



CITY OF **SAN PABLO**

City of New Directions

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SAN PABLO AND
THE ASSOCIATION OF INTERMEDIATE EMPLOYEES**

EFFECTIVE JULY 1, 2014 through JUNE 30, 2017

TABLE OF CONTENTS

Section 1: Recognition	2
Section 2: General Provisions	2
Section 3: Management Rights and Responsibilities	2
Section 4: Association Representatives	3
Section 5: Working Conditions	3
Section 6: Salaries	3
Section 7: Multilingual Pay	4
Section 8: Hours of Work	5
Section 9: Out of Classification Pay	7
Section 10: Health Benefits/ Flexible Spending Account	7
Section 11: Proration	10
Section 12: Disability Insurance	10
Section 13: Life Insurance	11
Section 14: Retirement	11
Section 15: Vacation Leave	14
Section 16: Sick Leave	15
Section 17: Holidays	17
Section 18: Bereavement Leave	18
Section 19: Family Care and Pregnancy Leave	18
Section 20: Safety Program, Boots and Uniforms	18
Section 21: Educational Program	19
Section 22: Benefits Upon Termination	20
Section 23: Personnel Files	20
Section 24: Probationary Period	20
Section 25: Dress Code	21
Section 26: Maintenance of Work Conditions	21
Section 27: No Discrimination	21
Section 28: Distribution of Memorandum	22
Section 29: Peaceful Performance Clause	22
Section 30: Term of Agreement	22
Section 31: Signatures	23

This Memorandum of Understanding is entered into pursuant to the provisions of Section 3500, et seq., of the Government Code of the State of California.

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the employees in the representation unit; have freely exchanged information, opinions and proposals; and have reached agreement relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding shall be presented to the San Pablo City Council as the joint recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing July 1, 2014 and ending June 30, 2017.

SECTION 1. RECOGNITION

The Association of Intermediate Employees is the recognized employee association representing regular full time and .80 FTE employees in the following job classifications:

- Assistant Engineer
- Assistant Planner
- Community Services Coordinator
- Environmental Program Analyst
- Finance Supervisor
- Information Technology Administrator
- Information Technology Technician
- Program Analyst
- Recreation Coordinator
- Recreation Supervisor
- Youth Services Program Coordinator

SECTION 2. GENERAL PROVISIONS

The provisions of the Memorandum of Understanding are effective July 1, 2014 – June 30, 2017. Neither party may re-open the agreement during the period July 1, 2014 – June 30, 2017 without concurrence from the other party, unless stated herein. Any re-opener shall be pursuant to the normal provisions of the meet and confer process and any changes to the agreement must be jointly approved.

SECTION 3. MANAGEMENT RIGHTS AND RESPONSIBILITIES

The City has and retains the rights and functions of management, including but not limited to: the right to determine the methods, means and personnel by which its operations are to be conducted; to determine the mission of each of its constituent departments, boards and commissions; to set standards of service to be offered to the public considering employee safety and workload; to classify positions; to add or delete positions or classes; to establish standards for employment, promotion and transfer of employees; to establish and enforce dress and grooming standards; to direct its employees; to take disciplinary action for cause; to schedule employees; and to relieve its employees from duty because of lack of work or other legitimate reasons. Any and all of these actions must be within the legal limits of this agreement, and State and Federal laws.

SECTION 4. ASSOCIATION REPRESENTATIVES

4.1 Designation

The Association may designate a committee, of two representatives only, to meet and confer with the City's representative regarding matters within the scope of representation. A maximum of two members of said committee shall be afforded reasonable time off during working hours, without loss of compensation or other benefits, while formally meeting and conferring.

4.2 Notification

The Association will notify City within two (2) weeks of the action of designation of Association committee members.

SECTION 5. WORKING CONDITIONS

5.1 Rules and Regulations

The Association agrees to follow Personnel Rules and Regulations of the City of San Pablo, as revised and adopted by the City Council in Resolution No. 2014-031. Parties agree to meet and confer during the term of the MOU regarding the City's Personnel Rules and Regulations.

5.2 Paydays

The City shall pay all employees on the fifth (5) and twentieth (20th) of each month. Should the regular payday occur on a Saturday or Sunday, payment shall be made on the preceding Friday. Should a holiday occur on the regularly scheduled payday, checks shall be issued on the day preceding the holiday.

SECTION 6. SALARIES

6.1 General Increases

Effective July 1, 2014, there will be a two percent (2%) cost of living increase for all classifications represented by the Association.

Effective July 1, 2015, there will be a two percent (2%) cost of living increase for all classifications represented by the Association.

Effective July 1, 2016, there will be a two percent (2%) cost of living increase for all classifications represented by the Association.

6.2 Salary Step Increases

Supervisors shall complete evaluations within ninety (90) days of the employee's review date. Evaluations completed within the ninety (90) day period must rate the performance of the employee and state that the employee's performance has or has not merited an increase. If the increase is merited, the pay adjustment shall be retroactive to the review date. There shall be no increase if the evaluation does not recommend an increase.

6.3 Longevity Pay

Association members shall receive longevity incentive, as follows:

Three percent (3%) upon completion of fifteen (15) years of service.

An additional two percent (2%) for a total of five percent 5% upon completion of twenty (20) years of service.

An additional two percent (2%) for a total of seven percent (7%) upon completion of twenty-five (25) years of service.

The percentage increases shall not be cumulative.

Longevity pay will be calculated based on a prorated salary for .80 FTE employees.

SECTION 7. MULTILINGUAL PAY

Employees who are multilingual and who regularly use their skills and are recognized as such by their respective supervisors shall receive an additional pay upon application and approval of the City Manager as outlined below. This benefit must be initially certified and recertified periodically to continue eligibility or when an employee advances to the next level. Multilingual skills must be used to assist members of the public.

