

**Memorandum of Understanding
Between City of Duarte and
SEIU Local 721 General Employees
Fiscal Years 2017/2018 to 2019/2020**

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**Memorandum of Understanding Between
City of Duarte
And
SEIU Local 721 – General Employees**

This Memorandum of Understanding (“MOU”) is made and entered into by and between the City of Duarte (“City”) and the Service Employees International Union, Local 721 (“SEIU 721”).

1. Recognition

The City recognizes SEIU 721 as the representative for those employees employed by the City in the following classifications:

- Accountant
- Accounting Specialist
- Administrative Assistant
- Administrative Secretary
- Assistant Planner
- Bus Driver
- Civil Engineering Technician
- Clerk/Typist Receptionist
- Code Compliance/ Animal Control Officer
- Community Development Technician
- Crime Prevention Specialist
- Custodian
- Field Services Supervisor
- Irrigation Control Technician
- Human Resources Specialist*
- Lead Driver
- Maintenance Technician
- Public Safety Coordinator
- Recreation Coordinator
- Senior Code Compliance/ Animal Control Officer
- Senior Custodian
- Senior Maintenance Technician
- Senior Maintenance Technician/Electrician

* Confidential Employee – Pursuant to Government Code Section 3507.5 this classification is “restricted from representing any employee organization on matters within the scope of representation.”

2. Term

The term of this MOU shall be from July 1, 2017 to June 30, 2020.

3. MOU Distribution

The City will provide all current and new employees, covered by this MOU, with a copy of the MOU.

4. Salaries

Effective July 1, 2017, the base salary range of each classification in the bargaining unit shall be increased by three percent (3%).

Effective July 1, 2018, the base salary range of each classification in the bargaining unit shall be increased according to the percentage of annual change in the CPI-U for Los Angeles-Riverside-Orange County, CA for 2017. For example, if the CPI-U reports at 3.2% increase in CPI-U, the base salary range of each classification in the bargaining unit shall be increased by 3.2%

Effective July 1, 2019, the base salary range of each classification in the bargaining unit shall be increased according to the percentage of annual change in the CPI-U for Los Angeles-Riverside-Orange County, CA for 2018.

The resulting salary range for each classification effective July 1, 2017 is set forth in Appendix A.

5. Medical Insurance

a. Employees

Each full-time and three-quarter-time employee will be provided medical insurance coverage through the PERS system. Effective July 1, 2017, the City will contribute toward the cost of any insurance program for employees and dependents at the following monthly rates:

	Full Time Employees	3/4 Time Employees
Employee Only	100% Kaiser Premium	75% Kaiser Premium
Employee + One	100% Kaiser Premium	75% Kaiser Premium
Employee + Two or More	100% Kaiser Premium	75% Kaiser Premium

Employees will pay any excess premiums through payroll deduction.

Effective January 1, 2018, the City will increase its contribution, up to an additional 5%, based on the Kaiser premium for each group set forth above. For

example, if the Kaiser premium increases 3% in 2018, the City will fully contribute the 3% increase. However, if the Kaiser premium increases 7% in 2018, the City will contribute 5% of the increase.

Effective January 1, 2019, the City will increase its contribution, up to an additional 5%, based on the Kaiser premium for each group set forth above, as adjusted in 2018.

Effective January 1, 2020, the City will increase its contribution, up to an additional 5%, based on the Kaiser premium for each group set forth above, as adjusted in 2019.

The City will provide taxable cash to employees who waive medical insurance coverage and provide written proof of other medical insurance to the City according to the following scale:

	Full Time Employees	3/4 Time Employees
Employee Only	\$218.00	\$163.00
Employee + One	\$435.00	\$326.00
Employee + Two or More	\$566.00	\$424.00

Employees who choose a plan where the premiums are lower than the amounts paid by the City listed in the chart above will not receive the difference between their chosen plan and the City's maximum coverage.

b. Retirees

The City will provide medical insurance coverage for retirees and their dependents through the PERS system. To be eligible, employees must retire within one hundred and twenty (120) days of their separation from employment from the City of Duarte. The City's contribution to insurance premiums for retirees will be set at the same levels as they are for active employees. Retirees will pay any excess premiums through deductions in their retirement benefits. The City will provide taxable cash to retirees who waive medical insurance coverage and provide written proof of other medical insurance to the City according to the following scale:

	Full Time Employees
Retiree Only	\$218.00
Retiree + One	\$435.00
Retiree + Two or More	\$566.00

c. Changes to Health Care Laws

The parties recognize that certain changes to State or Federal laws, programs, taxes or regulations including, but not limited to, the Affordable Care Act, may impact future medical plan offerings. In the event that such reform measures or resulting changes in the healthcare marketplace alter healthcare coverage options, costs or other elements of healthcare and materially alter the provisions of this MOU, either party may request to reopen Article 5 regarding medical insurance to meet and confer over any changes to the medical insurance.

d. One Time Payment

In acknowledgement that employees have had increases in the cost of health insurance, the City will provide employees with a one-time payment to assist in the offsetting of this increase cost. Employees will receive \$125 for each month between July 1, 2015 through June 30, 2017, up to a maximum amount of \$3,000.00. This payment will be provided on a check separate from the employee's normal payroll check, on or about July 1, 2017.

Employees acknowledge their understanding that this payment will be subjected to state and federal withholding. Employees acknowledge their understanding that this payment will be subject to state and federal taxes, but is not reportable to CalPERS.

6. Dental and Vision

a. Dental Insurance

Each full-time and three-quarter-time employee will be provided dental coverage through the City-sponsored dental plan. Enrollment in the plan is mandatory and no cash alternative will be provided. Eligibility will begin the first day of the month following hire. The Delta Dental PPO plan allows the covered employee and their eligible dependents to receive care from any licensed dentist; however, the highest level of benefits will be received when utilizing a Delta PPO Provider. Effective July 1, 2017, the City will contract to provide for adult orthodontic coverage. The City will provide all employees with information from Delta Dental regarding the details of the plan, and will provide any information regarding changes made to the plan.

Effective July 1, 2017, the City will contribute toward the cost of the City sponsored dental plan for employees and their dependents at the following monthly rates:

	Full Time and 3/4 Time Employees
Employee Only	\$52.53

Employee + One	\$92.97
Employee + Two or More	\$148.35

The City will pay for any increases due to renewal rates through the term of this MOU up to ten percent (10%). In the event that the cost increases by more than ten percent (10%) over the term of the MOU, the City shall notify the Union and the parties shall meet and confer regarding the Dental Plan.

b. Vision Insurance

Each full-time and three-quarter-time employee will be provided vision coverage through the City sponsored vision plan. Enrollment in the plan is mandatory and no cash alternative will be provided. Eligibility will begin the first day of the month following hire. The Vision Service Plan (VSP) plan allows the covered employee and their eligible dependents to receive care from any vision provider; however, the highest level of benefits will be received when utilizing a VSP contracted provider.

Effective July 1, 2017, the City will contribute toward the cost of the City sponsored vision plan for employees and their dependents at the following monthly rates:

	Full Time and 3/4 Time Employees
Employee Only	\$10.28
Employee + One	\$14.92
Employee + Two or More	\$27.08

The City will pay for any increases due to renewal rates through the term of this MOU up to ten percent (10%). In the event that the cost increases by more than ten percent (10%) over the term of the MOU, the City shall notify the Union and the parties shall meet and confer regarding the VSP.

7. Sick Leave

All full-time employees will receive up to ninety-six (96) hours of sick leave per year. Three-quarter-time employees will receive up to seventy-two (72) hours of sick leave per year. Employees shall be compensated for sick leave at their regular rate of pay.

a. Accrual

There will be no limit to the amount of sick leave an employee may accrue. Sick leave accrues at the rate of 1/26th of an employee's annual sick leave allotment per pay period. On the last day of each pay period, each eligible employee will have 1/26th of his or her annual sick leave added to his or her earned sick leave

balance, which is available for use on the pay date of that pay period.

b. Use of Sick Leave

Upon verbal or written request, sick leave may be used for the following purposes:

- i. Diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or an employee's family member. Family member shall include: a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis, regardless of the child's age or dependency status; a biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; a spouse; a State of California registered domestic partner; a grandparent; a grandchild; and a sibling.
- ii. For employees who are victims of domestic violence, sexual assault, or stalking, taking time off to obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or his or her child.
- iii. For employees who are victims of domestic violence, sexual assault, or stalking, taking time off to seek medical attention for injuries caused by the domestic violence, sexual assault, or stalking; to obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking; to obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; and to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

In cases where lost work time due to illness or injury exceeds four days, or when the employee has been frequently absent (more than four cumulative days in a calendar year), the City Manager or designee may require a written physician's confirmation of the nature of the illness or injury. Employees are not responsible for finding other employees to cover shifts due to their use of paid sick leave. Should work time lost due to illness or injury exceed the employee's accrued sick leave balance, then any available vacation, floating holidays, or compensated time off will be used as compensation.

c. Conversion to Service Credit upon Retirement

Pursuant to the terms of the City's contract, as amended, with the California Public Employees' Retirement System (CalPERS), upon voluntary retirement the

employee may convert one hundred percent (100%) of his/her accrued sick leave balance, less any amount used under the provisions to retirement service credit.

d. Notification

If the need for sick leave arises, the employee will notify their respective department head or other supervisor designated by the department head of the need for leave as soon as practicable. It will be the employee's responsibility to keep the department head informed on a daily basis of his/her condition as it relates to absence from employment.

e. Sick Leave Donation Policy

Employees may voluntarily donate sick leave to a donation bank, which is maintained for the use of qualified employees who have suffered a catastrophic illness or injury and have exhausted their paid leaves of absence. This program is set forth in an administrative policy, which is also attached as Attachment B.

f. Reinstatement of Unused Sick Leave

Up to 30 hours of unused sick leave at separation shall be reinstated upon return to active status with the City occurring within no more than 12 months of separation. For purposes of this provision, unused sick leave is leave that was accrued, but never taken by the employee, and that was not converted to service credit under section 7.c., or donated under section 7.e, above.

g. Inspection of Records Pertaining to Sick Leave

Upon reasonable request, and within 21 calendar days after the request, the City shall afford current and former employees the right to inspect or copy records pertaining to their hours worked and paid sick days accrued and used.

