

MEMORANDUM OF UNDERSTANDING

Between

PUBLIC EMPLOYEES UNION, LOCAL ONE

And

CITY OF PLEASANT HILL

OCTOBER 1, 2015 – MARCH 31, 2018

Table of Contents

ARTICLE I	
UNION RECOGNITION	1
Union Recognition and Deduction of Union Dues.....	1
Hold Harmless	1
Maintenance of Membership Clause.....	1
Discrimination Prohibited	1
ARTICLE II	
UNION REPRESENTATION AND TIME OFF FOR REPRESENTATIVE DUTIES	2
ARTICLE III	
GRIEVANCE PROCEDURES	3
Purpose of Grievance Procedures	3
Conduct of Grievance Procedure	3
Matters Subject to Grievance Procedure	3
Definition	4
Grievance Procedure	4
ARTICLE IV	
LAYOFFS AND TRAINING GUIDELINES	5
Layoff Procedure	5
Training Opportunities	5
On-The-Job Training	6
Reinstatement After Layoff	6
ARTICLE V	
HOLIDAYS AND VACATIONS	6
Holidays	6
Religious Observance	7
Vacation Leave	7
Personal Leave	8
Guidelines for Approval	9
Vacation Buy Back.....	9
ARTICLE VI	
SICK LEAVE AND OTHER LEAVES OF ABSENCE	10
Payment for Accumulated Sick Leave	10
ARTICLE VII	
MISCELLANEOUS OVERTIME PROVISIONS	11
Call Back.....	11
Stand-By Time	11
Compensatory Time.....	11

ARTICLE VIII
WORK SCHEDULES 12
 Work Week 12
 Overtime 12
 Overtime Scheduling..... 12
 Clean Up Time..... 13
 Meal Periods..... 13
 Meal Cost Reimbursements..... 13
 Compensatory Time Off..... 13
 Varying Hours 13

ARTICLE IX
WAGE PLAN ADMINISTRATIVE PROCEDURES 14
 Applicable Pay Rates Following Promotion 14
 Applicable Pay Rates Following Demotion 14
 Applicable Pay Rates Following Transfer 14
 Applicable Pay Rates Following Salary Range
 Increases and Decreases 14
 Pay Status 14
 Premium Pay for Employees in "Acting Capacity" 14

ARTICLE X
LONGEVITY PAY PLAN 15

ARTICLE XI
BENEFIT PLAN..... 15
 Medical 15
 Medical In-Lieu 17
 Dental/Orthodontia..... 17
 Vision Plan..... 18
 Life Insurance 18
 Disability Insurance..... 18

ARTICLE XII
EDUCATIONAL INCENTIVE..... 18

ARTICLE XIII
PERFORMANCE EVALUATION 19
 Annual Review..... 19
 Bonus Plan 19

ARTICLE XIV
SALARY ADMINISTRATION 20
 Salary Increases 20
 Pesticides Certificate 20

Fleet Services Coordinator "Backup"	21
ARTICLE XV	
NO STRIKE OR LOCKOUTS	21
ARTICLE XVI	
FULL AGREEMENT	21
ARTICLE XVII	
SAVINGS CLAUSE	21
ARTICLE XVIII	
RETIREMENT	22
Retirement Benefits	22
Sick Leave Conversion Upon Retirement	22
ARTICLE XIX	
DEFERRED COMPENSATION	23
IRS 125 Plan.....	23
401 (a) Money Purchase Plan	23
ARTICLE XX	
JOB ANNOUNCEMENTS	23
ARTICLE XXI	
MISCELLANEOUS	23
Protective Apparel Allowance	23
Uniform Allowance	24
Temporary and Part-Time Employees	24
Conversion of Permanent Positions to Part-Time	24
Required Class II (B) Driver's License	24
ARTICLE XXII	
CLASSIFICATIONS WITHIN UNIT "C"	24
ARTICLE XXIII	
PROMOTION SELECTION PROCESS	25
ARTICLE XXIV	
EMPLOYEE RIGHTS	25
ARTICLE XXV	
CITY RIGHTS CLAUSE	26
ARTICLE XXVI	
TERM OF AGREEMENT	27

**MEMORANDUM OF UNDERSTANDING
BETWEEN
PUBLIC EMPLOYEES UNION, LOCAL ONE
AND
CITY OF PLEASANT HILL**

**ARTICLE I
UNION RECOGNITION**

Union Recognition and Deduction of Union Dues

Pursuant to Government Code Section 3500 et seq and City Resolution No. 2-15, the City hereby recognizes Public Employees Union, Local One ("Union") as the bargaining representative for purposes of representing City employees in Unit "C" with respect to their pay, wages, hours and other terms and conditions of employment for the duration of this Agreement. The City shall deduct dues from City employees and remit said dues to the Union on a monthly basis for the duration of this agreement, which dues shall not include assessments.

Monthly dues deductions, additions and/or deletions shall be recorded by the City's Finance Officer and a notification of all dues transactions shall be immediately sent to the Union Business Office.

Hold Harmless

The Union shall hold the City harmless from any and all claims, and will indemnify the City against any unusual costs in implementing these provisions.

Maintenance of Membership Clause

If employees, who are not presently members of the Union as of the effective date of this Agreement, decide to join the Union, they shall submit proper documentation to the City for dues deduction, and said membership shall be established for the duration of the Agreement. Employees who are current members of the Union shall remain members for the duration of this Agreement.

However, within thirty (30) calendar days prior to the expiration of the Agreement, all employees within the bargaining unit may have the opportunity to request to withdraw from the Union.

Discrimination Prohibited

City and Union agree that they shall not discriminate in any way on account of race, creed, religion, sex, national origin, political affiliation, age, or handicap. City agrees that no employee shall be discriminated against because of Union membership or residency.

ARTICLE II
UNION REPRESENTATION AND TIME OFF FOR REPRESENTATIVE DUTIES

The Union shall designate employee representatives, in writing, at the beginning of the term of this Agreement for purposes of meeting with Management on terms and conditions of this Agreement or representing employees during the process of handling a grievance.

There shall be no more than two representatives for the employees in Bargaining Unit "C". Reasonable time off shall be allowed to meet with Management, limited to one representative and a Union staff member, to discuss matters of grievance and/or provisions of this Agreement.