Primary level – \$100 per month, for the ability to speak fluently and frequently during the course of work.

Secondary level – \$200 per month, for the ability to speak fluently and frequently during the course of work. In addition, the employee must be able to read and express in writing the secondary language required.

Expert level – \$300 per month, or the ability to speak, read, write, edit, proof read frequently, investigate and/or testify in court the secondary language required.

Employee receives pay for only one appropriate competency level.

Employees wishing to be certified at one of these competency levels would be required to demonstrate their abilities a third party linguistic evaluation provider selected by the City. The City Manager shall have the final determination, including consideration as to the frequency of use and the applicability to the community that we serve, as to who is certified and at what level.

Frequency shall be defined as using a language daily other than English in the performance of the employees' assigned duties. Proof of frequency can be certified by the employee's immediate supervisor. If a disagreement arises than the employee may document contacts to provide proof to the supervisor.

SECTION 8. HOURS OF WORK

8.1 Work Week

Unless otherwise indicated, the workweek begins at 12:00 a.m. on Monday and ends at 11:59 p.m. on Sunday, except as otherwise designated for employees on an alternate work schedule.

8.2 Hours of Work

Full-time employees may be assigned to one of the following, normal work schedules (work hours based on the following schedules shall be prorated at 80% of the normal work hours for .80 FTE's):

- a) 8/75 Work Schedule: Four (4), nine and one-half (9.5) hour workdays, Monday through Thursday. Employees will take an additional half-hour for their lunch period on one day per week to result in an average of 9.375 hours per workday, and thirty-seven and one-half (37.5) hours per workweek. Employees will have every Friday as a day off. The additional 7.5 minutes of work each day shall not be treated as overtime for FLSA Non-Exempt members subject to overtime.
- b) 9/75 Work Schedule: Nine (9), eight and one third (8.33) hour workdays in a two week period. For employees assigned to the 9/75 work schedule, each employee's designated FLSA workweek (168 hours in length) shall begin exactly 4.165 hours after the start time of his/her shift on the day of the week that corresponds with the employee's alternating regular day off.
- c) 10/75 Work Schedule: Five (5), seven and one half (7.5) hour workdays in a two week period.

Actual work schedule may be adjusted to the benefit of public service and contingent upon City Manager approval. While an employee may request a particular work schedule, final assignment is subject to the needs of the City and requires supervisor approval.

City Hall will be open continuously to the public from 7:30 A.M. to 6:00 P.M. including lunch hours.

For employees assigned to a 8/75 or 9/75 work schedule, if an employee is scheduled to work on a City-planned event or to attend a work-related activity or training on a scheduled Friday off as designated above, the day off may be taken on a different day other than that day, so long as leave is taken within the same pay period and upon the Department Head or Division Manager's approval. Fridays off cannot be accumulated to have several consecutive days off at one time.

Employees may request and managers may grant a change in an employee's

regular work schedule that is not permanent or ongoing in order to adjust for an unplanned short-notice or sporadic event. This change may include modifying normal work start and end times or allowing work missed on one day to be made up on another. Such a change shall not result in overtime for employees in FLSA non-exempt job classifications. Managers have the discretion to grant temporary changes in work hours as long as the operational needs of the department are satisfied and to discontinue such arrangements when deemed necessary.

8.3 FLSA Status

The Association and City agree that any classification categorized as FLSA Exempt shall not be eligible to receive overtime pay or compensatory time, but shall receive Administrative Leave per Section 8.4 of this MOU. Any classification categorized as FLSA Non-Exempt shall be eligible to receive overtime pay and compensatory time and shall not be eligible to receive Administrative Leave per Section 8.4 of this MOU.

8.4 Administrative Leave

FLSA Exempt Association members are considered mid-management, and thus exempt, and not eligible to accrue compensatory time or overtime hours. Administrative Leave is granted in recognition of any additional hours that may be worked.

FLSA Exempt Association members who work full time shall be entitled to forty-five (45) hours of Administrative Leave per fiscal year, to be credited on July 1 of each year. New employees shall receive credit for Administrative Leave based on hire date as follows:

<u>Hire date</u>	<u>Hours credited</u>
July 1 through Sept 30	45
Oct 1 through Dec 31	30
Jan 1 through Mar 31	15
April 1 through June 30	0

Any unused balance of Administrative Leave available as of 12:00 midnight, June 30, shall be forfeited. Accrued, unused administrative Leave shall have no cash value and shall not be subject to cash out during or upon separation from employment.

Employees who are authorized to work on a reduced work schedule (.80 FTE's) shall accrue administrative leave in the amount proportionate to the ratio of scheduled work hours of the standard workweek.

8.5 Overtime Pay

Overtime work shall be offered to the appropriate FLSA Non-Exempt classifications on a seniority rotational basis; each department will establish and maintain an overtime volunteer list for this purpose. Only those employees on the overtime list who are qualified and able to perform the work needed, in the opinion

of the supervisor, may be assigned overtime work. If after said list for a department is exhausted and no volunteer has been identified for the particular project requiring overtime, the City may require overtime worked by employees either already engaged in the project or those whose skills may be required when the occasion demands.

Overtime shall be defined as all time worked in excess of thirty seven and one-half (37.5) hours in one workweek. The rate of pay for overtime worked shall be one and one-half times the employee's regular hourly rate.

8.6 Call-Back Overtime

Employees called back to work after working a full day or part of a day, shall be paid a minimum of two (2) hours at the overtime rate. Overtime worked on Saturdays, Sundays, holidays or any non-workday shall be paid at the overtime rate, with a guarantee of two (2) hours.