8. Vacation

Each employee will receive paid vacation in the amounts listed below:

Length of Service	Full-time	Three-quarter time
Date of hire to 5 years of service	82 hours	61.5 hours
5 years plus one day to 10 years	120 hours	90 hours
10 years plus one day to 11 years	130 hours	97.5 hours
11 years plus one day to 12 years	140 hours	105 hours
12 years plus one day to 13 years	150 hours	112.5 hours
13 years plus one day to 14 years	160 hours	120 hours
14 years plus one day to 15 years	170 hours	127.5 hours

15 years plus one day or more	180 hours	135 hours
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a. Waiting Period

Employees of the City will not be permitted, until after six (6) months of continuous employment, to take paid vacation, unless otherwise approved in writing by the appropriate department head and the City Manager. The scheduling of vacation time is subject to the prior written approval of the department head and verification of accrued vacation time by the Personnel Division. No employee will be permitted to take a vacation in excess of accrued vacation time unless specifically authorized in writing by the City Manager.

b. Accrual

At the conclusion of each pay period, every full-time or three-quarter-time employee will have added to his or her vacation balance 1/26th of the annual vacation hours for which the employee is eligible. Effective June 1, 2007, employees will not be allowed to accrue vacation leave in an amount greater than three-hundred and sixty (360) hours.

c. Annual Buyback

Employees with five (5) or more years of continuous full-time or three-quarter-time service with the City will be allowed to sell accrued vacation leave back to the City at one-hundred percent (100%) of its full value. The maximum amount of the annual buyback is as follows:

Length of Service	
Date of hire to 5 years of service	0 hours
5 years plus one day to 10 years	40 hours
10 years plus one day or more	60 hours

Employees will be given the opportunity to sell accrued vacation leave back to the City once per year on a date determined by the City, on or before July 31st of each fiscal year.

d. Payoff at Termination

Employees terminating from City employment will be paid in full for all earned and unused vacation.

9. Bereavement

Each employee will be entitled to bereavement leave in an amount of forty (40) hours per incident. Bereavement leave will be granted only in those cases involving the death of a parent (including step-parents), parent-in-law, children (including

step-children), spouse, sibling, grandparent, grandparent-in-law, or registered domestic partner.

10. Standby Pay

Employees placed on standby for the week (commencing at noon on Wednesday and ending at noon on the following Wednesday) shall receive two hundred and seventy-five dollars (\$275.00) per week. An employee will be required to carry a cell phone while on standby duty. Such time is not considered hours worked under the Fair Labor Standards Act and will not be compensated in any manner except as set forth above.

Employees on standby are required to answer a call within five (5) to ten (10) minutes and are responsible for remaining within a fifty (50) mile radius of the City.

Standby duty assignments are rotated based on current practices. An annual list shall be established to give employees advance notice of their assignment.

All employees assigned to standby duty are expected to complete their duty week and will be held responsible for its completion. Exchange of duty week between employees is possible with approval of the Field Services Manager. In case of illness or other circumstance in which an employee cannot finish his/her assigned duty, the employee on standby duty shall contact the Field Services Manager who has the responsibility to provide coverage for the standby duty. The pay for each employee serving standby will be proportionately divided based on the amount of time each worked during the week.

The procedures in this section are subject to the joint labor-management committee on standby and call back pay as set forth in Article 39 of this Agreement.

11. Call Back Pay and Off-Duty Work

a. Call Back Pay

Employees, whether on standby or not, who are called back to perform duties outside of their regular work schedule shall be paid at the rate of one and one-half (1½) times the employee's regular rate of pay for a minimum of two (2) hours.

If an employee is called back between the hours of midnight and 4:00 A.M., minimum pay of three (3) hours at the rate of one and one half (1½) times the employee's regular rate shall apply.

If an employee is called back on a non-working day or holiday between the hours of midnight and 6:00 A.M., minimum pay of three (3) hours at the rate of one and one half (1½) times the employee's regular rate shall apply.

Note that this provision is irrespective of paid leave time exclusions as set forth in Section 15 (Overtime).

b. Off-Duty Contact and Work

Employees will be compensated if they are contacted while off-duty and must perform some work duty in response to the contact. This type of work performance is intended to cover work which may be handled by phone, text, email, or other means. Employees who are contacted and perform such work duties will receive at least fifteen minutes of compensation and the actual time worked for time over fifteen minutes.

This section does not apply to an employee who is physically called back to work. An employee who is physically called back is subject to Section 11.a.

12. Salary Upon Appointment To A Position In An Acting Capacity

Whenever the needs of the City require an employee to temporarily perform the duties of a higher classification than that in which the employee is currently employed for a period of more than twelve (12) consecutive working days, the employee shall receive the salary rate of the higher class in which he/she is performing the required duties. In such cases, the employee shall be paid at an appropriate step of the salary schedule of the higher classification which will ensure an increase of not less than five percent (5%) greater than the salary of his/her current position, but in no case shall such salary exceed the top salary step of the higher classification. If the temporary performance of the higher classification requires the employee to solely perform the higher classification, then the parties understand and intend for the additional compensation to be classified as "Temporary Upgrade Pay" and reportable to CalPERS as special compensation.

The higher salary rate payable shall commence on the thirteenth working day following the temporary reassignment to the performance of duties of the higher classification.

The requirement for the performance of duties of the higher classification shall be placed in writing by the Personnel Officer (or his/her designee) following recommendation by the affected Department Head. No employee shall be required to perform any of the duties of a higher classification unless that employee is deemed to possess the minimum qualification of the higher classification by the Personnel Officer as recommended by the affected Department Head.

The employee assigned to perform the duties of a higher classification shall not serve for more than ninety (90) working days in a higher classification whenever a vacancy exists (or it is apparent that a vacancy will be present) without the announcement by the Personnel Officer of an approved examination as otherwise provided in the rules and regulations. In no case shall an employee serve more than

six (6) months in a higher classification without successfully passing the examination.

A person appointed in an acting capacity shall be eligible to receive performance increases in his/her permanent position during the acting appointment but shall not be entitled to performance increases in the position which he/she holds in an acting capacity. If successful in being promoted, the period of time of service in the higher classification shall be credited for the promoted employee toward the required period of probation for the higher classification as otherwise required in these rules.

The Personnel Officer shall obtain the employee's written consent for the temporary performance of any of the duties of the higher classification beyond a period of twelve (12) working days, prior to an employee assuming or continuing the duties and compensation of a higher classification, which consent shall clearly state that it is understood that the employee will be returned to his/her original salary rate upon the expiration of the need for the performance of the duties of the higher classification. In no instance shall the salary rate of the higher classification extend beyond the six (6) months period as hereinabove set forth, unless otherwise promoted in accordance with the Personnel Rules and Regulations.

13. Tuition Reimbursement

Employees are eligible to be reimbursed for seventy-five percent (75%) of the cost of college accredited academic courses, taken for credit, outside regular working hours, that are directly related to their job duties, or are required for a degree in their occupational field in local government. An employee must request advance approval from his/her Department Head prior to enrollment in order to be eligible for reimbursement under this section. The Department Head, in his/her sole discretion, will determine whether the courses meet the standard articulated above. The reimbursement will not exceed three thousand dollars (\$3,000.00) for full-time employees or two-thousand, three-hundred dollars (\$2,300.00) for three-quarter-time employees, during any fiscal year. Reimbursement costs include those for registration, parking, and books. Proof of course completion and a grade of "C" or better are required.

14. Section 125

Pursuant to Internal Revenue Service (IRS) Code Section 125, the City has established a voluntary flexible spending arrangement that is funded by salary reductions and reimburses employees for qualified expenses, such as dependent care assistance and medical care reimbursements. The City will continue to maintain a Section 125 program for all full-time and three-quarter-time employees.

