

MEMORANDUM OF UNDERSTANDING

Between the

City of Carmel-by-the-Sea

And the

**Carmel-by-the-Sea Management Employees Unit, an
Affiliated Unit of LIUNA / UPEC Local 792**

For the period

July 1, 2022 through June 30, 2024

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**Memorandum of Understanding
between
The City of Carmel-by-the-Sea
and
City of Carmel-by-the-Sea Management Employees Unit, an Affiliated
Unit of
LIUNA/UPEC Local792**

ARTICLE 1: PREAMBLE

This Memorandum of Understanding (MOU) is made and entered into between the City of Carmel-by-the-Sea, hereinafter referred to as “CITY,” and the City of Carmel-by-the-Sea Management Employees Union, an Affiliated Unit of Laborers’ International Union of North America, United Public Employees of California, LIUNA/UPEC, Local 792, hereinafter referred to as “UNION,” pursuant to California Government Code Section 3500 et seq. The purpose of this MOU is the establishment of rates of compensation hours of work and other terms and conditions of employment. Existing practices and/or benefits which are not referenced in this MOU and which are subject to the meet and confer process shall continue without change unless modified subject to the meet and confer process.

ARTICLE 2: RECOGNITION

2.1 The City of Carmel-by-the-Sea recognizes the UNION as the exclusive representative for employees in the following classifications:

Accountant
City Forester
Associate Planner
Principal Planner
Senior Planner
Public Works Superintendent
Building (Facility) Maintenance Supervisor

ARTICLE 3: TERM OF CONTRACT

3.1 The term of this MOU shall be from July 1, 2022 through June 30, 2024.

ARTICLE 4: COMPENSATION

4.1 Wages:

Effective July 1, 2022, the hourly rate salary steps for all classes in this bargaining unit shall be increased by seven percent (7%). Effective July 1, 2023, the hourly rate salary steps for all classes in this bargaining unit shall be increased by four percent (4.0%).

4.2 Out of Class Pay:

The purpose of this provision is to provide for compensation of an employee who is properly assigned in writing to perform the significant duties of a higher classified position for relief necessitated by the temporary vacancy caused by the incumbent's absence or pending the filling of a vacant position beginning on the second full pay period of such assignment and continuing for the duration of such assignment, but not to exceed six months (pursuant to CalPERS regulations).

Out of class pay will be provided when the following conditions are met:

1. There is a vacant position specifically allocated to the department.
2. The assignment will require the duties of the position to be performed by the individual for a period of not less than two (2) pay periods.
3. The class to which the employee is assigned must have a top salary step of at least 5% above the top step of the employee's current class.
4. The assignment and the duration of the assignment is made by the Department Head in writing specifying the period of the temporary assignment and is approved by the City Administrator.
5. The employee must satisfactorily perform the essential functions of the job class to which that employee is assigned.
6. The employee meets the minimum qualifications identified in the job description of the classification being assigned.

Such temporary assignment shall not be considered a promotion. The individual shall receive either a five percent (5%) premium or Step 1 of the class assigned, whichever is greater.

If the employee receives between five percent (5%) and seven-and one-half percent (7.5%) out of class pay, the employee will continue to be eligible to earn overtime as would have been earned in the employee's regular class. If the employee receives out of class pay greater than seven-and one-half percent (7.5%), and is assigned to an FLSA exempt position, the employee will not be eligible for overtime pay, but will receive pro-rated management leave based on the duration of the assignment.

The out of class pay shall cease when any of the following occur:

1. The absent incumbent returns to duty.
2. The vacant position is filled.
3. The assignment is terminated in writing by the appointing authority, whichever occurs first.

Under no circumstance may any out of class assignment continue longer than six months in any one fiscal year.

4.3 Advanced Certification/License Pay

As recommended by a Department Head and subject to approval by the City Administrator, the City may provide a flat monthly payment to employees who obtain certifications or licenses that provide added benefit to the City, beyond the requirements of the employee's position. The Parties agree that topics of eligible types of certifications or licenses, the amounts of pay (and caps on total possible pay per employee), as well as considerations such as caps on numbers of employees authorized to receive a type of pay will all be included in the Joint Labor Management Committee meetings intended to take place during the term of this Agreement, pursuant to Section 26.5 of this Agreement.

ARTICLE 5: EDUCATIONAL INCENTIVE PROGRAM

5.1 Educational Incentive Program (EIP) for Mid-Management, Professional and Supervisory:

The City Council, having determined the acquisition of additional education by employees makes those employees more valuable to the City, does hereby establish an Educational Incentive Pay Program (EIP). The EIP will apply to educational credits acquired after the employee's date of hire by the City of Carmel-by-the-Sea.

5.2 Definitions: For the purpose of this program, the following definitions shall apply:

A. Base Salary shall mean the monthly salary of the employee as established by the City Council and shall not include any overtime, holiday-in-lieu pay, allowances, or other supplemental benefits.

B. Satisfactory Completion shall mean a grade of "C" or better in any course. No more than one-third (1/3) of the total number of units considered for EIP may be on a "credit only" or "pass/fail" basis (limit of 10 out of 30 units or 20 out of 60 units). Units earned with a "Credit Minus" grade will not be considered eligible under the EIP program.