8.7 Compensatory Time

In accordance with the revised Fair Labor Standards Act, employees may elect to take compensatory time off at the rate of one and one-half times the amount of overtime worked in lieu of payment for overtime, up to a maximum of two hundred forty (240) hours in one fiscal year. Compensatory time off not taken within three (3) months from the date earned will be scheduled as time off. The City will consider the employee's input as to the scheduling of the time off. Under no circumstances can an employee be forced to take compensatory time in lieu of overtime pay.

8.8 Overtime/Compensatory Time Worked from Home

In recognition of the professional standing of AIE Non-Exempt members and understanding that much of their overtime-required work could be accomplished remotely from home, AIE Non-Exempt may be allowed to work overtime from home with the approval of their supervisor. Such time shall be paid out or accrued at the overtime rate of one and one-half times the employee's regular hourly rate and shall be computed in 15-minute increments (seven and one-half minutes or less in a 15-minute increment shall not be paid). Time sheets shall be kept for all time worked and shall be available for inspection by the supervisor.

SECTION 9. OUT OF CLASSIFICATION PAY

Prior Approval must be obtained from the Department Head or Division Manager in the event an employee is assigned the majority of job duties of a higher classification. The employee shall be paid a flat rate of five percent (5%) above their current salary step, which shall become effective on the first day of assigned duties in the higher classification, if the assignment is worked for a minimum of four (4) consecutive days.

SECTION 10. HEALTH BENEFITS/FLEXIBLE SPENDING ACCOUNT

10.1 Medical, Dental Insurance, and Flexible Spending Account Contributions

a) Medical Insurance

The City is a participating employer in the Public Employees' Medical and Hospital Care Act (PEMHCA), the medical insurance program sponsored by CalPERS. Upon the City's adoption of the amendment to the City's contract with CalPERS for PEMHCA participation, the maximum City contribution per month for medical insurance for active employees and qualifying annuitants shall be the minimum employer contribution as determined by CalPERS. For 2014, the minimum, monthly employer contribution is \$119.

b) Flexible Benefit Plan

The City maintains a Flexible Benefit Plan that constitutes a cafeteria plan within the meaning of Section 125 of the Internal Revenue Code. The Flexible Benefit Plan allows active employees to pay for actual medical plan premiums, actual dental plan premiums, vision care contributions on a pre-tax basis.

The City will contribute, on behalf of each eligible employee enrolled in City-provided health insurance, up to:

- the premium for the employee's selected, City-provided group health insurance plan at the selected level of coverage;
- minus the City's minimum, monthly employer contribution required for participation in PEMCHA paid separately by the City to CalPERS (see Section 10.1(a) above);
- minus one hundred and fifty dollar (\$150) to be paid by the employee if enrolled in a Kaiser plan, or minus twenty percent (20%) of the group health insurance premium to be paid by the employee if enrolled in a non-Kaiser plan.

On behalf of each eligible .80 FTE employee enrolled in City-provided Kaiser health insurance, the City will contribute up to:

- eighty percent (80%) of the premium for the employee's selected, City-provided group health insurance plan at the selected level of coverage;
- minus the City's minimum, monthly employer contribution required for participation in PEMCHA paid separately by the City to CalPERS (see Section 10.1(a) above);
- minus one hundred and fifty dollar (\$150) to be paid by the employee; however, .80 FTE employees' contribution to Kaiser health insurance shall be capped as follows:

Employee only: \$200
Employee plus one: \$250
Employee plus family: \$300

The City may adjust the above amounts in an employee's favor to comply with the requirements of the Affordable Care Act.

On behalf of each eligible .80 FTE employee enrolled in City-provided non-Kaiser health insurance, the City will contribute up to:

- eighty percent (80%) of the premium for the employee's selected, City-provided group health insurance plan at the selected level of coverage;
- minus the City's minimum, monthly employer contribution required for participation in PEMCHA paid separately by the City to CalPERS (see Section 10.1(a) above);
- minus an additional twenty percent (20%) of the group health insurance premium to be paid by the employee, with no cap on the employee's contribution.

c) In Lieu or Dual Medical Coverage

In the event an eligible employee elects to waive participation in City-provided health insurance due to coverage in a group health plan from another source (e.g. spouse, parent, etc.), the employee shall receive the appropriate in-lieu amount, which shall be prorated for employees scheduled to work 80% FTE:

- \$500.00 – Family coverage or two-party coverage
- \$350.00 – Single party coverage

The employee may receive the in-lieu amount in cash (taxable) or they may elect to contribute the in-lieu amount (not taxable) towards the 457 ICMA Deferred Compensation Plan as a supplemental retirement benefit.

To elect this option, the employee shall demonstrate that he or she is adequately covered at the applicable level of coverage by another source of group health insurance. If an employee loses secondary coverage, he or she shall be covered by the City health plan as soon as possible, in accordance with CalPERS regulations and this MOU.

d) Dental Plan

For employees enrolled in the City-provided dental insurance plan, the City will contribute through the Flexible Benefit Plan the full premium for dental insurance coverage (which includes a 50/50 orthodontia plan for children only with \$3,000 maximum) for the employee and eligible dependent family members. The City's contribution shall be prorated for employees scheduled to work 80% FTE:

e) Reimbursable Expenses and Flexible Spending Account

The City provides a Flexible Spending Account (FSA), which allows employees to contribute a portion of their regular earnings to pay for qualified dependent care and medical expenses before earnings are subject to payroll taxes, in accordance with IRS regulations.