15. Overtime

a. Eligibility for Overtime

Exempt and non-exempt classifications will be set by City resolution according to the requirements of the Fair Labor Standards Act. City employees may be required to work overtime by their respective department head, subject to City Manager approval. Only time actually worked in excess of forty (40) hours in a given workweek will be considered overtime for non-exempt employees. Vacation leave, sick leave, holidays, and other time not actually worked will not be counted towards the forty (40) hours.

b. Overtime Compensation

Non-exempt employees will be compensated for overtime at one and one-half (1.5) times their regular rate of pay for all hours worked in excess of forty (40) in a workweek.

c. Attendance at Meetings

Any employee may be required by their department head or his/her designee to attend meetings. Employees will be compensated at regular pay rates for required attendance at meetings, and shall receive overtime if such attendance requires the employee to work more than forty (40) hours in a workweek.

d. Use of Overtime Discouraged

The City Manager will take all necessary measures to minimize the use of overtime. All employees must receive advance approval from their Department Head or his/her designee to work in excess of forty (40) hours in a workweek.

e. Compensatory Time Accumulated

In lieu of overtime pay, employees may, with department head approval, receive compensatory time off. However, no employee will be permitted to accrue more than sixty (60) hours of compensatory time off. Once an employee reaches sixty (60) hours of compensatory time off, he/she will automatically receive overtime pay until he/she has reduced his/her hours of compensatory time off.

16. Bilingual Pay

a. Eligibility

Employees who are certified as bilingual by the City in accordance with these provisions and who are designated to provide bilingual services as required shall receive bilingual pay. A Department Head can require that an employee seek certification to provide bilingual services when the needs of the City necessitate translation for the public. An employee may also request to become bilingual certified by submitting a verbal or written request to the Human Resources Director. Only employees who have advance approval from the Human

Resources Director may seek to become bilingual certified and eligible for bilingual pay. Only employees who have become bilingual certified and are eligible for bilingual pay may be required to provide translation services.

b. Certification

The City will offer certification for bilingual pay for Spanish (verbal only). The City, in its sole discretion, may change the languages for which the City offers certification for bilingual pay. The City, in its sole discretion, may limit the number of employees who will be offered bilingual pay. Such a limitation may be City-wide or may be specific to a Department.

The certification process will be administered through a bilingual examination conducted by the Los Angeles Unified School District (LAUSD). Employees wishing to be certified as bilingual must make a request to the Human Resources Director. Upon such request, the Human Resources Director will evaluate the need for bilingual services, and if the City determines that such services are needed, the Human Resources Department will schedule a telephone and/or in-person bilingual examination with a LAUSD representative and the employee. The Human Resources Department will administer requested bilingual examinations as soon as practicable, but on no less than a quarterly basis.

The bilingual examination will be scored by LAUSD on a pass/fail basis. Examination scores are final and non-appealable. Employees who fail the examination, or who fail to appear for a scheduled examination, may not take another bilingual examination in the same language for a minimum of six months following the failed or missed examination. Employees who pass the examination will be certified as bilingual by the City. Employees who are certified as bilingual by the City are not required to be re-tested. New employees will be notified of the bilingual pay program during orientation.

c. Amount

Effective July 1, 2017, the City will increase the amount of bilingual compensation from \$100.00 per month to \$125.00 per month to an eligible employee certified as bilingual by the City and who provides bilingual services as required, in addition to his/her base rate of pay, beginning on the first pay period after certification. Employees certified by the City as bilingual in two or more languages shall not receive more than \$125.00 per month.

17. Holidays

a. Holidays Observed

The City provides regular and probationary employees with the following ten (10) paid holidays during the calendar year:

<u>HOLIDAY</u>	<u>DATE OBSERVED</u>
New Year's Day	January 1 or January 2 if January 1 falls on a Sunday
Martin Luther King Day	third Monday in January
President's Day	third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	first Monday in September
Thanksgiving Day	fourth Thursday in November
Day after Thanksgiving Day	fourth Friday in November
Christmas Eve	December 24
Christmas Day	December 25
New Year's Eve	December 31

If a holiday falls on an employee's regularly scheduled day off, the employee will receive a floating holiday, according to the provisions of Section 17.b, below. In such a case, the floating holiday will accrue on the date of the holiday.

b. Floating Holidays

The employee may use all floating holiday time at any time before the end of the fiscal year, as long as the employee has obtained the advance permission of his/her department head for the scheduling of the holiday.

Unused floating holidays will be automatically cashed out at the end of the fiscal year.

In case an employee terminates employment with the City, he or she will be fully compensated for any accrued, but unused, floating holidays.

c. Amount of Holiday Pay

Employees shall receive holiday pay, including floating holidays, in an amount equal to their regular schedule and rate of pay. For example, an employee who is assigned to a 4/10 schedule shall receive ten (10) hours of holiday pay, and an employee who is assigned to a 5/8 schedule shall receive eight (8) hours of holiday pay.

d. Work on Holidays

An employee who is scheduled and required to work on a date that the City has observed as a holiday shall be compensated at twice (2x) the employee's regular salary for all time actually worked on the date the holiday is observed. The employee shall not be provided with an alternative day off to observe the holiday or with a floating holiday.

18. Disability Insurance

The City will provide full-time and three-quarter-time employees with short and long-term disability insurance coverage, which provides an annual benefit of 66.6667% of earnings. Employees will become eligible for coverage the first of the month after their date of hire. Benefits will begin after a 30-day elimination period.

19. Life Insurance

All full-time and three-quarter-time employees will be entitled to group life insurance coverage equal to their annual salary, rounded to the next higher one-thousand dollars (\$1,000.00). For three-quarter-time employees, annual salary will be based on their normal work schedule.

20. Retirement

Employees are provided retirement benefits through the California Public Employees' Retirement System (CalPERS). The CalPERS benefits summarized here are pursuant to the City's contract with CalPERS, and are subject to and in accordance with the California Public Employees' Retirement Law and the California Public Employees' Pension Reform Act of 2013.

a. Tier 1: Employees Hired Before March 19, 2012 (Tier One Classic Members)

(1) Application

This section applies to full-time and three-quarter-time employees hired before March 19, 2012.

(2) "2.5% at 55" Benefit Formula (Gov. Code § 21354.4)

Effective June 22, 2003, the "2.5% at 55" benefit formula will be available to employees covered by this section. The City will continue to pay the required employer contribution. The employee will continue to pay, through payroll deductions, the full eight-percent (8%) member contribution.

(3) Final Compensation Based on the Single Highest Year (Gov. Code § 20042)

For purposes of determining a retirement benefit, final compensation for employees covered by this section shall be based on the compensation earnable for the single highest year.

b. Tier 2: Employees Hired On or After March 19, 2012 but Before January 1, 2013, and for Classic Members Hired On or After March 19, 2012 (Tier 2 Classic Members)

(1) Application

This section applies to full-time and three-quarter-time employees hired on or after March 19, 2012 but before January 1, 2013. Additionally, this section applies to full-time and three-quarter-time employees hired on or after January 1, 2013 who do not meet the definition of "new member" as set forth in Government Code Section 7522.02(f).

(2) "2.0% at 60" Benefit Formula (Gov. Code § 21353)

The "2% at 60" benefit formula will be available to employees covered by this section. The City will continue to pay the required employer contribution. The employee will continue to pay, through payroll deductions, the full seven-percent (7%) member contribution.

(3) Final Compensation Based on the Average of the Three Highest Years (Gov. Code 20037)

For purposes of determining a retirement benefit, final compensation for employees covered by this section shall be based on the highest annual average compensation earnable during a consecutive 36-month period.

c. Tier 3: Employees Hired On or After January 1, 2013 (New Members)

(1) Application

This section applies to full-time and three-quarter-time employees hired on or after January 1, 2013 who meet the definition of "new member" as set forth in Government Code Section 7522.02(f).

(2) "2.0% at 62" Benefit Formula (Gov. Code § 7522.20)

The "2% at 62" benefit formula will be available to employees covered by this section. The employee will continue to be responsible for contributing, through payroll deductions, fifty percent (50%) of the normal costs as determined and adjusted by CalPERS.

(3) Final Compensation Based on the Average of the Three Highest Years (Gov. Code 7522.32)

For purposes of determining a retirement benefit, final compensation for employees covered by this section shall be based on the highest average annual pensionable compensation earned during a period of at least 36 consecutive months immediately preceding retirement.

d. Optional Benefits

The City contracts with CalPERS for the following optional benefits, which are available to represented employees as subject to applicable laws:

- Post-Retirement Survivor Allowance (Gov. Code § 21624 and 21626)
- Third Level of 1959 Survivor Benefits (Gov. Code § 21573)
- Military Service Credit as Public Service (Gov. Code § 21024)

e. Disability Retirement

The City may request PERS to retire an employee who becomes physically or mentally unable to perform the duties of his or her position, or may be subject to further injury if employment is continued. The City will engage in the interactive process to determine what, if any, reasonable accommodation(s) is available to the employee prior to making any request for disability retirement.

f. No Employer Paid Member Contributions ("EPMC")

The City shall not pay any portion of the member contributions.

