary Anniversary Date: The date on which the employee has completed six (6) full months of service in pay steps A or B, or completed twelve (12) full months of service in pay steps C or D.
4. Adjusted Anniversary Date: The Salary Anniversary Date, taking into account any periods of absence without pay of a pay period or more. For purposes of this section employees on Workers' Compensation shall not be considered absent from service.

SECTION 8.03 ANNIVERSARY DATE

The salary anniversary date or adjusted anniversary date for newly hired or promoted employees is the date of hire or date of most recent promotion. The anniversary date will be used in determining when an employee becomes eligible to be considered for salary step increments.

Annual leave credits and sick leave credits are accrued from original date of hire or adjusted hire date. For the initial pay period after hire and the final pay period upon termination, annual and sick leave accruals shall be determined as forty (40) hours worked in a pay period. There will be no prorating of time for annual or sick leave for less than this minimum time per pay period. For part-time new hires and any employee who separates employment with the District, 50% of their regularly scheduled assignment will constitute forty (40) hours worked in a pay period. These

provisions will not be applicable for determining annual leave and sick leave accruals during any other type of leave.

SECTION 8.04 PERFORMANCE EVALUATION

1. During the initial probationary period, a probationary employee shall receive at least two (2) formal performance evaluations which will normally be conducted at the end of the sixth and eleventh month of service as defined in Section 8.05.2 below.
2. Promoted employees who are subject to a six (6) month probationary period as defined in Section 8.05.2 below shall receive at least two (2) formal performance evaluations which will normally be conducted at the end of the third and fifth month of service as defined in Section 8.05.2 below.
3. Promoted employees who are subject to a nine (9) month probationary period as defined in Section 8.05.2 below shall receive at least two (2) formal performance evaluations which will normally be conducted at the end of the third and eighth month of service as defined in Section 8.05.2 below.
4. After completion of the appropriate probationary period, a formal performance evaluation shall be completed for the employee annually. A supervisor is not precluded from completing a formal performance evaluation at any time. Performance evaluations are a continuing responsibility of each supervisor, and each supervisor will informally discuss employees' performance as often as necessary to ensure effective work performance.
5. A performance evaluation that includes an overall rating of needs improvement or unsatisfactory must include an attached plan for improvement.

SECTION 8.05 PROBATIONARY PERIOD

1. Upon initial hire, each employee shall be subject to a probationary period equivalent to one (1) year of full-time actual and cumulative service. During an employee's initial hire probationary period the employee may be terminated without cause or right of appeal.
2. Employees promoted within the same class series shall be subject to a probationary period equivalent to six (6) months of full-time actual and cumulative service. Employees promoted to a position in a different class series shall be subject to a probationary period equivalent to nine (9) months of full-time actual and cumulative service. If an employee does not successfully complete his/her promotional probationary period, he/she shall be placed back in a position in the employee's former classification at the salary step held prior to the promotion without cause or right of appeal.
3. During any probationary period, no employee shall be demoted or terminated in violation of the District's Equal Employment Opportunity policy.

ARTICLE IX HOURS OF WORK

SECTION 9.01 HOURS OF WORK

1. WORKWEEK

- A. **NORMAL WORKWEEK.** A normal workweek shall consist of five (5) consecutive eight (8) hour days, Monday through Friday. The normal workday shall be scheduled over an eight and one-half (8 ½) hour period from 8:30 A.M. to 5:00 P.M., normally with one-half (1/2) hour for meals.
 - B. **COMPRESSED WORKWEEK.** With the approval of Management, an employee's normal workweek and/or workday can be modified to allow for flextime hours or a compressed workweek. In such a case, appropriate adjustments will be made to recognize such a normal flex or compressed day/week.
 - C. **TELECOMMUTING.** With the approval of Management, an employee's normal workweek may be modified to allow for telecommuting. The employee and his/her supervisor will agree on core days and hours during which the employee can be reached by phone and these will remain constant from week to week, unless modified by agreement with the supervisor. In all cases, telecommuters shall make provisions that provide sufficient communication with the office and the public to meet the District goals. Telecommuters shall be present at least three (3) days per week in the District office. Exceptions may be granted in extraordinary situations. With the approval of Management and his/her supervisor, the District will allow non-scheduled telecommuting on Spare-the-Air days.
 - D. **PART-TIME WORK:** An employee may request a regular part-time work schedule of fewer than 80 hours per pay period. Approval shall be at the discretion of the Division Director and the EO on a fiscal year basis considering business needs of the District. The part-time schedule may be rescinded by the EO with a 30-day notice to the affected employee for business needs or for unsatisfactory employee performance.
2. An employee shall not work any time in excess of his or her approved work schedule without prior approval of the employee's supervisor, acting supervisor or other manager in the employee's chain of command.
 3. When a situation arises in which a represented employee is unable to work his or her regular hours on a particular day, upon the approval of his or her supervisor, the employee may make up the time missed. The make up time shall occur during the same pay period. The total hours worked, including make up time, shall not exceed forty (40) hours during any work week and shall not exceed ten (10) hours on any one day.
 4. When an employee is away from the employee's normal duty assignment for jury duty, an all-day or multi-day meeting, a conference or to take a District-authorized class, the employee shall only be paid: for the hours representing the agency at, and travel time to and from, meetings or conferences; for the hours at, and travel time to and from, a class; or for the hours at jury duty and for any travel time between the location of the jury duty and the

District office or the location of the employee's normal duty assignment. With the approval of the employee's supervisor, an employee will receive overtime or compensatory time if the time consumed by the outside activity exceeds the employee's normal workday.

5. When an employee attends one of the activities which requires the employee to be away from the employee's normal duty assignment and the activity concludes prior to the end of the employee's assigned work day, the employee must return to work, use appropriate paid leave, work at home, or make-up time. In order to use appropriate paid leave, work at home or make-up time the employee must receive concurrence from his/her immediate supervisor and authorization from his/her manager. If the employee is authorized to make-up time, the employee must make-up the time in the same pay week in which time was taken off and in no event shall this time when combined with regular hours worked result in weekly overtime.
6. With the approval of Management, an employee may make up work time that is lost as a personal or job-related obligation within the same workweek in which the work time is lost. Make up may not be counted towards computing the total number of hours worked in a day for purposes of the overtime requirement specified in this MOU. The schedule according to which any such time will be made up will be established in consultation with the employee's supervisor.

SECTION 9.02 MEAL PERIOD AND REST PERIOD

1. Lunch period of one-half (1/2) hour is to be taken as assigned by the employee's manager, normally it will be taken between 12:00 P.M. and 1:00 P.M.
2. Rest period of one-quarter (1/4) hour each is normally taken in mid-morning and mid-afternoon.
3. Continuation of Business. An adequate number of employees may be assigned lunch and rest periods to ensure the continuation of business.

If an employee is authorized to take a 30-minute lunch, the employee may either be authorized by the manager to combine his/her two 15-minute breaks with his/her lunch period or to take one 15-minute break mid-morning and one 15-minute break mid-afternoon.

If an employee chooses and is authorized to combine his/her lunch and break periods, to provide the employee a one (1) hour lunch period, the employee will not be entitled to take any additional breaks during the employee's work shift.

If an employee is authorized to take a one (1) hour lunch and two 15-minute breaks, then the employee shall take one 15-minute break midmorning and one 15-minute break mid-afternoon.

Due to unforeseeable work duties, there may be times that an employee will not be able to adhere to his/her primary lunch option. The District acknowledges that in such cases, an employee may select an alternative lunch option for that day.

SECTION 9.03 ATTENDANCE

1. An employee's supervisor will be responsible for keeping the daily attendance record of each employee.
2. A bargaining unit employee who is tardy shall report to the employee's supervisor as promptly as possible after beginning work and at the sole discretion and approval of the employee's manager, the employee may be allowed to make-up time providing the time made-up does not put the employee in an overtime status, use appropriate paid leave in accordance with this agreement, or may be docked for the period of tardiness.
3. An employee must report unscheduled leave to the District within the first hour of the workday unless an emergency prevents such reporting.
 - a. Failure to report may result in loss of pay for the period of absences from work.
 - b. An employee who is absent without leave and without having reported his/her absence for more than one (1) working day may be considered to have resigned and may be terminated.

SECTION 9.04 OVERTIME

The District will avoid the necessity for overtime where possible. The District is under no obligation to assure anyone of the availability of overtime work, nor is the District obligated to treat any particular kind of assignment as overtime. Therefore, the District may adjust work schedules where possible to cover work assignments as straight time work assignments.

The District recognizes that not all work matters can be scheduled during a work shift, and consequently, legitimate overtime assignments will be compensated accordingly.

A notice to an employee to work overtime is a notice in advance if the assignment is given more than 24 hours prior to the beginning of the work to be performed. Such assignments will be considered "scheduled" overtime. An assignment given less than 24 hours in advance will be considered an "unscheduled" assignment for call-back purposes. A call-back is the unscheduled, emergency, and authorized call-back to return to work after a regular shift has been completed.

The District will make every reasonable effort to notify employees of changes in work schedules 14 days in advance of the work to be performed.

Though work schedules for most employees are within the normal work day and normal workweek, groupings of employees may occasionally or regularly have work schedules at different times. The District reserves the right to change work schedules to meet operational needs during straight time shifts.

Except as otherwise provided in Section 9.01, travel time pay is only authorized for call-back assignments. Travel time and call-back time will be compensated at the applicable rate of pay. The time employees spend traveling to a work assignment, except for qualifying callback assignments, is not to be paid regardless of whether the employee is traveling to a scheduled overtime or straight time assignment.

1. **AUTHORIZATION.** Overtime is the necessary, assigned authorized time worked in excess of eight (8), nine (9), or ten (10) hours per day (depending on an individual's normal work schedule) or forty (40) hours per week. With regard to flex time or compressed work weeks, it is recognized that the standard work week may not be 40 hours. Any hours worked beyond whatever is necessary to fulfill the designated flex/compressed work week plan for a represented employee are designated as excess hours. These excess hours are to be paid as overtime or compensatory time at the rate of one and one-half times base hourly rate. For the purposes of this section, paid leave time shall be included in computing the forty hours per week when determining eligibility for overtime; provided, however, that an employee on a flex time or compressed schedule may, with supervisor's approval, modify a normal schedule in order to meet operational necessities, which modified schedule will then constitute a normal work time.
2. **CALL-BACK.** Call-back is the unscheduled, authorized call back to work before or after but not connected to the normal workday. Compensation will be based on a minimum of two hours at the applicable rate of pay.
3. **TRAVEL TIME.** For a call-back which is not directly connected to the beginning or ending of a normal shift, the employee will receive compensation from the time the employee leaves home until the employee returns home (travel time) at the applicable rate of pay.
4. **DISTRIBUTION OF OVERTIME.** Overtime, other than call-back, will be distributed in the following manner, consistent with District operating requirements:
 - A. When overtime is required to complete an assignment, the person given the assignment will normally continue the work.
 - B. When unscheduled overtime is required in a supervisor's area (or an extended coverage area) to conduct an additional assignment, employees working for a supervisor (or working in an extended coverage area) will be asked first whether they wish to volunteer for the overtime work. If two or more people volunteer for the assignment, the assignment will be made based on a rotating overtime assignment schedule starting with the most senior person in the work group. If no one volunteers for the assignment, a supervisor may select an individual through the use of a lottery system or, at the discretion of management, the supervisor may select in the order of inverse seniority. Any and all of the above methods may be used to establish an order of rotation for the purposes of distribution of overtime.
 - C. On continuing extended, overtime assignments, coverage will be assigned on a rotating basis.
 - D. All overtime assignments will be made with due consideration for employee hardship.
 - E. Seniority, for the purposes of overtime assignments only, is determined by the time an employee has held the position for which the overtime assignment is required.