The City will contribute to the Flexible Spending Account the amounts listed below based

on the assumption that the following arrangement falls within the IRS guidelines:

- \$225.00 for 7/1/14 through 12/31/14 (**\$180.00 for .80 FTE**)
- \$450.00 for 1/1/15 through 12/31/15 (**\$360.00 for .80 FTE**)
- \$450.00 for 1/1/16 through 12/31/16 (**\$360.00 for .80 FTE**)
- \$225.00 for 1/1/17 through 06/30/17 (**\$180.00 for .80 FTE**)

New employees shall receive a prorated vision care contribution based on hire date or promotion date as follows (the numbers shown in bold apply to .80 FTE's):

Hire Date	7/1-9/30	10/1-12/31	1/1-3/31	4/1-6/30
FY 14/15	225.00/ \$180.00	112.50/ \$90.00	450/ \$360.00	337.50/ \$270.00
FY 15/16	225.00/ \$180.00	112.50/ \$90.00	450/ \$360.00	337.50/ \$270.00
FY 16/17	225.00/ \$180.00	112.50/ \$90.00	225/ \$180.00	112.50/ \$90.00

Effective July 1, 2012, employees who work on a reduced work schedule shall be required to pay the prorated portion of the medical premium. In-lieu medical and vision care and other reimbursable expense amount, including this Flexible Spending Account contribution, will also be prorated.

In accordance with IRS regulations, any unused amounts contributed to the FSA shall not be reimbursed to the employee should employee fail to submit proof of eligible reimbursable expenses during a calendar year. However, up to five hundred dollars (\$500) of unused amounts remaining at the end of a plan year in a health FSA may be paid or reimbursed to plan participants for qualified medical expenses incurred during the following plan year. All other unused amounts in an employee's FSA cannot be rolled over to the next calendar year.

10.2 Long Term Disability Insurance

The City shall continue to provide long term disability benefit for non-sworn personnel.

10.3 Employee Assistance Program

The City provides access to an Employee Assistance Program for use by the employee and eligible dependent(s).

SECTION 11. PRORATION

Any classification authorized to work at a reduced schedule (at least thirty (30) hours per week or eighty percent (80%) of the normal work schedule) shall receive prorated benefits, including vacation, sick leave, other leave, medical, dental and vision premiums, in-lieu payout and other reimbursable expense amounts. The reduced work schedule shall be authorized by the City Manager or designee.

SECTION 12. DISABILITY INSURANCE

The City shall pay the premium for a short term/long-term disability insurance policy covering up to 66.7% of monthly salary after a thirty (30)-day qualifying period.

SECTION 13. LIFE INSURANCE

The City shall pay the premium on a sixty thousand dollar (\$60,000) Life Insurance Policy for all employees.

An additional life insurance policy for the employee and a dependent life insurance policy for employee's eligible dependent(s) shall be made available as mandated by the existing Life Insurance Program, at the total expense of the employee.

SECTION 14. RETIREMENT

14.1 Retirement:

(a) Tier One Pension:

1. **Formula:** The City shall provide the full formula of two and one half percent (2.5%) at age 55 calculated on the single highest year for local miscellaneous members considered "classic" members of CalPERS.
2. **Member Contribution:** Employees in Tier One Pension shall pay the statutory member contribution required by CalPERS, in addition to the cost share requirement described below.
3. **Employee Cost Sharing:** Employees in Tier One pension are required to pay two and three-tenths percent (2.3%) of reportable compensation toward the employer contribution for pension in accordance with Government Code Section 20516(a)-Employees Sharing Cost of Additional Benefits) for the pension formula enhancement to 2.5% at 55.

(b) Tier Two Pension:

1. **Formula:** For eligible employees who are "new members" as defined by Government Code Section 7522.02(f) the City will provide the CalPERS two percent (2%) at age sixty-two (62) formula retirement plan in accordance with Government Code Section 7522.20, calculated on the average of the three highest, consecutive years, in accordance with Government Code Section 7522.32.
2. **Member Contribution:** Non-safety employees in Tier Two Pension shall pay member contributions to the Public Employees' Retirement System in the amount required by the Public Employee Pension Reform Act (PEPRA), which amount is at least one-half of the total normal costs within the meaning of PEPRA.

(c) **Survivor Benefits:** The City shall provide the Third Level of 1959 Survivor's Benefit for Non-Safety Tier One and Tier Two employees, a benefit for survivors of the employee who is actively employed at the time of death.

14.2 Health Reimbursement Account for Retirees:

During the term of the MOU, both parties agree to meet and confer in order to

determine other options addressing the provisions of the Monthly Supplemental Allowance for Retirees. The City and AIE will explore a Retiree Health Reimbursement Account (HRA) plan compliant with IRS rules and regulations.

In addition to payment of the minimum monthly employer contribution as determined by CalPERS, established at \$119 per month as of 2014, to qualified annuitants as set forth in Section 10.1(a), the City will provide a monthly supplemental allowance to a Health Reimbursement Account (HRA) to qualifying employees hired before July 1, 2014 and who retire under service retirement from the City as regulated by the Public Employees Retirement System. The City's contribution of a monthly allowance to the HRA is based upon an employee's number of years of service and retirement from the City, as follows:

a) Retirees Who Are Qualified Annuitants As Defined by CalPERS:

On behalf of a retiree who constitutes a qualified annuitant as defined by CalPERS, retires directly (within one hundred twenty (120) days) following separation from City service, and who is enrolled in City-provided, two-party health insurance coverage, the City shall contribute a monthly supplemental allowance to the retiree's Health Reimbursement Account in the amount of two hundred and twenty dollars (\$220) minus the minimum employer contribution required by PEMHCA. For 2014, this amount equals one-hundred one dollars (\$101) per month.