21. Work Schedule

General City working hours are Monday through Thursday, 7:30 A.M. to 6:00 P.M. The City Manager, with reasonable notice to the employee, may adjust the working hours of individual departments, and department heads, with reasonable notice to the employee, may adjust the working hours of individual employees. Any adjustment to a work schedule will be based on the needs of the City, with consideration given to the preference of the employee.

Should the City exercise its discretion to change the general City working hours, the City shall notify the Union thirty (30) days in advance of the proposed change(s) and provide the Union with the opportunity to discuss the impact of such change(s) on the affected employees.

22. Classification Revision

SEIU 721 recognizes that the City has the discretion to create a new job classification/description and or modify an existing job classification/description. The City shall notify the Union and provide the Union with the opportunity to discuss the content and the job classification/description.

23. Mileage Reimbursement

Employees required or allowed by their department head to use private automobiles for City business will be reimbursed based on the Internal Revenue Service standard mileage rates.

24. Uniforms

The City Manager may require any and all employees to regularly wear uniforms. Should such a uniform be required, the City will provide it. Full-time and three-quarter-time employees will receive one hundred and fifty dollars (\$150.00) per fiscal year for uniform maintenance, and four hundred dollars (\$400.00) per fiscal year for safety shoes or other required footwear.

As detailed in Article 39, the parties agree to reopen this Article of the MOU as part of a Joint Labor Management Committee in order to memorialize the current practices related to uniform allowances and the value of uniforms provided by the City, in order to comply with CalPERS obligations.

25. Deferred Compensation

The City will make a deferred compensation program available to benefited employees that complies with the rules and regulations established by the Internal Revenue Service. Employees will be allowed to participate in the program through payroll deduction.

26. Computer Loan Program

The City will continue its present employee computer loan program. Generally, benefited employees may have two active loans, in a total amount not to exceed three-thousand dollars (\$3,000.00), for the purchase of new computer equipment. Loans will be interest-free and payable over a two-year period. The minimum loan payment will be 1/52 of the amount borrowed, and will be made through payroll deduction. The balances of any outstanding loans become due and payable upon termination, and will be deducted from an employee's final check. Continuation of the program is subject to annual budget appropriations by the City Council, and will be administered according to policies and procedures established by the City Manager.

27. Fitness Center Membership

Full-time and three-quarter-time employees and retirees of the City will be entitled to free individual membership at the Duarte Fitness Center.

28. Layoffs

Layoffs will be made first and primarily on the basis of merit job performance and secondly on the basis of seniority (date of hire). Employees will receive notice of the layoff at least ten (10) working days prior to the effective date. Names of persons laid off shall be carried on a reemployment list for twelve (12) months. If the City restores the laid off position(s) within the twelve (12) months period, it shall first offer the position(s) to persons on the reemployment list before using any other

selection method. The name of the individual re-appointed to a permanent position of the same class shall, upon reappointment, be removed from the list. An individual who declines reemployment shall be dropped from the list.

29. Severance Pay

When a full-time employee is laid off, and when the service of the employee being laid off has been deemed satisfactory, that employee will be entitled to receive severance pay as follows:

Length of Service	Amount
Date of hire to 2 years	None
2 years plus one day to 5 years	1 month's salary
5 years plus one day to 10 years	2 month's salary
10 years plus one day to 15 years	3 month's salary
15 years plus one day to 20 years	4 month's salary
20 years plus one day to 25 years	5 month's salary
25 years plus one day or more	6 month's salary

Employees terminated from employment due to physical inability to perform their job, and eligible for workers' compensation benefits, will not be entitled to severance pay. Any additional years of service purchased by the City towards retirement will be deducted from severance pay.

30. Appeals

Disciplinary Action: Any regular employee shall have the right to appeal a suspension without pay in excess of forty (40) hours, reduction in pay, non-probationary demotion and/or termination. The appeal process shall not be applicable to those positions that may be deemed exempt or to probationary appointments. The appeal process shall not be applicable to any other forms of discipline and/or grievances. An employee desiring to appeal the appointing authority's decision shall have ten (10) calendar days after receipt of the response to file an appeal. The employee's request for appeal must be addressed to the City Manager and received in the City Manager's office so that it is date stamped by the City Manager's office within the ten (10)-day period.

If within the ten (10)-day appeal period, the employee involved does not file said appeal, unless good cause for the failure is shown, the action of the appointing authority shall be considered conclusive and shall take effect as prescribed. If within the ten (10)-day appeal period, the employee involved files such notice of appeal by giving written notice of appeal to the City Manager, an appeal hearing shall be established as follows:

- a. The California State Mediation and Conciliation Service shall be requested to

submit a list of seven (7) persons qualified to act as hearing officers to the City and the employee. Within ten (10) days following receipt of the list of hearing officers, the parties shall meet to select the hearing officer. The parties shall alternately strike one (1) name from the list of hearing officers (the right to strike the first name to be determined by lot) until one (1) name remains, and that person shall be the hearing officer.

- b. Where practicable, the date for a hearing shall not be less than twenty (20) calendar days, or more than sixty (60) calendar days, from the date of the filing of the appeal with the City Manager. The parties may stipulate to a longer or shorter period of time in which to hear the appeal. All interested parties shall be notified in writing of the date, time, and place of hearing.
- c. All hearings shall be private provided, however, that the hearing officer shall, at the request of the employee, open the hearing to the public.
- d. Subpoenas and subpoenas *duces tecum* pertaining to a hearing shall be issued at the request of either party, not less than seven (7) calendar days, prior to the commencement of such hearing. After the commencement of such hearing, subpoenas shall be issued only at the discretion of the hearing officer.
- e. The hearing need not be conducted in accordance with technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted, if it is the sort of evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rules that might make improper admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. The rules of privilege shall be effective to the same extent that they are now or hereafter may be recognized in civil actions, and irrelevant and unduly repetitious evidence shall be excluded. The hearing officer shall not be bound by technical rules of evidence. The hearing officer shall rule on the admission or exclusion of evidence.
- f. Each party shall have these rights: To be represented by legal counsel or other person of his/her choice; to call and examine witnesses; to introduce evidence; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him/her to testify; and to rebut the evidence against him/her. If the employee does not testify in his/her own behalf, he/she may be called and examined as if under cross-examination. Oral evidence shall be taken only on oath or affirmation. A court reporter will be engaged to record the hearing, unless the parties (City, hearing officer, employee/employee representative) mutually agree that same is not necessary.

- g. The hearing shall proceed in the following order, unless the hearing officer, for special reason, otherwise directs:
1. The party imposing discipline shall be permitted to make an opening statement;
 2. The appealing party shall then be permitted to make an opening statement;
 3. The party imposing disciplinary action shall produce the evidence on his/her part; the City bears the burden of proof and burden of producing evidence;
 4. The party appealing from such disciplinary action may then open his/her defense and offer his/her evidence in support thereof; the employee bears the burden of proof and the burden of producing evidence for any affirmative defenses asserted;
 5. The parties may then, in order, respectively offer rebutting evidence only, unless the hearing officer for good reason, permits them to offer evidence upon their original case; and
 6. Closing arguments shall be permitted and written briefs may be permitted at the discretion of the hearing officer.
- h. The hearing officer shall determine relevancy, weight, and credibility of testimony and evidence. He/she shall base his/her findings on the preponderance of evidence. During the examination of a witness, all other witnesses, except the parties, shall be excluded from the hearing unless the hearing officer, in his/her discretion, for good cause, otherwise directs. No still photographs, moving pictures, or television pictures shall be taken in the hearing chamber during a hearing. The hearing officer, prior to or during a hearing, may grant a continuance for any reason he/she believes to be important to reaching a fair and proper decision. The hearing officer shall render his/her judgment as soon after the conclusion of the hearing as possible and in no event later than 30 days after conducting the hearing. His/her decision shall set forth which charges, if any, are sustained and the reasons therefore. The opinion shall set forth findings of fact and conclusions.
- i. The hearing officer may recommend sustaining or rejecting any or all of the charges filed against the employee. He/she may recommend sustaining, rejecting, or modifying the disciplinary action invoked against the employee. He/she may not recommend for discipline more stringent than that issued by the department head.
- j. The hearing officer's opinion and recommendation shall be filed with the City Manager, with a copy sent to the charged employee, and shall set forth his/her findings and recommendations. In a termination case, if dismissal is not the

hearing officer's recommendation, the opinion shall set forth the date the employee is recommended to be reinstated and/or other recommended action. The reinstatement date, if appropriate, may be any time on or after the date of disciplinary action.