C. College Level shall mean any post-high school educational institution accredited by the California State Department of Education, the Western Association of Schools and Colleges, or by equivalent organizations in other states and countries, or which have the prior approval of the City Administrator.

D. Job-Related shall mean any college level course related to technical or specialized aspects of the employee's position, as well as courses meeting general educational degree requirements, which are reasonably job-related. The City Administrator's determination of the eligibility of any course shall be final and shall be obtained prior to taking a course.

E. Units shall mean semester units (two semesters to a full academic year). Each quarterly or trimester unit shall be counted at a value of .67% of a semester unit.

5.3 Rates of additional compensation:

A. Academic Education. Upon satisfactory completion of 30 units of college level related courses, the employee shall receive a salary increase equal to two and one-half percent

(2.5%) of their base salary. Upon attainment of 60 units or the attainment of an Associate Degree, the employee shall receive a salary increase equal to five percent (5%) of base salary.

B. Non-Academic Training or Instruction. For eligible employees, the City Administrator, upon recommendation of the Department Head, may grant prior approval for a course of instruction or training, which would lead to the attainment of EIP. The City Administrator shall be guided in this determination by the value to the City of the employee's knowledge and/or skill accumulation, and by the employee's expenditure of time and effort as compared to that put forth by an employee earning the same level of EIP by the accumulation of college-level units (at approximately 30 to 54 hours per college unit).

C. In no case shall the EIP rate of compensation exceed five percent (5%).

5.4 Eligibility:

In order for employees to be eligible for EP, ALL of the following conditions shall be met:

A. A regular employee shall become eligible once successfully completing 18 months of continuous service to the City except that this period of time may be waived at the discretion of the City Administrator.

B. The education, training or instruction shall be acquired at times when the City does not compensate the employee. Reimbursement to the employee by the City for the costs of books, tuition, or supplies shall not affect eligibility. Scholarships or veterans' benefits shall not be considered compensation.

C. Credit shall not be given for work experience, although an academic institution may have given credit for such experience, until a degree is granted the employee by such institution.

D. The employee shall submit to the City Administrator through the Department Head a list of courses and credits, together with transcripts or other proof of satisfactory completion, as may be required to verify the acquisition of claimed credits.

5.5 Time of payment:

EIP shall be paid to eligible employees beginning with the pay period in which the City Administrator has approved the application for EIP.

5.6 All members shall maintain any license or certification required for his or her position by the Department of Transportation.

ARTICLE 6: LONGEVITY/MERIT STEP

6.1 Addition of Sixth Step

Union and City agree to add a sixth step to the salary ranges for positions represented by the Union . The increment between step 5 and 6 will be three percent (3%). Employees who meet the

eligibility criteria set forth below on or before July 1, 2022, shall be placed on the 6th step effective July 1, 2022. Employees who meet the eligibility criteria after July 1, 2022 shall be placed on the 6th step in accordance with the City's usual practice for timing of performance-based increases.

Eligibility: To qualify for placement on the 6th step, an employee MUST:

- A. Have completed ten (10) continuous years of service with the City of Carmel-by-the-Sea; and
- B. Have received a Satisfactory or higher performance rating on the employee's two (2) most recent performance reviews.

ARTICLE 7: CALPERS RETIREMENT PLAN

7.1 Tier I: Bargaining unit members hired on or before November 1, 2011:

7.1.1 The "2% at 55" retirement formula shall be available to bargaining unit members hired on or before November 1, 2011.

7.1.2 Final Compensation Based on 12-Month Period:

For the purposes of determining a retirement benefit, final compensation for bargaining unit members covered by this Section mean the highest consecutive twelve (12) month period.

7.1.3 Required Member Contributions:

Bargaining unit members covered by this section shall continue to pay, through payroll deduction, the 7.0% member contribution.

7.1.4 Pension Cost Sharing:

In addition to paying the 7.0% member contribution, bargaining unit members covered by this Section shall pay, through payroll deduction, an additional 3.0% of PERSable compensation towards the City's costs, for a total contribution of 10% toward the normal cost of pension benefits, as permitted by Cal. Gov. Code Section 20516.

The parties acknowledge that CalPERS mandates an election by unit members, separate from ratification of this MOU, to provide for this cost sharing pursuant to Cal. Gov. Code Section 20516.

As soon as practicable after the effective date of this MOU, the City will initiate the PERS contract amendment process. Upon approval and agreement from the bargaining unit and completion of the City's amendment to the PERS contract, unit member contributions will be made pursuant to Cal. Gov. Code Section 20516. If the contract amendment is not complete before the effective date of the cost sharing described in this Section, the cost sharing shall be implemented outside of a PERS contract amendment as authorized by Cal. Gov. Code Section 20516(0). The Union and the City will take all actions necessary to implement the pension cost sharing agreement described in this Section.

7.2 Tier II: Bargaining Unit Members Hired After November 1, 2011, and Prior to January 1, 2013, and Unit Members Qualified for Reciprocity (Classic Members):

7.2.1 This Section (including subsections) shall apply to bargaining unit members hired on or after November 1, 2011, and prior to January 1, 2013. In addition, this Section shall apply to bargaining unit members hired on or after January 1, 2013, who are qualified for pension reciprocity as stated in Cal. Gov. Code Section 7522.02(c) and related CalPERS reciprocity (Classic Member) requirements.

