

**MEMORANDUM OF UNDERSTANDING REGARDING
EMPLOYER/EMPLOYEE RELATIONS BETWEEN
THE COUNTY OF EL DORADO AND THE EL DORADO
COUNTY LOCAL AGENCY FORMATION COMMISSION**

WHEREAS, the County of El Dorado (hereinafter "County") and the El Dorado County Local Agency Formation Commission (hereinafter "Commission") desire to memorialize in writing the administrative relationship between themselves regarding employee related procedures and responsibilities; and,

WHEREAS, the Commission adopted a set of employee policies on June 1, 2000, to be applied to its employees in cooperation with the elements of the County's personnel system; and,

WHEREAS, it is the mutual desire of the parties to maintain a cooperative relationship in the implementation and administration of these employees policies; and,

WHEREAS, the Commission has the necessary statutory and/or general power and authority to enter into this Memorandum of Understanding (hereinafter "MOU") and to implement the provisions set forth below pursuant to Government Code sections 56380, 56384 and 56385; and

WHEREAS, the County has the necessary statutory and/or general police power and authority to enter into this MOU as well as to implement the provisions set forth below to the extent allowed by the contract terms that govern the County programs.

THEREFORE, the County and Commission hereby agree to the following MOU terms and conditions set forth below, this MOU taking effect upon the date that both entities have signed this agreement.

A. GENERAL INTENT OF COMMISSION PERSONNEL POLICIES

It is the intent of the Commission and the County that the Commission participate in those County programs and services that are of benefit to both parties. Access to County services will be provided to the Commission in the same manner as provided to County departments. The Commission intends to use the services available to County departments insofar as such services support the goals and mission of the Commission. This shall not be construed to restrict or limit in any way the statutory authority of the Commission as an independent local agency. The Commission will comply with all applicable laws related to its operations and administration; the provisions of these policies are not intended to preempt state or federal laws.

All employees serve at the pleasure of the Commission. The Executive Officer of the Commission is lawfully delegated by the Commission to be responsible for the day-to-day business of the Commission and its staff. (Government Code section 56384).

The Commission shall bear responsibility for all LAFCO employment decisions. The Executive Officer of LAFCO is designated as the Equal Employment Opportunity (EEO) Officer for LAFCO, responsible for conducting appropriate investigations including those rising from DFEH, EEOC or other employment related complaints.



Complaints which can not be resolved by the Executive Officer or which involve the Executive Officer will be referred to the LAFCO Commission for appropriate investigation and resolution. Personnel matters shall be heard by the Commission pursuant to the Brown Act and any other applicable state laws.

B. PERSONNEL CLASSIFICATION AND POSITIONS

The Commission shall specify the number and classification of all positions. A salary scale and position description specifying duties and responsibilities for each classification/position will be approved by the Commission. Each Commission position will be linked by the Commission to a comparable or similar classification within the County classification plan for the convenience of both the Commission and the County in the administration of County programs and benefits, in which the Commission participates.

It is agreed that the solicitation, selection, supervision and any other employment related matters of the Commission shall be the sole responsibility of the Commission, following such rules, agreements and policies established by the Commission. The Commission shall specify matters regarding hiring, terms of employment, discharge, and all other personnel matters. Employees shall serve at the pleasure of the Commission.

Such employees of the Commission shall not be members of the classified service of the County and shall not be listed in the County Authorized Personnel Allocation Resolution.

C. SALARY AND BENEFITS

All changes to salaries and benefits approved by the County for county employees in comparable positions will be reviewed and considered by the Commission for its employees. Remuneration for employees shall be set by the Commission.

Unless otherwise specified by Commission policy, employees of the Commission shall receive benefits available to employees of the County in comparable classifications, including participation in the County's deferred compensation and retiree health plans as allowed by law and as allowed by the contract terms that govern County programs. The County agrees to make available the following benefits. The Commission agrees to pay the full cost of all county employee benefit programs selected for Commission staff. In the event this Memorandum of Understanding is terminated, County does not guarantee any subsequent availability of any of the employee benefit programs previously selected for Commission employees or retirees through the Memorandum of Understanding.