- k. Within thirty (30) days of the receipt of the hearing officer's findings and recommendation, and transcript (which is optional only by the mutual consent of the City and the employee), whichever date is later, the City Manager shall adopt, amend, modify or reject the recommended findings, conclusions, and/or opinions of the hearing officer. Prior to making a decision, which modifies or rejects the recommendation of the hearing officer, the City Manager shall order and read the transcript of the Third Party Advisory Process. Prior to making a decision, which supports the hearing officer, the City Manager may order and read the transcript at his/her option. The City Manager shall not conduct a *de novo* hearing. The City Manager may, at his/her option, allow limited oral arguments and/or may request and review written statements from either side. The decision of the City Manager shall be final and conclusive. Copies of the City Manager's decision, including the hearing officer's recommendation(s) shall be filed where appropriate, including the employee's personnel file, unless no discipline is upheld by the City Manager.
- l. Each party shall bear equally the cost of facilities, fees, and expenses of the hearing officer, including the court reporter and transcripts. Each party shall bear its own witness and attorney fees. If either party unilaterally cancels or postpones a scheduled hearing, thereby resulting in a fee charged by the hearing officer or court reporter, then the party responsible for the cancellation or postponement shall be solely responsible for payment of that fee. This process shall not apply to mutual settlements by the parties, which result in an arbitration fee.
- m. In the case of dismissal prescribed by the City Manager, the time of such dismissal shall be effective from the first day after such delivery of said decision or shall relate back to and be effective as of the date the employee was disciplined pending hearing before and decision by the City Manager, whichever is applicable. If discipline imposed resulted in loss of pay, and the decision results in reduction or elimination of loss of pay, the pay loss shall be restored to the employee based on the number of standard work hours lost computed at his/her then base hourly rate.
- n. The provisions of Section 1094.6 of the Code of Civil Procedure shall be applicable to proceedings under this Section.

31. Dues Deduction

During the term of this MOU, the City agrees to deduct from the pay of each

employee who signs an authorized payroll deduction card a monthly sum certified to him/her by the Secretary of SEIU 721 as the regular monthly dues of SEIU 721. The City shall not deduct any pay for initiation fees, fines, or other special assessments. Dues deduction shall be a specified uniform amount for each employee and any change in the amount of dues deducted shall be by written authorization from SEIU 721.

The employee's earnings must be regularly sufficient, after other legal and required deductions are made, to cover the amount of the dues authorized. When a member in good standing of SEIU 721 is in a non-pay status for an entire pay period, no dues withholding shall be made to cover that period from future earnings, nor shall the member deposit the amount with the City which would have been withheld if the member had been in a pay status during that period. In the case of an employee who is in non-pay status during only a part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. All other legal and required deductions have priority over employee organization dues.

SEIU 721 shall indemnify, defend, hold the City harmless against any claims made, and against any suit instituted against the City on account of employee organization dues. In addition, SEIU 721 shall refund to the City any amounts paid to it in error, upon presentation of supporting evidence.

32. Political Action Committee

Union members may voluntarily authorize in writing a political action committee deduction from their salary. Employees wishing to participate shall provide written authorization on a form furnished by the Union indicating the amount to be deducted. The parties agree that the employee may revoke any such deduction at any time. The parties further agree that neither the Union nor the City will bestow any special benefit or cause any detriment as a result of an employee's voluntary choice to make, decline to make, or revoke a contribution.

33. Stewards

SEIU 721 may designate up to three (3) persons to act as stewards. The names of the designated stewards shall be provided in writing to the City on July 1st of each year, or any time there is change in the designated stewards.

A steward shall be entitled to reasonable release time for the purpose of representing an employee in the grievance or discipline appeal process, attending negotiations, or testifying or appearing as the designated representative. Prior to participating in such business, the steward shall first obtain authorization from his/her immediate supervisor. The immediate supervisor may deny such request if it is deemed that such a request would unduly interfere with the efficiency, safety, or security of City operations. If the request is denied, the immediate supervisor

shall establish an alternate time convenient to the parties when the representative can be released from his/her work assignment.

34. Grievance Procedure

a. Definition

A "grievance" is a formal, written allegation by a grievant that he/she has been adversely affected by an existing violation, misinterpretation or misapplication of the specific provisions of the Memorandum of Understanding and/or provisions of the Personnel Rules and Regulations. Other matters for which a special method of review is provided by law, ordinance, resolution, or by administrative regulations and procedures of the City, are not within the scope of this procedure. This procedure is not to be used in lieu of the Disciplinary and Appeals Procedure set forth in Section 21 of the Personnel Rules & Regulations or Section 30 (Appeals) of this Memorandum of Understanding.

b. Procedure

- (1) Every effort shall be made to resolve a grievance through discussion between the employee and his/her immediate supervisor. It is the spirit and intent of this procedure that all grievances are settled quickly and fairly without subsequent discrimination against employees who may seek to adjust a grievance. Every effort should be made to find an acceptable solution at the lowest level of supervision. Within eight (8) workdays after a grievant knew, or by reasonable diligence should have known, of the condition upon which a grievance may be based, the grievant shall attempt to resolve it by an informal conference with the grievant's immediate supervisor.
- (2) If the problem cannot be resolved between the employee and the supervisor, the employee may, within four (4) workdays from the date of receiving the answer from his/her supervisor, request an interview with the division manager, if one exists, in order to discuss the grievance.
- (3) If the division manager and employee cannot reach a solution to the grievance, the employee may, within four (4) workdays from the date of receiving the answer from the division manager, request, in writing, an interview with the Department Head.
- (4) The division manager and/or Department Head shall render his/her decision in writing within eight (8) workdays of receiving the appeal. If the Department Head and employee are unable to arrive at a satisfactory solution, the employee may, within eight (8) workdays from the date of the decision by the Department Head, submit a written appeal to the City Manager.

- (5) The City Manager shall review the grievance and respond to the employee within twenty (20) workdays of receiving the appeal. The City Manager may request additional time, if necessary. The response shall be in writing and will be considered an expression of management's viewpoint, and shall be the final administrative review.
- (6) Mediation. If the grievance is not resolved at Step (5), the employee or the Union at the request of the employee may within ten (10) workdays following receipt of City Manager's response at Step (5), request mediation.

A request for mediation must be in writing and must be submitted to the City's Manager or his/her designee. If the parties mutually agree to submit the dispute to mediation, the Administrative Service Director or his/her designee shall obtain the services of a mediator from the State Mediation and Conciliation Service. The fees for mediation shall be shared equally by Union and the City.

The mediation procedure shall be informal. The primary effort will be to assist both parties in settling the grievance. If the grievance is resolved through mediation, the parties agree to reduce the agreement to writing, signed by all affected parties and accept the results of mediation as binding.

- (7) Should employee or Union fail to meet the deadlines as listed in this procedure, then the grievance shall be deemed withdrawn by the employee or the Union.
- (8) The employee may request the assistance of another person of his/her own choosing in preparing and presenting his/her appeal at any level of review. In the event the employee desires the presence of a representative who is an employee of the City, he/she shall make such request through the supervisor and the supervisor shall make the necessary arrangements for the employee representative to be present.
- (9) The employee and/or his/her representative may use a reasonable amount of work time as determined by the appropriate supervisor or Department Head in presenting the appeal. However, no employee shall absent himself/herself without first being excused by his/her supervisor.
- (10) Employees shall be assured freedom from reprisal for using the grievance procedures by both the City and the employee organization.
- (11) The settlement terms of a grievance which is processed by an employee individually or by an informally recognized employee organization shall not conflict with the express provisions of a Memorandum of Understanding between the City and the formally recognized employee organization for such unit, if any.

- (12) A group grievance may be filed when one (1) set of circumstances or occurrences affects more than one (1) employee in the same manner or to the same extent. The group may file one (1) document, which all members of the group have read and signed. Members of the group shall be limited to those who have signed the grievance. The resolution of a group grievance may not be consistent among all employees in the group grievance due to differences in the circumstances or occurrences that brought about the grievance.

A group grievance affecting all members of an employee organization may be brought by the employee organization itself. In such case the procedure shall be commenced directly at the City Manager level within eight (8) workdays after authorized representatives of the employee organization knew or by reasonable diligence should have known of the condition giving rise to the grievance and shall be subject to all applicable time limitations and the provisions set forth above.

35. Union Business

a. City Facilities

During working times, City facilities that are designated as working areas may be used with the prior approval of the City Manager, or his or her designee, for the purpose of holding meetings if such facilities can be made available without disrupting the normal operations of the facilities or disrupting the normal work schedules of the involved employees. "Working times" means the time an employee is performing the actual duties of their job. "Working areas" means an area where work is predominately being performed by any employee or contractor.

b. Bulletin Boards

Each work location (City Hall Break Room; Copy Room; Public Safety; and City Yard) will provide a bulletin board or reasonable space that may be used by the Union for the posting of notices of official Union business and/or Union related articles. Posting notices may include, but is not limited to the following:

- Notices of recreational and social activities;
- Notices of Union elections and results of such elections;
- Notices of Union appointments; and
- Notices of Union meetings, reports, and minutes thereof.