7.2.2 The “2% at 60” retirement formula shall be available to bargaining unit members covered by this Section.

7.2.3 Final Compensation Based on Three-Year Final Average Salary:

For the purposes of determining a retirement benefit, final compensation for bargaining unit members covered by this Section shall be determined by the average of the final three years of the member’s salary.

7.2.4 Required Member Contributions:

Bargaining unit members covered by this section shall continue to pay, through payroll deduction, the 7.0% member contribution.

7.2.5 Pension Cost Sharing:

In addition to paying the 7.0% member contribution, bargaining unit members covered by this Section shall pay, through payroll deduction, an additional 3.0% of PERSable compensation towards the City’s costs, for a total contribution of 10% toward the normal cost of pension benefits, as permitted by Cal. Gov. Code Section 20516.

The parties acknowledge that CalPERS mandates an election by unit members, separate from ratification of this MOU, to provide for this cost sharing pursuant to Cal. Gov. Code Section 20516. As soon as practicable after the effective date of this MOU, the City will initiate the PERS contract amendment process. Upon approval and agreement from the bargaining unit and completion of the City’s amendment to the PERS contract, unit member contributions will be made pursuant to Cal. Gov. Code Section 20516. If the contract amendment is not complete before the effective date of the cost sharing described in this Section, the cost sharing shall be implemented outside of a PERS contract amendment as authorized by Cal. Gov. Code Section 20516(0). The Union and the City will take all actions necessary to implement the pension cost sharing agreement described in this Section.

7.3 Tier III: PEPRA Retirement Tier Required for Bargaining Unit Members Hired On or After January 1, 2013 (Non-Classic Members):

7.3.1 This Section shall apply to bargaining unit members who were hired on or after January 1, 2013, and who do not qualify for pension reciprocity (non-Classic Members) as stated in Cal. Gov. Code Section 7522.02(c).

7.3.2 2% at 62 Formula:

The “2% at 62” retirement formula will be available to bargaining unit members covered by this Section.

7.3.3 Final Compensation Based on Three-Year Final Average Salary:

For the purposes of determining a retirement benefit, final compensation for bargaining unit members covered by this Section shall be determined by the average of the final three years of the member’s salary.

7.3.4 Required Member Contributions:

As required by Cal. Gov. Code Section 7522.04(g), effective January 1, 2013, bargaining unit members covered by this Section shall pay, through payroll deduction, fifty percent (50%) of normal costs.

7.3.5 Pension Cost Sharing:

In addition to paying 50% of normal costs as described above, bargaining members covered by this Section shall pay, through payroll deduction, an additional 3.0% of PERSable compensation toward the City’s normal cost of pension benefits as permitted by Cal Gov. Code Section 20516.

The parties acknowledge that CalPERS mandates an election of unit members, separate from ratification of this MOU, to provide for this cost sharing pursuant to Government Code Section 20516. As soon as practicable after the effective date of this MOU, the City will initiate the contract amendment process. Upon approval and agreement from the bargaining unit and completion of the City’s amendment to the CalPERS contract, unit member contributions will be made pursuant to Government Code Section 20516, Unit member Cost Sharing of Additional Benefits. If the contract amendment is not complete before the effective date of the cost sharing described in this Section, the cost sharing shall be implemented outside of a CalPERS contract amendment as authorized by Government Code Section 20516(f). The Union and the City will take all actions necessary to implement the pension cost sharing agreement described in this Section.

7.4 As permitted by Internal Revenue Code Section 414(h)(2) and Government Code Section 20516, each unit member shall pay through payroll deductions the PERS contributions described in Section 7 with state and federal income tax on the PERS member contribution deferred to the extent permitted by law, including but not limited to, Internal Revenue Code, 26 USC Section 414(h)(2).

7.5 The City shall provide bargaining unit members with those optional benefits which it has elected to provide to bargaining unit members in its contract with CalPERS and in accordance with the Public Employees Retirement Law.

ARTICLE 8: UNION SUPPLEMENTAL RETIREMENT PLAN

8.1 Effective the first pay period after adoption by the City Council of this MOU, the City shall contribute \$1 per hour worked, excluding overtime, to the Laborer’s International

Union of North America, National (Industrial) Pension Fund, on behalf of each eligible employee who is: 1) represented by the Union, and 2) regularly scheduled to work twenty (20) hours or more per week.

ARTICLE 9: DEFERRED COMPENSATION

9.1 The CITY offers employees the opportunity to participate in a deferred compensation plan on a voluntary basis through the payroll deduction plan. Participation and contributions are guided by the rules and regulations established by the Internal Revenue Service (IRS) for such plan (457 Plans). Nothing in this section shall prohibit or restrict this voluntary participation, in the plan(s) offered by the City.

9.2 The City shall make monthly contributions on behalf of each eligible employee in the amount of \$25. In addition, effective with the first pay period following Council adoption of this Agreement, the City shall match up to \$50 per month of contributions made by the employee. In no case shall the City contribute in excess of \$75 per month to any individual employee's deferred compensation. It shall be the responsibility of the employee to specify the plan and investment option.