- F. The District reserves the right to approve, or disapprove, all assignments with due consideration of safe work hours and excessive work schedules.
 - G. Limited-term employees shall not be offered the opportunity to work overtime hours without first offering the overtime hours to that supervisor's regular employees and allowing those employees to decline the overtime hours.
5. DISTRIBUTION OF CALL-BACK. Call-back will be distributed in the following manner:
- A. When call-back is required, the person normally responsible for the assignment will be given first opportunity of call-back.
 - B. If the person normally responsible for the assignment is unavailable for call-back, then the immediate supervisor will be responsible for the assigning of call-back to other employees in the same position.
 - C. If the immediate supervisor is unavailable for call-back, then the alternate supervisor, manager or division director will be responsible for the assignment of callback.
 - D. The District maintains the option to deviate from this procedure based upon immediate need.
6. All represented employees who are authorized and work overtime shall be compensated at the rate of one and one-half times their base hourly rate of pay for all time worked over their normally scheduled work day. Represented employees may elect compensatory time at the rate of one and one-half (1½) times the overtime worked in lieu of overtime pay but may not accumulate more than 240 hours of compensatory time. After 240 hours of compensatory time has been accumulated, overtime pay will be the compensation for overtime work. The maximum accumulation of compensation time is 120 hours as of the end of the calendar year. At the end of the calendar year, the District will pay the employee all compensation time in excess of 120 hours at the current hourly rate. An employee may cash out up to the full amount (240 hours) at the end of the calendar year.
7. Employees required to work a designated holiday shall receive overtime pay equal to two times the employees' base hourly rate of pay. For purposes of this section, a designated holiday shall be the dates on which the holiday is observed by the District (Section 12.07), except that for New Years Day, Independence Day, and Christmas Day, the designated holiday shall include the actual date of the holiday and if any of these holidays fall on a Saturday or a Sunday, the Monday or Friday on which the holiday is observed by the District.
8. An employee shall not work any time in excess of his or her approved work schedule without prior approval of the employee's supervisor.

ARTICLE X REDUCTION IN FORCE

SECTION 10.01 PROCEDURE / BUMPING, LAY-OFF AND RECALL

1. **SENIORITY.** For the purpose of this Section, there are three types of seniority which apply in connection with the implementation of a reduction in any portion of the District work force: District employment seniority, seniority within a class series and seniority within a specific job classification. District employment seniority is the seniority gained based on overall employment with the District. Seniority within a class series is the seniority gained based on time in service in a number of job classifications which all belong to the same class series (for example, Inspector I, Inspector II, Senior Inspector and Supervising Inspector). Seniority within a job classification is the seniority gained based on time in service in a specific job classification.

2. LAYOFFS/REDUCTIONS IN WORK FORCE

- A. When a reduction in work force becomes necessary for any reason such as lack of funds or lack of work, layoffs will be based on reverse order of overall District employment seniority.
- B. As a result of any such layoffs, management may reassign remaining employees to equal or lower paying job classifications in order to assure that the operating requirements of the District can be met. Any such reassignments shall be made in accordance with the bumping mechanism set forth in Section 3(C) below.
- C. The District will give an employee at least 30 days written notice prior to the effective layoff date.
- D. The District will furnish a list of employees to be laid off to recognized employee organization(s) at the same time the employees are given written notice.

3. BUMPING

A. **DEFINITION.** Bumping is the displacement of an employee to an equal or lower paying job classification. Bumping will be based on reverse order of seniority, either in the job classification or District-wide, as set forth in subsection (C) (2) below. Normally, bumping will occur in the context of a reduction in the District work force, when the position of an employee with sufficient overall employment seniority with the District to avoid being laid off is eliminated. However, bumping may also occur in the context of a static staffing mode, when the District is unable to hire new employees to fill existing vacancies or as a result of significant changes in the operating requirements of the District, such that it is necessary to displace existing employees to equal or lower paying job classifications involving new or different duties.

B. GENERAL RULES APPLICABLE TO BUMPING

The bumping procedure set forth below shall not be used for punitive or disciplinary purposes.

(1) When any employee who has held a given job classification for less than 4 years must be bumped, the employee to be bumped to an equal or lower paying job classification will be the employee with the least seniority in that employee's current job classification. When any employee who has held a given job classification for more than 4 years must be bumped, the employee to be bumped to an equal or lower-paying job classification will be the employee with the least overall employment seniority with the District.

(2) Whenever an employee is bumped, the time spent by the employee in the position from which the employee has been bumped, as well as any time which the employee previously spent in the position to which the employee is bumped, will count as time spent in the job classification to which the employee is bumped.

(3) When two or more employees have the same amount of seniority in a given job classification and one must be bumped, the employee with the least overall District employment seniority is the one who will be bumped. When two employees have the same amount of overall District employment seniority and one must be bumped, the decision as to which employee must be bumped will be based on the flip of a coin.

(4) Any employee who is bumped to a lower paying job classification will be Y-rated in accordance with Section 7.05. In the event of any subsequent vacancy in a job classification from which an employee was bumped, that employee will be automatically returned to that previous job classification. When more than one employee has been bumped, that employee with the highest applicable seniority in accordance with rule (1) above shall have priority to return to the previously held vacant job classification. In the event of a vacancy in a job classification in a class series from which an employee has been bumped that pays more than the job classification that the employee currently holds, but less than the job classification from which the employee was bumped (an intermediate-paying classification), the employee with highest applicable seniority in accordance with rule (1) above will be automatically promoted to the intermediate paying classification.

(5) An employee's seniority in a given job classification shall not be affected by a re-titling of the position and/or modification of the job description which involves no change in pay.

(6) Subsequent to being hired as a regular employee, an employee's time in service as a limited-term employee in excess of 1,000 hours within a fiscal year shall count toward that employee's overall District employment seniority, and all of an employee's time in service as a limited term employee in a given job classification shall count toward that employee's seniority in that job classification.

(7) Prior to bumping any employee to an equal or lower paying job classification, the EO shall provide a written explanation as to why the operating requirements of the District necessitate that the employee be displaced from his or her current job classification. The District will give an employee at least 30 days written notice prior to the effective date of any

bumping. The District will furnish a list of employees to be bumped to recognized employee organization(s) at the same time the employees are given written notice.

C. THE BUMPING MECHANISM. The bumping mechanism will operate by the application in sequential order of the following criteria, (1) through (9). Thus, an employee who, because of a lack of seniority in his/her job classification, is to be bumped to an equal or lower paying job classification will be bumped in accordance with the first of the following criteria which applies to his/her specific circumstances. At any step where a given employee may bump one of several other employees with less seniority, the individual with the least seniority is the one who will be bumped.

(1) Prior to the implementation of any mandatory bumping or displacement of an employee to an equal or lower paying job classification to meet the operating requirements of the District, management shall solicit volunteers to move to that job classification. If more than one employee in a job classification volunteers to be bumped, the volunteer with the greatest overall District employment seniority is the one who will be bumped.

(2) An employee can never bump back to a higher paying position which that employee previously held in the District; however, for purposes of calculating seniority in a job classification, the time spent by an employee in a higher paying job classification will be added to the time already spent in the current, lower paying job classification.

(3) An employee whose job is being eliminated bumps the least senior employee in the same job classification in the same division.

(4) The least senior employee in a division bumps the least senior employee in the same job classification anywhere in the District.

(5) An employee, "A", bumps to an equal paying job classification which "A" previously held, provided that "A" has more total seniority in the current and the previously held position than the least senior current employee in the position which "A" previously held.

(6) "A" bumps to a lower paying job classification which "A" previously held, provided that "A" has more total seniority in the current and the previously held position than the least senior current employee in the position which "A" previously held.

(7) "A" bumps to a lower paying job classification in a class series in the same division in which "A" previously held a position, provided that "A" has more total seniority in that class series and in "A's" current position, taken together, than the least senior current employee in the lower paying job classification; and provided, further, that an employee must have held a job classification as a supervisor within the District in order to bump a supervisor in a lower paying class series.

(8) "A" bumps to a lower paying job classification in a class series anywhere in the District in which "A" previously held a position, provided that "A" has more total seniority in that class series and in "A's" current position, taken together, than the least senior current employee in the lower paying job classification; and provided, further, that an employee must

have held a job classification as a supervisor within the District in order to bump a supervisor in a lower paying class series.

(9) "A" bumps to an equal or lower paying job classification which "A" did not previously hold but for which "A" meets the minimum requirements identified in the job description, provided that "A" has more total District seniority than the least senior current employee in the equal or lower paying job classification.

Note: Notwithstanding that the foregoing criteria (6), (7), (8) and (9) shall normally be applied in sequential order, an employee who can bump to an equal or lower paying job classification under any of those four criteria shall bump to the highest paying of the available positions.

D. RECALL

(1) Employees who are laid off will be placed on a recall list for thirty-six (36) months, during which period, service time in the former classification will be preserved. However, no service time will be accrued during any period of layoff.

(2) Employees will be recalled to their former job classification, or to a lower paying job classification for which they meet the minimum requirements identified in the job description, in reverse order of layoff provided they respond to the notice (mailed to the employee's home address of record with the District by certified mail return receipt requested) of a classification opening by notifying the District of their intent to return within 10 working days of receipt of such notice and return to work or to their former classification within fifteen (15) calendar days of receipt of such notice.

(3) An employee recalled to a lower paying classification or advanced to an intermediate paying classification shall remain on the recall list and retain the right to return automatically to his or her former, higher paying classification. The employee with the highest seniority shall have priority to return to the previously held vacant job classification or to advance to an intermediate paying job classification in the class series of the previously held classification.

(4) An employee's name shall be removed from the recall list only when the employee refuses an offer to be returned to the employee's former position.

(5) A change in job title shall not affect an employee's recall rights.

ARTICLE XI FRINGE BENEFITS

An employee who is approved for a part-time assignment of 90% or more will receive the fringe allowance as specified in Section 11.07 Premium Requirements. All other employment benefits will be prorated based on the hours worked. All employment benefits for an employee who is approved for a part-time assignment of less than 90% will be prorated based on the hours worked.

SECTION 11.01 HEALTH INSURANCE

The District shall make available health insurance coverage through the Public Employees Medical and Hospital Care Program for employees and their eligible dependents. Optional coverage is available for eligible dependents and for Domestic Partners where an employee has filed a confidential Declaration of Domestic Partnership with the Human Resources Section. In the event the health insurance coverage in effect July 1, 2000 becomes unavailable, the District and the Association shall immediately meet and confer to mutual agreement in order to select a comparable value plan.

SECTION 11.02 DENTAL INSURANCE

The District shall make available dental insurance coverage for employees. Optional coverage is available for eligible dependents and for Domestic Partners where an employee has filed a confidential Declaration of Domestic Partnership with the Human Resources Section. In the event the dental insurance coverage in effect July 1, 2000 becomes unavailable, the District and the Association shall immediately meet and confer to mutual agreement in order to select a comparable value plan.

SECTION 11.03 VISION CARE

The District shall make available Vision coverage for employees. Optional coverage is available for eligible dependents and for Domestic Partners where an employee has filed a confidential Declaration of Domestic Partnership with the Human Resource Section. Vision care coverage for dependents must be elected at the time of enrollment. In the event the vision care coverage in effect July 1, 2000 becomes unavailable, the District and the Association shall immediately meet and confer to mutual agreement in order to select a comparable value plan.

SECTION 11.04 LIFE INSURANCE

The District provides life insurance coverage for employees. The life insurance amount is based on annual salary. Optional Additional Contributory Life is also available to employees. In the event the life insurance coverage in effect July 1, 2000 becomes unavailable, the District and the Association shall immediately meet and confer to mutual agreement in order to select a comparable value plan.

SECTION 11.05 LONG TERM DISABILITY INSURANCE

The District shall provide Long Term Disability Insurance which partially replaces lost income for employees who become disabled on or off the job and meet the eligibility requirements.

SECTION 11.06 VISION CARE, AND HEALTH, DENTAL AND LIFE INSURANCE COVERAGE AFTER RETIREMENT

1. All Employees Upon Retirement

At a minimum, the District shall comply with the provisions of the California Public Employees' Medical and Hospital Care Act. Vision care, dental insurance and life insurance coverage after retirement will be governed by the vision, dental and life insurance plans in effect for employees covered by this agreement, and in compliance with the provisions of the Medicare program.