The Union is responsible for posting and removing material on its bulletin boards and for maintaining the same in an orderly and neat fashion. Any posting that interferes with the efficient operation of the City's business and/or violates the provisions of this MOU or City rules/policies will be subject to removal.

c. Employee Information

The City will provide, directly to the SEIU 721 office, a list with the following information:

- Employee name;
- Class title;
- Department;
- Work location;
- Residence address; and
- Residence telephone number.

Pursuant to Bakersfield City School District (1998) PERB Dec. No. 1262, 22 PERC 29089, adopting 21 PERC 28130, Government Code Section 3507(a)(8), and Government Code section 6254.3, an employee may choose not to provide his or her residence address, residence phone number, personal cellular telephone number, and/or date of birth to the Union. An employee so choosing must provide written notice to both the City and SEIU 721 of his or her decision not to provide his or her residence address, residence phone number, personal cellular telephone number, and date of birth. Residence addresses, residence phone numbers, personal cellular telephone numbers, and dates of birth, once submitted by the City, shall not be communicated by the SEIU 721 office to City employees represented by SEIU 721.

This list shall be updated on a yearly basis.

- d. The Chapter's Board shall meet on a quarterly basis beginning (March, June, September and December) on the third (3rd) Wednesday from 9:00 A.M. to 11:00 A.M.
- e. During labor negotiations over a successor MOU, the elected negotiating committee members shall meet during work hours for the purposes of drafting proposals and discussing proposals. The Union will advise the City one week prior to each meeting or as soon as practically possible.
- f. Union-Related Training

Board members and stewards shall be entitled to up to ten (10) hours of release time during each fiscal year for the purpose of attending training that is related to his/her role as a board member or steward, or other union-related trainings. This release time is not to be used to participate in trainings related to the employee's job duties. Release time has no cash value and shall not be cashed out under any circumstances. If one person is both a board member and a steward, he/she shall only be entitled to ten total hours of training each fiscal year.

Prior to participating in trainings, the employee shall first obtain authorization

from his/her immediate supervisor. The immediate supervisor may deny such request if it is deemed that such a request would unduly interfere with the efficiency, safety, or security of City operations. If the request is denied, the immediate supervisor shall establish an alternate time convenient to the parties when the employees can be released from his/her work assignment.

36. Employee Relations Consultation Meetings

The City Manager and Assistant City Manager or her designee will meet, at the request of the Union or the City, on a quarterly basis (January, April, July and October). Meeting times will be mutually scheduled. The Union recognizes that the schedule of the City Manager may necessitate postponement/rescheduling of a meeting. The party requesting a meeting shall submit a proposed agenda, in writing, one (1) week prior to the meeting.

37. Personnel Rules and Regulations

The City and Union agree to meet and confer on any proposed changes to the City's Personnel Rules and Regulations that are within the scope of bargaining.

38. Agency Shop

a. Agency Shop

It is mutually agreed by the parties that this Unit is an agency shop Unit. It is the intent of the parties that the agency shop provisions in the Memorandum of Understanding comply with applicable state law (Government Code Section 3502.5).

b. Agency Shop Defined

It is mutually agreed by the parties that the term "agency shop" means that every employee represented by this Unit shall, as a condition of continued employment, either join the certified majority representative organization, or pay the organization a Fair Share Fee equal to Union dues or pay an Agency Shop Fee; or pay a sum equal to the Agency Shop Fee to a non-religious, and non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Service Code.

c. Rescission

It is mutually agreed by the parties that the agency shop provisions in this Memorandum of Understanding may be rescinded by a majority vote of all the employees represented by this Unit during the time period(s) set forth in the City's Employer-Employee Relations Resolution, Resolution No. 02-07.

d. Union Responsibilities – Hudson Notice

The Union agrees to provide notice and maintain constitutionally acceptable procedures to enable non-member agency shop fee payers to meaningfully challenge the propriety of the use of agency shop fees as provided for in Chicago Teachers Union, Local No. 1, AFT, AFL-CIO et al. v. Hudson, 106 S. Ct. 1066 (1986). Such notice and procedures shall be provided to non-member agency shop fee payers for each year that the agency shop Memorandum of Understanding is in effect.

e. Implementation

The parties acknowledge that the City has provided all current employees with an authorization notice advising them that the City has entered into an Agency Shop Agreement with the Union, and that all employees subject to the Agreement must either join the Union, pay a service fee to the Union, or execute a written declaration claiming a religious exemption from this requirement. The City will provide a similar authorization to all employees hired into positions represented by the Union. Such notice shall include a form for the employee's signature authorizing payroll deduction of Union dues or a service fee, or a charitable contribution equal to the service fee. Said employees shall have fourteen (14) calendar days from the date they receive the form to fully execute it and return it to the Finance Department.

If the form is not completed properly and returned within fourteen (14) calendar days, the City shall commence and continue a payroll deduction of service fees from the regular biweekly paychecks of such employee. The effective date of Union dues, service fee, or charitable contribution shall begin no later than the first full pay period after receipt of the authorization form.

The employee's earnings must be sufficient after the other legal and required deductions are made to cover the amount of the dues or fees authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee in a non-pay status only during part of the pay period, whose salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other legal and required deductions (including health care and insurance deductions) have priority over Union dues and service fees.

f. Religious Exemption

Any employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support any public employee organization as a condition of employment. The employee

may be required, in lieu of periodic dues, initiation fees, or agency shop fees, to pay sums equal to the dues, initiation fees, or agency shop fees to a nonreligious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, chosen by the employee from a list the following three:

- City of Hope
- Children's Hospital
- United Way

Charitable contributions shall be by regular payroll deductions only in order to qualify as a condition of continued exemption from the requirement of financial support to the Union.

Declarations of or applications for religious exemption and any other supporting documentation shall be forwarded to the Union within 14 calendar days of receipt by the City. The Union shall have 14 calendar days after receipt of a request for religious exemption to challenge any exemption granted by the City. If challenged, the deduction to the charity of the employee's choice shall commence but shall be held in escrow pending resolution of the challenge.

g. Records

The Union shall keep an adequate itemized record of its financial transactions and shall make available annually, to the City, and to the employees who are members of the organization, within sixty (60) days after the end of its fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by its president and treasurer or corresponding principal officer, or by a certified public accountant. An employee organization required to file financial reports under the Labor-Management Disclosure Act of 1959 covering employees governed by this provision, or required to file financial reports under Government Code Section 3546.5, may satisfy the financial reporting requirement of this section by providing the City with a copy of the financial reports.

h. Indemnification

The Union shall indemnify, defend and hold the City harmless against any liability arising from any claims, demands, or other action relating to the City's compliance with the agency fee obligation, including claims relating to the Union's use of monies collected under these provisions. The City reserves the right to select and direct legal counsel in the case of any challenge to the City's compliance with the agency fee obligation, and the Union agrees to pay any attorney, arbitrator or court fees related thereto.

39. Joint Labor-Management Committee

The parties agree to form a joint labor-management committee (JLMC) for the purpose of studying the current practices related to uniforms and uniform allowances. The committee may also draft any recommended changes to the provisions of this MOU regarding uniforms and uniform allowances and present them for approval as a side letter agreement to this MOU. The General Unit and Management and Professional Unit may designate up to five total representatives (plus a SEIU 721 representative) to be part of the JLMC, and shall designate one person to act as Chief Spokesperson. The City may designate up to five total representatives to be party of the JLMC, and shall designate one person to act as Chief Spokesperson. The parties agree that the JLMC shall be formed and shall have its first meeting by no later than August 1, 2017. *The Union or the City may request to convene an additional JLMC meeting on as needed basis.*

40. Severability

If any section of this MOU shall be found to be in conflict with any statute or regulation of the United States or the State of California by a court of competent jurisdiction, such section shall be deemed null and void and of no further effect. However, such sections shall be severable from the remainder of this MOU, and all other provisions hereof shall continue in full force and effect.

Signatures on Following Page

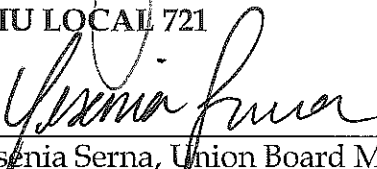
IN WITNESS WHEREOF, the PARTIES have executed this MOU as of the latter date written below.

