

STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: MARNIE BARRETT, HUMAN RESOURCES COORDINATOR  
 GAYLA CHAPMAN, ADMINISTRATIVE SERVICES DIRECTOR

SUBJECT: PROPOSED ONE-YEAR SUCCESSOR MEMORANDUM OF UNDERSTANDING WITH SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 620 (SEIU)

*Marnie Barrett*  
*Gayla R. Chapman*

**BACKGROUND**

On June 30, 2013, the City's 2012 – 2013 contract with Service Employees International Union, Local 620 will expire. Labor negotiations for a successor contract began in April and were successfully completed in early June. The City's team consisted of Lead Negotiator Bob Perrault, Gayla Chapman, and Marnie Barrett, with Eve Byrd as alternate. The negotiating team for the bargaining group represented by SEIU consisted of Lead Negotiator Mike Woods and Darryl Scheck from SEIU, Nora O'Donnell, and Marty Solis. The atmosphere of the negotiations sessions was professional, cooperative and cordial, and staff wishes to express appreciation for the hard work and commitment of the members of both negotiating teams.

**DISCUSSION**

Attached is a copy of the signed one-year successor Memorandum of Understanding (MOU) for the period July 1, 2013, through June 30, 2014. Consistent with the cost parameters established by the Council, the highlights of the new agreement are:

- All employees in this bargaining group will be furloughed for eight (8) scheduled days (64 hours) per employee for the fiscal year;
- Vacation and Sick Leave Buy-Back programs continue within certain limited parameters;
- City contribution to dependent health care premiums remains unchanged;
- City agrees to increase the Bilingual pay from \$75 to \$80 per month for the six qualified employees in the bargaining group;
- City agrees to increase the life insurance policy from \$40,000 to \$50,000 for all members of the bargaining group;
- City agrees to a reopener within 30 days of receiving the 2014 Public Employees' Medical and Health Coverage Act ("PEMHCA") rates to meet and confer regarding the financial impacts to the employees in the bargaining group.

**APPROVED FOR FORWARDING**

*Robert Perrault*

ROBERT PERRAULT  
 CITY MANAGER

**Please Review for the Possibility of a Potential Conflict of Interest:**

- None Identified by Staff     Bright  
 Lee     Marshall  
 Nicolls     Peterson

The provisions in this one-year MOU are projected to provide savings to the General Fund in the amount of \$26,232; for all funds the savings are projected to be \$35,050.

### **ALTERNATIVES**

The City Council has the following alternatives:

1. Adopt the Resolution ratifying the successor one-year MOU with SEIU; or
2. Provide staff with alternate direction.

### **RECOMMENDED ACTION**

It is recommended that the City Council adopt the Resolution ratifying the successor Memorandum of Understanding (MOU) with Service Employees International Union, Local 620 (SEIU).

### **FISCAL IMPACT**

The fiscal impact to the General Fund will be approximately \$26,232 in savings.

### **PUBLIC NOTIFICATION**

The agenda was posted in accordance with the Brown Act. Copies of this Staff Report and agenda were provided to the members of the negotiating team for SEIU Local 620.

### **Attachments**

1. Resolution ratifying the one-year successor Memorandum of Understanding with Service Employees International Union, Local 620 (SEIU) with Exhibit A (MOU).

RESOLUTION NO. 13-\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, RATIFYING A MEMORANDUM OF UNDERSTANDING WITH SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 620 (SEIU) FROM JULY 1, 2013, TO JUNE 30, 2014**

**WHEREAS**, the representatives of the City and the Service Employees International Union, Local 620 (SEIU) have met and conferred in good faith and have tentatively agreed to the terms and conditions set forth in Exhibit A – Memorandum of Understanding (MOU); and

**WHEREAS**, the membership of SEIU has ratified the tentative agreement set forth in Exhibit A; and

**WHEREAS**, the City Council has reviewed and approved of the terms and conditions set forth therein.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Grover Beach does hereby adopt this Resolution ratifying the MOU.

On motion by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, and on the following roll-call vote, to wit:

- AYES: Council Members –
- NOES: Council Members –
- ABSENT: Council Members –
- ABSTAIN: Council Members –

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at the Regular Meeting of the City Council of the City of Grover Beach, California, this 17<sup>th</sup> day of June, 2013.

\_\_\_\_\_  
DEBBIE PETERSON, MAYOR

DRAFT

ATTEST:

\_\_\_\_\_  
DONNA L. McMAHON, CITY CLERK

**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 620  
AND THE CITY OF GROVER BEACH  
JULY 1, 2013 THROUGH JUNE 30, 2014**

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**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE SERVICE EMPLOYEES INTERNATIONAL UNION,  
LOCAL 620  
AND THE CITY OF GROVER BEACH**

**ARTICLE I - GENERAL PROVISIONS**

We, the undersigned, duly appointed representatives of the Service Employees International Union, Local 620 (hereinafter "Union"), a recognized employee organization, and the duly appointed representatives of the City of Grover Beach (hereinafter "City") having met and conferred in good faith in accordance with the Meyers-Milias-Brown Act, and having agreed on certain recommendations to be submitted to the City Council, do hereby prepare and execute the following written Memorandum of Understanding (hereinafter "MOU").