2. Employees Hired before July 1, 2010

Health insurance, dental insurance, vision care and life insurance shall continue for employees hired before July 1, 2010 at the maximum fringe benefit allowance received at the time of retirement. This Section also applies to employees hired before July 1, 2010 who separate from the District and are re-hired by the District at a later date and subsequently retire from the District.

3. Employees Hired on and after July 1, 2010

A. Health insurance, dental insurance, vision care and life insurance shall continue for retired employees at the maximum fringe benefit allowance received upon retirement times a percentage of District contribution, and in compliance with the provisions of the Medicare program.

The percentage of District contribution payable for postretirement health insurance, dental insurance, vision care and life insurance shall, except as provided in subsection C below, be based on the employee's completed years of credited CalPERS service at retirement as shown in the following table:

<u>Credited Years Of Service</u>	<u>Percentage of District Contribution</u>
10	50
11	60
12	70
13	80
14	90
15	100

B. Subsection A shall apply only to employees who receive a service or disability retirement and are first employed by the District after July 1, 2010.

C. The credited service of an employee for the purpose of determining the percentage of District contributions applicable under subsection A shall not include purchased Additional Retirement Service Credit ('air time').

D. The credited service of an employee for the purpose of determining the percentage of District contributions applicable under subsection A shall include purchased Military, Peace Corps and AmeriCorps service.

E. Notwithstanding subsection A, for employees hired by the District on and after July 1, 2010, and who retire for disability with less than 10 years of credited service, the contribution payable by the District shall be 50 percent of the maximum fringe benefit allowance received at the time of retirement.

4. Increases

Retired annuitants' fringe benefit allowances may be equal to and increased concurrently with increases to represented employees' fringe benefits, as determined by the District's Board of Directors.

SECTION 11.07 REMIUM REQUIREMENTS

- ~~1. Effective July 1, 2000, the District will provide a Fringe Benefit Allowance (FBA) of \$576.00 per month per employee for payment of premiums for health, dental, vision and additional Life insurance coverage, as set forth in Sections 11.01 through 11.04 above.~~
- ~~2. Effective January 1, 2001, the District will provide a FBA of \$596.00 per month per employee for payment of premiums for health, dental, vision and additional Life insurance coverage, as set forth in Sections 11.01 through 11.04 above.~~
- ~~3. Effective January 1, 2002, the District will provide a Cafeteria Plan for Fringe Benefits that will provide a FBA of \$626.00 per month per employee for payment of premiums for health, dental, vision and additional Life insurance coverage, as set forth in Sections 11.01 through 11.04 above.~~
- ~~4. Effective July 1, 2003 and continuing for the duration of the contract, the District will provide a Cafeteria Plan for Fringe Benefits that will provide a FBA that will be the total of the lowest health plan premium rate for an employee and two or more dependants offered by the California Public Employees' Retirement System (PERS), and the dental plan and vision plan premium rates for an employee plus dependants.~~
- ~~5. Effective January 1, 2004, the District will provide a Cafeteria Plan for Fringe Benefits that will provide a FBA of \$983.14 per month per employee for payment of premiums for health, dental, vision and additional Life insurance coverage, as set forth in Sections 11.01 through 11.04 above.~~
- ~~6. Effective January 1, 2005 the District will provide a Cafeteria Plan for Fringe Benefits that will provide a FBA of \$1,111.24 per month per employee for payment of premiums for health, dental, vision and additional Life insurance coverage, as set forth in Sections 11.01 through 11.04 above.~~
- ~~7. Thereafter, and continuing for the duration of the contract, the District will provide a Cafeteria Plan for Fringe Benefits that will provide a FBA that will be the total of the lowest health plan premium rate for an employee and two or more dependants offered by the California Public Employees' Retirement System (PERS), and the dental plan and vision plan premium rates for an employee plus dependants.~~

1. Effective January 1, 2011 the District will provide a Cafeteria Plan for Fringe Benefits that will provide a Fringe Benefit Allowance (FBA) of \$1,464.39 per month per employee for

payment of premiums for health, dental, vision and additional Life insurance coverage, as set forth in Sections 11.01 through 11.04 above.

2. Effective January 1, 2012, the District will provide a Cafeteria Plan for Fringe Benefits that will provide a FBA that will be the total of the lowest health plan premium rate for an employee and two or more dependents offered by the California Public Employees' Retirement System (PERS), and the dental plan and vision plan premium rates for an employee plus dependents.

3. Effective January 1, 2013, ~~Thereafter, and continuing for the duration of the contract,~~ the District will provide a Cafeteria Plan for Fringe Benefits that will be equal to the FBA provided on December 31, 2012 plus provide a FBA that will be the one half of the increase in of the lowest health plan premium rate for an employee and two or more dependents offered by the California Public Employees' Retirement System (PERS), ~~and the dental plan and vision plan premium rates for an employee plus dependents.~~

4. Effective January 1, 2014, the District will provide a cafeteria plan for Fringe Benefits that will provide an FBA that will be equal to the FBA provided on December 31, 2013.

5. ~~3.~~ Cafeteria Plan - Each employee who uses less than the full amount of the FBA shall be eligible to receive cash payments of 50% of the unused portion. Such payments shall not exceed \$300 per month. (See side letter in the Appendix B).

SECTION 11.08 STATE DISABILITY INSURANCE/FAMILY TEMPORARY DISABILITY INSURANCE/PAID FAMILY LEAVE

Each employee is covered by State Disability Insurance (SDI) and Paid Family Leave Insurance, also known as Family Temporary Disability Insurance (FTDI). Premiums are paid by the employee. The District's sick leave payments are integrated with any payments received by the employee from SDI or FTDI. The cost of SDI and FTDI is deducted from the employee's pay. State Disability Insurance and Family Temporary Disability Insurance is integrated with the employee's leave time. Employees shall not be entitled to receive more than one hundred percent (100%) of pay when SDI or FTDI and leave time are combined. The administration of the SDI and FTDI programs is solely the responsibility of the State of California. The District is not responsible for benefit levels, the duration of benefits, or the eligibility of District employees for benefits.

SECTION 11.09 WORKERS' COMPENSATION

An employee who is absent as a result of a work-related injury will continue to receive full pay for the first 90 calendar days after the date of injury (the period will apply only once per injury) providing the injured employee meets the following requirements/conditions:

1. The injury has been accepted by the District's workers' compensation insurance carrier as a bona fide work-related injury.
2. The work-related attending health care provider has medically authorized the absence.

3. If the length of the work-related absence qualifies the injured worker for temporary
4. disability benefits from the District's workers' compensation insurance carrier, the wages of the employee will be deducted for the same amount as the temporary disability payments; and in no event, will the injured employee receive more than 100% of his/her wages when combined with any temporary disability payments from the District workers' compensation insurance carrier.
5. These provisions will only apply once per injury as determined by the District's Workers' Compensation Insurance carrier.
6. In the event that the District's workers' compensation insurance carrier does not accept the workers' compensation claim, the District is entitled to recover the amount of any benefits or time paid under this section. The District and the employee will develop a repayment plan. The employee may surrender sick leave, annual leave, floating holidays or compensatory time, make a cash payment, accept payroll deductions, or agree to surrender any combination thereof for repayment. The compensation shall be paid back within one year from the denial of the claim. Any period longer than one year must be agreed upon by both parties due to extenuating circumstances.

SECTION 11.10 PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

2% at 55 FULL RETIREMENT FORMULA: The District amended the PERS contract to implement the "2.0% at age 55 formula" effective July 22, 2002.

1. PICK-UP OF EMPLOYEE CONTRIBUTIONS:

- A. Except as limited by Subsection 2 below, the District shall make employee contributions on behalf of all employees, and such contribution shall be treated as employer contributions in determining tax treatment under the Internal Revenue Code of the United States. Such contributions are being made by the District in lieu of employee contributions.
- B. Employee contributions made under paragraph A above shall be paid from the same source of funds as used in paying the wages to affected employees.
- C. Employee contributions made by the employer under paragraph A above shall be treated for all purposes other than taxation in the same manner and to the same extent as employee contributions made prior to the effective date of this Agreement.
- D. The employee does not have the option to receive the District-contributed amounts paid directly instead of having them paid to the retirement system

2. EMPLOYEE CONTRIBUTIONS

- ~~A. Effective July 30, 2000, the employees' portion of PERS contribution rate (7% maximum) will be paid by the District for as long as the District is in "super funded" status with PERS without wage reduction. The District shall fully compensate all employees that made contributions by District applied wage reductions from July 30, 2000 until the District Board of Directors approves this MOU.~~
- ~~B. Upon approval of this MOU by the District Board of Directors, for any period of time that PERS determines the District is in "super funded" status [Actuarial Value of Assets in the District's PERS account exceeds the Present Value of Benefits], the District shall request that PERS transfer sufficient assets from the employer reserve account to member accumulated (employee) contribution accounts and use those assets to satisfy all employee contributions for the maximum period of time allowed. Those contributions that the District would otherwise make on behalf of the employees during that period of time shall be paid to the employees as wages, without reduction pursuant to Subsection 2 above.~~
- ~~C. Effective July 1, 2003, District shall pay the employees' required portion of PERS contribution rate (7% maximum) for the duration of the contract regardless of super-funded status without wage deduction pursuant to Subsection 2 above.~~

~~Effective July 1, 2010, whenever the total (employer plus employee) required contributions to CalPERS exceeds 16%, the employees shall pay the amount over 16%, but not to exceed 7%. Effective July 1, 2011, the employees shall pay 2% of the 7% mandatory employee contribution to CalPERS. Effective July 1, 2012, the employees shall pay 4.5% of the 7% mandatory employee contribution to CalPERS. Effective July 1, 2013, the employees shall pay the entire 7% mandatory employee contribution to CalPERS. The charges, if any, shall not reduce the employees' pensionable compensation, and shall not be treated as taxable income to the extent allowed by law. The District shall implement the provisions of section 414 (h)2 of the Internal Revenue Code to ensure that the tax benefit provided by that section is made available to employees.~~

SECTION 11.11 CREDIT UNION

Employees may become members in the San Francisco Federal Credit Union.

SECTION 11.12 EMPLOYEE ASSISTANCE PROGRAM

The District shall offer an employee assistance program to employees and members of their household. The Employee Assistance Program provides limited professional, confidential counseling service at no cost to the employee.

SECTION 11.13 TRANSIT SUBSIDY / CARPOOL SUBSIDY

1. Consistent with the District's efforts to promote the use of public transportation and to reduce the number of single-occupant automobiles during commute hours, fulltime District employees are eligible for a transit or a carpool subsidy. Use of the passes, or tickets, is confined to the employee during commute hours.

