

MEMORANDUM OF UNDERSTANDING

Between

CITY OF HALF MOON BAY

And

**REPRESENTED MANAGEMENT TEAM
MEMBERS**

July 1, 2018 - June 30, 2021

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**SECTION 1
MEMORANDUM OF UNDERSTANDING**

1.1 Memorandum of Understanding

Pursuant to the provisions of the Meyers-Milias-Brown Act (MMBA) of the State of California, this Memorandum represents the understanding reached between the City of Half Moon Bay and the Represented Management Team members, pertaining to the represented employees' salary, benefits, and working conditions. It is understood that the team members must ratify and the City Council must formally approve this Memorandum of Understanding (MOU) before it can take effect.

The parties agree that negotiations for the MOU beginning July 1, 2021, shall commence no later than three (3) months prior to the expiration of this current Agreement.

**SECTION 2
RECOGNITION**

2.1 Recognized Classifications

The following classifications are included within this MOU:

Assistant Engineer
Associate Planner
Associate Engineer
Capital Improvement Project Manager
City Engineer
Management Analyst/Project Manager, with the exception of the Management Analyst/Project Manager assigned to Human Resources
Planning and Development Services Manager
Public Works Superintendent
Recreation Coordinator
Senior Accountant
Senior Management Analyst
Senior Planner

2.2 Represented Management employees shall have a one year probationary period. Employees on probationary are not covered under the MOU in regards to grievance and disciplinary procedures.

SECTION 3 SALARY

3.1 Salary

Effective July 1, 2018, the base wages for represented classifications shall be increased by a cost of living adjustment of four percent (4%).

Effective July 1, 2019 the base wages for represented classifications shall be increased by a cost of living adjustment of two and one half percent (2.5%).

Effective July 1, 2020 the base wages for represented classifications shall be increased by a cost of living adjustment of two and one half percent (2.5%).

If salary and benefit survey data is used in the future to consider compensation adjustments, the City and Represented Management group will meet to discuss survey methodology and scope.

3.2 Bilingual Compensation

Effective July 1, 2018, members of the Management Team who are bilingual in a language required for the conduct of City business and who have demonstrated proficiency as determined by a standard academic test of proficiency shall receive the following bilingual pay if the City Manager determines that the member's bilingual skills assist the City in carrying out its organizational mission:

- Two and a half percent (2.5%) per month of employee's base salary for employees certified in oral skills;
- Two and a half percent (2.5%) per month of employee's base salary for employees certified in written skills;
- Two and a half percent (2.5%) per month of employee's base salary for employees certified in simultaneous translation skills;

3.3 Notary Public Services Pay

Effective July 1, 2005, the City will pay a two and one-half percent (2.5%) wage differential to an Association employee who is assigned in writing and is required to perform notary functions for the City. No employee shall be asked to perform notary services for the City if she/he is not assigned in writing.

3.4 Salary on Promotion

Any Management Team employee who is promoted to a position having a higher salary range shall receive the minimum step in the new range that provides for no less than a five percent (5%) increase.

If an employee is eligible for a merit step increase on the same date a promotion is to be effective, the step increase shall be granted before the promotion.

3.5 Acting Pay

With the approval of the City Manager, an employee may be assigned acting duties of a position having a higher salary range. The employee must be assigned in writing to perform the full scope of duties as specified in the job description of the higher-level position for at least five (5) consecutive business days. Employees will be paid the minimum step in the new range that provides at least a five (5.0%) percent (5%) increase over their current salary for the entire period of the acting assignment.

At the discretion of the City Manager, intermittent acting pay may be approved when an employee is assigned to periodically perform acting duties for than more than five (5) total days over a designated period of time.

3.6 Out of Class Pay

Employees shall be eligible for out of class pay equal to five percent (5.0%) over the employee's current base salary when, because of turnover in supervisory or management personnel, they are assigned in writing to perform major duties normally performed in those higher-level positions while the positions are vacant, and for up to ten (10) working days' time after they are filled.