**ARTICLE II - COMPENSATION**

1. Base Pay. Employees occupying job classes represented by the Union shall earn a Base Pay within the ranges established by the salary schedule attached to this MOU as Exhibit A and incorporated by reference in full herein. This schedule shall be used by the City to establish an employee's exact Base Pay and base hourly rate of pay.
  
3. Regular Pay. An employee's Regular Pay shall include the Base Pay plus Incentive Pay. Regular pay shall not include Standby Pay, Call-Out Pay, or Overtime Pay.
  
4. Standby Pay.
  - a. An employee shall receive Standby Pay when the employee is assigned by the Department Director to be ready to respond immediately to a request for emergency service and to be accessible by telephone or other communication equipment. Any employee assigned to standby status evenings, weekends, or holidays shall receive \$189.00 per week or \$27.00 per day in Standby Pay.
  
  - b. In the event of a personal emergency that would preclude the employee assigned to standby from performing his/her duties at any time during the week, the employee shall notify his/her supervisor of the emergency and arrange for another employee to fill his/her shift. Any employee agreeing to fill a shift for the standby duty person shall receive compensation at the rate of \$27.00 per day. The standby duty person shall not receive Standby Pay for any day or portion thereof during which he/she is unable to serve in a standby capacity due to a personal emergency.

5. Weekend Duty. Employees on standby status, who also perform scheduled rounds or other work assignments on weekends as directed by the Public Works Superintendent, shall be compensated for actual time worked with a minimum of 3.0 hours at a rate of one and one-half times Regular Pay. This provision shall apply only to employees in the Public Works Division.
  
6. Holiday Duty. Employees on standby status, who also perform scheduled rounds or other work assignments on holidays as directed by the Public Works Superintendent, shall be compensated for actual time worked with a minimum of 3.0 hours Double-Time Pay. This provision shall apply only to employees in the Public Works Division.
  
7. Call-Out Pay. An employee shall earn Call-Out Pay when the employee is ordered to return to work after the employee has completed the employee's usual work shift and left the work site. An employee called in early to start his/her day or shift without prior reasonable notice shall also be eligible for Call-Out Pay.
  - a. Except as provided in Section 7 (c) of this Article, the City shall pay the employee a minimum of two hours of Overtime Pay for all call outs.
  
  - b. Except as provided in Section 7 (d) of this Article, additional call outs during any two-hour minimum call-out period will be considered time already paid. Any subsequent call out beyond the initial two-hour call out shall begin a new two-hour period. Call-Out Pay between the hours of 11:00 p.m. and 5:00 a.m. shall be at a minimum of three hours of Overtime Pay.
  
  - c. Additional call outs during any three-hour minimum call-out period, as provided in Section 7 (c) of this Article, will be considered time already paid. Any subsequent call out beyond the initial three-hour call out shall begin a new three-hour period.
  
8. Overtime Pay.
  - a. Employees shall earn Overtime Pay for authorized time worked in excess of 40.0 hours over a seven-day Work Period, not including hours for which Standby Pay has been provided. With the exception of vacation time, compensatory time off and holidays paid but not worked, time off with or without pay shall not count as hours worked toward such time and one-half payment. Overtime Pay shall be paid on a straight-time basis for all overtime hours worked in a Work Period where hours worked equals 40.0 or fewer hours. Overtime Pay shall be paid at a rate of time and one-half for all hours worked in excess of 40.0 hours in a Work Period. The employee may elect to receive Overtime Pay in the form of Compensatory Time Off or cash compensation at the applicable rate.



- b. With notice provided to the employee at least 72 hours in advance or with the mutual agreement of the employee and the Department Director, a Department Director may adjust the employee's work schedule so that the employee's actual hours of work, including for weekend duty hours or weekend special events, do not exceed 40.0 hours in the regular Work Period.
- c. If notice is not provided at least 72 hours in advance and the employee and Department Director do not mutually agree to adjust the work schedule, any hours worked outside of the normal work schedule for that employee during that Work Period shall be compensated at a rate of one and one-half times Regular Pay.
- d. Employees with fewer than 15 years service may accumulate a maximum of 60.0 hours of Compensatory Time Off. Employees with 15 years or more service may accumulate a maximum of 40.0 hours of Compensatory Time Off. Any overtime worked which would result in exceeding that limit shall be compensated in the form of cash.