ARTICLE 10: UNIFORM ALLOWANCE

10.1 Effective the first day of the pay period following the City Council's approval of this agreement, the City will reimburse all represented Union employees for expenditures of up to \$300 per year for items of uniform required for them to perform their jobs. Employees shall provide receipts for all purposes for which they are requesting reimbursement.

10.2 Effective the first day of the pay period following the City Council's approval of this agreement, the City shall continue to provide uniforms to all represented Union employees who are required to wear them at no cost to the employee.

10.3 The uniform items and cost, including reimbursement costs, for all represented Union employees who are required to wear a uniform is set forth in Appendix A. The parties agree that, to the extent permitted by law, the monetary value of compensation for the cost of uniform items and reimbursement costs are special compensation and shall be reported as such to CalPERS pursuant to Title 2 CCR, Section 571(a)(5) — Statutory Items.

ARTICLE 11: HOURS OF WORK

11.1 Workweek: The normal workweek shall consist of five (5) days, Monday through Friday, inclusive.

11.2 Workday: The normal workday shall consist of eight (8) consecutive hours of work within a maximum nine-hour period, interrupted by an unpaid lunch break of not less than one-half hour nor more than one hour. The normal workday shall fall within the hours between 7:00 a.m., and 6:00 p.m. Input from employees at each work site is welcomed. An employee shall be given seven (7) calendar days' notice before a change in the daily work schedule can be implemented.

11.3 Change in Hours of Work: Should, in the judgment of the City, it be necessary to establish daily or weekly work schedules departing from the normal workday or the normal workweek for a period exceeding two (2) weeks, the City shall meet and discuss the proposed change with the UNION at least ten (10) days in advance, except in cases deemed to be an emergency by the City Administrator.

11.4 Alternative Work Schedules: During the term of this Agreement the parties may mutually agree to meet and confer regarding alternative work schedules. Notwithstanding subsections A and B above, the CITY and the UNION may agree to establish alternative work schedules consisting of forty (40) hours in a work week or eighty (80) hours in a bi-weekly period. Alternative work schedules may be implemented on a Department-by-Department basis.

11.4.1 Employees shall be scheduled to work eighty (80) hours within a nine (9) consecutive day period. The scheduled day off shall be either a Friday or Monday, providing that this work schedule for the library employees does not cause a reduction of hours the library is open to the public.

11.5 Rest Periods: During their normal eight (8) hour workday, employees will be granted two (2) fifteen (15) minute rest periods in the approximate middle of each half shift, which may be scheduled by the City.

ARTICLE 12: HOLIDAYS

12.1 The following 12 holidays shall be observed:

1. New Year's Day, January 1st
2. Martin Luther King Day, Third Monday of January
3. Lincoln's Birthday, February 12th
4. President's Day, Third Monday of February
5. Memorial Day, Last Monday of May
6. Independence Day, July 4th
7. Labor Day, First Monday of September
8. Veterans' Day, November 11th
9. Thanksgiving Day, Fourth Thursday in November
10. Friday after Thanksgiving, Day after Thanksgiving
11. Christmas Eve, December 24
12. Christmas Day, December 25

12.2 In the event a holiday falls on a Saturday, Municipal Departments shall remain open on the preceding Friday, but employees shall be given either the preceding Friday or the following Monday, at the discretion of the Department Head and City Administrator, as an in-lieu holiday. In the event a holiday falls on a Sunday it shall be observed on Monday.

ARTICLE 13: GENERAL LEAVE

13.1 Each bargaining unit employee covered by this Agreement shall be entitled to two days (a maximum of 16 hours) of general leave per year during the period of the contract.

The Department Head or City Administrator shall approve use of general leave. General leave may not be accumulated from one year to the next.

ARTICLE 14: EXECUTIVE LEAVE

14.1 The CITY shall grant each Exempt member of the UNION eighty (80) hours annual Executive Leave. This leave must be taken during the fiscal year in which it is earned. There will be no ability to carry over this leave from one fiscal year to the next and there shall be no cash pay off for any such unused leave.

ARTICLE 15: VACATION ACCRUAL PLAN

15.1 The following vacation accrual schedule shall be in effect:

1— 4 years of service:	80 hours per year
5 — 10 years of service	120 hours per year
11 — 15 years of service:	160 hours per year
15 years of service and over:	176 hours per year

15.2 Vacation accrual will be reflected in the City’s books on a month-to-month basis in hours.

15.3 The maximum amount of vacation time that may be held in an unused status shall be the amount an employee is entitled to accrue in two (2) anniversary years. The Department Head may grant exceptions with approval by the City Administrator.

15.4 The CITY agrees to recommend that the City Council eliminate Municipal Code 2.52.630 (Vacations: Eligibility of Use).

15.4 The parties agree that members of the UNION will have the option, subject to approval by the City Administrator, to sell up to eighty (80) hours of accumulated vacation per fiscal year to the CITY in exchange for compensation at the employee’s hourly rate in the fiscal year sold.

ARTICLE 16: BEREAVEMENT LEAVE

16.1 Each member of the UNION shall be entitled to use twenty-four (24) hours of bereavement leave each fiscal year for serious illness, disability, or death in the employee’s immediate family. If the employee exhausts the 24 hours of bereavement leave, the employee shall be permitted to use up to two days of accrued sick leave as bereavement leave. If the employee exhausts the 24 hours of bereavement leave and has used two additional days of sick leave, and experiences an additional incident qualifying for bereavement leave in the same calendar year, the employee shall be permitted to use up to an additional five days of accrued sick leave as bereavement leave.