2. Effective July 1, 2002, the District will provide transit ticket or passes, up to a maximum value of \$150.00 per month or, at the option of the employee, the District will allow \$6.00 per-day (\$3.00 per one-way trip) up to a maximum of \$150.00 per-month per-carpool amount, for the reimbursement to the vehicle owner of commute carpooling expenses and up to \$6.00 per-day (\$3.00 per one-way trip) to District employees (driver) commuting in a carpool (carpool is three or more persons, at least two of which must be District employees). District employees who ride in a carpool will be allowed up to \$3.00 per day (\$1.50 per one-way trip). District employees who walk or bicycle to work and live more than 1.0 mile from his or her work location will be allowed up to \$3.00 per day (\$1.50 per one-way trip).
3. Procurement of the transit passes is the obligation of the individual employee. No funding will be advanced by the District. Transit tickets or passes for a given month will be made available to eligible District employees at the District's office on a designated day prior to the beginning of that month. The District reserves the right to change the system of distributing passes/tickets in order to provide direct reimbursement for transit passes to employee or other methods deemed more efficient for the District.
4. Carpool reimbursement will be made on a monthly basis. No funding will be advanced by the District. In order to receive the carpool subsidy, the employee must certify to the Director of Administrative Services, no later than the 10th day of each month, the number of days carpooled the previous month and the names of the persons who participated in the carpool.
5. There will be no banking of the unused allocation of transit subsidy. Transit subsidy allowance is for each individual month and will not be cumulative. The purpose of transit subsidy is to provide an allowance to employees who use an alternative method of transportation for the sole purpose of coming to and from work (portal to portal).
6. Verification: Transit subsidies may be audited on a District-wide basis at any time. For stated reasons in writing to the employee, the District may audit an individual employee and require the employee to provide a written explanation of his or her use of transit subsidy. This provision is intended to be invoked on an individual basis in situations where abuse of transit subsidy is reasonably suspected. Persons in violation of this section may be subject to disciplinary action.
7. If an employee chooses to change his or her subsidy, he or she must complete the necessary forms in a timely manner in order to receive his or her subsidy for the subsequent month.
8. Effective July 1, 2002, an employee that uses an electrical vehicle to commute to and from the District main office in San Francisco shall be provided with parking and have access to a re-charging station at no cost, subject to availability.
9. The amount of transit subsidy shall be increased by any percentage increase(s) in Bay Area Rapid Transit fares that occur on or after July 1, 2003 for the duration of the contract. The maximum value of transit tickets or passes provided by the District was increased to \$165.00 effective July 1, 2004 in accordance with this provision.

SECTION 11.14 DEFERRED COMPENSATION

The District shall offer the opportunity to participate in Section 457 deferred compensation plans. These plans are designed to allow employees to invest a portion of salary that is tax deferred until such time as the employee withdraws the funds. The District will continue to provide at least two (2) vendors for its Deferred Compensation Program: Hartford and CalPERS, unless another vendor(s) is chosen by mutual agreement of the parties hereto.

SECTION 11.15 JOB-RELATED EDUCATIONAL PURSUITS

1. JOB-RELATED EDUCATIONAL PURSUITS

- A. The provisions of the “Job-Related Educational Pursuits” section will be applicable to an employee who applies for “Skills Enhancement Pursuits” and who takes an educational course or other skills enhancement course which is directly related to the employee's current position, but is not necessarily enrolled at an accredited college or university in an undergraduate or graduate degree program.
- B. “Year” is defined as fiscal year.
- C. For the purposes of this section “Job-Related Educational Pursuits” is defined as education that either maintains or improves an employee's job skills as they relate to an employee's current position.
- D. To receive reimbursement, an employee must be enrolled at an accredited college or university in an undergraduate or graduate degree program, or in a certificate program; courses taken must contribute to progress towards the degree or certificate.
- E. To qualify for reimbursement under this Section 11.15, participation in certificate programs is subject to prior approval by the HRO. Reimbursement will be approved if the educational pursuit conforms with (A), (C) and (D) above, and there is sufficient funding pursuant to (F) below. Certificate programs in which an employee's participation will normally be granted shall include, but not be limited to, environmental management certificate programs offered by the University of California or other colleges and universities as well as coursework leading to a professional license which relates to the work of the District (such as a Professional Engineer license).
- F. The District shall yearly apportion an amount up to \$15,000.00 to allow for reimbursements of up to \$1,500.00 per employee for those employees who attend and successfully complete job related educational courses or seminars. Such reimbursement will be paid upon proof of completion of any approved course. Employees wishing to take educational or other professional courses must obtain prior approval from the HRO before taking the course in order to be reimbursed.

2. SKILLS ENHANCEMENT PURSUITS

- A. For the purposes of this section “skills enhancement pursuits” is defined to include educational courses and other skills enhancement courses that may or may not be related

to an employee's current position, but reasonably relate to the District's work in general and will enhance an employee's skills and may allow for further advancement or promotion at the District.

- B. The District shall yearly apportion an amount up to \$10,000.00 to allow for reimbursements of up to \$1,000.00 per employee for those employees who attend and successfully complete skills enhancement course. Such reimbursement will be paid upon proof of completion in any approved course. Employees wishing to take skills enhancement courses must obtain prior approval from the HRO before taking the course in order to be reimbursed.
- C. An employee may be reimbursed for courses necessary to attain a job-related degree.
- D. Reimbursement will be approved if the skills enhancement pursuit conforms with (A) and (C) above, and there is sufficient funding pursuant to (B) above.

3. REIMBURSEMENT:

- A. Upon proof of completion of a course (grade "C" or better, "pass", "credit" or other indication of satisfactory completion of the course) the District will reimburse the employee for the course cost and related materials (required books, supplies, lab fees, etc.) up to the prescribed limit. An employee may be reimbursed for courses necessary to attain a job related degree.
- B. The reimbursement for Job-Related Educational Pursuits or Skills Enhancement Pursuits whose course cost is all-inclusive, which includes either meals, lodging, entertainment, or special events, etc. shall be reduced by the reasonable costs of these non-course related items.

SECTION 11.16 DEPENDENT CARE ASSISTANCE PLAN

The District will continue for the term of this Agreement the Dependent Care Assistance Plan as adopted by the Board of Directors by Resolution 98-25, November 4, 1998. However, employee contributions shall be allowed at the maximum level allowed by law.

SECTION 11.17 SOCIAL SECURITY REPLACEMENT BENEFITS

The District's Board of Directors has adopted and implemented a package of benefits designed to replace to the fullest extent possible those benefits formerly provided under the employer-employee jointly funded federal program commonly known as Social Security. These replacement benefits include the following:

- 1. Special retirement and disability benefits under PERS.
- 2. Life insurance coverage for employees is as specified in the contracts. The contracts are available in the Human Resources Section.

3. A portion of long-term disability coverage at the level of 66 2/3% of monthly salary to a maximum benefit of \$6,500.
4. Qualified pension plan contribution of \$62.50 per month credited to each full-time regular employee's account, effective July 1, 2000. The monthly contribution for each subsequent fiscal year shall be adjusted by the change in the annual-average Bay Area CPI-W for the previous calendar year. The contribution amount increased to \$71.21 per month effective July 1, 2004 in accordance with this provision.
5. Medicare Part B for employees that retire after July 1, 2000 up to a maximum total cost of \$10,000 per year for all covered retirees. However, employees that retire after July 1, 2011 shall only be entitled to be reimbursed for the standard Medicare Part B premium. Once the \$10,000 has been distributed by the District, an additional \$5,000 per calendar year shall be made available to reimburse the standard Medicare Part B premium for employees that retire after July 1, 2011.
6. PERS Long Term Care for District employees who elect to enroll in the PERS Long Term Care Program as paid for by the employee.

SECTION 11.18 HEALTH CARE SPENDING ACCOUNT

The District will offer employees the option to participate in a Health Care Spending Account (HCSA) Program designed to qualify for tax saving under Section 125 of the Internal Revenue Code, but such savings are not guaranteed. The HCSA Program allows employees to set aside a pre-determined amount of money from their paycheck, not to exceed \$6000 per year starting January 1, 2011, for health care expenses not reimbursed by any other health benefits plan before tax dollars. HCSA dollars can be expended on any eligible medical expenses allowed by Internal Revenue Code Section 125. The employee cannot recover any unused balance.

SECTION 11.19 GUARANTEED RIDE HOME

An employee who uses an alternate method of transportation to commute to and from work will be guaranteed a ride home in the event of an unforeseeable circumstance that would prevent the employee from using such alternate method of transportation to commute home from work.

ARTICLE XII LEAVE AND HOLIDAYS

SECTION 12.01 ANNUAL LEAVE

1. An employee earn annual leave credits at the rate of 3.69 hours per pay period (approximately one day per month) for the first three years of employment. Annual leave will accrue but cannot be taken until the successful completion of six months' service.
2. An employee with more than three and up to five years of employment will earn annual leave at the rate of 4.64 hours per pay period (approximately 1-1/4 days per month).
3. An employee with more than five and up to ten years of employment will earn annual leave at the rate of 5.52 hours per day period (approximately 1-1/2 days per month).

4. An employee with more than ten and up to twenty years of employment will earn annual leave at the rate of 6.48 hours per pay period (approximately 1-3/4 days per month).
5. An employee with more than twenty years and up to thirty years of employment will earn annual leave at the rate of 7.69 hours per pay period (approximately 2 days per month).
6. An employee with thirty or more years of employment will earn annual leave at the rate of 9.23 hours per pay period (approximately 2-1/2 days per month).
7. If an employee's annual leave accrual rate changes during a pay period, the new rate will be credited from the first day of that period.
8. Annual leave will be normally scheduled in advance by the employee's immediate supervisor, in consideration of the operating requirements of the section and the division. However, in an emergency situation, annual leave will be authorized so long as the employee's immediate supervisor is notified in advance.
9. The maximum accumulation of annual leave is four hundred and sixty (460) working hours as of the end of the calendar year. After reaching that limit, no further hours shall be accumulated until the employee reduces the balance below four hundred and sixty (460) hours.
10. Use of annual leave of more than one hundred and sixty (160) hours must be scheduled and approved by the Executive Officer.
11. For the purposes of determining the rate of annual leave, accumulated service within the District will be used less any time for leave of absence in excess of two pay periods.
12. For a permanent employee that was previously employed as either a limited-term employee or a temporary employee for more than 1000 hours: effective July 1, 2001 accumulated service shall be the combined service as a permanent employee and previous service as a limited-term employee or temporary employee, less the initial 1,000 hours. The District will not allow retroactive accrual prior to July 1, 2001.
13. If a payday falls during an employee's vacation, the employee may receive a partial pay warrant for the pay period. The employee may pick up the warrant three (3) days prior to beginning vacation, provided two weeks' notice is given to the Human Resources Office.
14. Once per calendar year, an employee may exchange unused annual leave in excess of 200 hours, up to a maximum of 40 hours per calendar year, for the equivalent amount in wages. The request may not exceed forty (40) hours per fiscal year. Payment shall be made within 10 working days of the request.

SECTION 12.02 SICK LEAVE

1. **COVERAGE.** Sick leave is granted leave to cover authorized absence by an employee unable to work for any of the following reasons:

- A. Personal injury or illness, pregnancy, childbirth, or pregnancy-related disability.
 - B. Exposure to contagious disease requiring quarantine.
 - C. When the employee is required to attend to a member of the immediate family for reason stated in (A) above, to a maximum of eighty (80) hours per calendar year, provided, however, that in the event of a catastrophic illness of an immediate family member, an employee may petition the EO to use more than 80 hours of accrued sick leave per year to care for that immediate family member.
 - D. For the purpose of this section, immediate family will include: mother, father, spouse, children, brother, sister, grandparents and grandchildren of the employee, domestic partners and relatives by marriage and relatives of domestic partners, including mother-, father-, brother-, sister-, son-, and daughter-in-law.
 - E. Appointments for dental, eye, and other medical examinations.
 - F. When an employee is required to be absent for purposes related to the adoption of a child to a maximum of 80 hours per calendar year, provided, however, an employee may petition the EO to use more than 80 hours of accrued sick leave per year for purposes related to the adoption of a child. Examples may include but are not limited to: Appointments with adoption agencies, social workers, and attorneys; Court proceedings; Required travel; Any periods of time the adoptive parents are ordered or required by the adoption agency or by the court to take time off from work to care for the adopted child; and any other activities necessary to allow the adoption to proceed. Adoptive parents who voluntarily choose to be absent from work to bond with an adoptive child may not use sick leave for this purpose. Employees must have at least 200 hours of sick leave before initially requesting sick leave for purposes related to the adoption of a child.
2. ALLOWANCE. Employees will earn sick leave at the rate of 3.69 hours per pay period. There is no limit to the amount of sick leave that may be accumulated. Employees are eligible to use sick leave as it is earned.
 3. COORDINATION WITH STATE DISABILITY INSURANCE. At the employee's election, sick leave may be integrated with State Disability Insurance, Family Temporary Disability Insurance and Workers' Compensation Insurance as soon as eligibility for such benefits is established.
 4. JOB-RELATED INJURY. Employees injured on the job and accepted for Workers' Compensation will not be required to use sick leave for the period from the 1st through the 90th calendar day. This period will begin the day following the date of injury or the date Workers' Compensation approved the absence from work, whichever date begins the absence from work. The period will apply only once per injury. The date of injury will be paid as a day worked for pay purposes.