9. Bilingual Pay.

- a. Bilingual Pay. An employee fluent in Spanish, Tagalog, or other language, the use of which the City Manager has determined to be of benefit to the City, shall be paid \$80.00 per month upon written approval by the City Manager. Fluency shall be certified by a test administered through the Human Resources office. A certified employee shall request Bilingual Pay on a form approved by the City Manager. No more than six employees fluent in one of the identified languages shall be eligible for Bilingual Pay at any one time.
- b. The City Manager shall determine which employees, what mix of languages, and which job functions may be eligible for Bilingual Pay based upon accessibility of the employee to the public, representation in departments, or other factors that could affect the use of these skills for public benefit. Nothing in this Section shall preclude the use by an employee of foreign language skills in the workplace for the public benefit even if the employee is not receiving Bilingual Pay.

10. Incentive Pay.

- a. Longevity Pay. Employees are eligible for Longevity Pay after completing five years of service with the City. An eligible employee shall request Longevity Pay on a form approved by the City Manager. If granted, an employee shall receive an amount equal to 3.0% of Regular Pay as Longevity Pay. An employee with more than ten years of service is eligible to receive an amount equal to an additional 2.0% of Regular Pay as Longevity Pay upon request in writing and approval. Longevity Pay

shall be earned only upon the recommendation of the Department Director with the approval of the City Manager.

- b. Education Incentive Pay.
  - i. Education Incentive Pay shall be earned only for a degree which enhances the employee's ability to effectively perform his/her duties with the City. No employee will be eligible for Education Incentive Pay until completion of at least six month's continuous service with the City.
  - ii. Education Incentive Pay is only available if the degree certifies educational attainment greater than required as a prerequisite to appointment to the employee's current position.
  - iii. An eligible employee shall request Education Incentive Pay on a form approved by the City Manager. If the City Manager approves the request, Education Incentive Pay shall increase the employee's Regular Pay as follows: Associate Degree, 2.5%; Bachelor's Degree, 5.0%, Master's Degree, 5.0%, except that such Education Incentive Pay shall not apply if the employee uses the advanced degree in lieu of years of experience for promotion in a flexibly staffed series.
  - iv. These education incentives are not cumulative. In no instance shall Education Incentive Pay increase Regular Pay by more than 5.0%.
- c. Certificate Pay. Journey-level employees are eligible for Certificate Pay if they possess current certification in excess of certification which is required for their current job class. An eligible employee shall request Certificate Pay on a form approved by the City Manager. If the City Manager approves the request, the employee shall receive Certificate Pay in an amount equal to 2.5% of Regular Pay.
- d. Certificate/Licensing Merit Increase. Any employee receiving certification or licensing in an area related directly to the employee's work assignment may request, in writing, to be evaluated for a merit increase at the time of certification or licensing. The evaluation shall include all the criteria of a regular periodic employee evaluation including consideration of the acquired certification or licensing. This evaluation shall not replace the regular periodic evaluation. Any merit increase shall be no greater than one step in the employee's current salary range, and may be granted on the recommendation of the Department Director with the approval of the City Manager. No merit increase shall be granted for the receipt of a certificate which entitles the employee to receive Certificate Pay under the provisions of Section 10 (c) of this Article.

11. Acting Pay. Article III Section 14 of the City's Classification and Compensation Plan Resolution No. 02-73, as amended, (hereinafter "CCP") is hereby amended to read as follows:

"Acting Pay. Acting for an uninterrupted period of 10 working days in a higher class or rank shall be compensated at no more than 10% above the acting employee's Regular Pay throughout the acting period. Said amount of compensation shall be approved by the City Manager."

12. Flexibly Staffed Job Classes.

- a. Maintenance Worker I/II. This job class shall be flexibly staffed. Employees in this job class are eligible to be promoted to the higher level after serving a period of two years, meeting or exceeding the minimum qualifications of the higher level, and passing a competitive qualifying examination, subject to the recommendation of the Department Director and approval of the City Manager.
- b. Planner I/II. This class series shall be flexibly staffed. Employees in the class of Planner I are eligible to be promoted to the higher level after serving for a period of two years and meeting or exceeding the minimum qualifications of the higher level, subject to the recommendation of the Department Director and approval of the City Manager.

13. Payroll Deductions. The City hereby agrees to arrange for payroll deductions when requested by the employee upon the applicable form which has been signed by the employee for various items.

- a. Payroll deductions shall include at least the following, as long as such programs are available through the City: deferred compensation, credit union, Union Dues, Agency Shop Fees, Core Fees, In Lieu Fees, additional life insurance, accident insurance, cancer insurance, long-term care insurance, short-term disability insurance, and United Way. Participation by the employee in any of these programs shall be at the sole cost of employee, except as provided in this MOU.
- b. If an employee in a job class in the competitive service represented by the Union requests a payroll deduction for Union Dues, Agency Shop Fee, Core Fee, or In Lieu Fee, the request must be made on a Union Dues Deduction Authorization Form approved by the Administrative Services Director.
- c. Pursuant to and in accordance with Section 3502.5 of the Government Code and all of the provisions therein, the City and the Union agree that on and after the effective date of the ratification of this Amendment to the MOU by the Union and approval by the City Council, all employees in a position in a job class represented by this Union shall be required as a

condition of continued employment to elect to do one of the following:

- i. Join the Union and authorize the deduction of Union Dues; or,
- ii. Authorize the deduction of an Agency Shop Fee; or,
- iii. Authorize the deduction of a Core Fee; or,
- iv. Authorize the deduction of an In Lieu Fee.

