

MEMORANDUM OF UNDERSTANDING

Between Hartnell Community College District

And the International Union of Operating Engineers Stationary Local 39

This Memorandum of Understanding ("MOU") is entered into by and between HARTNELL COMMUNITY COLLEGE DISTRICT ("HCCD" or "District") and the INTERNATIONAL UNION of OPERATING ENGINEERS STATIONARY LOCAL 39 ("L-39" OR "Union"), collectively referred as the "Parties", concerning the items set for below.

WHEREAS:

Through the work of the Health and Welfare Benefit Sub Committee (H&WBSC), the District and L-39 explored new health plan options in an attempt to determine if an alternative medical and prescription option was available and achieves the following:

1. Maintains or improves available health coverage for all eligible employees.
2. Continues to offer employees coverage using the Blue Shield network for PPO and Kaiser HMO.
3. Offers health care to employees in a more fiscally sustainable manner.

On July 17, 2025 the H&WBSC recommended that the District move from its self-funded health plan administered by the Monterey County Salinas Insurance Group (MCSIG). The other health plan option considered was Self-Insured Schools of California (SISC).

After careful consideration and agreement by L-39, in accordance with Article 18.B of the collective bargaining agreement. The Parties agree to a change in plan administrator from MCSIG, to SISC.

THEREFORE:

The parties agree to prepare, sign, and deliver a jointly executed letter to SICS for L-39's participation in SICS medical and prescription plans as follows:

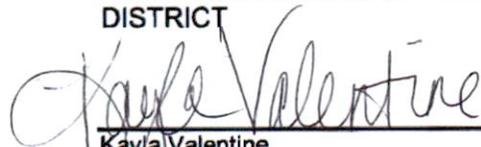
- SISC 80K (base plan)
- SISC PPO 80M – with a monthly \$200.00 health reimbursement account (\$2,400) annually
- SISC HSA 5000 - with a monthly \$350.00 health savings account (\$4,200) annually
- SISC Kaiser - with a monthly \$200.00 health reimbursement account (\$2,400) annually

In the event that the California School Employees Association and its Chapter 470 ("CSEA"), the classified union, the Hartnell College Faculty Association ("HCFA") and or the unrepresented groups do not agree to transition from MCSIG to SISC, the District shall confirm with SISC whether L-39 can transition without the other units. If SISC will allow L-39 to transition to SISC without the other bargaining units, then the transition will move forward. If SISC will not allow L-39 to transition to SISC without the other bargaining units, then the District shall notify L-39 of this result and the parties shall meet to discuss other available health benefit options.

This agreement is subject to ratification by L-39 and adoption by the Hartnell College Board of Trustees. This MOU is subject to the grievance and arbitration sections of the collective bargaining agreement, as applicable.

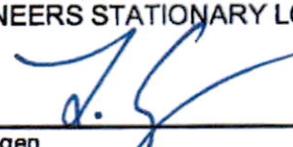
Date:

HARTNELL COMMUNITY COLLEGE
DISTRICT



Kayla Valentine
Interim Vice President, Human Resources

INTERNATIONAL UNION of OPERATING
ENGINEERS STATIONARY LOCAL 39



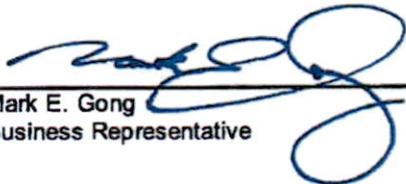
Tim Eggen
Business Manager



Jeff Gladieux
President



Brandy Johnson
Director of Public Employees



Mark E. Gong
Business Representative

27 August 2025