5. HOLIDAY DURING A SICK LEAVE PERIOD. If a holiday occurs during a continuous period of authorized sick leave, the holiday will not be counted as a day of sick leave.
6. BLOOD DONATIONS. Employees may take up to two (2) hours to donate blood to the District's account or to a specific person's account to a maximum of twice a year without loss of sick leave credits. Such leave must be approved in advance by the employee's supervisor and consistent with District operating requirements.

SECTION 12.03 BEREAVEMENT LEAVE

1. When a death occurs in the immediate family of an employee, the employee may take twenty-four (24) consecutive work hours off, counting the day of the funeral, without loss of pay, or
2. If the employee is the family member required to make the family arrangements for the funeral and burial (or equivalent ceremony), the employee may take up to forty (40) work hours off without loss of pay to make such arrangements. Such time shall include all time for travel.
3. For the purpose of this Section, immediate family is defined the same as in Section 12.02(1)(D) above.

SECTION 12.04 MILITARY LEAVE

The District shall comply with all applicable laws requiring the release and payment for duty in the U.S. Military or California National Guard. Notice must be given by the employee to his/her supervisor as soon as the obligation to attend military duty is known.

SECTION 12.05 JURY DUTY

Employees selected for jury duty shall be excused from work with pay for the hours required by such obligation provided they submit any jury fees received for such time to the District. The employee shall return to work whenever released during working hours and travel time allows except as provided in Section 9.01.3.

SECTION 12.06 SUBPOENA AS A WITNESS

Pursuant to Government Code Sections 1230 and 1230.1, any employee subpoenaed as a witness shall be allowed the time necessary to be absent from work without loss of regular pay.

SECTION 12.07 HOLIDAYS

1. The following days will be paid holidays for all employees:

New Year's Day	(First day of January)
King's Birthday	(Third Monday of January)
Lincoln's Birthday	(Twelfth day of February)
Washington's Birthday	(Third Monday of February)
Chavez' Birthday	(Thirty-first day of March)
Memorial Day	(Last Monday of May)

Independence Day	(Fourth of July)
Labor Day	(First Monday of September)
Columbus Day	(Second Monday of October)
Veterans Day	(Eleventh day of November)
Thanksgiving Day	(Fourth Thursday of November)
Day After Thanksgiving	(Fourth Friday of November)
Christmas Day	(Twenty-fifth day of December)

2. Every day appointed by the President of the United States or Governor of California as a holiday.
3. Holidays falling on Sunday will be celebrated on the following Monday. Holidays falling on Saturday will be celebrated on the preceding Friday, except, if the Governor proclaims the following Monday to be the holiday.
4. Commencing with fiscal year 2001-02, employees will be granted 28 hours of floating holidays per year. Except, an employee hired after January 1st and prior to June 1st will be allowed only 8 hours of floating holiday within that fiscal year. Employees hired after May 31st and prior to July 1st will receive no floating holiday for that fiscal year. Employees must request to use a floating holiday in advance. A floating holiday can be taken only with the approval of the employee's supervisor.
5. If an employee normally is not scheduled to work on a day which is a paid holiday for other District employees, that employee is entitled to 8 hours (or 4 hours for December 24 or 31) of paid holiday leave on the day on which that employee is normally scheduled to work which immediately precedes or follows the paid holiday.
6. Employees working a compressed workweek whose normal workweek includes a paid holiday for other employees are only entitled to 8 hours of paid leave for that holiday.
7. When a recognized holiday falls on a scheduled day off of the compressed workweek the employee may take the preceding, or following day off.

SECTION 12.08 BENEVOLENT LEAVE FUND

1. The Benevolent Leave Fund is established for the ~~exclusive~~ use and donation by ~~bargaining unit~~ District employees. Any ~~bargaining unit~~ District employee (~~herein after~~ hereinafter referred to as "employee") may donate annual leave, sick leave, compensatory time, or, with the limitation noted in subsection 4 A immediately below, may donate floating holiday leave to ~~a~~ the benevolent leave fund for the benefit of employees who are catastrophically ill or injured for one hundred (100) consecutive working hours or longer. In order to donate leave, the following conditions apply:
 - A. Only accrued annual or sick leave, compensatory time, or floating holiday leave may be donated to the fund. Any employee may donate up to 40 hours of sick leave to the fund per fiscal year. Floating holiday leave that is donated will only be valid during the fiscal year in which it is accrued. Thus, if in a given fiscal year, an employee donates floating

holiday leave and the leave is not used during that fiscal year, the donated leave will expire on the last day (June 30) of that fiscal year.

- B. To donate accrued leave to the fund, an employee must be eligible to accrue or use annual leave credit and cannot currently be using leave from the Benevolent Leave Fund.
 - C. To donate sick leave, an employee must have a sick leave balance of at least 200 hours.
 - D. Donated leave may be designated for a specific employee, or may be donated without designation. Floating holiday leave shall be used first. Other benevolent leave that is designated to a specific employee must be used in the sequence it was donated. If leave that is donated to a specific employee is not used within 120 days, such leave will be added to the general benevolent leave fund.
 - E. Leave may be donated to the fund regardless of whether there is a qualified recipient.
 - F. Leave may not be sold, bartered or traded to another employee under any circumstances.
 - G. Once leave has been donated to the fund, that leave cannot be reclaimed by the employee making the donation unless and until that employee later becomes an eligible fund recipient.
2. In order to be a fund recipient, the following conditions apply:
- A. The recipient must be catastrophically ill or injured, on an approved leave for medical purposes and must have on file with the Human Resources Office Association Board of Directors a medical verification from the employee's personal physician that demonstrates that the recipient is in fact catastrophically ill or injured and unable to work for at least one hundred (100) consecutive working hours or longer.
 - B. Upon written request from the Association Board of Directors, the Human Resources Officer shall provide, ~~if available,~~ to the Association recipient the amount ~~and type of~~ donated leave in the fund indicated.
 - C. The recipient must have exhausted all forms of paid leave prior to using any benevolent leave. However, it is understood the employee will accrue all appropriate leaves during the time the Benevolent Leave Fund is in use and shall not be required to use such accrued leave during such time.
 - D. The recipient may not receive benevolent leave from the fund in an amount which exceeds 100% of that employee's normally scheduled hours for any pay period.
 - E. Written requests to use leave from the fund shall be submitted to the ~~Board of Directors of the Association with a copy to the~~ Human Resources Officer.
 - F. The Human Resources Officer or designee shall provide a written response approving or denying the employee's request, or requesting more information within 5 working days. If the request is denied, the Human Resources Officer or designee shall state the reasons for denial in the written response.
 - G. If a request to use leave from the fund is denied, the refusal may be appealed to the APCO. The APCO's decision shall be provided, in writing, to the employee within ten (10) calendar days from the date an appeal is submitted.

3. Catastrophic illness or injury is defined as a serious illness, injury, impairment, or physical or mental condition that is present for a minimum of one hundred (100) consecutive working hours or longer.

SECTION 12.09 TEMPORARY DISABILITY LEAVE

The provisions of Division III, Section 11.4 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association in said changes.

SECTION 12.10 FAMILY CARE LEAVE

The provisions of Division III, Section 11.7 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference except as modified in 1 and 2 below:

1. Each full-time employee is entitled to a maximum of 480 hours of family care and medical leave during any 12-month period. The 12-month period begins on the first date family care and medical leave is taken. Family care and medical leave can only be initiated by request of the employee. Prior to the request, time off taken on any type of paid leave will not be deducted from the family care and medical leave entitlement. When medically necessary, leave may be taken on an intermittent basis or the employee may be authorized to work on a reduced schedule.
2. The family care and medical leave entitlement may consist of paid or unpaid leave. An employee who is taking family care and medical leave to care for an eligible family member must use all accrued annual leave and floating holiday, except for 80 hours that may be retained or used at the employee's discretion, before unpaid leave may be taken. An employee who is taking family care and medical leave due to the employee's own serious medical condition is not required, but may choose to, use accrued annual leave and floating holiday.

No changes to said provisions of Division III, Section 11.7 of the District's Administrative Code Personnel Policies and Procedures that are within the scope of bargaining will be proposed to the District's Board of Directors by District Management without first obtaining the concurrence of the Association in writing of said proposed changes.

SECTION 12.11 PREGNANCY DISABILITY LEAVE

The provisions of Division III, Section 11.9 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association in said changes.

SECTION 12.12 LEAVE ACCRUAL - RETURNING FROM UNPAID LEAVE

Once returning to work from unpaid leave, in order to accrue annual and sick leave, an employee must work 50% of his or her regularly scheduled assignment (i.e. 50% of the regular assignment

of 40 hours in five (5) consecutive eight-hour days or 50% of 40 hours in four (4) consecutive 10-hour days).

SECTION 12.13 LEAVE WITHOUT PAY

Regular full-time or part-time and probationary employees may be granted a leave without pay for non-medical reasons. Such leave will be granted at the discretion of the EO.

Leave may be granted for any period of time up to thirty (30) calendar days and may be extended for one (1) to ten (10) additional working days. A working day is any day that the District office is open for business. A return to work of one full day is considered as ending a leave period. Additional time after this day will be requested as a new and separate leave.

An employee on leave without pay continues to receive benefits described in Article XI, except that an employee on leave without pay for more than 80 hours during a fiscal year will not accrue annual or sick leave for the period of leave without pay in excess of 80 hours, and will not receive transit subsidy, or receive educational reimbursement, unless the course was approved prior to the commencement of the leave. Employee and employer contributions to PERS are not paid during leave without pay. A leave without pay is not considered as a break in service, and the employee is assured return to the same position, or to a comparable position in the same job classification and at the same pay grade.

SECTION 12.14 LEAVE OF ABSENCE

1. Leave of absence may be granted for non-medical reasons or to continue a medical leave for a maximum of six (6) months by the EO. A consecutive leave of absence may be granted but in no case for a total of more than twelve (12) months for any employee.

No annual or sick leave credits are earned during leaves of absence. An employee on a medical leave of absence continues to receive benefits described in Article XI, except that an employee on leave of absence shall not receive transit subsidy, or receive educational reimbursement, unless the course was approved prior to the commencement of the leave. Employee and employer contributions to PERS are not paid during unpaid leaves of absence. An employee on a leave of absence for non-medical reasons receives none of the benefits described in Section 11. A leave of absence for non-medical reasons is considered a break in service, and the position vacated by this leave may be open for recruitment of a regular employee.

2. Return after unexpired leave. Granting a leave of absence will permit the return of the employee to District employment before the expiration of the leave of absence under the following conditions.
 - A. The employee will have preference for re-employment in the same classification or at another lower classification for which the person is qualified, provided the position is vacant.
 - B. Leave of absence does not confer any absolute right to return to position or employment.

C. Employee time in-grade for salary increase will be preserved, at the same level.

D. Accrued pension rights and pension time will be preserved.

ARTICLE XIII ASSOCIATION ACTIVITIES

SECTION 13.01 COMMUNICATING WITH EMPLOYEES

1. The Association may use District internal mail. Any mail will be given to the Business Manager for routing.
2. The Association will use the right-hand third of the space on District bulletin boards for posting Association business announcements provided District business matters do not take precedence. All material posted will be dated for timely removal. No Association documents will be removed prematurely except for demonstrated lack of space.

SECTION 13.02 USE OF DISTRICT FACILITIES

1. The Association may use District meeting rooms provided they are available and there is no interruption of District work. The Association will submit its requests to the Business Manager for the use of the rooms in advance. Meetings of the District take precedence over Association meetings. Security and clean-up will be the responsibility of the Association.
2. The Association may use the District's reproduction facilities at reasonable cost.
3. Materials to be reproduced will be submitted to the Business Manager for costing and scheduling, which will be without interruption of District business. The District will bill the Association monthly for costs incurred.
4. The District will provide the Association with office space providing there is available space.