An Agency Shop Fee shall be a fee equal to Union Dues. No portion of a Core Fee may be used by the Union for any of the following activities: political purposes, contributions to candidates or political parties, members-only benefits, lobbying, ballot measures, publications, organizing, and/or litigation. A Core Fee election must be made within 30 days of ratification of this Amendment to the MOU, or annually during the month of January. An In Lieu Fee shall be as provided in Section 13 (e) of this Article. The provisions of Sections 13 (c) through 13 (g) of this Article may be rescinded pursuant to the procedures provided in Government Code Section 3502.5(b)

- d. In the event that an employee in a class represented by the Union fails to authorize the deduction of Union Dues, an Agency Shop Fee, a Core Fee, or an In Lieu Fee from the employee's paycheck, the Union shall provide written certification to the City of such failure signed by an authorized representative of the Union. The Union shall provide the City with a list of the persons who are authorized to sign such certifications. Prior to providing such certification to the City, the Union shall notify the employee of its intention to provide such certification to the City, in order to give the employee an opportunity to respond within five consecutive days that the employee works. If the employee responds during those five working days, an authorized representative of the Union shall meet with the employee to counsel the employee about the four options available under Section 13 (c) of this Article. If that counseling is unsuccessful, certification shall be made on a form provided by the Union to the City. Such failure by an employee to authorize the deduction of Union Dues, an Agency Shop Fee, a Core Fee, or an In Lieu Fee shall constitute grounds for termination by the appointing authority. Upon certification by the Union of non-compliance by an employee covered by this MOU, the City shall terminate the non-complying employee.
- e. An In Lieu Fee shall be defined as a fee paid in lieu of Agency Shop Fees by any employee who is a member of a *bona fide* religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations consistent with the provisions of Section 3502.5(c) of the Government Code. An employee claiming exemption from Union Dues, an Agency Shop Fee, or a Core Fee shall

provide proof satisfactory to the Union of such exemption, and shall authorize a payroll deduction for an In Lieu Fee in an amount equal to the Agency Shop Fee to the United Way, Hospice of San Luis Obispo County, or the Red Cross.

- f. Exceptions to Dues Deduction Authorization. An employee's earnings must be sufficient after other legal and required deductions are made to cover the amount of the Union Dues, Agency Shop Fees, Core Fees, or In Lieu Fees deduction authorized. When an employee is in a non-pay status for an entire Pay Period, no such deduction shall be made from future earnings to cover that Pay Period. The employee shall not be required to deposit with the Administrative Services Director the amount which would have been deducted if the employee had been in a pay status during that Pay Period. In the case of an employee who is in a non-pay status during only a portion of a Pay Period and whose salary is insufficient to cover other legal and required deductions, no deduction will be made for Union Dues, Agency Shop Fee, Core Fee, or In Lieu Fee. If and when the employee returns to paid status and the amount of compensation is sufficient, the City shall again deduct the appropriate amount of Union Dues, Agency Shop Fees, Core Fees, or In Lieu Fees.
- g. Subsequent to the ratification of this Amendment to the MOU, the Union shall prepare financial statements consistent with generally accepted accounting practices reflecting the collection and use of all Union Dues, Agency Shop Fees, and Core Fees of the individuals in job classes represented by the Union.

14. Furlough Program.

- a. Each employee in this unit shall be furloughed without pay for eight (8) scheduled days during FY 14, which days off may be in concert with other non-safety employees in the City, such days to be determined by the City. The City shall have the sole discretion to determine which days the furlough will be instituted. The reduction in pay for such days off shall be accomplished through equal reductions in the employees' paychecks throughout the fiscal year instead of fully during the pay period in which the time off occurs. Should any other represented employee bargaining group reach an agreement with the City during the term of this contract that includes fewer than eight (8) days of furlough, the number of furlough days for this unit shall be adjusted to be consistent with the most favorable terms agreed to.
- b. Employees required to work a normal duty assignment on a pre-determined furlough day will be permitted to bank the equivalent hours worked on a normal duty assignment, provided the employee takes the banked hours as furlough time within 30 days of the scheduled furlough day, with Department approval.

### ARTICLE III - WORK PERIOD

The customary Work Period shall be 40 hours of actual time worked during a consecutive seven-day period commencing at 12:01 a.m. on Monday and ending at 12:00 midnight on Sunday. The 40-hour Work Period shall include time not worked because of holiday leave, but shall not include time not worked because of Vacation Leave, Compensatory Time Off, or Sick Leave. This Work Period may be changed to provide an alternative schedule which is agreeable to the City and an individual employee.

### ARTICLE IV - BENEFITS

1. Health Insurance. The City shall provide health insurance benefits, which shall include medical, dental and vision coverage consistent with Sections 1(a) and 1(b) of this Article.