Upon written request from the Union, Management may grant unpaid release time to each of two Union stewards for the purpose of attending Union training and conferences. At least sixteen (16) hours per year per steward will be available and shall only be granted with prior approval of the supervisor. Stewards must give at least 48 hours advance notice to Management of their request to attend Union training or conferences.

Regular Union business meetings shall not be held on City time and City equipment and supplies are not to be used for Union business. The City's word processor and duplication machine may be used by employee representatives of Local One upon request to the City Manager's Office. All use shall be on a case-by-case basis approved by the Manager and costs for which shall be normal and customary as that paid by any member of the general public. This privilege may be revoked at any time as deemed necessary and appropriate by the City Manager. City premises can be used for Union activities, if scheduled in advance and before or after the normal work day or during the regularly scheduled lunch break.

When an employee representative is meeting with Management in a meet and confer process or representing employees as provided in the grievance procedure of this Agreement, and when he/she has complied with the specific provisions of this Article, the employee representative shall notify his/her immediate supervisor when he/she is leaving, how much time is to be taken and when he/she expects to return. This notice shall be given at least 48 hours in advance of the meet and confer process, grievance proceeding, or any other representative activity in which the employee representative is engaged. Failure to comply with the provisions of this Article may constitute a grievance against the Union representatives.

Any Union representative shall give notice to the Department Head or their designated representative, when entering departmental facilities, and must make a verbal request of Management to speak to employees and/or employee representatives during the employees' normal working hours. The representative shall be allowed reasonable contact with workers on City facilities provided such contact does not interfere with the

employees' work. Solicitation for membership or other internal employee organization business shall not be conducted during working time.

ARTICLE III **GRIEVANCE PROCEDURES**

Purpose of Grievance Procedures

- 1) To promote improved employer-employee relations by establishing grievance procedures on matters, stipulated below.
- 2) To provide that grievances shall be heard and settled as informally as possible.
- 3) To enable grievances to be settled as promptly and as nearly as possible to the point of origin.
- 4) To afford employees individually, or through a business representative, a systematic means of obtaining considerations of questions and disputes.

Conduct of Grievance Procedure

- 1) An employee may request the assistance of another person of his/her own choosing in preparing and presenting a grievance at any level of review, or may be represented by the Union or may represent himself/herself.
- 2) The employee and his/her representative, if any, may use reasonable time (up to twelve (12) hours) in conferring about and presenting a grievance.
- 3) Any retroactivity on monetary grievances shall be limited to the date the grievance was filed in writing, except in cases where it was impossible for the employee to have had prior knowledge of an accounting error, or management action.
- 4) The time limits specified may be extended to a definite date by mutual agreement of the employee and the management representative.
- 5) Employees shall be free from reprisal for using their grievance procedure.

Matters Subject to Grievance Procedure

Full time employees having probationary or permanent regular status may process a personal grievance.

Probationary employees may file grievances, but not as applied to their performance rating or dismissal.

Definition

A Grievance shall be defined as any dispute which involves the interpretation or application of this Agreement, scope of representation and such rules and regulations presently in force or as may from time-to-time be adopted by the City, and the discipline of employees including suspension, demotion, or dismissal.

The parties recognize that disputes should be resolved expeditiously at the lowest possible administrative level, notwithstanding the right and desirability of the employee or the Union to bypass any initial steps if the case involves decision making at a higher administrative level.

Grievance Procedure

Step 1

The employee and/or his/her representative may present the grievance personally, in writing or orally, to the immediate superior within ten (10) working days of the occurrence of the dispute or ten (10) working days from such time as the employee or Union could have been aware of the occurrence.

Step 2

If the grievance is not resolved within ten (10) working days of the presentation under Step 1, the grievance may be submitted in writing to the Department Head or his/her designee. Such submittal to the Department Head shall be within ten (10) working days of the response by the immediate superior. The Department Head shall respond within ten (10) working days.

Step 3

If the grievance cannot be resolved under Step 2, the Union may, within ten (10) working days of the action of the Department Head, submit a written request for a meeting with the City Manager. If no request is received in ten (10) working days, the grievance procedure ends. Upon receipt of a written request, the City Manager shall schedule a meeting to discuss the grievance with the Union within ten (10) working days. The City Manager shall render a written decision to the Union within ten (10) working days.

Step 4

Should the matter remain unresolved in Step 3 above, either party may, within ten (10) days of the determination, request arbitration of the dispute. An impartial arbitrator shall be selected from a list of names of no less than five (5) furnished by the State Conciliation Services.

Parties who have direct knowledge of circumstances relating to the grievance may be present at the request of either party during any stage of the procedure. In the case of employees, they shall be compensated at their regular rate of pay for the actual time spent in such meeting.

The time between the steps of the procedure may be extended by mutual agreement. Failure by the employee or Union to follow the time limits, unless extended by mutual agreement, shall cause the grievance to be considered withdrawn; failure by the City to follow the time limits, unless extended mutual agreement shall cause the grievance to be deemed settled in favor of the employee.

Either party may waive the time limits specified herein and proceed to immediate arbitration in any case where either party alleges the other is threatening to take an action in violation of this Agreement in so short a period of time as to disallow the other party from proceeding within said time limits. In any such case, the Arbitrator shall have full equitable powers to frame a decision, including an order to the party initiating the grievance to abide by the time limit threatening the action, or any other form of arbitration order that would resolve the matter in an equitable and just manner.

The decision of the Arbitrator shall be final and binding on all parties. The Arbitrator's fees shall be shared equally by the City and the Union.

ARTICLE IV **LAYOFFS AND TRAINING GUIDELINES**

Layoff Procedure

In the event of a layoff, employees affected by the layoff shall receive sixty (60) days written notice. Subsequent to such notice, an employee may be provided four (4) weeks' severance pay in lieu of working until the end of the sixty day notice period if the City wishes the layoff to be effective prior to the expiration of the sixty day notice period.

Reductions in force may only take place due to lack of work, lack of funds, reorganization or the return of an employee from leave of absence. Reductions in force shall be implemented on the basis of seniority. An employee subject to layoff can "bump" a less senior employee in the same classification within the same department or a less senior employee in a classification in which he/she has formerly worked provided the jobs are substantially similar.

Training Opportunities

When the City has given notice to an employee that he/she is being laid off, the City will take reasonable steps to provide a basic training and/or orientation process which would provide the employee with the knowledge and/or skills which could be used to assist the employee in applying for promotion or transfer to a vacant, budgeted position for which the employee possesses the basic knowledge, skills and abilities.