On behalf of a retiree who constitutes a qualified annuitant as defined by CalPERS, retires directly (within one hundred twenty (120) days) following separation from City service, and who is enrolled in City-provided, family health insurance coverage, the City shall contribute a monthly supplemental allowance to the retiree's Health Reimbursement Account in the amount of two hundred and eighty-five dollars (\$285) minus the minimum employer contribution required by PEMHCA. For 2014, this amount equals one hundred sixty-six dollars (\$166) per month.

In addition, the City shall pay the following to qualified annuitants:

b) Retirees With Fifteen (15) or More Years of City Service Immediately Prior to Retirement:

On behalf of a qualifying retiree who completes fifteen (15) or more consecutive years of service with the City of San Pablo and retires directly (within one hundred twenty (120) days) following separation from City service, the City shall contribute a monthly supplemental allowance to the retiree's HRA in the amount of one hundred and thirty-five dollars (\$135), from the date of retirement and until such time the retiree becomes eligible for Medicare, turns the age of sixty-five, receives health insurance coverage from another source, or dies, whichever comes first.

c) Retirees With Twenty-Five (25) or More Years of City Service Immediately Prior to Retirement:

On behalf of a qualifying retiree who completes twenty-five (25) or more consecutive years of service with the City of San Pablo and retires directly (within one hundred twenty (120) days) following separation from City service, and who enrolls in employee plus one or employee plus family City health insurance coverage, the City shall contribute a monthly supplemental allowance to the retiree's HRA in the amount of four hundred eighty dollars (\$480) minus the PEMHCA minimum employer contribution to CalPERS, from the date of retirement and until such time the retiree becomes eligible for Medicare, turns the age of sixty-five, receives health insurance coverage from another source, or dies, whichever comes first. This payment is in lieu of the \$135 payment described in subsection (b) above.

In the event that the retired employee with twenty-five (25) or more consecutive years of service prior to retirement from the City enrolls in one-party City health insurance coverage, the account shall be reduced to the amount provided for retirees with fifteen (15) consecutive years of service prior to retirement from the City; the allowance shall be reduced to \$135. It shall be the responsibility of the retiree to notify the City for any marital or dependent status change (e.g. death of a spouse, divorce, legal separation, etc.) The City reserves the right to collect the amount over and above the \$135 issued to the retiree, due to failure on the part of the retiree to notify the City regarding the change in marital or dependent status. The City shall collect said amounts under the normal collection process which may include utilization of a collection agency and/or Small Claims Court, or any legal or administrative remedy.

The City shall pay the Monthly Supplemental Allowance based on fifteen (15) and twenty-five (25) years of service (described in subsection (b) and (c)) to the HRA for the retiree until any of the following conditions occur:

- 1) retiree receives medical coverage from another source (e.g. other employment, spouse), or
- 2) retiree is eligible for participation in the Medicare Program, or
- 3) retiree reaches the age of sixty-five, or
- 4) retiree dies.

The City's obligation to pay the monthly supplemental allowance is conditioned upon a signed declaration under penalty of perjury, by the retiree and/or spouse or registered domestic partner on a form provided by CalPERS once each year, that confirms the retiree's and/or spouse or registered domestic partner is not enrolled in medical or health insurance coverage or in-lieu payments from another source during that same time period.

Should retiree lose coverage from the other source (employment, spouse), the monthly supplemental allowance will resume upon receipt of the required

declaration, and will continue only until any of the above listed events (1-4) occur.

The Monthly Supplemental Allowance is subject to applicable Federal and State Income Tax regulations.

SECTION 15. VACATION LEAVE

15.1 Accrual

- (a) All regular full-time employees shall earn Vacation Leave with pay on a monthly basis, in accordance with the following schedule:

<u>Years of Service</u>	<u>Number of Vacation Hours per Pay Period (based on 24 pay periods per year)</u>	<u>Number of Vacation Hours per Year</u>
1 day – 3 years	3.125	75
3 years and 1 day - 10 years	4.687	112.50
10 years and 1 day – 15 years	6.25	150
15 years and 1 day – 16 years	6.562	157.5
16 years and 1 day – 17 years	6.875	165
17 years and 1 day – 18 years	7.187	172.5
18 years and 1 day – 19 years	7.5	180
19 years and 1 day – 20 years	7.812	187.5
20 years and 1 day – 21 years	8.125	195
21 years and 1 day – 22 years	8.437	202.50
22 years and 1 day – 23 years	8.75	210
23 years and 1 day – 24 years	9.062	217.5
24 years and 1 day +	9.375	225

Employees who are authorized to work on a reduced work schedule shall accrue vacation leave in the amount proportionate to the ratio of scheduled work hours of the standard workweek.

Employees will be permitted to accrue up to a maximum of the number of vacation hours accrued over a two (2) year period based on the employee's total years of service. No employee shall accrue more than two (2) years of vacation hours. Should the City deny a requested vacation leave and resulting in the employee exceeding the maximum vacation accrual cap, the City will cash out the denied amount of vacation.

- (b) While vacation time accrues from the first day of full-time employment, employees shall be required to have served the equivalent of six (6) months of continuous service in the City in order to be eligible for annual vacation leave; provided, however, if a regular employee separates from employment with the City before completion of six (6) months of service, the employee or his/her estate will receive pay for earned vacation leave. The

Division Manager or Department Head may grant an exception to the minimum six months of service required for vacation eligibility.

15.2 Use of Vacation

The times during the calendar year at which an employee may take vacation leave shall be determined by the Department Head or Division Manager, with due regard for the wishes of the employee and particular regard for the needs of the service.

In the event one or more municipal holidays fall within an annual vacation leave, such holidays shall not be charged as vacation leave, and the vacation shall be extended accordingly.