16.2 Immediate family is defined as the employee’s spouse, child, step-child, parent, step-parent, grandparent, sibling, mother-in-law, father-in-law, sister-in-law, and brother-in-law, registered domestic partner, or any other person approved by the Department Head The

Department Head may require the employee to furnish satisfactory proof to substantiate the use of bereavement leave. Bereavement leave shall not be subtracted from an employee's sick leave account and shall not accrue from one fiscal year to the next.

ARTICLE 17: SICK LEAVE

17.1 The CITY shall continue to grant each member of the UNION eight (8) hours of sick leave per month. These days are to be used in accordance with the procedure(s) outlined below and in the Personnel Ordinance of the Municipal Code of the City of Carmel-by-the-Sea (Sections 2.52.660-2.52.685).

17.2 Sick leave shall be charged against an employee's credit only for regular working days and shall not be charged for time absent on holidays or other authorized days off. Charges against an employee's credit shall be rounded off to the lowest hour, for example:

<u>Time off work</u>	<u>Time charged</u>
59 minutes or less	0
1 hour	1 hour
1 hour and any segment of the next hour	1 hour

A. Medical appointments of 90 minutes or less, with written physician verification, shall not be charged to an employee's sick leave account.

B. Medical appointments of 90 minutes or less, without written physician verification, shall be charged to employee's sick leave account in 15-minute segments.

C. If an employee becomes sick on scheduled vacation time, the Department Head may, with acceptable documentation, authorize the use of sick leave instead of vacation leave.

17.3 Employees hired after 1 November 1984 shall be able to accumulate an unlimited number of sick leave hours. A maximum of six hundred (600) hours will be the total amount for which the City will reimburse the employee upon termination or resignation from employment. This provision does not apply to employees with less than five (5) years of continuous service, who shall not be entitled to any compensation under this section.

For employees with more than five (5) years of service:

A. Resignation from employment after five (5) years will result in reimbursement at 25% of 600 hours maximum, times the actual hourly rate at the time of resignation.

B. Retirement from CITY employment after five (5) years and with proof of submission of application for retirement from CalPERS will result in reimbursement at the rate of 50% of 600 hours maximum, times the actual hourly rate at the time of retirement.

C. Employees with fewer than five (5) years of service shall not be entitled to cash out any sick leave upon separation from service.

17.4 An employee shall be permitted to use up to forty-eight (48) hours of sick leave per year for the diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or employee's family member. Any use of sick leave for this purpose beyond 48 hours per year shall be permitted with the approval of the Department Head.

A. Employees who are victims of domestic violence, sexual assault or stalking shall be permitted to use up to 48 hours of sick leave per year 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; or 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. Any use of sick leave for this purpose beyond 48 hours per year shall be permitted with the approval of the Department Manager.

B. For purposes of this policy, "family member" shall include any of the following: 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.

17.5 Pursuant to Government Code Section 20965 to the City's CalPERS retirement contract, an employee may elect to use sick time available to him/her under the provision of the contract for sick leave service credit. If an employee elects to use sick leave available for service credit, such time cannot also be applied to the "sell back" provision under this section.

ARTICLE 18: CATASTROPHIC ILLNESS/SICK LEAVE HOURS TRANSFER

18.1 Development of Policy: The parties agree to meet and confer during the term of this Agreement regarding a Catastrophic Leave Donation Policy, which is intended to include, but not be limited to the following terms:

A. An employee or their immediate family member shall be faced with or have incurred either a catastrophic illness or major injury from an accident in order to be eligible for this program. Individual determinations of catastrophic illness or major injury from an accident shall be determined by the City Administrator. An employee must first request and receive authorization from the City Administrator to take an unpaid leave of absence. If a leave of absence is authorized, the City makes no guarantee that paid leave will be donated by other employees. B. The employee requesting the transfer of sick leave hours must have reached zero balances in the sick leave, vacation, compensatory time and executive leave accounts during the illness or recovery period in order to be eligible. If approved, leave is transferred on an hour-for-hour basis. There will be no accrual of paid leaves or attachment of seniority rights to any donated hours

(except where required by law). Unless otherwise required by law, employees receiving paid worker's compensation or disability benefits are not eligible to receive donated leave.

C. Generally, the illness or accident recovery period must be longer than three weeks for the employee to be eligible. Human Resources will evaluate each request and may modify this time period based on the facts of the case.

D. An employee desiring to contribute to the transfer of hours must maintain a minimum balance of 120 hours after the transfer has been deducted from the donor's sick leave account.

18.2 The parties understand and agree that to the extent the above anticipated policy terms expand or modify the City's current practice, they shall not take effect until adoption of the policy.

ARTICLE 19: PHYSICAL EXAMINATIONS

19.1 Each employee covered by the UNION, under the age of forty-five (45) shall be entitled to a physical examination every other year during the term of the contract, subject to the financial guidelines stated in this section. Employees in this category who had a City paid physical in the fiscal year just prior to the fiscal year of this contract shall not be entitled to a City paid physical during the period of this contract.