On-The-Job Training

The Personnel Officer is designated as Training Officer of the City and will maintain an active training program for all employees.

Reinstatement After Layoff

A regular employee who is laid off in accordance with these rules is entitled to preference in filling a vacancy in the class or position previously held by that employee for a period of twelve (12) months. An employee so reinstated retains all benefits accrued in prior service with the City. During the layoff, no benefits accrue and the anniversary date shall be adjusted if the layoff time exceeds thirty (30) consecutive days.

Reinstatement according to this provision, shall be done using the method of seniority, in that the last employee in a class laid off will be the first employee to be reinstated in the class, unless there is a legal question as to their reinstatement whereupon an investigation shall be conducted to determine the facts and present a decision.

Said investigation shall be conducted within a ten (10) working day period unless delayed by legal complications uncontrolled by the City. The position to which reinstatement is being considered shall be held open until a final determination is made as to the disposition of said investigation; however, said period shall not exceed one (1) full calendar month. If the employee is eligible to be replaced on the reinstatement list, they shall be replaced without loss of status on said list.

ARTICLE V
HOLIDAYS AND VACATIONS

Holidays:	
January 1	(New Year's Day)
Third Monday in January	(Martin Luther King Jr. Birthday)
February 12	(Lincoln's Birthday)
Third Monday in February	(Washington's Birthday)
Last Monday in May	(Memorial Day)
July 4	(Independence Day)
First Monday in September	(Labor Day)
Second Monday in October	(Columbus Day)
November 11	(Veteran's Day)
Thanksgiving Day	
Friday Following Thanksgiving	
December 24	
December 25	
Each day proclaimed by the President or Governor and Mayor of this City as a public holiday.	

Holidays shall no longer be calculated as 7.5 hour days. Instead, for each employee, a holiday shall be deemed to have the same number of hours as those the employee is normally scheduled to work on that day. Holidays falling on a Saturday or a Sunday shall be observed on the immediately following Monday. Where two holidays fall on the same weekend – e.g., Christmas Eve and Christmas – they shall be observed on the immediately following Monday and Tuesday respectively.

The City and Union acknowledge that any proposed changes, additions or deletions to the above agreed-upon holidays are subject to the meet and confer requirements set forth in California Government Code Sections 3500 et seq. (the Meyers-Milias-Brown Act).

Religious Observance

A City employee who wishes time off to observe holidays particular to their race, national origin, culture, or religion may do so with the approval of his/her Department Head. This time off is charged to compensatory time or vacation.

Vacation Leave

Full vacation leave according to the following schedule is earned by:

Full time paid status.

Eligible employees on sick or vacation leave with pay.

Eligible employees on Jury leave.

1. Employees hired as of August 31, 2011 shall accrue vacation as follows:

Years of Service	Vacation Days Per Year
1	12
2	12
3	12
4	15
5	15
6	15
7	16
8	16
9	16
10	18
11	18
12	18
13	18
14	18
15	21
20	23

2. Employees hired on or after September 1, 2011 shall accrue vacation as follows:

Years of Service	Vacation Days Per Year
1	10
2	10
3	10
4	10
5	11
6	11
7	11
8	11
9	11
10	12
11	12
12	12
13	12
14	12
15	13
20	14
21	14
22	14
23	14
24	14
25	15

Personal Leave

During the term of this agreement, each employee shall be permitted to take one day off each calendar year as a personal leave day, subject to prior scheduling and approval. This day must be taken as time off, and cannot be taken as pay. In addition, this annual personal leave day does not carry over or accumulate from year to year; rather, if not taken during the calendar year, it expires.

Regardless of the employee's scheduled work hours on the day selected for personal leave, no time will be charged to his or her accrued vacation leave or compensatory time. Conversely, no time will be added to the employee's accrued vacation leave or compensatory time.

For example, if an employee is scheduled to work more than 7.5 hours on the day he or she takes as a personal leave day, the employee will not be required to charge the scheduled work time exceeding 7.5 hours to accrued vacation leave or compensatory time.

By the same token, if an employee is scheduled to work less than 7.5 hours on the day he or she takes as a personal leave day, the employee will not have credited to his or her accrued vacation leave or compensatory time the difference between 7.5 hours and the hours actually scheduled to work.

Guidelines for Approval

Supervisors will establish a vacation schedule at the beginning of each calendar year. Adjustments may be requested by either the supervisor or employee, with reasonable prior notice, based on personal or organizational needs or problems; said changes, if made, shall be discussed between the supervisor and employee prior to said change being instituted. Vacation time shall be taken in one (1) day increments with prior approval of supervisor. Requests for vacation time off of less than one (1) day may be approved, based upon circumstances which may be in the best interest of employees and the City.

Vacation Buy Back

1. Vacation Buy Back for Employees Hired as of August 31, 2011

Upon written request by the employee, the City will buy back up to 60 hours of accrued vacation annually, provided the employee has used a minimum of 37-1/2 consecutive hours of vacation leave during the twelve (12) month period immediately preceding the request. One day of holiday time may be substituted for one day of vacation provided that the consecutive time off is at least 37-1/2 hours. Additionally, the employee must have at least 60 hours of accrued vacation leave at the conclusion of the vacation buy back transaction.

The written request for the vacation buy back must be submitted to the Personnel Officer by the twenty-fifth (25th) day of the month preceding the date on which the employee is requesting the payoff.

Only hours which were accumulated prior to the last day of the month preceding the date of the request are eligible for the vacation buy back. Vacation buy back shall be limited to once per fiscal year.

2. Vacation Buy Back for Employees Hired on or After September 1, 2011

Vacation buy back for employees hired after August 31, 2011 is not permitted, except with the permission of the City Manager in limited circumstances. Any vacation buy back allowed by the City Manager must be consistent with the provisions in paragraph 1 above regarding vacation buy back for members employed as of August 31, 2011.

ARTICLE VI
SICK LEAVE AND OTHER LEAVES OF ABSENCE

The sick leave and other leaves of absence provisions of the City's current Personnel Rules and Regulations shall apply to employees in Bargaining Unit "C".