1. The same health and Optional benefit programs as provided to County employees and retirees, through the County's program, pursuant to the Salary and Benefits Resolution currently in force for Unrepresented Management and Confidential employees, subject to the following terms and conditions as respects health benefits:

- a. Plan Document. The document entitled, "EL DORADO EMPLOYER HEALTH CARE PLAN, Amended and Restated Effective July 1, 2001," together with all subsequent amendments thereto, are incorporated in their entirety into this MOU by reference, and are referred to hereinafter as the "Plan Document."

b. Status of Affiliated Employer. The Plan Document shall define and govern the terms and conditions under which health benefits are provided under this MOU, except as otherwise provided herein. During the term of this MOU, and by virtue of its approval by the El Dorado County Board of Supervisors and LAFCO, LAFCO shall be an "Affiliated Employer" as defined in the Plan Document. It is the intent of the parties that this MOU shall replace all prior agreements, whether verbal or written, regarding employer/employee relations.

c. Amendment of Plan Document. The Plan Document may be amended from time to time at the sole option of the El Dorado County Board of Supervisors. County will endeavor to keep LAFCO informed regarding any such amendments and other related changes affecting Health Benefits, including changes, additions, or deletions to Alternate County-Sponsored Plans. However, it is understood that these Health Plans are primarily designed and maintained to meet the needs of El Dorado County, as identified by the County, and as negotiated by the County through meeting and conferring with the County's recognized employee organizations, subject to internal recommendations to the County Board of Supervisors through the County's Health Plan Advisory Committee.

d. Termination of this MOU. In the event this MOU is terminated County does not guarantee any subsequent availability of any Health Benefits for LAFCO or its employees or retirees.

e. LAFCO Retirees. In the event that LAFCO participates in the P.E.R.S. retirement system, then a "LAFCO Retiree" is any former employee of LAFCO who meets the definition of "Retiree" set forth in the Plan Document, i.e. a former Employee of LAFCO who is no longer Actively at Work and who has reached his or her Retirement Date, which is defined as the date for which pension benefits are first received under P.E.R.S. In the event that LAFCO does not participate in the P.E.R.S. retirement system, then a "LAFCO Retiree" shall be defined as a former employee of LAFCO, who is no longer Actively at Work, and who would have reached his or her Retirement Date if LAFCO did participate in the P.E.R.S. retirement system.

f. Eligibility. LAFCO may adopt rules which are the same as, or more restrictive than, the County's rules governing eligibility for enrollment in County-Sponsored-Health Benefits. It is understood to be the sole responsibility of LAFCO, and entirely within the authority of LAFCO, to adopt rules, regulations, and procedures sufficient to define who is eligible to enroll in these benefits, and to assure compliance with all Federal and State laws and regulations which relate to, or confer rights upon, employees, retirees, and dependents regarding their eligibility for, or eligibility to have payments made on their behalf for, group health benefits or health insurance. Such laws include, but are not limited to, the California Family Rights Act of 1991, the Americans with Disabilities Act (42 USC 12101 et seq.), COBRA (Public Law 99-272, title X, sec 10002; 100 Stat 227; 29 USC 1161-1168), the Family & Medical Leave Act of 1993 (Public Law 103-3 (2/5/93), 107 Stat.6 (29 USC 2601 et seq.)). The County will endeavor to

adopt Plan Document provisions applicable to its own employees and retirees, and their dependents, which the County believes to be consistent with such regulations and laws as they relate to the County's own employees and retirees.

g. Payments by LAFCO. LAFCO agrees to pay El Dorado County at regular intervals no less frequently than monthly the entire cost of all coverage extended to LAFCO's employees, retirees, and dependents, at monthly rates established by the County Board of Supervisors, except that County agrees to collect all contributions required from LAFCO's qualified beneficiaries under COBRA directly from such Qualified Beneficiaries. LAFCO contributions rates shall equal those rates established by the Board which County Departments and Participants themselves pay into the County's Risk Management Fund, plus a two percent (2%) administration fee. LAFCO hereby authorizes County to collect such payments, to the extent possible through automated payroll processing, or by Journal Entry. LAFCO agrees to collect and recover on its own any employee or retiree contributions as may be required by LAFCO.