- a. City shall pay the employees' portion of health insurance costs for health insurance plans offered by the City during the term of this MOU.
- b. City shall contribute, on a monthly basis, up to a maximum of the amounts displayed in the following table toward the cost of dependent care coverage for health insurance:

<u>Coverage Period</u>	<u>Type of Coverage</u>	<u>Maximum Monthly City Contribution</u>
July 1, 2013 - June 30, 2014	Employee + One Dependent	\$ 567.00
	Employee + Family	\$1,002.00

- 2. Life Insurance. The City shall pay for group life insurance coverage in the amount of \$50,000 for all employees covered by this MOU. The City shall provide dependent life insurance coverage in the amount of \$5,000 for an employee's spouse and \$2,000 for each dependent child covered under the City's dental insurance plan.
- 3. Long-term Disability Insurance. The City shall pay for long-term disability insurance for all full-time employees. Long-term disability insurance payments shall be available only after a 90-day waiting period after the onset of the illness or date of injury.
- 4. State Disability Insurance (SDI). All employees covered by this MOU shall be enrolled in the State Disability Insurance plan, consistent with the following provisions:
  - a. Employees may apply for SDI at any time following the date of their eligibility for SDI benefits. Current eligibility begins on the eighth consecutive calendar day of an extended illness or injury or on the first

day of hospitalization.

- b. The premium charged for SDI shall be paid for by the employee.
  - c. Any employees eligible for SDI benefits may elect to use their available Sick Leave credits to supplement their SDI benefits, so that the sum of the SDI benefits and Sick Leave credits used approximates but does not exceed their normal net paycheck. An employee making such an election shall notify the Administrative Services Department in writing at least one week in advance.
5. Medicare. Employees shall participate in the federal program of Medicare, and shall pay those premiums required by law, which the City shall deduct from the employee's pay.
6. Deferred Compensation. The City shall contribute up to \$40.00 each month into one of the two existing deferred compensation plans on a dollar-for-dollar basis. That is, the City will contribute \$1.00 for each \$1.00 contributed by the employee up to a maximum of \$40.00 per month.
7. Vacation Leave Accrual. Employees shall accrue Vacation Leave as follows:
- |                                      |                          |
|--------------------------------------|--------------------------|
| Up to one year of continuous service | 10 days accrued per year |
| After one year                       | 11 days accrued per year |
| After two years                      | 12 days accrued per year |
| After three years                    | 13 days accrued per year |
| After four years                     | 14 days accrued per year |
| After five and six years             | 15 days accrued per year |
| After seven years                    | 16 days accrued per year |
| After ten years                      | 17 days accrued per year |
| After 15 or more years               | 20 days accrued per year |
- a. Employees accrue Vacation Leave on a bi-weekly basis in conformance with the table set forth above.
  - b. Employees do not accrue Vacation Leave while on a leave without pay.
  - c. The City will not reduce an employee's Vacation Leave balance for holidays falling within a vacation period.
8. Vacation Leave Usage. Employees are eligible to use accumulated vacation leave upon accrual of such leave.
9. Vacation Leave Scheduling. An employee may use Vacation Leave upon written request made in advance to and approved by the employee's Department Director.

10. Vacation Leave Maximum Accumulation.

- a. Employees with fewer than five years of continuous service may accumulate Vacation Leave up to thirty days (240 hours). Employees with five years or more of continuous service may accumulate Vacation Leave up to thirty-five days (280 hours). Employees with over ten years of continuous service may accumulate Vacation Leave up to forty-four days (352 hours).
- b. The City shall make every effort to notify employees as they approach their maximum accumulation of Vacation Leave. If for any reason an employee accrues Vacation Leave in excess of the maximum accrual permitted by this MOU, the employee will cease to accumulate Vacation Leave until such time as the employee's accumulated leave balance is reduced to a level below the maximum. The City Manager may approve exceptions to accumulations in excess of the maximum accrual permitted.
- c. Employees who leave City service and have accumulated Vacation Leave will be reimbursed in full for the accumulated amount as a part of their final paycheck.

11. Vacation Leave Buy-Back. An employee may exchange Vacation Leave hours for cash. Upon request the City shall buy back Vacation Leave hours accumulated in excess of 95% of the employee's maximum authorized accrual amount. The payment for these Vacation Leave hours shall be at 100% of the employee's regular hourly pay rate. The employee's request shall be in writing, and may be made once annually during the last two months of the calendar year. No employee may receive payment under the provisions of this Section for more than 20 hours of Vacation Leave in any calendar year.

12. Sick Leave.

- a. Effective upon ratification of this agreement, the maximum Sick Leave accrual for all job classes represented by SEIU Local 620 shall be increased to a total of 2,000 hours. Unused accumulated Sick Leave exceeding 576 hours shall not be subject to the Sick Leave Buy-Back Program or payment at termination of employment with the City. Unused accumulated Sick Leave may be converted to additional service credit in accordance with GC 20965 – Credit for Unused Sick Leave.
- b. Sick Leave Buy-Back. Effective upon ratification of this agreement, the Sick Leave Buy-Back Program as described in the City's Personnel Regulations (Resolution No. 94-18, as amended) is suspended during the term of this agreement.