Payment for Accumulated Sick Leave

1. Employees hired as of August 31, 2011 are eligible to accumulate sick leave and are entitled to receive on the December 5 or January 5 payroll, and each December 5 or January 5 thereafter, a cash payment or additional vacation for thirty-three and one third percent (33 1/3%) of the unused portion of sick leave credit accumulated during that calendar year. To qualify for payment, the employee shall have to their credit on November 30, not less than thirty (30) days of unused sick leave. The rate of pay for this purpose is the rate of pay as of November 30. The amount of time for which an employee is paid is deducted from the employee's total accumulation. An employee may elect to retain sick leave in lieu of payment. This rate applies to annual buy-back and retirement after five (5) years of service.

2. Employees hired on or after September 1, 2011 are eligible to accumulate sick leave and are entitled to receive on the December 5 or January 5 payroll, and each December 5 or January 5 thereafter, a cash payment to his/her 457 deferred compensation plan for fifteen percent (15%) of the unused portion of sick leave credit accumulated during that calendar year. To qualify for payment, the employee shall have to their credit on November 30, not less than thirty (30) days of unused sick leave. The rate of pay for this purpose is the rate of pay as of November 30. The amount of time for which an employee receives payment is deducted from the employee's total accumulation. An employee may elect to retain sick leave in lieu of payment. This rate applies to annual buy-back and retirement after five (5) years of service.

3. If an employee is terminated after five (5) years' service because of voluntary resignation, death, or abolishment of position, accumulated sick leave is paid at the rate of one (1) day for each four (4) days of unused sick leave to a maximum of twenty-five (25) days.

4. If an employee retires from the City with between five (5) years and twenty (20) years of service, up to twenty-five (25) days of unused sick leave will be paid upon separation and the balance will be reported to PERS for purposes of calculating PERS retirement service credit pursuant to PERS regulations.

5. See Article XVIII regarding the ICMA Retirement Health Savings Plan benefit for those employees who retire with twenty (20) or more years of service.

ARTICLE VII
MISCELLANEOUS OVERTIME PROVISIONS

Call Back

When full-time or permanent part-time employees, within the Unit, are called back to duty after they have completed their normal work schedule or prior to beginning their normal work schedule, or are on their day off, all hours worked during such Call Back assignment shall be paid at the rate of one and one-half (1-1/2) times the employee's normal hourly rate. A minimum of three (3) hours pay at the one and one-half (1-1/2) rate prior to or after the normal work shift is guaranteed the employee. A minimum of four (4) hours pay at the one and one-half (1-1/2) rate will be guaranteed the employee for Call Back to work between the hours of 10:00 p.m. and 6:00 a.m. The time of the call to the employee shall be the determinant of the Call Back minimum.

Stand-By Time

Public Works Field Employees:

For all full-time employees within the unit, stand-by time shall be compensated at \$18.00 flat rate of pay or ½ hour of compensatory time for each sixteen (16) hours of week day stand-by time; \$29.00 flat rate of pay or ¾ hour of compensatory time for each twenty-four (24) hours of weekend or holiday stand-by time. The decision whether to be compensated in cash or in compensatory time shall be made by the employee.

Stand-by time for weekends will be reduced to \$18.00 or ½ hour of compensatory time if the assigned employee is called back to work four (4) hours or more within the twenty-four (24) hour period.

Compensatory Time

An employee may accumulate up to sixty (60) hours of compensatory time worked at the rate of one and one-half (1-1/2) times which may be taken off as scheduled and approved by their supervisor. This computation is in accordance with the Fair Labor Standards Act.

All overtime above sixty (60) hours will be automatically paid for within the next earliest pay period.

ARTICLE VIII **WORK SCHEDULES**

Work Week

Maintenance employees work an average thirty-seven and one-half (37-1/2) hour work week with no reduction in monthly pay based on four (4) days of eight and one-half (8-1/2) hours, Monday through Thursday; three and one-half (3-1/2) hours on Friday.

Building Inspectors and Construction Inspectors work 37.5 hours a week, and schedules are set by mutual agreement with supervisor.

There shall be no change in the regular work schedules solely to avoid the payment of overtime or compensatory time unless mutually agreed by the employee and supervisor.

No formal coffee breaks will be allowed to any member of Bargaining Unit "C".

Overtime

The City shall pay overtime at the rate of one and one-half (1-1/2) time for all overtime worked above an employee's normal work day or work week schedule. (Normal is considered as those schedules shown above.) The following provisions shall apply.

Work day – Overtime shall apply if time worked is one-tenth (1/10th) of an hour above or before the normal starting or ending time of the employee work day.

Work week – Overtime shall apply if time worked is on the sixth (6th) day of the employee's normal work week schedule.

Double time and One-Half Provision – Overtime shall be paid at the rate of two and one half (2-1/2) times the employee's hourly rate for work performed on a regularly scheduled holiday. Pay shall be in lieu of holiday.

Overtime Scheduling

There will be two types of overtime: emergency overtime and scheduled overtime. The City will make the effort to dispense overtime equally whenever possible; however, the City retains the right to determine who will be called to respond to emergencies based on the nature of the emergency.

Scheduled overtime and standby time will be dispensed from a rotating list of eligible and qualified employees. The list will be updated and posted on the posting board. The employee at the top of the list will be called first. Once he or she completes the overtime assignment (or the next person [s] complete the overtime assignment, if the first person is not available for scheduled overtime), that person's name will be moved

to the bottom of the list. If an employee for the assignment is not available, mandatory scheduled overtime will be initiated using the least senior, qualified person.

Clean Up Time

Whenever it is essential for employees occupying labor, trades, or craft positions to clean up and/or change clothes before being presentable upon leaving work, said employee shall be allowed five (5) minutes of City time to clean up or change clothes. This provision does not apply to overtime work nor is the time considered a guaranteed five (5) minutes each and every work day.

Meal Periods

Meal periods are scheduled during the employee's work day to coincide with the employee's work hours. Normally, a meal period is not less than thirty (30) minutes or more than one (1) hour. Meal periods will be based on work schedules and the City's operational needs at each particular work site.

Meal Cost Reimbursements

Employees shall be reimbursed in certain instances for meal costs. The requirements for meal cost reimbursement and the procedure for obtaining such reimbursement are set forth in departmental rules and regulations.

Compensatory Time Off

For purposes of computation of compensatory time off, sick leave and vacation leave, the regular work day shall be deemed to be seven and one-half (7-1/2) hours.