h. Employee and Retiree Contribution Rates. It is understood to be LAFCO's sole authority to negotiate and establish required contribution rates for LAFCO's employees. However, LAFCO agrees to charge LAFCO Retirees the same contribution rates applicable for County-Sponsored Plans as are established by the County for its own Retirees. LAFCO may, however, subject to advance written approval by the county Risk Program Manager, adopt rules which provide for partial contributions by LAFCO toward the cost of LAFCO Retiree continuation coverage, without the need to amend this MOU.

i. Eligibility Reporting. County will provide to LAFCO appropriate forms to allow for enrollment applications and changes including terminations of coverage. County agrees to provide supporting materials, including new employee orientations, new employee enrollment information, and periodic Open Enrollment communication materials to support employee coverage elections as allowed under the Plan Document. LAFCO agrees to timely report all changes in employment and other events which become known to LAFCO which may affect eligibility of LAFCO's employees, retirees, and dependents. In the event of a termination of employment, death of an employee, or other event known to LAFCO, but not timely reported to the County, and which constitutes a qualifying event under COBRA, LAFCO shall be responsible for the full cost of any additional continuation coverage which may be required to be extended as a result of late notice being provided to a beneficiary otherwise qualified under COBRA.

j. COBRA. County agrees to provide and administer COBRA continuation coverage for LAFCO's employees, retirees, and their dependents who may become Qualified Beneficiaries as defined in the Plan Document, including mailing and filing of required notices, billing, collection, and notifications to health insurance companies and claims administrators.

k. Eligibility in the Event of LAFCO Termination. Termination of this MOU shall constitute termination of coverage for the entire LAFCO group. Effective the date of termination of this MOU, El Dorado County shall have no

obligation to continue to provide coverage or benefits to any of LAFCO's employees, retirees, or their dependents, except as provided for by COBRA.

1. **Ineligibility of Commissioners.** It is agreed by the parties that current and former members of the Commission itself shall not be eligible to enroll in County-Sponsored Health Benefits solely by virtue of being or having been a member of the Commission.
3. **Payment of payroll taxes due for participation in the Medicare portion of Social Security as required by federal law.**
4. **Long Term and Temporary Disability, Life Insurance and Supplemental Life Insurance, as provided to County employees pursuant to the Salary and Benefits Resolution for Unrepresented Management and Confidential employees currently in force.**
5. **County's Employee Assistance Program as provided to County employees pursuant to the Salary and Benefits Resolution for Unrepresented Management and Confidential employees currently in force.**
6. **Public Employees Retirement System (CALPERS) programs and benefits as provided to County employees; LAFCO employees shall be treated as County employees for the purpose of membership in CALPERS retirement programs as allowed by law.**

In the form and manner provided for determining costs to County departments for the programs and benefits named above, the Board of Supervisors shall determine the direct service charges to LAFCO and notify the Commission of these amounts for the following fiscal year on or before May 1. The Commission agrees to pay the County for employee programs and benefits at amounts and methodologies calculated on the same basis as a County department.

D. APPLICABILITY OF POLICIES AND REGULATIONS OF EL DORADO COUNTY

Changes in salary and benefits approved by the County for its employees in comparable positions will be reviewed and considered by the Commission for its employees. Unless otherwise specified by the Commission, provisions stated in the County's currently in force Compensation Administration Resolution and Salary and Benefits Resolution will apply to Commission employees, including:

1. **Hours of work, overtime, compensatory time off, accumulation and use, rest periods and meals periods.**
2. **Vacation accruals, use scheduling, and donations.**
3. **Holidays scheduled and observed, and compensation.**
4. **Sick leave accruals, use, eligibility, integration with other benefits, payment for unused sick leave, administration of sick leave and medical leaves of absence.**

5. Payroll, pay periods and pay days.
6. Pay upon promotion, reclassification, demotion, restoration/revision of anniversary date, re-employment.
7. Supervisory and management leave accruals and payment for unused leave.
8. Leave of absence, military leave, jury duty and court appearances.
9. Acting pay, PERS contributions.
10. Use of facilities, county building closures, parking and smoking restrictions.
11. Tuition reimbursement and employer-related training.
12. Travel and expense reimbursement, vehicle use and mileage reimbursement.
13. Equal Employment Opportunity plans as applicable.
14. Injury and illness prevention, safety expectations, substance abuse and work place violence prevention as applicable.