3.7 Citywide Classification and Compensation Study

The City intends to establish a City-wide compensation philosophy. Following adoption of such a philosophy, the City shall conduct a classification and compensation study to include, among others, benchmark classifications represented by Represented Management. The City will engage a consultant to conduct this classification and compensation study with a goal of completion not later than June 30, 2020. Beginning March 31, 2019, upon request of the Represented Management Team, the City shall provide quarterly updates on the status of (i) development of the City's compensation philosophy and (ii) the classification and compensation study. The City shall provide notice to the Represented Management Team upon completion of the classification and compensation study, along with a copy of the results of the study. At the request of either party, the City and the Represented Management Team will meet to discuss the results of the study and proposals related to implementation of such results.

SECTION 4 OTHER PAY

4.1 Vacation and Administrative Leave Payoff

When an employee is separated from service, he/she shall be entitled to a lump sum payment for any unused vacation and administrative leave at the time of separation.

In addition to the payment available upon separation, permanent employees may, with the approval of the City Manager, receive an annual payment in exchange for earned vacation or administrative leave up to thirteen (13) days in any given calendar year payable during the month of November. In order to be eligible for this cash out, the employee must have at least five (5) days of accrued vacation time remaining in their vacation bank after the cash out.

4.2 Sick Leave Payoff

Upon separation from the City, TEAM members with a minimum of five (5) years of service, but less than ten (10) years of service, shall receive reimbursement for twenty-five percent (25%) of their accrued sick leave with a cap of Twenty Five Hundred Dollars (\$2,500.00). TEAM members with a minimum of ten (10) years of service, but less than twenty (20) years of service, shall receive reimbursement equal to twenty-five percent (25%) of accrued sick leave with no cap. TEAM members with a minimum of twenty (20) years of service shall receive reimbursement equal to forty percent (40%) of accrued sick leave.

4.3 Service Recognition

For any employees that were employed with the City prior to July 1, 2013, shall make service recognition awards as follows:

- Employees with at least seven years and less than fourteen years of full-time Half Moon Bay City-service shall receive an annual payment of \$700 in the pay period following their anniversary date.
- Employees with at least fourteen years and less than twenty-one years of full-time Half Moon Bay City-service shall receive an annual payment of \$1400 in the pay period following their anniversary date.
- Employees with at least twenty-one years full-time Half Moon Bay City-service shall receive an annual payment of \$2100 in the pay period following their anniversary date.

The cost of the Service Recognition Program shall be considered part of the total compensation provided to classifications in the bargaining unit and will be

incorporated when the City contemplates future adjustments in bargaining unit compensation.

4.4 Uniforms

The City shall furnish uniforms and/or clothing required by the City to be worn or used by Unit employees, and shall provide those employees required to wear a uniform, an allowance for the purpose of uniform maintenance of One Hundred Seventy Five (\$175.00) per year to be paid the first pay period in July.

All logos and patches will be furnished and attached by the City.
Rain wear and safety gear will be furnished by the City as needed.

The City will issue the following uniforms to Maintenance Superintendent upon hire and every July 1:

- Ten short-sleeve T-shirts with City logo
- Three polo short sleeve shirts
- Four baseball-style caps with City logo
- One hooded sweatshirt with City logo
- One winter jacket with City logo
- \$215 for the purchase of workpants.
- \$265 per year for work boots

4.5 Reimbursement for Use of Technology

If an employee is required by his or her supervisor to use his or her personal cell phone, tablets, laptops or other technology in the course of City business, the City will provide a stipend of seventy-five dollars (\$75) per month.

4.6 Suspension of Class B License Requirement

The parties acknowledge that the job description for the “Public Works Superintendent” classification includes a requirement to hold a California class “B” driver’s license within six (6) months of hire. The City will temporarily suspended that requirement. The requirement for employees in the Public Works Superintendent classification may be reinstated by the City upon notice to Represented Management and the impacted employee(s). Impacted employees shall have six (6) months from the date of such notice to secure a class B Driver’s License.

SECTION 5 MILEAGE AND CAR ALLOWANCE

5.1 Mileage

Employees will receive reimbursement for each mile traveled on City business in the employee's private vehicle at the current rate established by the Internal Revenue Service. Private vehicles used for City business shall comply with applicable California Vehicle Code Sections pertaining to "Insurance or Proof of Ability to Respond to Damages."