Varying Hours

Employees within the unit are permitted the opportunity to discuss varying their hours within a given work day due to their personal needs or problems. These requests have been handled on a case-by-case basis between supervisor and the employee, with the final decision being made by the supervisor. The City will continue this practice keeping in mind that the supervisor must be concerned about the City's needs and problems in managing their daily business. This practice is for meeting temporary or emergency situations.

ARTICLE IX
WAGE PLAN ADMINISTRATIVE PROCEDURES

Applicable Pay Rates Following Promotion

When promoted, an employee shall begin at Step A or one (1) step higher than his/her current salary, whichever is higher. The new anniversary is the date of promotion. Upon recommendation of the Designee and approval of the City Manager, an employee may be considered for a higher step upon promotion if their experience, longevity and value to the City would merit such an increase.

Applicable Pay Rates Following Demotion

In the case of a demotion to the position with a lower maximum salary, an employee shall be assigned to a pay step that is the same as, or less than, the step they held in the highest position. Placement within the rate shall be determined by the City Manager. An employee shall retain their previous anniversary date.

Applicable Pay Rates Following Transfer

Where an employee is transferred from one position to another in the same class or to another class to which the same pay range is applicable, the employee retains the same pay step and anniversary date.

Applicable Pay Rates Following Salary Range Increases and Decreases

Where a pay rate is revised upward or downward, the incumbent of a position in the affected class is entitled to a pay adjustment to the same relative step in the new pay range. The anniversary date does not change.

Pay Status

Pay status can be defined as the period in which an employee is at work, on vacation, sick leave, compensation leave as a result of an industrial accident, leave with full pay in lieu of temporary disability benefits, compensatory time off, administrative leave, paid temporary military leave of absence, or on an approved leave of absence with full pay.

Premium Pay for Employees in "Acting Capacity"

An employee who is temporarily assigned duties outside his/her assigned job classification for more than four (4) consecutive working days shall, upon City Manager approval, be paid a five percent (5%) differential based upon the employee's regular rate of pay, which differential shall be made retroactive to the first (1st) day the employee began performing said duties. Employees who are temporarily assigned duties outside their assigned job classifications for four (4) or fewer consecutive working days shall not be paid any differential.

ARTICLE X
LONGEVITY PAY PLAN

1. Employees hired as of August 31, 2011 are eligible for the following longevity benefit if they qualify as of August 31, 2015:

Employees fifty-five (55) years of age with ten (10) full years of City service shall be given a five percent (5%) benefit computed on their normal monthly base salary.

Employees sixty (60) years of age with fifteen (15) full continuous years of City service shall be given an additional five percent (5%) benefit computed on their normal monthly base salary.

2. Employees receiving the following pre-retirement benefit as of August 31, 2011 will be entitled to continue receiving the benefit for a consecutive 12-month period of time as long as retirement takes place at the end of the 12-month period. All other employees are not entitled to this benefit. Twenty (20) year employees regardless of age, upon presenting to the Personnel Officer, the State P.E.R.S. declaration of intent to retire within the following twelve (12) months, shall be given an additional seven percent (7%) benefit computed on their normal monthly base salary. This seven percent (7%) shall be effective twelve (12) calendar months before the declaring employee's last date of employment.

Such benefit shall be used to compute any other benefit such as overtime, but will not be used in computing final retirement benefits as determined by the Public Employees Retirement System and provided for in the City's contract with P.E.R.S.

3. Employees hired on or after September 1, 2011 are not entitled to any of the longevity or pre-retirement benefits described in this Article.

ARTICLE XI
BENEFIT PLAN

The City agrees to provide medical, dental, orthodontia, life and disability benefits plans through the term of this Agreement and the City will contribute premiums for such plans in accordance with the following schedule:

Medical

Effective October 1, 2015, the City will strive to provide insurance coverage by two HMO carriers. The City will provide insurance coverage by January 1, 2018 for which the premium is at the Affordable Care Act (ACA) threshold for the excise tax (\$10,200 for individual coverage and \$27,500 for family coverage as of January 1, 2018).

Members Hired on or After September 1, 2011

For Local One members hired on or after September 1, 2011, the City will pay 75% of the Kaiser premium at each level of participation regardless of which carrier the employee is enrolled with, employee will pay the remainder.

Members Hired as of August 31, 2011

Members of Local One hired as of August 31, 2011 and who have medical coverage through the City shall contribute towards the premium costs for their medical coverage as follows:

Effective September 1, 2012, each member shall contribute 15% of the medical premium payment for either Kaiser or Health Net at each level of participation with the maximum monthly employee contribution capped as follows:

	Kaiser	Health Net
Employee	\$100	\$150
Employee + 1	\$200	\$250
Family	\$300	\$350

Effective September 1, 2013, each member shall contribute 20% of the medical premium for either Kaiser or Health Net at each level of participation with the maximum monthly employee contribution capped as follows:

	Kaiser	Health Net
Employee	\$125	\$180
Employee + 1	\$250	\$375
Family	\$350	\$525

Effective September 1, 2014, each member shall contribute 20% of the medical premium for either Kaiser or Health Net at each level of participation with the maximum monthly employee contribution capped as follows:

	Kaiser	Health Net
Employee	\$137.50	\$200
Employee + 1	\$275	\$412.50
Family	\$385	\$577.50

Effective October 1, 2015, each member shall contribute 20% of the medical premium for either Kaiser or Health Net (if applicable) at each level of participation with the maximum monthly employee contribution capped as follows:

	Kaiser	Health Net
Employee	\$144.38	\$210.00
Employee + 1	\$288.75	\$433.13
Family	\$404.25	\$606.38

Effective September 1, 2016, each member shall contribute 20% of the medical premium for either Kaiser or Health Net (if applicable) at each level of participation with the maximum monthly employee contribution capped as follows:

	Kaiser	Health Net
Employee	\$151.59	\$220.50
Employee + 1	\$303.19	\$454.78
Family	\$424.46	\$636.69

Effective September 1, 2017, each member shall contribute 20% of the medical premium for either Kaiser or Health Net (if applicable) at each level of participation with the maximum monthly employee contribution capped as follows:

	Kaiser	Health Net
Employee	\$159.17	\$231.53
Employee + 1	\$318.35	\$477.52
Family	\$445.69	\$668.53

The City shall deduct said contributions from the members' pay each month on a pre-tax basis.