Employees desiring vacation leave must request such leave at least two (2) calendar weeks in advance of the time desired, except that Department Heads or Division Managers may grant such leave on shorter notice at their discretion - recognizing that emergencies may arise and employee has requested vacation.

An employee who becomes ill or injured during his/her vacation may request that the time be deducted from his/her earned sick leave and the vacation be rescheduled at a later date, or be extended.

SECTION 16. SICK LEAVE

16.1 Accrual

Full-time, regular employees will accrue sick Leave with pay at the rate of seven and one-half (7.5) hours per calendar month of service. Sick Leave shall not be regarded as a privilege which an employee may use at his/her discretion but shall be allowed only in the case of necessity and actual sickness or disability; however, an employee may use up to three (3) Sick Leave days per fiscal year for personal reasons. Unused Sick Leave shall be accumulated at the rate of twelve (12) days per year, without limit.

Employees who are authorized to work on a reduced work schedule shall accrue sick leave in the amount proportionate to the ratio of scheduled work hours of the standard workweek.

16.2 Usage

Each regular, full time and 80% FTE employee shall be allowed to use accrued sick leave with pay for the following reasons:

- (a) Absence from duty due to exposure to a contagious disease where a doctor requires quarantine;
- (b) Absence due to pregnancy disability, childbirth, or a medical condition related to pregnancy; or
- (c) Absence from duty due to employee illness or other physical disability;

- (d) Absence to care for a parent, spouse, child, or registered domestic partner with a serious health condition and would be permitted as sick leave under the City's sick leave policy;
- (e) Up to six (6) days of accrued Sick Leave in a calendar year may be used to attend to the illness of the employee's immediate family, when the employee will personally assist and be a comfort to said family member. Immediate family shall be limited to the employee's spouse, registered domestic partner, child, stepchild, father, mother, sister, brother, father-in-law, mother-in-law, grandparent, and grandchild, except as provided by the Family Care Leave/Pregnancy Leave (Section 15).
- (f) The right to benefits under the sick leave plan shall continue only during the period that the City employs the employee. This plan will not give any employee the right to be retained in the service of the City or any right to claim of sickness disability benefits after separation from the services of the City.
- (g) Any employee absent, or expecting to be absent, because of sickness or other physical disability, personal or family, shall notify his/her supervisor prior to the beginning of the work day or as soon thereafter as possible, but in any event, during the first day of such absence.

In cases of absences of more than five (5) days due to non-contagious/non-infectious illness or injury, employee shall provide the City with a Fitness for Duty statement from his/her attending physician prior to returning to work.

A supervisor may require a written physician's statement confirming that the employee's illness or disability prevents him or her from attending work, and the anticipated duration of absence. In cases of absence due to contagious disease, the employee will be required to submit a written medical release before he/she may return to work. In cases of other absences, the employee may be required to provide City with a Fitness for Duty statement from his/her attending physician, or a physician appointed by the City, prior to returning to work.

- (h) Upon depletion of accumulated sick leave an employee may request leave of absence without any pay, for a period not to exceed sixty (60) calendar days, subject to the approval of the City Manager. If the employee is unable to return to work at the end of this period, he/she may request further unpaid leave, which will be subject to the approval of the City Manager. If further leave is granted, the employee must notify the City of his/her intent to return to work every thirty (30) days. If further leave is not requested, or granted after a request, the employee's service with the City shall be subject to discipline up to and including dismissal.

- (i) No sick leave shall be allowed for time off for an injury incurred while working for another employer.
- (j) Time off for illness shall be charged to sick leave and not to vacation or administrative leave, unless and until all available sick leave has been exhausted.

SECTION 17. HOLIDAYS

17.1 Holidays Observed: The City shall observe the following Holidays:

January 1 - New Year's Day
3rd Monday in January - Martin Luther King's Birthday
3rd Monday in February - Presidents' Day
Last Monday in May - Memorial Day
July 4 - Independence Day
1st Monday in September - Labor Day
Second Monday in October - Columbus Day
November 11 - Veterans' Day
4th Thursday in November - Thanksgiving Day
Day after Thanksgiving Day
December 24 - Day before Christmas Day
December 25 - Christmas Day
December 31 - New Year's Eve Day

The value of each holiday shall be seven and one half (7.5) hours for employees assigned to a 10/75 work schedule, eight and one third (8.33) hours for employees assigned to a 9/75 work schedule, and 9.375 for employees assigned to an 8/75 work schedule. This is prorated for .80 FTE employees consistent with his/her regularly assigned work schedule.

Should an observed holiday fall on a Friday, City offices will be closed on a Thursday.

The City reserves the right to close City department offices approximately between the Christmas and New Year holidays. Employees in departments affected by the closure may use vacation, Compensatory Time Off, Administrative Leave, or unpaid leave on the non-holiday closure days on which they are scheduled to work.

The closure schedule (which includes holidays/recognized holidays) shall be as follows:

2014-15: December 24, 2014 – January 2, 2015. Offices reopen January 5, 2015

2015-16: December 23, 2015 – January 1, 2016. Offices reopen January 4, 2016

2016-17: December 22, 2016 – January 2, 2017. Offices reopen January 3, 2017

17.2 Floating Holiday

One Floating Holiday of seven and one half (7.5) hours for employees assigned to a 10/75 work schedule, eight and one third (8.33) hours for employees assigned to a 9/75 work schedule, and 9.375 for employees assigned to a 8/75 work schedule shall be credited to accumulated vacation time, on July 1st.