SECTION 13.03 ASSOCIATION REPRESENTATIVES AT BOARD OF DIRECTOR MEETINGS

Two Association representatives will be allowed to attend regular meetings of the Board of Directors on paid release time. Two Association representatives will be allowed to attend regular meeting of committees of the Board of Directors when items are on the agenda that directly relate to matters within the scope of representation of Association activities.

SECTION 13.04 ASSOCIATION REPRESENTATIVES

1. The Association may, by written notice to the HRO, designate no more than seven (7) of its members to be stewards. If a change in Stewards occurs, notification shall be provided to the HRO within ten (10) working days of such change.
2. The stewards and officers (representatives) will obtain approval from their immediate supervisor or management official before leaving a work assignment. Permission will not be withheld except for good cause.
3. Representatives will be allowed to post Association notices on District bulletin boards.

4. Representatives other than the President or Vice President will each be allowed up to eight (8) hours off, with pay, per month to engage in Association business, including but not limited to assisting employees in processing grievances. The amount of time so used will be reflected in the representative's time sheet. Time spent meeting with District Management personnel shall not count against the hours allotted. The President and Vice President each will be allowed up to seven (7) hours off, with pay, per month to spend on Association business.
5. Any represented employee who has a grievance may request the assistance of a representative in preparing and presenting the grievance.
6. Association board and committee members working on Association business and issues related to meet and confer shall be provided with reasonable time and accommodations to spend on these activities, so long as advance notification is given to, and approval is received from, an employee's supervisor.
7. The Association negotiating team members (total of nine) will be allowed up to 40 hours off, with pay, per month for bargaining preparation when negotiations are in progress.
8. In the event that a dispute results in litigation or is submitted to arbitration or any other forum for dispute or grievance or litigation resolution, not more than two representatives shall be authorized to attend the proceedings on paid release time to represent the grievant and/or the Association. This paid release time is separate and apart from any other paid time afforded to representatives for association activities. The EO may release any number of people for such proceedings.

ARTICLE XIV AVAILABILITY OF DISTRICT DOCUMENTS

SECTION 14.01 ADMINISTRATIVE CODE

The District will continue to make available to the Association a copy of the Administrative Code.

SECTION 14.02 HEALTH INSURANCE PLANS

The District will continue to make available for reading by authorized representatives of the Association the master plans of the life, health, vision and dental insurance plans. The master plans will be available in the Human Resources Section only.

SECTION 14.03 PERSONNEL FILES

The District will continue to maintain a personnel file on each employee. Employees have the right to review their personnel file at reasonable times with prior arrangement (normally within 7 days) with the Human Resources Section.

ARTICLE XV PERSONNEL TRANSACTIONS AND RECORDS

SECTION 15.01 HIRING AND INITIAL ORIENTATION

The provisions of Division III, Section 12.1 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 15.02 PERSONNEL AND MEDICAL FILES

The provisions of Division III, Section 12.2 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 15.03 EMPLOYMENT RECORD VERIFICATION

The provisions of Division III, Section 12.3 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 15.04 CLASSIFICATION SYSTEM

The provisions of Division III, Section 12.4 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 15.05 REQUESTS FOR NEW EMPLOYEES

The provisions of Division III, Section 12.5 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

SECTION 15.06 PERSONNEL ACTION FORMS

The provisions of Division III, Section 12.6 of the District's Administrative Code Personnel Policies and Procedures are incorporated herein, and made a part hereof by this reference. Proposed changes to this policy that are within the scope of bargaining will not be implemented without first obtaining the concurrence of the Association.

ARTICLE XVI METHOD OF FILLING VACANCIES

SECTION 16.01 PROCEDURES

1. ANNOUNCEMENT PROCEDURE. When a bargaining unit vacancy exists, the Human Resources Officer (HRO) will prepare and distribute a position announcement for the vacancy. The announcement will normally be posted on the electronic (e-mail) Personnel Bulletin Board as well as on each floor's bulletin board. The announcement will be delivered by mail or by insertion into the employee's pay envelope. The position will be opened for at least 10 working days. The bargaining unit vacancy announcement will include the opening

date, minimum qualifications required, the criteria to be used to screen applicants, the weight which will be given to the panel interview, and a statement that the District may choose to utilize these procedures or any other selection procedure deemed appropriate as determined by the HRO and Hiring Manager, if the qualified applicant pool does not include any bargaining unit employees.

2. REVIEW OF JOB ASSIGNMENT(S) AND DESCRIPTION. Prior to the opening of a vacancy, a Division Director shall have the right to make job assignment changes within the classification of the vacant position prior to identifying the actual vacant position. The Hiring Manager must review the job description prior to the commencement of the recruitment process in order to select those duties and functions, which are the most relevant for the position to be filled. Those identified duties and functions shall be placed in bold print so that they are given prominence in the job announcement for the position to be filled.
3. APPLICATION. Employees who wish to be considered for the position will submit a completed application form to the HRO on or before the filing deadline specified on the announcement.
4. QUALIFICATIONS. The qualifications include, but are not limited to, the education, experience, knowledge, skills, abilities and other background factors, which are needed for each classification. The minimum qualifications will be specified in the position description form and included in the announcement. The HRO may allow for or consider equivalent education and/or work experience when evaluating if an applicant meets the minimum qualifications. In reviewing job applications, the HRO shall consider all relevant education, work experience, supervisory experience and lead experience. In evaluating the qualifications of each applicant, the HRO shall document in writing the extent to which each applicant possesses the desirable qualifications.

The HRO shall determine if candidates meet the minimum qualifications of the position. The HRO shall inform each candidate in writing if he/she meets the minimum qualifications for the position. The HRO may reject any application if the applicant does not possess the minimum qualifications required for the position, or for other justifiable reasons. The HRO shall inform any disqualified District employee in writing. This written notice shall inform the employee of his/her rights to appeal the HRO's decision and the right to obtain a written statement of the specific reasons for the disqualification, providing the employee requests the written statement within five (5) working days of the receipt of the written notice.

5. VACANCY. A vacancy is a position in which there is no incumbent and no employee has a right to the position. A position is vacant when the position is newly-created, the incumbent terminates, the incumbent is on a leave of absence or the incumbent has been demoted from the position. A position is not vacant if the incumbent is on sick leave, annual leave, bereavement leave, temporary disability including maternity leave, Family Care Leave, Workers' Compensation, leave without pay or any other circumstances determined by the EO.
6. ORDER OF FILLING VACANCIES.

- A. FIRST PRIORITY. Reinstatement from layoff, return from leave of absence granted for medical reasons. To fill a vacancy in the first priority category, the HRO will submit the names of all qualified candidates to the Hiring Manager.
- B. SECOND PRIORITY. For regular employees, transfer, promotion, or return from leave of absence granted for non-medical reasons. To fill a vacancy in the second priority category, the procedures specified in this Section shall be used.

The Hiring Manager shall have the right to determine whether a second priority order for filling vacancies shall be promotional or open. In the event the recruitment is open, bargaining unit employees have the opportunity to apply and compete for the vacant position with the outside applicants.

- 7. DISQUALIFICATION APPEAL. Those bargaining unit applicants who do not meet the minimum qualifications for the bargaining unit vacancy shall be notified in writing and shall have the right to a consultation with the HRO and an opportunity to present additional information regarding his/her qualifications provided a written request for consultation is submitted to the HRO within 10 working days from the receipt of the written notification of disqualification. The HRO shall review the additional information with the Hiring Manager. The Hiring Manager shall have the final decision in determining whether or not a bargaining unit applicant meets the minimum qualifications for the bargaining unit vacancy. If the Hiring Manager or the HRO decides that the employee meets the minimum qualifications, the employee will be allowed to continue in the recruitment. If the Hiring Manager decides that the employee fails to meet the qualifications, the employee shall be disqualified. The HRO, within five (5) working days of receipt of the Hiring Manager's written decision, shall inform the employee of the reason for his/her disqualification in writing.
- 8. QUALIFIED APPLICANT POOL - PROCEDURE. The following procedure shall be used to determine the qualified applicant pool. In an open recruitment, all qualified District employees shall be interviewed by the Hiring Manager and Steps A, B, and C will not apply to those District employees. When there are five (5) or fewer qualified applicants, Steps A, B, and C will not apply.
 - A. A panel of three (3) District employees chosen by and facilitated by the HRO shall screen those applicants who meet the minimum qualifications for the bargaining unit vacancy. The HRO will not be a member of the screening panel. The Hiring Manager in consultation with the HRO shall establish the screening criteria. The screening criteria may include a practical test, a written examination, a review of the responses to the supplemental application question, and/or any combination of screening methods deemed appropriate for the position by the Hiring Manager. The screening panel shall score the applicant consistent with predetermined scoring methodology. As a result of the screening, all applicants will be given a score based on a 100-point scale. If the Hiring Manager has opted for an examination, then the HRO shall administer the examination to all of the candidates under the same conditions. The HRO or the screening panel shall score the examinations with the predetermined scoring criteria. The examination will be scored blindly.

- B. Out of the total qualified applicant pool screened by the panel identified in (A) above, the top eight (8) applicants, by score, will be referred for a panel interview.
- C. The top eight (8) applicants will be interviewed by the panel of three (3) District employees designated at the discretion of the HRO, giving due consideration to the necessities of the job being filled. The HRO shall ensure that one of the panelists shall be a representative from the Division where the vacancy exists, and who occupies a position in a job classification, which is equal to or higher than that of the job to be filled. The HRO shall ensure that the other two panelists come from two other Divisions and each shall occupy a position in a job classification, which is equal to or higher than that of the job to be filled. The HRO may choose a fourth (4th) panel member from outside the District employ who possesses expertise in the area of the vacant position. The Hiring Manager and the HRO will develop the interview questions and rating criteria. A representative of the HRO will facilitate the interview process, however, that person will not be a member of the panel. The interview panel score, based on a 100-point scale, will be combined with the screening panel score, if applicable, in accordance with the weighting identified in the vacancy announcement. In no event will the interview score be weighted less than 20% of the total score.
- D. As a result of the combined scores, the Hiring Manager in the presence of the HRO will interview the top five (5) applicants. In open recruitments the Hiring Manager will interview all qualified District employees. The Hiring Manager and the HRO will develop the interview questions and rating criteria. The Hiring Manager shall ask the predetermined interview questions of every candidate and evaluate the candidates based on the predetermined selection criteria. Based on the answers to the prepared questions, the Hiring Manager may pursue further lines of inquiry, which will draw out further information about the candidate's qualifications or abilities that relate to the vacant position. The Hiring Manager shall document in writing the extent to which each applicant possesses the desirable qualifications. The Hiring Manager shall score each candidate consistent with the scoring criteria. The Hiring Manager shall review the scoring of each candidate with the HRO or designee. At the conclusion of all the interviews, the Hiring Manager shall forward his/her scoring sheets, notes and recommendation of the selected candidate to fill the vacancy to the HRO or designee. The hiring recommendation shall be forwarded to the HRO for certification as to process and procedure. Once the HRO certifies the process and procedure the hiring recommendation shall be forwarded through the chain of command to the EO for approval. Any determination not to approve a Hiring Manager's recommendation shall be in writing. If the hiring process and procedure is not certified by the HRO, the recommendation shall not be forwarded to the EO and the HRO shall take the appropriate steps to ensure the recruitment and selection process conforms to the procedures specified in this Article. Any determination not to approve the Hiring Manager's recommendation shall be in writing and shall provide a detailed explanation of the reasons for the determination, and must be approved by the EO. This document, and any correspondence concerning the document from the Hiring Manager or from any other

manager in the chain of command applicable to the hiring decision, shall become part of the record of the hiring decision.