Medical In-Lieu

Upon proof to the Personnel Officer of medical coverage from another source, employees may elect to receive \$400.00 per month in lieu of the City's contribution to the employee's medical plan. An eligible employee may elect to receive this "in lieu" payment in cash or as a pre-tax contribution on the employee's behalf into the employee's 457 deferred compensation account. Employees receiving in lieu payment shall not be required to make the premium contributions described above.

Dental/Orthodontia

Employees in Bargaining Unit C may select dental coverage (up to full family coverage) from either of the following dental plans currently provided by the City: (1) \$1500 dental only; or (2) \$1,000 dental benefit and \$1500 orthodontia lifetime maximum.

Vision Plan

The city agrees to provide employees in Bargaining Unit "C" and their dependents with a vision insurance plan that will allow one examination and one pair of eye glasses or one pair of contact lenses on an annual basis.

Life Insurance

The City shall pay the total cost of life insurance in the amount of \$50,000. Additionally, the City will provide employees the option to increase such coverage provided that the cost of such increase shall be borne by the employee. However, the City reserves the right to change carriers if premiums become excessive.

Disability Insurance

City agrees to continue to pay total cost of Disability Insurance Plan, sixty-six and two-thirds percent (66-2/3%) of salary plan, for length of Agreement. However, City reserves the right to change carriers if premium becomes excessive. The elimination period shall be thirty (30) days. A woman unable to work for pregnancy related reasons is entitled to disability and/or sick leave on the same basis as employees unable to work for other medical reasons due to off-the-job disability.

ARTICLE XII **EDUCATIONAL INCENTIVE**

The City agrees to continue the educational incentive to employees within the unit as follows:

- a. The course, courses or training programs taken must relate to the employee's job or be part of a degree or certification program which has application to City service and be approved by the Department Head.
- b. During the period such courses or training programs are taken, the employee will receive monthly compensation equal to \$18.00 multiplied by the number of credit units taken up to a maximum of nine (9) units during any semester of study. In addition, the City will agree to reimburse the employee for tuition, books, training materials or required tools up to a maximum of \$450 per semester and \$1,400 per calendar year.
- c. For purposes of this Article, reimbursement for a certification training program shall be limited to the cost of the training program and of any books, training materials and tools the employee is required to purchase in connection with the certification training program. There shall be no \$18.00 per month per credit unit payment to employees for certification training programs, unless the training program is given in an accredited school and the employee has to pay tuition to the school.

- d. To be reimbursed for tuition, books, and required tools, the employee must provide proof satisfactory to the city that the employee is actually enrolled in the course or training program, and that the books, training materials and/or tools are in fact required for the course or training program being taken. Such proof includes, but is not limited to, receipts, course syllabuses, written requirements, and/or written confirmation from the instructor.
- e. Employees receiving this temporary educational incentive shall keep their Department Head informed of their enrollment status and shall be required to submit verification that they successfully completed the course or training program. Successful completion of a school course means completing the course with a grade of "C" or better.

ARTICLE XIII **PERFORMANCE EVALUATION**

Annual Review

The City will continue to use an annual performance evaluation. Performance evaluations will be made once a year no later than fifteen (15) days following the employee's anniversary date. Where a performance evaluation is late without reasonable justification, the employee may choose to file a grievance. Grievances for late performance evaluations shall commence at the second step before the department head.

All performance evaluations shall be signed by the employee indicating knowledge of the evaluation and that said evaluation is being placed in the employee's personnel file.

If the employee receives an evaluation of "below standard" on six of the twelve categories, his or her salary may be reduced up to 7% for a one year period upon recommendation of the Department Head and approval of the City Manager.

No employee shall receive a "below standard" overall evaluation without first receiving a direct oral or written warning of the need for improvement. Upon written request, an employee shall receive a second evaluation within ninety (90) days after an unfavorable evaluation.

Bonus Plan

Each year, employees who meet the following threshold eligibility requirements may be considered for a bonus: (1) The employee must be at the top of his/her salary range; and (2) the employee must receive the highest possible rating in at least half of the rating categories in his/her performance evaluation. Meeting these threshold eligibility requirements renders the employee eligible to be considered for a bonus. It does not guarantee that a bonus will be awarded.

Where an employee meets these threshold eligibility requirements, his/her immediate supervisor may recommend that the employee be awarded a bonus. The employee's department head must approve the recommendation. If the department head approves the recommendation, he/she will forward it to the Personnel Officer, who will confirm that the employee is in fact eligible for consideration for a bonus. The Personnel Officer will then forward the recommendation to the City Manager. The City Manager shall have discretion to approve or disapprove the bonus recommendation. If the City Manager approves, he/she shall also determine the amount of the bonus, which shall not exceed a maximum of 7% of the employee's base salary for that evaluation year.

If the employee receives a bonus award, he/she may elect to have the bonus paid either as a lump sum contribution to his/her 457 plan or as a lump sum cash award paid directly to him/her.

The bonus does not become a part of the employee's salary. After payment, the employee receives no further payment under his/her bonus award for that evaluation year. Employees may receive bonus awards more than once during their employment with the City, provided all the requirements of this section are met.

ARTICLE XIV **SALARY ADMINISTRATION**

Salary Increases

1. Wage increases during the term of this Memorandum of Understanding shall be as follows:

Effective October 1, 2015: 2.5%
Effective September 1, 2016: 2.5%
Effective September 1, 2017: 3.25%

The City's expectation is that a cost of living adjustment (COLA) wage increase for 2018, if any, agreed to between the parties in a successor agreement would be effective September 1, 2018 or appropriately prorated if effective earlier in 2018.

Unit members shall each receive a one-time payment of \$1,000 on October 5, 2015 payable either as cash, a pre-tax contribution into the employee's 457 Deferred Compensation Plan, or an after-tax contribution to the employee's 401(a) Money Purchase Plan, at the employee's option.

Pesticides Certificate

Each employee who holds a certificate from the State in Pesticide Spray Operation will earn a 2% salary differential.

The City shall provide employees paid release time to attend classes to fulfill the requirements for certification. The City shall reimburse employees for the cost of such classes. Additionally, the City shall reimburse employees for the cost of obtaining certification and/or renewal.

Fleet Services Coordinator "Backup"

An employee who is assigned and performs vehicle and/or non-routine equipment repair shall be entitled to a 5% salary differential in addition to his/her base salary. This differential shall be authorized by the Maintenance Superintendent through a Personnel Action Form. The 5% will be paid on all hours worked and not just when performing vehicle and non-routine equipment repair.