SECTION 6 EDUCATIONAL TRAINING INCENTIVE PROGRAM

6.1 Educational Reimbursement

The City shall reimburse employees for job-related educational classes, certifications, professional memberships, conferences, workshops, or seminars, conditioned upon prior approval of the City Manager or their designee in the amounts set forth below. Eligible classes, certifications, professional memberships, workshops, conferences, and seminars must:

- Relate to and be beneficial for the work of the employee's current City position or occupation; or
- Satisfy a continuing education requirement of the employee's current City position; or
- Prepare the employee for advancement/promotion to positions of greater responsibility within the City.

Under this section, employees may also request reimbursement of payments made towards student loans.

Employees who have completed less than two (2) years of service with the City may be reimbursed up to a maximum amount of One Thousand Five Hundred Dollars (\$1,500) per calendar year, per employee.

Employees who have completed two or more years of service with the City may be reimbursed up to an additional One Thousand Five Hundred Dollars (\$1,500), for a total maximum reimbursement of Three Thousand Dollars (\$3,000) per calendar year, per employee. This additional \$1,500 may only be applied towards reimbursement for job-related degrees from accredited educational institutions or repayment of student loans.

The City does not make any representations as to the tax treatment of this benefit.

**SECTION 7
HEALTH AND WELFARE**

7.1 Medical, Dental and Vision Insurance

A. Eligibility

All regular employees of the City eligible for PERS medical membership shall be eligible to enroll in the health and welfare benefits provided by this Section and currently authorized for this bargaining unit. Eligible dependents of a regular employee eligible for PERS medical membership shall be permitted to participate in any health and welfare benefit provided in this Section to the extent authorized by the benefit plan.

B. Medical Insurance Benefits

During the term of the MOU, the City agrees to contract with the California Public Employees Retirement System (CalPERS) for the purpose of providing employees and their eligible dependents with medical insurance benefits.

C. Cafeteria Plan

For the duration of the MOU, the City agrees to maintain a Cafeteria Plan, pursuant to Section 125 of the Internal Revenue Code, for the purpose of providing employees with access to various health and welfare benefits.

Benefits available through the Cafeteria Plan include medical insurance, dental insurance, and vision insurance.

The City agrees to provide a Cafeteria Plan Allowance to all employees eligible to participate in City-sponsored health and welfare benefits.

During the term of the MOU, the City shall contribute up to a maximum of One Thousand Eight Hundred Dollars (\$1,800) per month for regular full-time employees. The City's contribution for part-time employees shall be pro-rated based on their FTE.

In addition, the City agrees to provide dental and vision insurance up to the family level coverage for regular full-time employees. The City's contribution for part-time employees shall be pro-rated based on their FTE.

Any and all additional sums, over and above the amounts stated above that are required to purchase the employee selected Health and Welfare benefit, shall be paid by the employee through payroll deduction. Cafeteria Plan Allowance in

excess of actual premiums is to be paid to the employee. A City payroll deduction authorization form shall be completed.

For particulars of coverage, see appropriate pamphlets and contracts.

D. Flexible Spending Accounts

As soon as administratively possible following ratification of this agreement by the Represented Management Team and adoption by the City Council, the City will offer a flexible spending account (FSA) program available to employees. Employees may elect to contribute pre-tax dollars towards their FSAs for approved uses under such plan(s). FSA contributions shall not exceed IRS allowable limits.

7.2 Life Insurance and AD & D Coverage

The City shall provide Life Insurance and Accidental Death and Dismemberment Coverage to each employee in the amount equal to one (1) times their individual annual base salary.

7.3 Disability Coverage

The City shall provide long-term disability coverage of sixty seven percent (67%) of monthly earnings to a maximum benefit of six thousand dollars (\$6,000) after a sixty (60) day elimination period.

7.4 Deferred Compensation

Employees shall be eligible to participate in the City's voluntary deferred compensation program (457 Plan). The plan shall be administered by a third party at no cost to the City. Notwithstanding the foregoing, for employees who have completed one year of service with the City, the City will match 50 cents for every dollar that the employee contributes towards their 457 Plan account, up to an employee contribution of four percent (4.0%) of the employee's salary. For example, if an employee contributes 4.0% or more of their salary towards their 457 Plan account, they will receive a 2.0% match from the City. For employee contributions, the City will make payroll deductions and transmit funds to administrator. The City makes no representation on the merit of the plan or any of the investment products or instruments which may be offered by the plan. The individual participant is responsible for evaluating the investment options within the plan. The City currently contracts with the ICMA-RC and CalPERS to provide a 457 program.