- E. In the event the EO does not approve the Hiring Manager's recommendation, the Hiring Manager shall submit the name of the candidate who has the next highest final score through the appropriate levels of management for approval by the EO.
- F. After the final selection(s) are made and approved by the EO, the Hiring Manager upon request shall provide each unsuccessful candidate with reasons for his or her rejection. These reasons shall be constructive and specific.
- G. In the event there are tied scores at the eighth or fifth positions as a result of the procedures identified in Step B and C above, each employee at the tied positions shall proceed to the next steps in the process.
- H. For more than one vacancy, one additional applicant for each additional vacancy will be added to each of the selection processes Steps B, C and D above.
- I. If a vacancy occurs in the same classification during a current recruitment or within 18 months from the start date of the selected applicant, the District shall have the option of using the applicant pool of the most recent recruitment to fill the subsequent vacancy.
- J. A bargaining unit employee or the Association has the right to file a grievance if the procedures of this Article are not followed when there are bargaining unit employees in the applicant pool. Matters that are not procedural, including the hiring decision, are not grievable.
- K. If there are two (2) or less bargaining unit candidates who meet the minimum qualifications in the applicant pool, the bargaining unit candidates will be interviewed by the Hiring Manager, and in continuing the recruitment, the District retains the right to utilize these procedures or any other selection procedures deemed appropriate by the HRO with the concurrence of the Hiring Manager.

Allegations of discrimination under this Article cannot be grieved.

SECTION 16.02 CONTRACTING OUT

The District shall not contract out or remove from the bargaining unit any District work, whether permanent or temporary, which is performed by bargaining unit members, if the services are of a kind that persons selected through the District's normal selection process could perform adequately, competently and in timely manner, except as follows:

- A. Concurrent with recruitment for one or more bargaining unit vacancies, the District may contract out for services normally performed by bargaining unit employees provided no more than 1,000 hours is contracted out per vacancy.

- B. In emergency situations contracting out for services normally performed by bargaining unit employees shall be permitted, providing no more than 1,000 hours is contracted out per contract employee.
- C. Contracting out of new functions not previously undertaken or covered by existing employees shall be permitted provided it is determined that the services cannot be adequately performed by bargaining unit employees.
- D. Non-bargaining unit employees (Temporary workers) employed by the District for the purpose of filling a bargaining unit position while a bargaining unit employee is on approved leave (i.e., not those instances where the temporary worker is filling a vacant position) need not be terminated for the duration of the approved leave.

ARTICLE XVII MEMORANDUM OF UNDERSTANDING

SECTION 17.01 ENTIRE AGREEMENT

It is the intent of the parties hereto that the provisions of this Memorandum of Understanding supersede previous agreements between the parties.

This Memorandum of Understanding supersedes any and all other statements of policy or procedure established by this District through its Board of Directors insofar as such provisions relate directly to the matters specifically dealt with herein. Matters not the subject to bilateral agreement through this Memorandum of Understanding remain in full force and effect. Unless specifically amended by the terms of this Understanding, all other terms and conditions of employment remain as previously established.

SECTION 17.02 CONSISTENCY WITH ADMINISTRATIVE CODE

To the extent that any provisions of said Policies and Procedures, which pertain to any subject within the scope of representation, are inconsistent with the terms of this Memorandum of Understanding, the terms of this Memorandum of Understanding shall prevail. During the term of this Memorandum of Understanding, no new provision or amendment to said Policies and Procedures not in accord with this Memorandum or which directly affect wages, hours, terms or conditions of employment of employees covered by this Memorandum of Understanding shall be adopted and/or implemented by the District except upon written agreement with the Association following meet and confer with bargaining representatives.

SECTION 17.03 SEVERABILITY

It is understood that this Memorandum of Understanding is not intended to conflict with any State or Federal law; however, should any provision be deemed ineffective or null and void by reason of law, the remaining provisions shall remain in full force and effect.

SECTION 17.04 INTERIM BARGAINING

Nothing contained in this Memorandum of Understanding, included but not limited to any reopener provision, shall allow any modifications to this Agreement without written consent of the parties hereto.

SECTION 17.05 REOPENER

The parties agree that several issues remain to be addressed. Consequently, during the term of this contract, but not later than one year from June 30, 2010, either party may introduce up to five (5) additional proposed amendments to the MOU. Upon mutual agreement, the District or the Employees Association may introduce additional proposed amendments.

The parties shall negotiate additional proposals in good faith allowing the flexibility to address issues within the scope. Only items for which mutual agreement is reached shall be implemented. Upon mutual agreement, amendments shall be incorporated into the MOU in the form of a side letter.

ARTICLE XVIII INTERIM ADJUSTMENTS

During the term of this MOU any and all increases in salary or benefits granted to all confidential employees not expressly provided herein to the Association members shall be immediately incorporated into this MOU.

ARTICLE XIX SAVINGS PROVISION

Should any provision of this Agreement be found to be in contravention of any Federal or State law, or by a court of competent jurisdiction, such particular provision shall be null and void, but all other provisions of this Agreement shall remain in full force and effect until otherwise canceled or amended by mutual agreement of the parties. In the event that any provision shall be held unlawful and unenforceable by any court of competent jurisdiction, the parties agree to meet forthwith for the purpose of renegotiating such provision in an attempt to reach a valid agreement.

ARTICLE XX TERM OF AGREEMENT

The District and the Association agree that the term of this Agreement shall commence June 7, 2000 and expire at midnight on June 30, 2006. The parties further agree to amend the term of this amended Agreement to expire at midnight June 30, ~~2012~~ 2014.

No less than ninety (90) days prior to the expiration of this MOU the parties shall commence negotiation for a successor MOU.

Should the parties fail to reach agreement on a successor MOU prior to the expiration of this agreement, for up to twelve (12) months immediately following expiration of this agreement, all provisions of this MOU shall continue to be honored. Whenever a successor MOU is ratified, all provisions shall supersede the provisions of this agreement.

ARTICLE XXI SUBMISSION TO BOARD OF DIRECTORS

The provisions of the Memorandum of Understanding are hereby being submitted to the Board of Directors of the Bay Area Air Quality Management District for its approval.

For the District

Date

For the BAAQMD Employees' Association, Inc.

Date

APPENDIX A: CLASSIFICATIONS

Accountant	Permit Coordinator
Accounting Assistant I	Principal Accountant
Accounting Assistant II	Principal Air & Meteorological Monitoring Specialist
Administrative Analyst	Principal Air Quality Chemist
Administrative Secretary	Principal Air Quality Engineer
Advanced Projects Advisor	Principal Air Quality Specialist
Air Quality Case Settlement Specialist I/II	Principal Environmental Planner
Air Quality Chemist I	Programmer Analyst I
Air Quality Chemist II	Programmer Analyst II
Air Quality Engineer I	Public Information Officer I
Air Quality Engineer II	Public Information Officer II
Air Quality Inspector I	Radio Telephone Operator
Air Quality Inspector II	Radio Telephone Operator Supervisor
Air Quality Instrument Specialist I	Receptionist
Air Quality Instrument Specialist II	Research Analyst
Air Quality Laboratory Technician I	Secretary
Air Quality Laboratory Technician II	Senior Accounting Assistant
Air Quality Meteorologist I	Senior Advanced Projects Advisor
Air Quality Meteorologist II	Senior Air Quality Chemist
Air Quality Permit Technician I	Senior Air Quality Engineer
Air Quality Permit Technician II	Senior Air Quality Inspector
Air Quality Specialist I	Senior Air Quality Instrument Specialist
Air Quality Specialist II	Senior Air Quality Meteorologist
Air Quality Technical Assistant	Senior Air Quality Specialist
Air Quality Technician I	Senior Atmospheric Modeler
Air Quality Technician II	Senior Environmental Planner
Atmospheric Modeler	Senior Public Information Officer
Building Maintenance Mechanic	Statistician
Data Entry Operator	Supervising Air Quality Engineer
Database Specialist	Supervising Air Quality Inspector
Deputy Clerk of the Boards	Supervising Air Quality Instrument Specialist
Environmental Planner I	Supervising Air Quality Specialist
Environmental Planner II	Supervising Environmental Planner
Legislative Analyst	Supervising Air Quality Meteorologist
Library Specialist	Supervising Public Information Officer
Mechanic I	Supervising Systems Analyst
Mechanic II	Systems Analyst
Office Assistant I	Systems Quality Assurance Specialist
Office Assistant II	Toxicologist
Office Services Supervisor	Web Master

APPENDIX B: SIDE LETTERS
(The following Side Letters have been completed as of November 17, 2004)

SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
DUES/FEES DEDUCTIONS
ARTICLE II, SECTION 2.06

The District and the Association agree that there shall be no Association dues deducted from retroactive compensation, July 1, 2000 through June 15, 2002, afforded to bargaining unit members.

SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING THE GRIEVANCE PROCEDURE
ARTICLE IV

Any grievance filed after June 7, 2000, and has not be resolved, will subject to the new grievance procedure under this MOU.

SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING SALARY STEPS
ARTICLE VII, SECTION 7.02

Any bargaining unit employee who was promoted to a higher paying bargaining unit position beginning at step A, or step B, under the Terms and Conditions of Employment imposed on June 7, 2000, shall advance to the next salary step C, D, or E based on the salary step provisions of this MOU. This is a one-time adjustment only. Retroactive pay does not apply for this section.

SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING OVERTIME
ARTICLE IX, SECTION 9.04

The District and the Association agree that the provisions of Section 9.04, Overtime, will be applicable for represented employees commencing June 7, 2000 under the following conditions.

Represented employees who qualify for overtime under the provisions of Section 9.04 shall submit the necessary records to document working of overtime to the Human Resource Office by no later than June 30, 2002. The Human Resource Office shall provide an employee reasonable access to their records in order to ascertain if overtime pay is applicable.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING PREMIUM REQUIREMENTS
ARTICLE XI, SECTION 11.07.5**

The District and the Association agree that represented employees will receive, effective May 15, 2002, the same Cafeteria Plan as the Confidential Employees until such time as the Cafeteria Plan for Confidential Employees is structured similar to Section 11.07.5. When the Confidential Employee cafeteria plan is restructured, Section 11.07.5 of the MOU will become operative.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING RETROACTIVE COMPENSATION FOR PERS CONTRIBUTIONS
ARTICLE XI, SECTION 11.10.3.A**

The District and the Association agree that, pursuant to Subsection 11.10.3A, retroactive compensation for employees PERS contributions made between July 30, 2000 and May 15, 2002 will be made as a lump sum monetary payment, or at the option of any individual employee, an employee may elect to receive a portion of the compensation as Floating Holiday, up to a maximum of 240 hours. Each hour of Floating Holiday will be equivalent to the hourly wage rate in effect on May 16, 2002.

Any employee that elects to receive a portion of the retroactive compensation as Floating Holiday shall submit a written request to the Human Resource Office by May 22, 2002. This retroactive Floating Holiday compensation must be used by June 30, 2003 or it will expire.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING FLOATING HOLIDAYS
ARTICLE XII, SECTION 12.07.4**

Commencing with fiscal year 2001-02 employees will be granted an additional 8 hours of floating holiday. Employees may carry over to the next fiscal year (2002-03) these additional 8 hours due to the limited time left in this fiscal year. These 8 hours must be used by June 30, 2003.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION REGARDING METHOD OF
FILLING VACANCIES
ARTICLE XVI**

The District and the Association agree that the Method of Filling Vacancies contained in the MOU will be applicable for all represented positions opened after the signing of the MOU. All represented positions opened prior to signing of the MOU will use the procedures in place at the time the position was opened.

(The following Side Letters remain in full force and effect)

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING CLASSIFICATION STUDIES
ARTICLE VI**

The District Board of Directors or Executive Officer may require that a salary classification study be conducted to evaluate individual positions or groups of positions, classes or class series from time to time. The current Classification Study being performed by CPS will be discarded and will not be used for any purpose. Existing represented classifications shall remain in full force and effect without modification for the term of this agreement. Note - the CPS study was discarded in 2002 and has not been used.