ARTICLE XV **NO STRIKE OR LOCKOUTS**

No lockout of employees represented by the Union shall be instituted by the City during the term of this Agreement. The Union agrees that during the term of this Agreement, neither Union Staff nor City Employees shall engage in or support strikes by not crossing another Union picket line, work stoppages, slow downs, boycotts, or other direct or indirect work actions against the City. Any employee participating in these prohibited activities may be disciplined by the City.

ARTICLE XVI **FULL AGREEMENT**

It is understood this Agreement, including Exhibit "A" which is attached hereto and incorporated herein by reference, represents a complete and final understanding on all negotiable issues between the City and the Union. This agreement supersedes all previous Memoranda of Understanding or Memoranda of Agreement between the City and the Union except as specifically referred to in this Agreement. The parties, for the term of this Agreement voluntarily and unqualifiedly agree to waive the obligation to negotiate with respect to any practice, subject or matter not specifically referred to or covered in this Agreement even though such practice, subject or matter may not have been within the knowledge of the parties at the time this Agreement was negotiated and signed. In the event any new practice, subject or matter arises during the term of this Agreement and an action is proposed by the City, the Union shall be afforded notice and shall have the right to meet and confer upon request.

ARTICLE XVII **SAVINGS CLAUSE**

If any provision of this Agreement should be held invalid by operation of law or by any court of competent jurisdiction, or if compliance with or enforcement of any provision should be restrained by any tribunal, the remainder of this Agreement shall not be affected thereby, and the parties shall enter into a meet and confer session for the sole

purpose of arriving at a mutually satisfactory replacement for such provision within a thirty (30) work day period. If no agreement has been reached, the parties agree to invoke the provision of impasse under City Resolution No. 2-15.

ARTICLE XVIII **RETIREMENT**

Retirement Benefits

The City will continue to provide retirement benefits to existing Local One members employed as of August 31, 2011 under the City's present contract with the California Public Employees Retirement System ("CalPERS" or "PERS"), including but not limited to 2%@55 retirement benefits for Local One miscellaneous employees; single highest year; and payment of the employer's required contribution. Effective April 16, 2012, the pension formula was reduced to 2%@60 for new members employed on or after that date and final compensation for those new employees will be based on a three-year average. All employees hired on or after January 1, 2013 who are "new members" as determined by CalPERS will participate in the City's Public Employees' Pension Reform Act (PEPRA) Miscellaneous Employees Retirement Plan (2%@62).

In addition, under the authority of Government Code section 20691, the Employer Paid Member Contribution (EPMC) shall apply to existing employees as of August 31, 2011 of Local One. The percentage of normal contributions to be paid as EPMC for existing employees on a pre-tax basis is as follows:

Effective September 1, 2012 – reduce EPMC by 5% (Employee pays 5%; City pays 2%).

Effective September 1, 2013 – reduce EPMC by an additional 1% (Employee pays 6%; City pays 1%).

Effective September 1, 2014 – reduce EPMC by an additional 1% (Employee pays 7%; City pays 0%).

Members employed on or after September 1, 2011 will pay the full 7% employee contribution and there will be no Employer Paid Member Contribution.

Sick Leave Conversion Upon Retirement

For employees employed as of August 31, 2011: An ICMA VantageCare Retiree Health Savings Plan ("RHS Plan") shall be established (at no cost to the City) for employees who have worked with the City for twenty (20) or more years, regardless of age, who elect to take a service retirement. The RHS Plan will permit the payment of post-retirement healthcare costs with contributions as follows:

Twenty-five (25) days of accrued, unused sick leave will be paid to the employee at one hundred percent (100%) of the last day worked salary and any remaining accrued, unused sick leave at one hundred percent (100%) of the last day worked salary,

calculated at the net present value as of the date of retirement, shall be contributed to the employee's RHS Plan account pursuant to the Local One adoption agreement.

In the event the employee dies before exhaustion of funds in the employee's RHS Plan account and leaves no spouse or dependents, the remaining amount shall revert back to the City.

For employees hired on or after September 1, 2011: No sick leave conversion will be allowed upon retirement.

ARTICLE XIX **DEFERRED COMPENSATION**

Each employee shall have the option of making monthly contributions to the City's Deferred Compensation Plan. Employees may elect to defer up to the maximum allowed by law to the City's 457 Deferred Compensation Plan.

IRS 125 Plan

All benefits covered under the City's IRS 125 Plan may be paid on a pre-tax basis. Examples include dependent care, out-of-pocket medical expenses and specified insurance premiums.

401 (a) Money Purchase Plan

Effective September 1, 2012, the City will no longer make a monetary contribution to each employee's 401(a) Money Purchase Plan. Employees may continue to make voluntary after-tax contributions.

ARTICLE XX **JOB ANNOUNCEMENTS**

City will designate official bulletin boards and post by memorandum or formal job announcement all examination processes for a period of at least five (5) days in advance. Space for Union notices shall be provided on these bulletin boards.

ARTICLE XXI **MISCELLANEOUS**

Protective Apparel Allowance

The City shall allot a protective apparel allowance of up to \$300 per year to each employee in Bargaining Unit "C". This allowance is to be used for the purchase or repair of protective boots, shoes, hats, or any other protective apparel the employee would be required to wear while on the job that is not already supplied.

Procedure for reimbursement: The employee shall bring the protective apparel and purchase receipt to management for approval. Guidelines for approval shall be set forth in departmental rules and regulations.

Uniform Allowance

Each employee in Bargaining Unit "C" is entitled, beginning on July 1, 2012, to a uniform allowance of \$20 per month, paid on the pay period ending on the 15th of each month. This allowance is to be used for the purchase, rental and/or maintenance of required clothing. This allowance will be reported to CalPERS as a separate "special compensation" line item. Effective January 1, 2013, the uniform allowance will not be included as "pensionable compensation" for employees classified as "new" members under the California Public Employees' Pension Reform Act of 2013.

Temporary and Part-Time Employees

This Agreement does not apply to Temporary Employees or Part-Time Employees.

Conversion of Permanent Positions to Part-Time

If any positions currently in Bargaining Unit "C" are converted to Part-time permanent, all such positions shall continue to be covered by this M.O.U.