New employees shall be credited a prorated amount of Floating Holiday hours based on hire date as follows:

<u>HIRE DATE</u>	<u>HOURS CREDITED</u>		
	<u>10/75</u>	<u>9/75</u>	<u>8/75</u>
July 1 through Sept 30	7.5/6	8.33/6.664	9.375/7.5
Oct 1 through Dec 31	4.95/3.96	5.554.44	6.24/4.992
Jan 1 through Mar 31	2.5/2	2.78/2.224	3.12/2.496
April 1 through June 30	0	0	0

Employees who are authorized to work on a reduced work schedule (.80 FTE) receive a prorated floating holiday, credited to accumulated vacation time, on July 1st as shown in bold above.

SECTION 18. BEREAVEMENT LEAVE

Upon death of an immediate family member (spouse or registered domestic partner and children/stepchildren including parents, brothers, sisters, grandparents, mother/father in-law, brother/sister in-law, and grandchildren), bereavement leave with pay for a period not to exceed one full workweek (as per employees regular work schedule) shall be granted. The employee shall inform the City of the name and relationship of the person who died.

SECTION 19. FAMILY CARE AND PREGNANCY LEAVE

The City will adhere to the provisions of the Family Medical Leave Act of 1993 (FMLA), the California Family Rights Act (CFRA), and the California Pregnancy Disability Leave (PDL).

SECTION 20. SAFETY PROGRAM, BOOTS AND UNIFORMS

20.1 Responsibilities and Issuance

The City shall be responsible for safety conditions and shall conform to and comply with all health, safety and sanitation requirements of State and Federal Law.

The City shall furnish required safety equipment and employees must cooperate in maintaining equipment in good condition and observing all required safety precautions.

The City shall furnish at no extra expense to the Assistant Engineer, one (1) pair of safety boots, one (1) set of protective rain gear, and one (1) jacket.

20.2 Replacement Policy

The City shall provide replacement boots and/or uniforms should they become damaged beyond repair while employee is engaged in fulfilling his/her job responsibilities to the City.

Maintenance of boots and uniforms shall be the responsibility of each individual employee. Should boots and/or uniforms become damaged beyond repair due to abuse or neglect, the employee shall be held responsible for replacement of damaged boots and/or uniforms.

SECTION 21. EDUCATIONAL PROGRAM

21.1 Purpose

To set guidelines for the administration of the City's Employee Training and Career Education Program, applicable to employees represented by the Association.

21.2 General Policy

An employee may, on his or her own initiative, spend time at an independent school or college after work hours for the purpose of furthering his or her education. To the extent such educational courses entered into are beneficial to City job-enhancement, and any Degree or Certificate is subject to City Manager approval, the employee may be eligible for tuition reimbursement as described below. The employee must have successfully completed their probation, to be eligible in this program.

The course or degree shall be conducted by a school accredited by the nationally recognized accrediting agencies published by the Secretary of Education (U.S. Department of Education www.ed.gov).

Conditional to the above, and subsequent to City Manager approval, the City will, while an employee attends school, pay tuition, special fees, books, and supplies up to five thousand two hundred fifty (\$5,250) per calendar year, the maximum tax-free education reimbursement amount allowed by IRS Section 127.

The employee must receive a final letter grade of "B" or better, with grade documentation provided to the City by the employee within sixty (60) days of the semester (quarter) end, in order to receive reimbursement. Such reimbursement shall not be made until, and shall be conditioned on the employee's satisfactory completion of the coursework. The employee must submit final grades and approved paperwork by December 10th in order to receive reimbursement by December 31st.

The tuition reimbursement benefit shall terminate at such time as the employee is no longer actively performing service for the City of San Pablo, even if the employee has completed partial or full coursework during the period of City employment.

SECTION 22. BENEFITS UPON TERMINATION

Employees who terminate employment shall be paid in a lump sum for all unused, accrued vacation leave earned prior to the effective date of termination. No such payment shall be made for vacation accumulated contrary to the provisions of this Agreement.

Accrual of salary and benefits paid to an employee shall cease upon termination of employment, excepting that if an employee is placed on lay-off, he/she shall receive an amount equal to three (3) months of his/her regular salary, as Severance Pay, on the last day of actual work and three (3) months City-paid Medical and Dental coverage.

SECTION 23. PERSONNEL FILES

23.1 Access to Files

All Personnel Files shall be kept in confidence and shall be available for inspection to other employees of the City only when actually necessary in the proper administration of the City's affairs or the supervision of the employee, when deemed necessary by the Personnel Administrator. The employee shall have the right to inspect materials upon request. Employee shall receive notice and a copy of any derogatory material placed in his/her file within five (5) days of receipt of such material by the appropriate Division Manager or Department Head. The employee may then review and submit comments regarding the derogatory material in his/her file but must do so within fifteen (15) days of receipt of his/her copy. Such review shall take place during normal business hours and the employee shall be released from duty for this purpose without salary deduction.

23.2 Maintenance of Files: The personnel file of each employee shall be maintained at the City's Personnel Division Office.

23.3 Examination of Files

An employee or his/her Association representative (who has obtained written permission from the employee whose file is to be reviewed) shall have the right at any reasonable time to examine and/or obtain copies of any material from the employee's Personnel file with the exception of material which includes ratings, reports or records which were obtained prior to employment of the employee involved.

In no case shall unsubstantiated derogatory material be placed in the Personnel file.

SECTION 24. PROBATIONARY PERIOD

Any person appointed and promoted to a full-time position in the competitive service shall be subject to a probationary period, beginning from the date of appointment. The probationary period shall be twelve (12) months for employees represented by the Association of Intermediate Employees. Except the length of probationary periods as stipulated herein, all other provisions related to probationary periods outlined in the Personnel Rules shall govern probationary period appointments.