7.5 Retirement

The City shall continue to participate in the CalPERS Retirement System. The City will provide the following retirement benefits to employees who do not meet

the definition of “new member” as set forth in Government Code Section 7522.04(f):

- a. Employer Paid Member Contribution (EPMC): Effective July 1, 2015, employees will be required to pay seven percent (7%) of the member contribution.
- b. 2% @ 55 Retirement option.
- c. Unused Sick Leave Conversion for Retirement Service Credit – Retiring employees, defined as employees who request retirement payments from PERS within 120 days from separation from service, may convert unused sick leave to service credits to the maximum allowed by CalPERS. This provision to convert sick leave to service credits is at the option of the employee and, if so selected, is in-lieu of any other options available to convert sick leave to cash upon separation that the Memorandum of Understanding may provide.
- d. Employer Paid Member Contribution (EMPC) converted to pay rate during the final compensation period.
- e. Retirement benefits of employees who on or after January 1, 2013 became members of CalPERS or a retirement system that has reciprocity with CalPERS shall conform to the requirements of the California Public Employees’ Pension Reform Act of 2013, Gov. Code § 7522 et seq., as may be amended.
- f. The City will provide the following retirement benefits to all employees:
 1. 1959 Survivor Benefit – 3rd Level.
 2. Military Service Credit (Statutes of 1976) – The employee, at the employee’s expense, may purchase Military Service Credits.
 3. Pre-retirement Option 2W Death Benefit.

SECTION 8 HOLIDAYS

8.1 Recognized Holidays

All full-time bargaining unit employees are entitled to the following holidays with pay:

- New Year's Day
- One day prior to or following New Year's Day
- Martin Luther King, Jr. Day
- President's Day
- Cesar Chavez Day
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day
- One day prior to or following Christmas Day
- One Floating Holiday

Part-time employees shall receive holiday pay equivalent to their regularly scheduled hours on the day on which the holiday is observed (for example, if an employee is regularly scheduled to work six (6) hours on Mondays, they would receive six (6) hours of holiday pay for any holidays that are observed on a Monday).

When any day recognized as a holiday falls on a Sunday, the holiday shall be observed on the following Monday. When any day recognized as a holiday falls on a Saturday, the holiday shall be observed on the preceding Friday.

For Christmas and New Year's Holidays, the following schedule shall be used to determine the actual days off:

<u>Actual Holiday</u>	<u>Holiday Observed</u>	<u>Day Before or After Observed</u>
Sunday	Monday	Tuesday
Monday	Monday	Tuesday
Tuesday	Tuesday	Monday
Wednesday	Wednesday	Tuesday
Thursday	Thursday	Friday
Friday	Friday	Thursday
Saturday	Friday	Thursday

8.2 City Hall Closure:

2018-2019

City Hall will be closed December 26-28, 2018. Employees may use accrued vacation, administrative leave or take unpaid time off during the unpaid closure days. Employees without accrued vacation or administrative leave will take unpaid leave. Notwithstanding the foregoing, employees hired on or after October 1, 2018 may request an advance of up to three (3) days of vacation time to be used to ensure employees will be paid during the FY2018-19 City Hall closure. Employees may be permitted or required to work during this period with the approval of the City Manager and subject to the business needs of the City.

2019-2020

City Hall will be closed December 26-27 and December 30, 2019. Employees may use accrued vacation, administrative leave or take unpaid time off during the unpaid closure days. Employees without accrued vacation or administrative leave will take unpaid leave. Notwithstanding the foregoing, employees hired on or after October 1, 2019 may request an advance of up to three (3) days of vacation time to be used to ensure employees will be paid during the FY2019-20 City Hall closure. Employees may be permitted or required to work during this period with the approval of the City Manager and subject to the business needs of the City.