E. DISCRIMINATION AND HARASSMENT

The Commission adopts the attached County Discrimination and Harassment Policy, as currently set forth and as may be amended from time to time by the County. The Executive Officer of LAFCO is designated as the Equal Employment Opportunity (EEO) Officer for LAFCO, responsible for conducting appropriate investigations including those rising from DFEH, EEOC or other employment related complaint. Complaints which can not be resolved by the Executive Officer or which involve the Executive Officer will be referred to the LAFCO Commission for appropriate investigation and resolution. Personnel matters shall be heard by the Commission pursuant to the Brown Act and any other applicable state laws.

F. GRIEVANCE PROCEDURE

All grievances, excluding discrimination and harassment allegations, shall be brought to the attention of the Executive Officer within five (5) working days of the incident or occurrence giving rise to the complaint. The Executive Officer will review and/or investigate the complaint and provide an answer in writing within thirty (30) days of the referral of the grievance to him or her, or as promptly as possible if a written answer cannot be provided within that thirty (30) day period. Grievances which cannot be resolved by the Executive Officer will be referred to the Commission at the next regularly scheduled Commission meeting for which notice can be given. Personnel matters shall be heard by the Commission pursuant to the Brown Act and any other applicable state laws and the Commission decision shall be final and binding on all parties.

G. TERMINATION PROVISION

This agreement shall continue in effect until terminated. Either party to this MOU may terminate this agreement for any reason provided that the terminating party provides written notice to the other party as set forth below.

Written notice of termination of this MOU shall be provided to the officials designated no later than March 1 prior to the commencement of the next succeeding fiscal year (July 1). If timely written notice of termination is given, this MOU shall terminate effective Midnight on June 30 of the fiscal year in which the notice was given.

Notice shall be given to the following officials of either party:

El Dorado LAFCO Executive Officer
550 Main Street, Suite E
Placerville, CA 95667

El Dorado County Risk Program
Manager
330 Fair Lane
Placerville, CA 95667

El Dorado County Human Resources
Director
330 Fair Lane
Placerville, CA 95667

H. AGREEMENT MODIFICATION/AMENDMENTS

This agreement may be modified in whole or in part through written modifications/amendments approved by the governing bodies of both entities and executed by the designated representatives of both entities.

I. RISK MANAGEMENT PROCEDURES

The parties agree and acknowledge, with regard to claims and/or litigation, that the Commission shall be fully covered as a fully paying participant in the Risk Management Pool. The parties agree to utilize the current, and as may be amended in the future, County Risk Management Pool procedures, formulas and protocols ("procedures"). The Commission reserves its right to choose its own counsel where appropriate under the circumstances and agrees to consult with the County when considering engaging special counsel for claims and/or litigation that is covered under the Risk Management Pool program. Where the County Counsel's office is willing and able to adequately represent the Commission, but the Commission of and by its own choice declines such representation by County Counsel, the parties understand and agree that the Commission, not the Risk Management Pool, will pay for costs incurred for such special counsel. If the Commission selects its own counsel and declines outside counsel provided and offered by the County as a part of the Risk Management Pool, any funding for the cost of such outside counsel shall not exceed the hourly rate of the outside attorneys' proposed by the County absent a showing that the counsel proposed by the County is not appropriate for the job.

This provision shall automatically terminate if the Commission acquires its own independent insurance program.

This termination provision does not prevent the Commission from reapplying for inclusion in the County's Risk Management Pool at a future date with the understanding that the County is not obligated to accept the Commission as a fully paying participant in the Risk Management Pool at that time.

///

///

///

IN WITNESS WHEREOF, the County has, by order of the Board of Supervisors, caused these presents to be subscribed by the Chair of the Board and to be attested by the Clerk of the Board, and the Commission has duly caused these presents to be subscribed by its duly authorized officers who have signed this Memorandum of Understanding on the day, month and year written below.

COUNTY OF EL DORADO

Date: 2/15/05

By: Charlie Paine

CHARLIE PAINE

Chair
Board of Supervisors

ATTEST:
CINDY KECK
Clerk of the Board of Supervisors

By: [Signature]
Deputy Clerk

Date: 2/15/05

LOCAL AGENCY FORMATION COMMISSION

Date: 1-26-05

By: [Signature]

Chair,
Local Agency Formation Commission