13. Mileage Reimbursement. If an employee uses his/her own vehicle for authorized travel, the City will reimburse the employee in an amount equal to the miles



driven times the current Internal Revenue Service (IRS) rate for mileage reimbursement.

14. Retirement.

- a. The City participates in the Public Employees Retirement System (CalPERS) and Social Security Program. The City shall pay the full portion of the employer's retirement contribution under CalPERS, as well as the employer's contribution under Social Security. Each employee shall pay the full portion of the employee's retirement contribution under CalPERS, for a total of 8%, as well as the employee's contribution under Social Security. As allowed under IRS Code Section 414 (h) (2), the employee contribution to CalPERS will be made by the employees on a pre-tax basis.
- b. CalPERS Miscellaneous 2.5% at Age 55 Retirement Plan with One-Year Final Compensation is provided for employees represented by the Union hired on or before December 31, 2012.
- c. In accordance with the Public Employees' Pension Reform Act, or "PEPRA", CalPERS Miscellaneous 2% at Age 62 Retirement Plan with three-year Final Average Salary Compensation is provided for employees represented by the Union hired on or after January 1, 2013.

15. Education Reimbursement. The City shall reimburse employees for education expenses up to \$700.00 per fiscal year (July 1 through June 30). This reimbursement shall be paid to an employee who has completed college-level studies with a grade of "C" or better for work-related course work during such period. Upon the recommendation of the Department Director, the Human Resources Coordinator shall determine whether the course work is work-related. Such determination by the Human Resources Coordinator shall be requested by the employee prior to enrollment in the course, and shall be submitted on a form provided by the Human Resources Coordinator. Reimbursement shall be granted for the cost of tuition, books, and special supplies, when the employee submits a report card indicating a satisfactory grade from the educational institution, as well as receipts for all expenses and written authorization from the Human Resources Coordinator.

16. Uniforms. The City agrees to provide one clean uniform for each day of scheduled work (five sets of uniforms per fiscal year) for each field employee required to wear a uniform. The City further agrees to maintain, repair and/or replace these uniforms as necessary.

17. Safety Equipment. Any employee required to wear steel-toed safety shoes or safety glasses shall be reimbursed by the City for the purchase of such equipment up to a maximum amount of \$150.00 for safety shoes and \$150.00 for safety glasses per fiscal year.

18. **Damage to Equipment.** Any safety equipment damaged during working hours while the employee is performing his/her duties shall be replaced by the City, at City expense, subject to the maximum amounts listed in Section 17 of this Article. Replacement of personal items damaged by an employee during working hours may be replaced at the City's discretion on a case-by-case basis after investigation by the Department Director and provided that employee negligence did not cause the damage.
  
19. **Holidays.** In addition to the paid holidays provided in the City's *Personnel Regulations* (which are: New Year's Day, January 1; Martin Luther King's Birthday [observed]; Lincoln's Birthday, February 12<sup>th</sup>; Washington's Birthday, 3<sup>rd</sup> Monday in February; Memorial Day, last Monday in May; Independence Day; Labor Day, first Monday in September; Columbus Day [observed]; Veteran's Day, Nov 11<sup>th</sup>; Thanksgiving Day and the Day following; Christmas Eve, half day; Christmas Day, December 25<sup>th</sup>) members of this unit shall receive 4.0 hours paid leave credit for the day before New Year's Day. The City shall have the discretion to determine whether employees shall have the half day off on the day before New Year's Day, add the time to the half day off already provided on the day before Christmas, or provide a form of paid time off leave credit for each employee in the amount of 4.0 hours.

#### **ARTICLE V - LAYOFF POLICY**

**Layoff Policy.** In the event of reductions in force due to fiscal constraints or changes in workload which would result in the need to layoff one or more employees in a job class represented by the Union, the employee(s) being laid off would be the employee(s) with the least seniority in the job class, as provided below:

1. Seniority in a job class shall be determined by permanent full-time length of service in the job class of the position(s) being reduced, and shall be used to determine which employee(s) is laid off. In the event that two or more employees were hired on the same day, the placement on the eligibility list shall be the determinant.
  
2. In the event that there are no other positions in the job class being reduced, and if the incumbent has had status (passed probation) in a lower job class, that employee may be moved into a position in the lower job class. Except as provided in Section 3 of this Article, the employee in the higher level job class will have super seniority over all individuals in the lower job class, regardless of full-time length of service with the City. If the lower level position is filled, the employee in that position would follow the same Layoff Policy (bumping procedure) until the least senior individual is identified for layoff.
  
3. Reductions in force which would result in the termination of any employee hired prior to July 1, 2003, who has served with uninterrupted service since that date, shall be determined instead based on seniority among all of the employees in the

lower job class.