SECTION 25. DRESS CODE

The City desires to project an image typical of similar agencies providing service to the public, and the City expects its employees to dress in a manner that reflects this image.

Accordingly, employees should wear business attire that is neat, clean, in good repair, and is appropriate to the work setting and the employee's function with the City.

Specifically prohibited are: ripped, torn or faded clothing; clothing designed specifically for sporting activities (such as sweats, shorts, swimsuits, tennis outfits, running or tennis shoes, et.); sleepwear (such as pajama bottoms); clothing more appropriate for evening or leisure wear (such as miniskirts, low-cut, tank or halter tops, backless dresses, sheer clothing, etc.); and flip-flops. Only field personnel may wear Running or tennis shoes.

Any problems a Department Head or Division Manager may have with an employee's attire shall be discussed informally with the employee, it being the intent of the City that employees performing similar work should be attired in a similar fashion. Continued and repeated problems may result in discipline appropriate to the situation.

SECTION 26. MAINTENANCE OF WORK CONDITIONS

Any terms and conditions of employment within the scope of representation unaltered by any other section of this Agreement shall remain unchanged until the City and Association meet and confer.

SECTION 27. NO DISCRIMINATION

The Association and City agree that there shall be no discrimination of any kind by them against any employee on account of race, color, religion, age, sex or national origin. Neither the City nor the Association shall interfere with, intimidate, restrain, coerce or discriminate against employees covered by this Agreement because of the exercise of rights to engage in or not engage in Association activity.

27.1 ADA Requirements

Because the ADA requires accommodations for individuals protected under the Act, and because these accommodations must be determined on an individual, case-by-case basis, the parties agree that the provisions of this Agreement may be disregarded in order for the City to avoid discrimination relative to hiring, promotion, granting permanency, transfer, layoff, reassignment, termination, rehire, rates of pay, job and duty classification, seniority, leaves, fringe benefits, training opportunities, hours of work or other terms and privileges of employment, and the Association expressly waives any right to meet and confer in such situations.

The Association recognizes that the City has the legal obligation to meet with the individual employee to be accommodated before any adjustment is made in working conditions. Subject to the employee's written consent, the City will notify the Association of these proposed accommodations prior to implementation.

Any accommodation provided to an individual protected by the ADA shall not

establish a past practice, nor shall it be cited or used as evidence of a past practice in the grievance/arbitration procedure.

Prior to disregarding any provision of this Agreement in order to undertake required accommodations for an individual protected by the Act, and subject to the employee's written consent, the City will provide the Association with written notice of its intent to disregard the provision, and will allow the Association the opportunity to discuss options to disregarding the Agreement.

SECTION 28. DISTRIBUTION OF MEMORANDUM

The City agrees to duplicate and distribute this Memorandum of Understanding to Association of Intermediate Employees members covered by this Agreement.

SECTION 29. PEACEFUL PERFORMANCE CLAUSE

During the term of this Memorandum of Understanding, the City agrees that it will not lock out employees, and Association agrees that it will not engage in, encourage, or approve any strike, slow-down or other work stoppage. Association will take whatever lawful steps are necessary to prevent any interruption of work in violation of this Memorandum of Understanding, recognizing with City that all matters of controversy within the scope of this Memorandum of Understanding shall be settled by established grievance procedures.

If there is a strike, slow-down or work stoppage, the employees who engage in such activity shall be subject to discipline up to and including discharge. The City may seek such remedies as are available under the Law.

It is expressly understood that the Peaceful Performance Clause shall remain in effect until the end of the contract period or until negotiations are re-opened and through the meet and confer process, until legally mandated impasse procedures are concluded.

SECTION 30. TERM OF AGREEMENT

This Memorandum of Understanding shall be effective July 1, 2014 through June 30, 2017.

SECTION 31. SIGNATURES

The following document contains the Agreement between the City of San Pablo (hereinafter called "City") and the Association of Intermediate Employees (hereinafter called "Association") (hereinafter collectively called "the parties") on wages, hours and terms and conditions of employment. The salaries, hours, fringe benefits and working conditions set forth have been mutually agreed upon by the designated bargaining representatives of the City and the Association and will apply to all employees covered by the Memorandum of Understanding (MOU) between the City and the Association.

Upon ratification and approval, this Agreement will amend the MOU between the parties dated July 1, 2011 – June 30, 2014.

The amended MOU shall supersede all other Memoranda of Understanding and agreements between the parties. Language in the MOU between the parties not amended by this Agreement will remain unchanged. The parties agree that any and all Agreements are hereby incorporated. Any outstanding proposals not agreed to are hereby withdrawn by the parties.

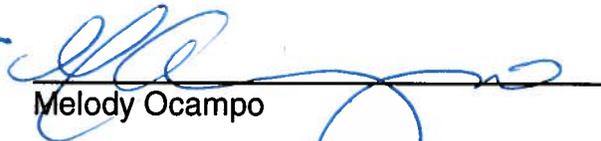
This Agreement was ratified by the Association membership and approved by the City Council of San Pablo on July 7, 2014.

FOR THE CITY

FOR THE ASSOCIATION



Matt Rodriguez, City Manager



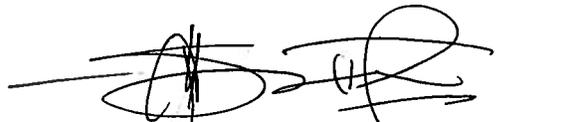
Melody Ocampo

Date: _____

Date: July 1, 2014



Tina Gallegos, Assistant to the City Manager



Marvin Sorjano

Date: 8/11/14

Date: July 1, 2014



Kelly Sessions, Finance Manager

Date: 8/12/14