19.2 Employees who turn forty-five (45) years of age during the term of this contract shall be entitled to one City paid physical per year after attaining that age and subject to the financial guidelines stated in this section.

19.3 Employees forty-five (45) years of age or older shall be entitled to one City paid physical examination per fiscal year, subject to the financial guidelines stated in this section. The City shall pay up to two hundred and twenty-five dollars (\$225.00) for the physical examination and accompanying tests. Any expense in excess of this amount shall be borne by the employee.

19.4 Physical examinations may be performed by a licensed physician of the employee's choice. The physician shall complete a Physician Evaluation Report Form. Payment shall be made upon receipt by the Human Resources Office of the form and a statement of all charges, within ninety (90) days from date-of-service.

ARTICLE 20: TUITION ADVANCEMENT

20.1 The CITY recognizes the financial burden placed upon UNION members who must pay advance registration, tuition and book fees to continue pursuit of collegiate degrees in their professional disciplines. To this end the CITY and UNION agree to the following program:

A. The CITY shall pay, in advance of the course(s) being taken, registration, tuition and book fees for UNION members.

B. All courses and programs shall be approved in advance of enrollment by the City Administrator for a determination of job relevancy.

C. At the completion of the course(s), the employee shall submit to the City Administrator, proof of satisfactory completion of the course(s).

D. In the event the employee does not satisfactorily complete the course(s), the employee shall reimburse the CITY for all advances paid by the CITY on behalf of the employee. A timetable for reimbursement shall be determined on a case-by-case basis by the City Administrator.

E. The maximum amount that is allowed in a fiscal year for the Tuition Advancement program is \$1,000 per UNION member.

ARTICLE 21: INSURANCE PROGRAMS

21.1 The City offers a variety of insurance protection programs for the employee and dependents. Some protection is provided through fully insured instruments. Other protection is provided through a City self-funded program. Other protection is employee funded.

21.2 For the purposes of this section the following definitions and groupings of coverage shall exist:

A. Non-Elective Core Coverage's: (City Paid)

(1) Mandatory per month employer contribution required by CalPERS for each employee enrolled in the CalPERS medical protection program.

(2) Employee/dependent dental premium, established by the City's provider of record, depending on the level of coverage chosen.

(3) Collective employee/dependent vision premium established by City's provider of record.

(4) Basic \$30,000 life insurance premium (available only to full-time and regular part time employees).

(5) Accidental Death and Dismemberment Policy (available only to full-time and regular part time employees).

B. Elective (non-core) coverage (Employee Paid): available for purchase with flexible spending monies available to eligible employee:

(1) Employee and/or dependent medical coverage in the CalPERS Program less the mandatory per month required employer payment.

(2) I.R.C. Section 125 - Flexible Spending Account

(3) I.R.C. Section 125 - Dependent Care

C. Section 125 Plan: The City's insurance plan is structured within this tax-deferred program. This is an Internal Revenue Code permitted plan. A third-party administrator provides administration of the plan.

21.3 For eligible employees enrolled in a Public Employee Medical and Hospital Care Act (PEMHCA) Medical Plan, the City will make a maximum medical premium contribution, based on employee choice, that is either equal to 100% of the cost of the premiums for the lowest cost PPO plan (if, and only if, there are at least two PPO options at the applicable coverage level) or 80% of the cost of premiums for any other City-offered health plan.

The Parties agree to an automatic re-opener once estimated rates are known for the 2023 plan year, if the cost to the City of paying 100% of the premiums for the lowest cost PPO plan is projected to increase by more than 20% compared to the cost in the first year.

21.4 The City agrees to maintain the contract for Group Long Term Disability Insurance (LTD). The cost of this insurance shall continue to be fully paid by participating employees. Participation in the plan is voluntary. Continuation of the coverage requires seventy-five percent (75%) participation by all eligible employees (benefited full-time and part-time).

21.5 Plan Contents and Monthly Rates:

A. Life Insurance and Accidental Death/Dismemberment Insurance (AD&D)
(Only available to full-time and benefited part-time employees):

Provider: Life Insurance — Standard Insurance Company

Rates: \$.32 per \$1000 Benefit (Basic Life)

\$.04 per \$1000 of Benefit (Basic AD&D)

Provider: AD&D Insurance — Standard Insurance Company

Rates:

All employees: \$ 1.50 p/month

B. Vision Insurance:

Vision insurance is available through Vision Service Plan (VSP).

Employees shall be enrolled in the City's vision care health plan. The City shall pay 100% of the premium for the VSP Core (City Paid) plan for employee and eligible dependents. Employees have one option to purchase a buy-up option that is fully paid by the employee.

C. Dental Insurance:

Dental insurance is available through Delta Dental. The City will pay 100% of the premium for the Delta Dental Core (City Paid) plan for employee and eligible dependents. Employees have two options to purchase a buy-up option that is fully paid by the employee

D. Medical Insurance: CalPERS Plan (PEMHCA): subject to terms and conditions of by the Public Employees’ Medical and Hospital Care Act (PEMHCA).

21.6 Retirees and Other Qualified Employees:

A. The City agrees to fund the minimum mandatory per month for medical coverage plus the administrative cost (based on total monthly premium) for currently enrolled retirees and eligible and enrolled un-benefited hourly employees, as required by CalPERS.