If the District chooses to conduct a comprehensive Classification Study it shall be conducted in the last year of this MOU and it shall conclude its study before the expiration of this MOU in preparation for a succeeding MOU. If the District chooses to conduct a Classification Study the District shall not conduct any salary or classification survey affecting wages, hours or terms and conditions of employment in any represented classification without first meeting and conferring with the Association.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING PAY PERIOD AND PAYDAY
ARTICLE VII, SECTION 7.10**

The District and the Association agree that during the term of this MOU, the parties will study alternate paydays and pay periods. No said changes will be made unless parties to this MOU agree to such changes.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING DENTAL INSURANCE
ARTICLE XI, SECTION 11.02**

The District and the Association agree that during the term of this MOU the parties will study alternative dental plans offered by Delta Dental Insurance. No said changes will be made unless the parties to this MOU agree to such changes.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING VISION CARE
ARTICLE XI, SECTION 11.03**

The District and the Association agree that during the term of this MOU the parties will study vision care coverage. No said changes will be made unless the parties to this MOU agree to such changes.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING HEALTH CARE SPENDING ACCOUNT
ARTICLE XI, SECTION 11.18**

The District and the Association agree that during the term of this MOU the parties will study the time and cost factors in the administration of the Health Care Spending Account program. If the parties agree that the time and cost factors are reasonable, the District will implement the program.

**SIDE LETTER
BETWEEN THE DISTRICT AND THE ASSOCIATION
REGARDING COLLEGE INTERNS AND HIGH SCHOOL INTERNS**

This Side Letter of Agreement is reached between the Bay Area Air Quality Management District Employees' Association (EA) and the Bay Area Air Quality Management District (District) pursuant to Section 17.04 Interim Bargaining of the current Memorandum of Understanding (MOU).

This Side Letter of Agreement is incorporated into the MOU as if fully set forth therein. The District is implementing a College Intern Program and High School Intern Program. In connection with these actions, the District and the EA agree that individuals appointed to College Intern or High School Intern classifications shall be allowed to perform bargaining unit work based on the conditions set forth in this Agreement.

PART A COLLEGE INTERNS

1. The EA and the District shall mutually establish College Intern Program guidelines and College Intern classifications for Air Quality Engineering Intern and Administrative Intern. The District shall have the right to determine where Interns are assigned. The District agrees Interns shall perform work consistent with the class specification only. The College Intern classifications shall be in place and in effect prior to the implementation of Part A.
2. The District shall be allowed to use up to 4,000 hours for a 12-month period beginning with July 1, 2003 to and including June 30, 2004 and each 12-month period following thereafter for the College Intern Program. The District has the right to determine the number of

College Interns to use in this Program. The cumulative hours for all College Interns shall not exceed 4,000 hours in each 12-month period following thereafter.

3. The District shall be allowed to work any individual College Intern up to 1,000 hours providing the College Intern does not work more than 1,000 hours from his/her original date of hire. The District shall terminate the employment of any Individual College Intern no later than the time when the College Intern has worked 1,000 hours.
4. The District has the right to determine each College Intern's work schedule. The District shall be allowed to assign intermittent, part-time or full-time work schedules to College Interns. College Interns shall not be assigned work in excess of 40 hours in a workweek. College Interns are subject to the Fair Labors Standards Act (FLSA).
5. For each pay period, the District shall report to the EA in writing the names, duties, hourly pay rate, hours of work in that pay period, and cumulative hours of work since the original date of hire for each College Intern. The District shall ensure that the EA President or designee is in receipt of this written report no later than 14 calendar days from the end of the preceding pay period.
6. College Interns shall not be eligible to become members of the EA and are not covered by the MOU.
7. The hourly pay rate for Air Quality Engineering Intern shall be equivalent to that of step A of the Air Quality Permit Technician I. The hourly pay rate for the Administrative Intern will be determined.

PART B HIGH SCHOOL INTERNS

1. The EA and the District shall mutually establish High School Intern Program guidelines and the High School Intern classification. The District shall have the right to determine where High School Interns are assigned. The District agrees High School Interns shall perform work consistent with the class specification only. The High School Intern classification shall be in place and in effect prior to the implementation of Part B.
2. The District shall be allowed to use up to 1,100 hours for a 12-month period beginning with July 1, 2003 to and including June 30, 2004 and each 12-month period following thereafter for the High School Intern Program. The District has the right to determine the number of High School Interns to use in this Program. The cumulative hours for all High School Interns shall not exceed 1,100 hours in each 12-month period following thereafter.
3. The District shall be allowed to work any individual High School Intern up to 1,000 hours providing the High School Intern does not work more than 1,000 hours from his/her original date of hire as a High School Intern. The District shall terminate the employment of any individual High School Intern no later than the time when the High School Intern has worked 1,000 hours.

4. The District has the right to determine each High School Intern's work schedule. The District shall be allowed to assign intermittent, part-time or full-time work schedules to High School Interns. High School Interns shall not be assigned work in excess of 40 hours in a workweek. High School Interns are subject to FLSA. High School Interns shall not be eligible to perform work done by regular employees as an overtime assignment that includes but not limited to, home and garden shows, county fairs, lawn mower exchange programs, wood stove exchange programs, ethnic celebrations and earth day fairs.
5. For each pay period, the District shall report to the EA in writing the names, duties, hourly pay rate, hours of work in that pay period, and cumulative hours of work since the original date of hire for each High School Intern. The District shall ensure that the EA President or designee is in receipt of this written report no later than 14 calendar days from the end of the preceding pay period.
6. High School Interns shall not be eligible to become members of the EA and are not covered by the MOU.
7. The hourly rate for High School Interns shall be \$8.25 per hour.

PART C VIOLATIONS OF THIS AGREEMENT

1. If the EA believes this Side Letter is being violated, the President or designee shall request a meeting with the Human Resource Officer or designee to review concerns. The meeting shall be held within 5 calendar days of the request. In the event matters are not resolved to the EA's satisfaction, at the sole discretion of the EA, the EA may move any alleged violation of this Agreement to binding arbitration, beginning at Section 4.09 of the MOU. If an arbitrator determines that the District violated any provision in Part A and/or Part B of this Agreement, then Part A and/or Part B inclusive shall automatically be rendered null and void and terminated. For example, if an arbitrator determined that the District only violated a provision in Part A of this Agreement, the District would terminate the College Intern Program. The High School Intern Program would not be effected. If an Intern Program is terminated, all Interns in that program shall be terminated within 7 calendar days from the date of receipt of the arbitrator's decision. If an arbitrator determines that the District violated any provision in Part E of this Agreement, then Part A and Part B shall automatically be rendered null and void and terminated.
2. Upon termination of Part A and/or Part B, as a result of the arbitrator's decision, the District shall have the right to discontinue the work performed by an Intern or offer current bargaining unit employees overtime to complete the work that was previously performed by the Interns.

3. PART D LAYOFFS AND BUMPING

Except as provided under Section 16.02 of the MOU, if for any reason layoffs and/or bumping is implemented, then all non-regular employees (e.g. temporary part-time or full time worker, College Intern or High School Intern) performing bargaining unit work shall be terminated prior to layoffs and/or bumping of any regular bargaining unit employee. A regular employee is an employee who is hired on a permanent basis.

PART E MISCELLANEOUS

1. The District shall pay to the EA an equivalent amount of dues, that the College Interns would have paid had they been EA members, as applicable under Section 2.06 of the MOU.
2. Effective June 15, 2003, except as provided in Section 16.02 of the MOU, all other temporary employees performing bargaining unit work shall be terminated for the duration of this agreement.
3. In the event that part A and or Part B are terminated the remaining provisions of this agreement remain in full force and effect.
4. Non-bargaining unit employees (Temporary workers) employed by the District for the purpose of filling a bargaining unit position (not a vacant position) while a bargaining unit employee is on approved leave need not be terminated for the duration of the approved leave.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO. 2011-_____

**A Resolution of the
Board of Directors of the Bay Area Air Quality Management District
to Adjust Employer Paid Member Contributions for
Confidential and Represented Employees**

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District has the authority to implement Government Code Section 20691;

WHEREAS, the Board of Directors has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the Board of Directors of a resolution to make said Employer Paid Member Contributions (EPMC);

WHEREAS, the Board of Directors has identified the following conditions for the purpose of its election to pay EPMC;

1. This benefit shall apply to all employees of the Confidential and Represented groups.
2. This benefit shall consist of (a) effective July 1, 2011 through June 30 2012, paying 5/7 of the 7% normal contribution as EPMC, (b) effective July 1, 2012 through June 30, 2013, paying 2.5/7 of the 7% normal contribution as EPMC. This benefit shall terminate on July 1, 2013.
3. The effective date of this Resolution shall be July 1, 2011.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors elects to pay and report the value of EPMC as set forth above.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2011 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tom Bates
Chair of the Board of Directors

ATTEST:

Ash Kalra
Secretary of the Board of Directors

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO. 2011-_____

**A Resolution of the
Board of Directors of the Bay Area Air Quality Management District
to Adjust Paying and Reporting the Value of
Employer Paid Member Contributions
for Management Employees**

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District has the authority pursuant to Government Code Section 20691 to implement Government Code Section 20636(c)(4);

WHEREAS, the Board of Directors has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer and reported as additional compensation;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the Board of Directors of a resolution to pay and report the value of said Employer Paid Member Contributions (EPMC);

WHEREAS, the Board of Directors has identified the following conditions for the purpose of its election to pay EPMC;

1. This benefit shall apply to all employees of the Management group.
2. This benefit shall consist of (a) effective July 1, 2011 through June 30, 2012, paying 5/7 of the 7% normal contribution as EPMC, and reporting 5% of compensation earnable (excluding EPMC paid pursuant to Government Code Section 20636(c)(4)) as additional compensation, (b) effective July 1, 2012 through June 30, 2013, paying 2.5/7 of the 7% normal contribution as EPMC, and reporting 2.5% of compensation earnable (excluding EPMC paid pursuant to Government Code Section 20636(c)(4)) as additional compensation. This benefit shall terminate on July 1, 2013.
3. The effective date of this Resolution shall be July 1, 2011.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors elects to pay and report the value of EPMC as set forth above.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2011 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tom Bates
Chair of the Board of Directors

ATTEST:

Ash Kalra
Secretary of the Board of Directors

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

RESOLUTION NO. 2011-_____

**A Resolution of the
Board of Directors of the Bay Area Air Quality Management District
to Tax Defer Employer Paid Member Contributions – Internal Revenue Code (IRC)
414(h)(2) Employer Pick-Up**

WHEREAS, the Board of Directors of the Bay Area Air Quality Management District has the authority to implement the provisions of Section 414(h)(2) of the IRC;

WHEREAS, the Board of Directors has determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefit offered by Section 414(h)(2) IRC should be provided to the Management, Confidential, and Represented groups who are members of the California Public Employees' Retirement System (CalPERS):

NOW, THEREFORE, BE IT RESOLVED:

1. That the Air District will implement the provisions of Section 414(h)(2) IRC by making employee contributions pursuant to California Government Code Section 20691 to CalPERS on behalf of all its employees or all its employees in a recognized group or class of employment who are members of CalPERS. "Employee contributions" shall mean those contributions to CalPERS which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20691.
2. That the contributions made by the Air District to CalPERS, although designated as employee contributions, are being paid by the Air District in lieu of contributions by the employees who are members of the CalPERS.
3. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Air District to CalPERS.
4. That the Air District shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary.
5. That the amount of the contributions designated as employee contributions and paid by the Air District to CalPERS on behalf of an employee shall be as set forth in Resolutions 2011-_____ and 2011-_____.
6. That the contributions designated as employee contributions made by the Air District to CalPERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by CalPERS.

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director _____, seconded by Director _____, on the ____ day of _____, 2011 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tom Bates
Chair of the Board of Directors

ATTEST:

Ash Kalra
Secretary of the Board of Directors

FOR CALPERS USE ONLY

RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS – IRC 414(h)(2)

Approved by: _____