2020-2021

City Hall will be closed December 28-30, 2020. Employees may use accrued vacation, administrative leave or take unpaid time off during the unpaid closure days. Employees without accrued vacation or administrative leave will take unpaid leave. Notwithstanding the foregoing, employees hired on or after October 1, 2020 may request an advance of up to three (3) days of vacation time to be used to ensure employees will be paid during the FY2020-21 City Hall closure. Employees may be permitted or required to work during this period with the approval of the City Manager and subject to the business needs of the City.

SECTION 9 LEAVES

9.1 Vacation Leave

All full-time members are entitled to paid vacation time off which shall accrue at the following rate:

0 through 4 years	8	hours per month
5 through 10 years	10	hours per month
11 through 15 years	12	hours per month
16 through 20 years	14	hours per month
21+ years	15.33	hours per month

The accrual rate for part-time employees shall be pro-rated based on their FTE.

Employees may accumulate up to, but not more than, two (2) years of vacation credit at their current accrual level. When an employee reaches seventy-five percent (75%) of the two-year limit, he/she shall be required to schedule vacation time off. If such vacation leave is denied by the City, the employee shall be paid for the vacation time reached in excess of the limit.

9.2 Sick Leave

All regular full-time members shall accrue eight (8) hours of sick leave with pay for each month of service. The accrual rate for part-time employees shall be pro-rated based on their FTE.

Sick leave may be applied to:

- a. Absence necessitated by an employee's personal illness.
- b. Medical and dental appointments.

All conditions and restrictions that govern employee use of sick leave shall also apply to the use by an employee to attend to an illness of his/her child, mother, father, mother-in-law, father-in-law, spouse, domestic partner; domestic partner's mother, father or child; and any dependent living in the same household of the employee.

Sick Leave incentive: Two (2) days vacation leave will be awarded contingent upon non-usage of accumulated sick leave {i.e. employee authorized one additional vacation day per six (6) months provided sick leave usage does not exceed two (2) days for that same period}.

9.3 Industrial Accident Leave

An employee who has suffered an illness or injury arising out of and in the course

of his/her employment, as defined by the Workers' Compensation laws of the State of California and is receiving temporary disability indemnity payments shall be entitled to industrial accident leave while so disabled without loss of compensation for a period not to exceed seventy-five (75) calendar days.

During the period the employee is paid by the City, the employee shall endorse to the City any temporary disability indemnity benefit payments received as a result of Workers' Compensation insurance coverage. The City will withhold payment of all compensation and benefits provided by this section until it is determined whether the illness or injury is accepted. If the employee's disability caused by illness or injury arising out of and in the course of the employee's employment extends beyond seventy-five (75) calendar days as described above, the employee may integrate his/her unused sick leave, vacation leave, and compensatory time accruals with the Workers' Compensation payments, provided that the sum of all Workers' Compensation Temporary Disability Indemnity benefits and paid leave do not exceed the employee's regular rate of pay for said period.

Once sick leave is exhausted, the employee may request an unpaid leave of absence. Such request must be in writing and must include a medical doctor's estimated date of return to full duty.

9.4 Bereavement Leave

The maximum period of bereavement leave with pay granted to any employee, whether full-time or part-time, for each death in his/her immediate family (immediate family includes and is limited to parents, grandparents, children, grandchildren and siblings of the employee and/or spouse/domestic partner of the employee) shall be three (3) consecutive working days. Bereavement leave with pay granted to an employee for all deaths in his/her immediate family shall not exceed five (5) working days during any twelve (12) month period except by special action of the City Council for good cause shown, except that an additional day will be granted in each case where the death takes place outside the State of California.

9.5 Family and Medical Leave

The City will comply with applicable state and federal laws regarding family and medical leave.

9.6 Jury Duty

A regular employee who is summoned for attendance to any court for jury duty will promptly inform his or her supervisor and, if required to serve, may be absent from work without loss of wages or use of accrued leave while rendering such service (including travel time).

Employees shall return all jury fees to the City. Jury fees received by an employee, if any, will be remitted to the City within fifteen (15) working days after they are received, exclusive of any meal, expense, and/or travel reimbursements.

Upon being excused from the court each day, the employee must return to work if he or she has more than four (4) hours remaining before the end of his or her workday. Jury duty leave will be considered time worked for pay calculation purposes.