(1) The City agrees to provide additional minimum funding as needed for existing retirees, active or hourly employees who currently are not participating in the medical program, but who would be eligible under CalPERS guidelines.

21.7 Opting Out (Medical Program Only): Eligible employees may elect not to participate in the CalPERS medical plan. Anyone opting out shall only be eligible to take cash in the amount of \$291 per month providing they meet the following conditions:

- A. They shall submit proof of medical legally compliant coverage elsewhere.
- B. They shall sign a medical plan waiver.
- C. Married employees shall be required to obtain the signature of their spouse on the medical plan waiver form.
- D. Employees under legal order to provide medical coverage for any dependents shall only be permitted to opt out after showing proof of coverage for each dependent identified in such legal order.

21.8 The City and Association will review the dental and vision plans to identify the most affordable and viable plan without increasing the plan(s) premium.

21.9 Flexible-Spending/Dependent Care Contribution: The City will match up to \$25 per pay period of an employee’s contribution to either a City provided plan’s flexible spending or dependent care account. The City’s matching contribution will not exceed \$25 per individual employee per pay period. Retirees are not eligible for this matching contribution.

ARTICLE 22: WORKERS’ COMPENSATION: SALARY CONTINUATION NON-SAFETY EMPLOYEES

22.1 Whenever any full-time, miscellaneous (Non-Safety) employee as defined by the Public Employees’ Retirement System (PERS), is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of his/her duties, he/she shall become entitled, regardless of his/her period of service with the City, to leave of absence while so disabled without loss of salary in lieu of temporary disability payments or maintenance allowance payments, for the period of the disability, but not exceeding six months, or until such earlier date as he/she returns to duty or is retired on permanent disability pension in accordance with the rules/regulations governing such retirement.

22.2 If the period of disability extends beyond the six month period, full salary continuation shall be discontinued and the employee shall be entitled to legal allowances provided under Workers' Compensation Laws of the State of California which may be integrated with any other compensation to which the employee may be entitled, i.e., Long Term Disability coverage.

22.3 Benefits: During the six month or less period of disability, the employee who suffers such injury/ illness arising out of and in the course of his/her duties shall continue entitlement to all benefits as would have been afforded that employee had he/she not have suffered such injury/illness.

ARTICLE 23: OTHER BENEFITS

23.1 Jury Duty: The CITY provides time off with no loss of salary for employees who must fulfill jury duty obligations. Employees shall be entitled to keep the mileage reimbursement for such service. Any per diem amount received by the employee shall be signed over to the CITY.

23.2 Automatic Deposit: The CITY, upon authorization from any employee, shall make direct deposits to the financial institution of the employee's choice, through the City's duly authorized financial institution. The employee's financial institution must have direct deposit capabilities.

23.3 Payroll Deductions: Employee funded insurance programs, deductions for deferred compensation programs, and UNION dues shall be paid through payroll withholding.

23.4 Illness Reimbursement: The City will provide any employee in the unit with a reimbursement of up to \$25/month to defray costs of a membership to a licensed gym/health club/fitness facility of the employee's choosing. This reimbursement will be provided on a semi-annual basis in arrears (July and January).

23.5 In order for employees to be reimbursed, they must provide evidence of payment for such membership in the form of cancelled checks, a credit card statement, or other payment verification deemed acceptable by the Finance Manager which provides verification the membership payment over a six-month period.

Requests for reimbursements must be received by the City no later than the end of the month following the reimbursement period (e.g., requests for reimbursements for the period July-December must be received by the City on or before January 31; requests for reimbursements for the period January — June must be received by the City on or before July 31) in order to receive payment.

23.6 Layoff Policy: Per Resolution 92-90, the policies and procedures for the layoff of City employees are incorporated herein as "Exhibit 1" to the MOU.

ARTICLE 24: EXEMPT STATUS

24.1 As of July 1, 2022, all employees and positions covered by this Agreement have been determined to be exempt in accordance with the Fair Labor Standards Act and are accordingly not entitled to overtime, and/or compensatory time, and/or standby or callback time

ARTICLE 25: IMPASSE RESOLUTION

25.1 The parties agree to utilize the Meyers-Milias-Brown Act (MMBA) impasse resolution process and include the City's mediation component, as outlined in this section.

25.2 Definition: "Impasse" means that the representatives of the City and a recognized employee organization have reached a point in their meeting and conferring in good faith where their differences on matters to be included in a Memorandum of Understanding, and concerning which they are required to meet and confer, remain so substantial and prolonged that further meeting and conferring would be futile.

25.3 Mediation:

A. The parties agree that prior to initiating the MMBA impasse procedure; the dispute shall be submitted to a mediator from the California State Mediation and Conciliation Service. Costs for mediation services, if any, shall be borne equally by the City and the Employee UNION.

B. All mediation proceedings shall be private. The mediator shall make no public recommendation, nor take any public position at any time concerning the issues.

ARTICLE 26: MANAGEMENT RIGHTS

26.1 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.