Required Class II (B) Driver's License

Employees who are required to obtain and/or renew a Class II (B) driver's license shall be permitted to obtain and renew such license on work time provided that arrangements are made in advance with the supervisor. Additionally, the City shall pay the cost of any medical examinations and any licensing fees to the extent these costs or fees exceed the costs or fees of obtaining a regular (Class C) driver's license.

ARTICLE XXII **CLASSIFICATIONS WITHIN UNIT "C"**

The City recognizes the Union as the sole and exclusive representative for the General Employee Bargaining Unit "C" consisting of the following classifications, as well as any new classifications which may be assigned to this representation unit by the City Manager:

Fleet Services Coordinator, Maintenance Worker I,
Maintenance Worker II, Senior Maintenance Worker, Building Inspector,
Construction Inspector, Building Trades Worker I and Building Trades Worker II.

The current salary ranges for the classifications within Unit "C" are listed on Exhibit A.

ARTICLE XXIII
PROMOTION SELECTION PROCESS

The City will take all reasonable steps to avoid the use of City employees as oral board raters when a promotional selection process is administered. This action shall not restrict the City from use of City employee oral board members if circumstances prevail necessitating such use as deemed appropriate by City management. Also, the intent of this article shall not restrict City management from using City employees in an administrative capacity in any or all parts of a Selection Process.

This article does not relate to the final interviews conducted by City management prior to actual promotion offers made by Management on behalf of the City of Pleasant Hill.

Positions will be posted internally for a minimum of two weeks. If there are fewer than three (3) internal applicants, City may then post externally.

Among the qualified applicants for the position, length of City service, merit and ability will be factors in the employee's behalf in making the appointment.

ARTICLE XXIV
EMPLOYEE RIGHTS

Employees shall have the right to Union representation upon request at disciplinary or investigatory meetings. Records of discipline shall be removed from an employee's file in accordance with the following schedule, provided there has been no recurrence within the stated time:

Written reprimands – two (2) years. Suspensions of one day – three (3) years. More serious discipline – no scheduled removal.

The Probation Period for new employees shall be twelve (12) months as calculated in Personnel Rules and Regulations. In the case of new employee's starting at "A" step, however, the employee shall receive a step increase to "B" step after six (6) months, **provided** the employee's performance is rated no lower than "meets standard" in all categories; the employee's probation shall continue for the remainder of the twelve (12) month probationary period regardless of whether the employee's salary is increased from Step "A" to Step "B".

The Probation Period shall be six (6) months for current employees who have already completed an initial probation in another City of Pleasant Hill position.

ARTICLE XXV
CITY RIGHTS CLAUSE

It is understood and agreed that the City retains all of its powers and authority to manage municipal services and the work force performing those services subject to the provisions of this understanding and applicable law.

It is agreed that during the term hereof the City shall not be required to meet and confer on matters which are solely a function of management, including the right to:

- Determine and modify the organization of City government and its constituent work units.
- Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.
- Determine the methods, means and the numbers and kinds of personnel by which services are to be provided.
- Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.
- Direct employees, including scheduling and assigning work, work hours, and overtime.
- Establish employee performance standards and to require compliance therewith.
- Impose discipline subject to requirements of applicable law.
- Implement rules, regulations, and directives consistent with law and the specific provisions of this MOU.
- Take all necessary actions to protect the public and carry out its mission in emergencies.

Decisions under this Article shall not be subject to the grievance procedure except as provided elsewhere in the MOU. Nothing in this Article shall relieve the City of its obligation to meet and confer on the impact of the exercise of rights enumerated herein to the extent that they are within the scope of representation and subject to meet and confer under Meyers-Milias-Brown Act.

ARTICLE XXVI
TERM OF AGREEMENT

This Agreement shall take effect October 1, 2015 and shall continue in full force through midnight, March 31, 2018.

AS WITNESSED HERETO by the following parties:

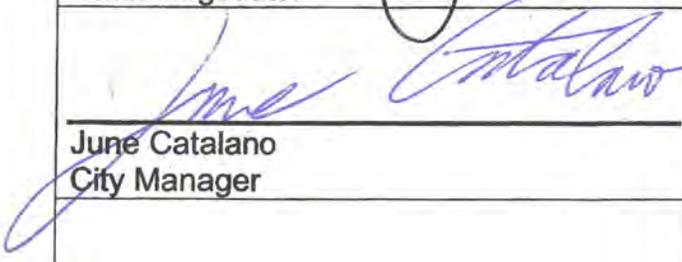
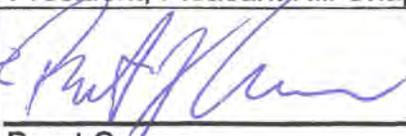
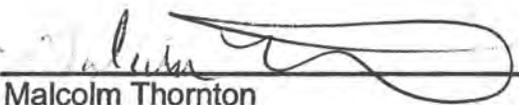
CITY OF PLEASANT HILL 	PUBLIC EMPLOYEES UNION, LOCAL ONE 
Andrew Murray Chief Negotiator	Tom Olsen President, Pleasant Hill Chapter
	
June Catalano City Manager	Brent Creese Negotiator, Pleasant Hill Chapter
	
	Malcolm Thornton Business Agent

Exhibit A

**CITY OF PLEASANT HILL
PUBLIC EMPLOYEES UNION, LOCAL 1
BARGAINING UNIT "C" CLASSIFICATIONS
MONTHLY SALARY BY STEP
EFFECTIVE OCTOBER 1, 2015**

CLASSIFICATION	A	B	C	D	E	F
MAINTENANCE WORKER I	\$3,832	\$4,072	\$4,278	\$4,485	\$4,717	\$4,949
BUILDING TRADES WORKER I	\$4,109	\$4,374	\$4,594	\$4,827	\$5,060	\$5,313
MAINTENANCE WORKER II	\$4,297	\$4,568	\$4,796	\$5,037	\$5,291	\$5,557
BUILDING TRADES WORKER II	\$5,126	\$5,453	\$5,725	\$6,012	\$6,314	\$6,630
FLEET SERVICES COORDINATOR	\$5,597	\$5,975	\$6,271	\$6,591	\$6,917	\$7,262
BLDG./CONSTRUCTION INSPECTOR	\$5,687	\$6,069	\$6,370	\$6,689	\$7,026	\$7,379
SENIOR MAINTENANCE WORKER	\$6,437	\$6,917	\$7,262	\$7,631	\$8,008	\$8,404