9.7 Court Leave

Each employee of the City who is required, under subpoena, to take time off duty with the City, to appear as a witness, by reason of their employment with the City, before any court, arbitrator, or tribunal, shall receive their regular salary during the time of their service as a witness under subpoena, less any and all witness fees which the employee may receive. Compensation will not be paid if the employee is a party to the action and is in a position adverse to the City. Upon service of subpoena, an employee shall immediately advise their supervisor thereof, and of the time when the employee is required to appear in Court in response thereto.

9.8 Military Leave

The City shall grant military leave in accordance with the California Military and Veterans Code.

9.9 Administrative Leave

All members are entitled to accrue eight (8) hours of administrative leave per month.

A Department Head may recommend to the City Manager that up to an additional 12 hours of administrative leave per fiscal year be authorized in recognition of unanticipated efforts that were not contemplated in the established monthly allocation. Additional hours shall not be based on actual hours worked but on the value of the effort to the City's mission and on the employee's performance. The City Manager has full discretion in deciding whether to grant additional leave.

Employees may accumulate up to, but not more than, two (2) years of administrative leave credit. When an employee reaches seventy-five percent (75%) of the two-year limit, he/she shall be required to schedule administrative leave time off. If such administrative leave is denied by the City, the employee shall be paid for the administrative leave time reached that is in excess of the limit.

9.10 Leave Accounting

FLSA Exempt employees who work less than regularly scheduled hours in a bi-weekly pay period must submit a leave request form and use accrued leaves to make up the difference between actual hours worked and the “normal” work hours in a bi-monthly pay period. For the purpose of this section, attendance at City meetings or training outside the regular work hours of 8:30 a.m. to 5:00 p.m. shall not count as hours worked.

For example, an employee who works 8 hours on Monday, Tuesday and Wednesday; 10 hours on Thursday (in the office or in the field), 4 hours on Friday and 8 hours per day for the remainder of the bi-weekly pay period would not have worked for two hours of the bi-monthly pay period. In this scenario, an employee would be required to receive approval for the leave, complete a Leave Request Form and charge accrued vacation, administrative leave or sick leave as appropriate, for 2 hours. Management employees will be required to complete timesheets that identify the number of hours worked per day. Hours worked for attendance at City meetings or training outside the regular work hours of 8:30 a.m. to 5:00 p.m. do not need to be recorded.

Preauthorization for a change in the regular work schedule must be obtained from the Department Head.

SECTION 10 PERSONNEL RULES

10.1 Personnel Rules

Notwithstanding this MOU, the parties agree that the City may implement new personnel rules and policies, and/or an employee-relations resolution, during the term of this MOU. Such rules and policies may only be implemented after meet and confer as appropriate under the Meyers-Miliias-Brown Act. The City anticipates that such negotiations would occur with all bargaining units, Citywide. The City anticipates that such negotiations would occur with all bargaining units, Citywide. The parties agree that the agreed upon language with respect to new employee orientations, attached hereto as Exhibit B, will be included as part of the City’s personnel rules and policies as soon as administratively possible.

SECTION 11 LAYOFF NOTIFICATION

11.1 Layoff Notification & Severance

The appointing authority may lay off employees or demote employees in lieu of layoff subject to the following conditions:

- (a) Whenever in the judgment of the City Council it becomes necessary, in the interest of economy or because the necessity for the position or an employment involved no longer exists, the City Council may abolish any position or employment in the competitive service and lay off, demote or transfer an employee holding such position or employment without filing written charges and without the right to appeal.
- (b) Seniority shall be observed in effecting such reduction in personnel, and the order of layoff shall be in the reverse order of total cumulative time served in the City's service upon the effective date of the layoff. Layoff shall be made within classes of positions, and all provisional employees in the affected class or classes shall be laid off prior to the layoff of any probationary or regular employee.
- (c) Whenever seniority is equal, the seniority of the employee shall be determined first by examining total cumulative service within the affected classification and, if not determinative, then by position on the employment list.
- (d) Length of cumulative service is interpreted to be total time spent in the employ of the City, including all days of attendance at work, approved leaves of absence whether earned or specially authorized, and time served on military leave of absence but shall not include unauthorized absences, time spent between employment with the City, suspensions, layoffs or any other time when the employee was not actively engaged at work.
- (e) The City shall notify in writing those employees to be laid off at least ten (10) calendar days prior to the effective date of any such layoff by hand delivery of Certified Mail. If notice is sent by Certified Mail, it shall be sent to the employee's address on file with Human Resources. The Represented Management Unit's designated representative(s) shall be concurrently notified by hand delivery or Certified Mail. The notice shall include the action to be taken, options available to the employee (if applicable), and information regarding reemployment rights.