THE CITY OF DUARTE



Mayor Margaret Finlay
Date 4/25/17

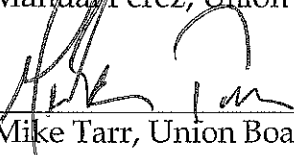
SEIU LOCAL 721



Yesenia Serna, Union Board Member
Date 4/26/2017




Manual Perez, Union Board Member
Date 4/26/2017

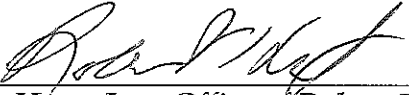


Mike Tarr, Union Board Member
Date 4/26/2017

APPROVED AS TO FORM:



Kelly A. Trainer, Burke, Williams & Sorensen, LLP
Date 5/1/2017



Robert Hunt, Law Office of Robert F. Hunt
Date 4/26/17

Appendix A - Salary Schedule Effective July 1, 2017

MOU Between City of Duarte and SEIU Local 721
General Employee Salaries
Effective July 1, 2017

POSITION	Step A		Step B		Step C		Step D		Step E		Step F		Step G	
	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly	Hourly	Monthly
Accountant	\$ 30.18	\$ 5,232	\$ 31.30	\$ 5,424	\$ 32.40	\$ 5,617	\$ 33.51	\$ 5,810	\$ 34.64	\$ 6,004	\$ 35.76	\$ 6,198	\$ 36.87	\$ 6,392
Accounting Specialist	\$ 28.52	\$ 4,937	\$ 27.43	\$ 4,755	\$ 26.34	\$ 4,572	\$ 25.26	\$ 4,407	\$ 24.18	\$ 4,242	\$ 23.09	\$ 4,077	\$ 22.01	\$ 3,912
Administrative Assistant - City Manager's Office	\$ 20.82	\$ 3,608	\$ 21.63	\$ 3,749	\$ 22.44	\$ 3,891	\$ 23.27	\$ 4,032	\$ 24.08	\$ 4,174	\$ 24.90	\$ 4,316	\$ 25.71	\$ 4,457
Administrative Secretary	\$ 24.08	\$ 4,173	\$ 25.01	\$ 4,394	\$ 25.93	\$ 4,495	\$ 26.86	\$ 4,655	\$ 27.78	\$ 4,815	\$ 28.70	\$ 4,975	\$ 29.62	\$ 5,135
Assistant Planner	\$ 29.00	\$ 5,027	\$ 30.12	\$ 5,222	\$ 31.26	\$ 5,418	\$ 32.40	\$ 5,615	\$ 33.53	\$ 5,712	\$ 34.65	\$ 6,007	\$ 35.79	\$ 6,203
Bus Driver	\$ 22.10	\$ 3,831	\$ 22.88	\$ 3,957	\$ 23.66	\$ 4,083	\$ 24.28	\$ 4,209	\$ 25.02	\$ 4,337	\$ 25.75	\$ 4,463	\$ 26.49	\$ 4,591
Civil Engineering Technician	\$ 26.10	\$ 4,574	\$ 27.19	\$ 4,713	\$ 28.29	\$ 4,903	\$ 29.37	\$ 5,091	\$ 30.47	\$ 5,281	\$ 31.56	\$ 5,472	\$ 32.66	\$ 5,660
Clerk/Typist/Receptionist	\$ 19.86	\$ 3,443	\$ 20.58	\$ 3,568	\$ 21.29	\$ 3,691	\$ 22.01	\$ 3,815	\$ 22.73	\$ 3,940	\$ 23.46	\$ 4,065	\$ 24.19	\$ 4,194
Code Compliance / Animal Control Officer	\$ 23.20	\$ 4,888	\$ 25.38	\$ 5,092	\$ 26.55	\$ 5,295	\$ 27.73	\$ 5,500	\$ 28.90	\$ 5,704	\$ 30.08	\$ 5,908	\$ 31.25	\$ 6,111
Community Development Technician	\$ 23.77	\$ 4,121	\$ 24.63	\$ 4,268	\$ 25.47	\$ 4,416	\$ 26.33	\$ 4,563	\$ 27.17	\$ 4,710	\$ 28.03	\$ 4,857	\$ 28.87	\$ 5,004
Crime Prevention Specialist	\$ 19.95	\$ 3,457	\$ 20.70	\$ 3,585	\$ 21.46	\$ 3,720	\$ 22.24	\$ 3,856	\$ 23.00	\$ 3,987	\$ 23.78	\$ 4,122	\$ 24.54	\$ 4,254
Custodian	\$ 31.24	\$ 5,411	\$ 32.79	\$ 5,684	\$ 34.35	\$ 5,955	\$ 35.91	\$ 6,226	\$ 37.47	\$ 6,497	\$ 39.04	\$ 6,767	\$ 40.60	\$ 7,038
Field Services Supervisor	\$ 23.94	\$ 4,130	\$ 24.85	\$ 4,308	\$ 25.77	\$ 4,486	\$ 26.68	\$ 4,625	\$ 27.61	\$ 4,795	\$ 28.53	\$ 4,945	\$ 29.43	\$ 5,102
Irrigation Control Technician	\$ 27.47	\$ 4,762	\$ 28.62	\$ 4,961	\$ 29.77	\$ 5,159	\$ 30.92	\$ 5,358	\$ 32.05	\$ 5,556	\$ 33.20	\$ 5,755	\$ 34.35	\$ 5,955
Human Resources Specialist	\$ 29.13	\$ 5,049	\$ 30.00	\$ 5,201	\$ 30.91	\$ 5,353	\$ 31.83	\$ 5,518	\$ 32.79	\$ 5,684	\$ 33.77	\$ 5,853	\$ 34.79	\$ 6,029
Lead Driver	\$ 20.40	\$ 3,537	\$ 21.26	\$ 3,684	\$ 22.10	\$ 3,832	\$ 22.96	\$ 3,979	\$ 23.80	\$ 4,126	\$ 24.66	\$ 4,273	\$ 25.50	\$ 4,422
Maintenance Technician	\$ 23.56	\$ 4,084	\$ 24.45	\$ 4,238	\$ 25.34	\$ 4,393	\$ 26.23	\$ 4,548	\$ 27.14	\$ 4,703	\$ 28.03	\$ 4,859	\$ 28.93	\$ 5,015
Public Safety Coordinator	\$ 30.70	\$ 5,321	\$ 31.98	\$ 5,542	\$ 33.25	\$ 5,768	\$ 34.53	\$ 5,986	\$ 35.82	\$ 6,208	\$ 37.10	\$ 6,431	\$ 38.38	\$ 6,653
Recreation Coordinator	\$ 24.20	\$ 4,197	\$ 25.14	\$ 4,357	\$ 26.08	\$ 4,520	\$ 27.01	\$ 4,683	\$ 27.96	\$ 4,847	\$ 28.90	\$ 5,009	\$ 29.85	\$ 5,174
Senior Custodian	\$ 23.94	\$ 4,130	\$ 24.85	\$ 4,308	\$ 25.77	\$ 4,486	\$ 26.68	\$ 4,625	\$ 27.61	\$ 4,785	\$ 28.53	\$ 4,945	\$ 29.43	\$ 5,102
Senior Maintenance Technician	\$ 25.87	\$ 4,484	\$ 26.65	\$ 4,618	\$ 27.45	\$ 4,757	\$ 28.26	\$ 4,898	\$ 29.12	\$ 5,047	\$ 29.99	\$ 5,198	\$ 30.89	\$ 5,355
Senior Maintenance Technician - Electrician														

APPENDIX B

CITY OF DUARTE

SICK LEAVE DONATION POLICY

- I. **Purpose:** There have been occasions when an employee, due to a catastrophic illness or injury, has exhausted all forms of paid time off. Such seriously ill or injured employees have been forced to go without compensation after the exhaustion of their paid time off and the waiting period for commencement of benefits under short-term disability insurance, typically thirty (30) days. This Policy is designed to address such circumstances. The purpose of this Policy is to establish a program and procedures for employees to voluntarily donate a portion of their accumulated sick leave time for use by fellow employees who meet the criteria for eligibility. Participation by donors and/or recipients in the Sick Leave Donation Program is entirely voluntary.
- II. **Creation of Sick Leave Bank:** As a result, the City shall create a sick leave bank where donated sick leave will be held for the future use under the terms of this Policy.
- III. **Voluntary Sick Leave Donations:** Employees may voluntarily donate sick leave, subject to the following requirements:
 - A. **Employee Status:** Any full-time or $\frac{3}{4}$ time employee, who has obtained non-probation status with the City, is eligible to participate as a donor in this program. Only sick leave may be donated. Other types of leave may not be donated.
 - B. **Request to Donate:** A donating employee will prepare and submit to the Assistant City Manager a "Request to Donate to Sick Leave Donation Bank" form.
 - C. **Minimum Donations:** Employees may only donate from their accumulated sick leave balance. The donation must be in a minimum of four (4) hours. Donations must be in whole hour increments; no fractions of hours may be donated.
 - D. **Minimum Leave Balance:** An employee donating sick leave must retain at least one hundred and sixty (160) hours of accumulated sick leave in their own personal balance of sick leave. If a donation would require an employee's accumulated sick leave balance to drop below one hundred and sixty (160) hours, immediately after the donation, the employee shall not be eligible to make a donation.
 - E. **Maximum Donation Per Employee:** No individual employee may donate more leave than they accrued during any calendar year.
 - F. **Approval/Denial:** The Assistant City Manager shall approve or deny each offered donation, if any, to the Sick Leave Donation Bank in accordance with the requirements of this Policy.
 - G. **Transfer to Sick Leave Donation Bank:** The Assistant City Manager will transfer approved donated sick leave into the Sick Leave Donation Bank from the accrued sick leave balance of the employee making the donation.
 - H. **Donations Irreversible:** Donations of sick leave transferred to the Donated Sick Leave Bank will be dispersed as the need arises. Time is released on a pay period by pay period basis. All donations are irreversible. Retroactive donations are not permitted.
 - I. **Prohibition on the Sale of Sick Leave:** The sale of accrued sick leave to any employee is

not permitted.