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

A. Determine and modify the organization of City government and its constituent work units.

B. Determine the nature, standards, levels, and mode of delivery of services to be offered to the public.

C. Determine the methods, means, and the numbers and kinds of personnel by which services are to be provided.

D. Determine whether goods or services shall be made or provided by the City, or shall be purchased, or contracted for.

E. Establish employee performance standards and to require compliance therewith.

F. Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees, subject to the requirements of applicable law including the current Personnel Ordinance.

G. Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.

H. Implement rules, regulations, and directives consistent with all applicable laws and the specific provisions of the Memorandum of Understanding.

I. Take all necessary actions to protect the public and carry out its mission in emergencies.

26.3 Decisions under this section shall not be subject to the grievance procedure unless specifically authorized by the Personnel Ordinance or other applicable law.

26.4 The City will meet and confer on the exercise of the foregoing Management Rights where such exercise falls within the scope of representation as defined by the MMBA.

26.5 Without waiving any of its management rights, the City agrees to participate in quarterly Joint Labor and Management Committee (“JLMC”) meetings during the term of this MOU. The City also agrees to participate in additional JLMC meetings to discuss specific topics including but not limited to the following anticipated topics: 1) types of work performed (clerical vs. management duties); 2) clarification/addressing of out-of-class issues; 3) workspace enhancements/HVAC issues; 4) training/professional development (per Article 4.3, to include scope, criteria for incentive pays); 5) remote work/telework possibilities; and 6) number/use of City/personal vehicles. Prior to any JLMC meeting, the parties will agree on an advanced agenda that identifies participants, topics to be covered, whether they involve management rights or negotiable decisions, and/or negotiable effects, as well as the parties’ intended outcome (e.g. consideration of employee input into management decision, new/revised policy, side letter/letter of agreement).

ARTICLE 27: UNION SECURITY/ACCESS

27.1 New Employee Orientation:

J. A. New employee orientation shall occur within seven (7) days of an employee’s hire. The Union will be provided not less than ten (10) calendar days’ advanced notice of the time, date and location of the orientation. The Union will be given up to thirty (30) minutes during the orientation to present Union membership information. Attendance of the new employee at the Union’s portion of the orientation is mandatory. Management representatives will excuse themselves during the Union portion of the orientation. Employee representatives conducting the orientation shall be granted paid release time to attend including reasonable travel time if needed.

K. B. The City will provide the Union a digital file via e-mail to the Association President and Labor Relations Representative containing the following information:

- Name
- Job title
- Department
- Work location
- Work, home, and personal cellular telephone numbers
- Home address

The City shall not be required to supply employee information it does not have.

27.2 Maintenance of Membership/Separation from Unit:

A. Employees who are dues paying Union members at the time of the signing of this agreement or who become dues paying members during the term of the agreement shall remain dues paying members for the duration of the agreement. Employees may opt out of Union membership by providing written notice to the Union during the thirty (30) day period prior to the expiration of this agreement.

B. The provisions of this Agreement shall not apply during periods that an employee is separated from the representation unit but shall be reinstated upon the return of the employee to the representation unit. The term “separation” includes transfer out of the unit, layoff, and leave of absence with duration of more than thirty (30) days.

ARTICLE 28: HARASSMENT POLICY

28.1 The City agrees to meet and consult with the union before any changes to the City’s harassment policy are presented to the City Council.

ARTICLE 29: SEPARABILITY

29.1 If a court of competent jurisdiction finally determines that any provision of the Memorandum of Understanding is invalid and unenforceable, such provision shall be separable, and the remaining provisions of the Memorandum of Understanding shall remain in full force and effect.

ARTICLE 30: EFFECT OF AGREEMENT

30.1 This Memorandum of Understanding sets forth the full and complete understanding between the parties hereto. Any items, from previous agreements; not addressed in this agreement are carried forward.

ARTICLE 31: SIGNATURES

31.1 For the City of Carmel-by-the-Sea:

Chip Rerig, City Administrator

Dated

31.2 For the Carmel-by-the-Sea General Employees Association:

Ryan Heron, Chief Negotiator
Union of Public Employees of California—
Local 797

Dated

Dated

Dated

Dated

Dated

Dated

Appendix “A”
Uniform Items: Costs and Reimbursements*

The City will provide Uniforms and equipment for employees as follows:

Job Classification	Items Provided
<ul style="list-style-type: none">• City Forester• Facilities Maintenance Supervisor• Public Works Superintendent	<ul style="list-style-type: none">PantsShirtJacketChaps 1Helmets with Screens*

The City agrees to make available/furnish protective equipment to all classes listed above in addition to the classes of Associate, Principal, and Senior Planner if requested and/or deemed necessary which includes, but may not be limited to:

- Hat (baseball cap or visor)
- Hard Hat
- Rain Gear
- Safety Vest
- Eye and/or Ear Protection
- Gloves

The City agrees to reimburse the classes listed below up to \$250 each fiscal year for the purchase and repair of safety related footwear which must be worn at all times while on duty. Each department head will determine the specifics of the footwear required.

- City Forester
- Facilities Maintenance Supervisor
- Public Works Superintendent

The City agrees to reimburse the classes listed below up to \$225 every other fiscal year (odd numbered years) for the purchase and repair of safety related footwear which must be worn at all times while in the field. Each Department Head will determine the specifics of the footwear required:

- Associate Planner
- Senior Planner
- Principal Planner

*Helmets with screens for Forestry Staff only