4. Any employee who is reassigned to a lower job class due to a reduction in force under Section 2 of this Article shall be “y-rated” until such time as his/her salary is consistent with the then-current salary for the job class to which he/she has been reassigned.
5. In the event that a position which is being eliminated is filled by an incumbent who does not have status in a lower job class, that incumbent may be reassigned to any vacant position for which that incumbent meets the minimum qualifications as determined by the Human Resources Coordinator of the City.
6. An employee who is reassigned to a vacant position under Section 5 of this Article shall be paid at a step within the salary range for that position which is consistent with his/her qualifications for that position as determined by the Human Resources Coordinator of the City.
7. Employees who are laid off will be placed on a reinstatement list in the job class for which they have attained status, and will be eligible to be reinstated within a one-year period.

#### ARTICLE VI - UNION RIGHTS

1. Union Release Time. The City agrees that officers of the Union shall be permitted to conduct Union business during customary work hours provided such hours devoted to Union business do not cause the employee to exceed 40 hours in the Work Period. The date, time, and number of hours permitted for paid Union business shall receive prior approval by the City Manager. The Union agrees that Union meetings on City time shall require a minimum of 48 hours notice to the City Manager, shall be scheduled at a time mutually agreeable to the Union and the City Manager, and shall be limited to no more than one hour per month.
2. Union Training. At the discretion of the City Manager, two Union representatives (to be selected by the Union) may attend a course of bargaining and labor relations funded by the City at least once every two years.

#### ARTICLE VII - MANAGEMENT RIGHTS

1. Disciplinary Procedures. Each Department Director shall have the authority to establish disciplinary policies and procedures in compliance with statutory and decisional law, as well as the City’s *Personnel Regulations*.
2. Resignation Notification. An employee wishing to leave his/her employment with the City in good standing shall file with his/her Department Director a written resignation, stating the effective date of his/her resignation and the reason for leaving. The resigning individual should file such written resignation at least

two weeks in advance of the effective resignation date, and participate in an exit interview conducted by the City prior to issuance of the final paycheck.

3. Assignment and Scheduling. The City Manager may assign work to and schedule employees in accordance with workload and performance requirements, as determined by the City Manager, and may establish and change work schedules and assignments upon reasonable notice to employees.
4. Reservation of Rights. The City retains all of its exclusive management rights and authority under state law, ordinances, and rules and regulations of the City, which include but are not limited to:
  - a. Determining the mission of the City's constituent departments, commissions, and boards.
  - b. Establishing standards and levels of services.
  - c. Determining the procedures and standards of selection for employment and promotions.
  - d. Directing, supervising, and evaluating employees.
  - e. Determining the methods and means to relieve employees from duty, due to lack of work or other lawful reasons.
  - f. Maintaining the efficiency of governmental operations.
  - g. Determining the methods and means, as well as numbers and kinds of persons, by which government operations are to be conducted.
  - h. Determining methods of financing.
  - i. Determining the style and/or types of City-issued equipment to be used.
  - j. Determining and/or changing the facilities, methods, technology, means, organizational structure, and composition of the work force, as well as allocating and assigning work by which the City operations are to be conducted.
  - k. Determining and/or changing the number of locations, relocations, and types of operations, processes, and materials to be used in carrying out all City functions, including, but not limited to, the right to contract for or subcontract for any work, labor, services, or operations of the City.
  - l. Establishing and modifying productivity and performance programs and standards.
  - m. Discharging, suspending, demoting, reprimanding, withholding salary

increases and benefits, or otherwise disciplining employees in accordance with law.

5. Employee Rights. The Union recognizes that the City has, and will continue to retain whether exercised or not, the unilateral and exclusive right to operate, administer, and manage its municipal services and workforce performing those services in all respects, subject to this MOU; provided, however, that the exercise of such rights does not preclude employees or their representatives from conferring or raising grievances about the practical consequences that decisions on these matters may have on wages, hours, and other terms and conditions of employment.

#### ARTICLE VIII - GENERAL TERMS

1. a. Term of Memorandum of Understanding. The term of this MOU shall be from July 1, 2013 through June 30, 2014, unless the term is extended by mutual agreement by the Union and the City, or by operation of law.
- b. Reopener to discuss cost of medical coverage. The City agrees to notify the Union within 14 days of the publication of the 2014 rates for Public Employees' Medical and Health Coverage Act ("PEMHCA"). The Union and the City agree to reopen the meet and confer process within 30 days following that notification for the purpose of reviewing the cost of health coverage to the employees in the Union.
2. Adjustment in Salary Step Relationships. The City agrees that the adjustments in Base Pay amounts indicated in Exhibit A, as well as any future adjustments to these amounts, shall maintain a difference in Base Pay between Step A and Step B, between Step B and Step C, between Step C and Step D, and between Step D and Step E of 5.0%, with plus or minus 0.025% being an agreed-upon acceptable margin for deviation.
3. Represented Job Classes. Except as provided in Section 4 of this Article, the Union and City agree that the salary range information contained in Exhibit A shall include job class titles represented by the Union, and those job class titles shall be the following:
  - Planner I/II
  - Accounting Specialist
  - Maintenance Worker III
  - Building/Planning Technician
  - Revenue Technician
  - Maintenance Worker I/II
  - Equipment Mechanic II
  - Administrative Secretary
  - Recreation Coordinator
  - Account Clerk