- J. Confidentiality of Donations: Under no circumstances shall the City disclose participants in the program, either employees donating leave or employees requesting use of donated leave.
- K. Taxation: Pursuant to IRS Ruling 90-29, sick leave donated under this program shall not be considered wages for the donating employee and will therefore not be included in the donating employee's gross income or subject to withholding.

IV. Requesting and Using Donated Leave:

- A. Eligibility of Employee for Sick Leave Donations: To be eligible to receive donated sick leave from the Sick Leave Donation Bank, an employee must meet all the following conditions:
 1. Meet the criteria for use of sick leave in accordance with City Personnel Rules and/or applicable memorandums of understanding.
 2. Have been employed by the City in a full-time or ¾ time position for at least one year.
 3. Be on an approved leave of absence.
 4. Submit a confidential statement from a treating physician which indicates:
 - a) That the employee's absence is due to one of the following qualifying reasons:
 - i. The employee has a "serious health condition," as defined by the Federal Family and Medical Leave Act and the California Family Rights Act, that requires the employee's absence from work for longer than two (2) pay periods, including intermittent absences that are related to the same "serious health condition"; or
 - ii. The employee is caring for his or her spouse, registered domestic partner, or parent (including step-parents), parent-in-law, child (including step-child), spouse, sibling, grandparent, or grandparent-in-law. ("Immediate Family Member"), who has a "serious health condition" that requires the employee's absence for longer than two (2) pay periods.
- and**
- b) Estimates the duration of the employee's absence from work.
5. Have applied for short-term disability or long-term disability insurance, if any, for Workers' Compensation benefits, if eligible, or for other supplemental benefits.
 6. Have exhausted all earned leave balances (including sick, vacation, compensatory time, and administrative leave), but have not begun receiving short-term disability benefits. However, the Assistant City Manager may approve the request for sick leave donations prior to all balances being exhausted when the physician's statement and existing leave balances indicate that all such balances will be exhausted within the next two pay periods.
- B. Request for Donated Leave: Eligible employees must submit to the Assistant City

Manager, a Request for Donated Leave form, accompanied by the statement from their treating physician described above. The request and accompanying physician's statement must be submitted in a sealed envelope labeled "Confidential – Request for Donated Leave." If the requesting employee is unable to make the request on his or her own behalf, the employee's authorized agent may submit a request on the employee's behalf.

- C. Approval of Request: The Assistant City Manager will approve or deny the Request for Donated Leave.
 - D. Payment of Leave: Donated leave shall be paid to the employee on the first pay period following the approval date, and payments are not retroactive.
 - E. Return to Work: Should the requestor return to work prior to the donated leave being utilized, the remaining leave amount will be re-credited to the Sick Leave Donation Bank.
 - F. Use of Donated Leave: While using leave from the Sick Leave Donation Bank, the recipient will be treated as though he/she was using his/her own sick leave (for example, at their regular rate of pay, based on their regular work schedule, etc.). Donated sick leave payments will be suspended as of the date the employee becomes eligible to begin receiving wage replacement benefits, including but not limited to short-term disability benefits, long-term disability benefits, and workers' compensation benefits.
 - G. Taxation: The donated hours used by the recipient are taxable to him/her in accordance with Internal Revenue Service regulations and are subject to withholdings as required by law.
 - H. No Guarantee: There is no guarantee of the availability of leave donations under this Policy, and this Policy does not entitle employees to extra leave during a catastrophic illness or injury beyond that which meets all qualifications under the terms of this policy.
- V. Sick Leave Donation Bank: The Sick Leave Donation Bank and program shall be administered as follows:
- A. Administration: The Assistant City Manager will administer the Sick Leave Donation Bank and coordinate the sick leave donation program. The Sick Leave Donation Bank may be abolished at any time, at the discretion of the City, subject to the meet and confer process on the effects of the abolishment.
 - B. Accounting for Donated Leave: Sick leave donated to the Sick Leave Donation Bank shall be converted to a cash value based on the donating employee's hourly rate of pay. Leave paid out shall be converted to sick leave hours based on the recipient employee's hourly rate of pay.
 - C. Taxation: State and Federal income tax on the value of the leave shall be reported as income and taxable to the recipient, in accordance with Internal Revenue Service regulations, and are subject to withholdings as required by law.
 - D. Confidentiality: All persons who coordinate the leave donation program shall emphasize the voluntary nature of the contribution. The collection and distribution of sick leave time shall be done in a way to ensure confidentiality for the donors and the recipients. The names of the donors and recipients shall not be disclosed. The Assistant City Manager will receive an employee's request for leave confidential statement from the requestor's physician in a manner consistent with the Federal Family and Medical Leave Act and the California Family Rights Act.

- E. Sick Leave Drive: At any time, or when the Leave Donation Time Bank is depleted, the Assistant City Manager may hold a leave donation drive for eligible employees to donate sick leave under this program. Donors and recipients will not be disclosed.

- F. Modification/Termination: The City has sole discretion to modify this Policy as it deems necessary, subject to the meet and confer process on the effects of that decision. This Policy and Sick Leave Donation Bank may be abolished at any time, at the discretion of the City. If hours are remaining in the Sick Leave Donation Bank at the time it is abolished, the City will credit all donors' leave balances with a pro rata share of the hours remaining in the Bank in accordance with the number of hours each donor contributed, during the preceding 12 months.

CITY OF DUARTE
REQUEST TO DONATE SICK LEAVE

Donor's Name (printed): _____

Donor's Department: _____

I wish to donate to the City's Sick Leave Bank, a voluntary leave time donation bank.

I understand the following provisions related to my donation:

1. I certify that I am full-time non-probationary employee in regular status. I am currently accruing sick leave hours and am not on a leave of absence.
2. I understand that: The minimum donation is 4 hours. All donations must be in full hour increments. Leave that has not accrued is not eligible to be donated. Only sick leave currently accrued is eligible for donation. I cannot borrow future sick leave accruals for donation.
3. I understand that once hours are donated, I have given up all rights to the hours. The hours remain in the bank until used by an eligible employee. Donations are voluntary, confidential, and irrevocable. If the program is abolished, the City will credit all donors' leave balances with a pro rata share of the hours remaining in the Bank in accordance with the number of hours each donor contributed, during the preceding 12 months.
4. I understand that I am encouraged to carefully consider the number of hours that I elect to donate to ensure that I retain a leave balance that meets my personal needs. I further understand that I am required to retain a balance of at least 160 hours of accrued sick leave in my available sick leave bank.
5. I understand that donations are made to the City's Sick Leave Donation Bank, not specific employees. I further understand that it is the responsibility of the program administrators to determine payout based on the program guidelines.
6. Program decisions are made in accordance with the City's Sick Leave Donation Policy.

Please donate _____ hours of my accrued sick leave hours to this program.

Donor's Signature Date

For HR Office Use Only

_____ Allowable Hours \$ _____ Hourly Rate \$ _____ Total Dollar Value

Denied Approved

Approval by Assistant City Manager Date

CITY OF DUARTE
CONFIDENTIAL REQUEST TO RECEIVE DONATED SICK LEAVE

I am requesting to receive additional sick leave pursuant to the City's Sick Leave Donation Policy due to a Serious Health Condition: a serious debilitating illness or injury that incapacitates the employee or his or her family member and meets the qualification of a serious health condition as defined in the City's Sick Leave Donation Policy.

Name (printed): _____

Department: _____

Have you received Donated Sick Leave this calendar year? No Yes Date: _____

Number of hours requested: _____ Dates of Leave: From _____ to _____

Briefly state the reason(s) for additional leave hours (please do not include medical diagnosis): _

I understand that:

- I must be a regular status employee who is eligible to accrue and use sick leave.
- I must be on an approved leave of absence.
- I must provide a medical provider's verification of illness or injury.
- I must exhaust all paid leave credits (sick, vacation, administrative leave, and CTO) before I am eligible to receive Donated Sick Leave.
- In order to use Donated Sick Leave, I may not be on any other City pay status, receiving City disability, Worker's Compensation or any other supplemental benefits.
- My participation in the Donated Sick Leave program is subject to provisions outlined in the City's Sick Leave Policy.
- Any unused hours will be returned to the Donated Sick Leave Bank.
- Review and approval or denial of my request will include a review to determine if my request meets the standards set forth in the City's Sick Leave Donation Policy.
- There is no guarantee that Donated Sick Leave will be available to me.

Signature: _____ Date: _____

For HR Office Use Only

Denied Approved _____ Hours Transferred

Assistant City Manager Approval/Authorization Signature:

Signature

Date