- Equipment Mechanic I
  - Customer Service Representative
4. Amendment of the CCP. The Parties understand and agree that the CCP may require amendments during the term of this MOU, in order to create new job classes or to make equity adjustments to existing job classes. The Parties agree that such amendments to the CCP shall supersede any inconsistent provision of this MOU, provided that Section 5 of this Article has been complied with.
  5. Creation of New Job Classes. The Parties agree to meet and consult on the impact of the creation of new job classes, if any, represented by the Union.
  6. Severability. If any provision of this MOU should be held invalid or restrained by operation of law or by any court of competent jurisdiction, the remainder of this MOU shall not be affected.
  7. Full Understanding. The City and Union agree that this MOU sets forth the full and entire understanding of the Parties regarding the matters set forth herein, and verbal statements shall not supersede any of its provisions.
  8. No Requirement to Meet and Confer. Except as otherwise provided in Article II, Section 2, Article IV Section 14 and Sections 1.a. and 9 of this Article, the City and Union agree that neither Party shall be required to meet and confer concerning any specific provision of this MOU during the term of this MOU.
  9. Personnel Regulations. SEIU agrees that the City's Personnel Regulations were properly and duly adopted on April 4, 1994, that they are the authorized Personnel Regulations of the City, and that employees represented by SEIU shall abide by the terms of the Personnel Regulations. Further, SEIU recognizes the City intends to revise and update the Personnel Regulations to reflect changes in law, City policy, applicable provisions of MOUs, clarity of language, and applicability to each bargaining unit. The City shall provide notice to SEIU in all cases when proposing changes to the Personnel Regulations applicable to members of this unit; if meeting and conferring on any change is required, SEIU agrees to meet and confer.
  10. Successor Memorandum of Understanding. SEIU shall provide a written request to initiate negotiations on a successor MOU between February 1 and February 28, 2014. Subsequent to the receipt by the City of a written request that has been made on a timely basis, the representatives of the City and the Union shall then meet and confer concerning any proposed modifications, additions or deletions.
  11. Savings Clause. In the event that the implementation of any article or section of this MOU shall be frustrated on account of the operation of law or by any tribunal of competent jurisdiction, or if compliance with any article, section or subsection would be frustrated or restrained by such law or tribunal, representatives of the City and the Union shall, if possible, meet and confer for the purposes of

endeavoring to agree on a replacement for such article, section or subsection.

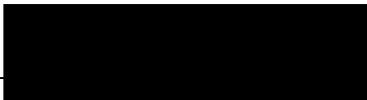
12. Effective Date. The effective date of this MOU shall be the day that this MOU is duly adopted by resolution of the City Council, or the last date entered by any member of the Union's negotiating team, whichever is later.

UNION  
NEGOTIATING TEAM



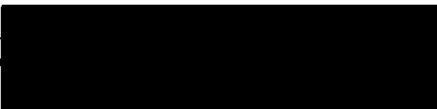
12 June, 2013

Date



June 12th, 2013

Date



6/12/13

Date



6-12-13

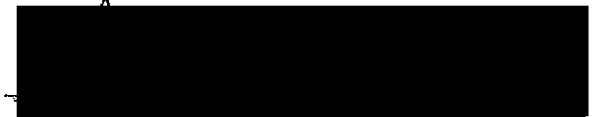
Date

CITY  
NEGOTIATING TEAM



6-13-13

Date



6-12-13

Date



06/12/2013

Date



Date

**EXHIBIT A**  
**TO THE 2013 – 2014 SEIU MEMORANDUM OF UNDERSTANDING**

	<u>STEPS</u>				
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
<b><u>Effective January 1, 2011</u></b>					
Planner II	4841	5083	5337	5604	5884
Planner I	4438	4660	4893	5138	5395
Maintenance Worker III	3953	4151	4359	4577	4806
Accounting Specialist	3916	4112	4318	4534	4761
Building/Planning Technician	3771	3960	4158	4366	4584
Equipment Mechanic II	3767	3955	4153	4361	4579
Recreation Coordinator	3743	3930	4127	4333	4550
Maintenance Worker II	3590	3770	3959	4157	4365
Revenue Technician	3554	3732	3919	4115	4321
Administrative Secretary	3400	3570	3749	3936	4133
Account Clerk	3171	3330	3497	3672	3856
Customer Service Representative	3086	3240	3402	3572	3751
Maintenance Worker I	2886	3030	3182	3341	3508
Equipment Mechanic I	2886	3030	3182	3341	3508