In the event an employee is laid off for reasons not related to contracting out for services, employees to be laid off shall receive a minimum of 120 hours of base pay upon separation from employment.

In the event an employee is laid off as a direct result of the City contracting out for services, and the employee is not offered alternate employment at the City or the entity to which services are outsourced, the City will pay the employee six (6) months of severance pay at the employee's final City base pay rate upon separation in consideration for the employee's release of any and all claims.

An employee who: (a) declines to apply for alternate employment with the entity with whom the City contracts for services; or (b) declines an offer of employment with a salary of at least eighty-five percent (85%) of the employee's City base salary, from the entity with whom the City contracts; or (c) retires upon separation, will not be eligible for severance pay.

Employees laid off from higher-ranking classifications shall have the option, if qualified, to job classifications in the same job series. In addition, such employees shall have the option, if qualified subject to the City's personnel rules, to demote to vacancies in equal or lower rated job classifications outside the job series. If applicable, an employee shall be notified of option(s) in the notice of layoff and shall have ten (10) calendar days to notify the City if they elect to accept the option presented.

- (f) If an employee is demoted in lieu of layoff, the appointing authority shall assign the employee to the pay rate in the pay range for the new classification that least reduces the employee's prevailing pay rate immediately prior to the demotion.
- (g) The names of persons laid off or demoted in accordance with these rules shall be entered upon a reemployment list. Such list shall be used when a vacancy arises in the same or lower class of position. When a vacancy occurs in a job classification for which a reemployment list exists, the eligible person(s) on the reemployment list shall be recalled in the inverse order of layoff. When an employee is to be recalled, notice shall be sent to the employee's address on file with Human Resources. It is the employee's responsibility to inform the City of his/her current address and phone number. The City has no responsibility to attempt to locate a person on a reemployment list if a notice of reinstatement is returned undeliverable.

The recalled employee shall have fourteen (14) calendar days to respond to the City from the date of mailing of the reemployment notice. If an employee fails to respond within fourteen (14) calendar days of the mailing of the notice of reemployment or refuses reemployment; he/she shall lose all reemployment rights and his/her name shall be removed from the reemployment list. Employees reemployed pursuant to this section, shall receive credit for former employment in computing salary, vacation, and other benefits.

- (h) Names of persons laid off shall be carried on a reemployment list for twelve (12) months, except that persons appointed to regular positions of the same level as that which laid off, shall, upon such appointment, be removed from the list. Persons reemployed in a lower class, or on a temporary basis, shall be continued on the list for the higher position for the twelve (12) month period.

- (i) The City shall provide laid off employees with job search assistance for forty-five (45) days following the effective date of layoff. The assistance shall include career counseling, resume preparation, and job search assistance.
- (j) An employee that retires instead of being laid off may not be eligible for reinstatement.

SECTION 12 MISCELLANEOUS PROVISIONS

12.1 Grievance Procedures

The grievance procedures are contained in the City's Personnel Rules. The parties have agreed to revisions to City's grievance procedures, attached hereto as Exhibit C, which will be incorporated into the City's Personnel Rules as soon as administratively possible following adoption of this Agreement by the City Council. The City will not propose any further amendment(s) to the grievance procedures in the Personnel Rules as provided by Section 10.1 of this MOU during the term of the agreement.

12.2 Disciplinary Procedures

Disciplinary procedures are contained in the City's Personnel Rules. The parties have agreed to revisions to City's discipline procedures, attached hereto as Exhibit D, which will be incorporated into the City's Personnel Rules as soon as administratively possible following adoption of this Agreement by the City Council. The City will not propose any further amendment(s) to the disciplinary procedures in the Personnel Rules as provided by Section 10.1 of this MOU during the term of the agreement.

An employee is entitled to a representative of his/her choice, so long as that representative is available within a reasonable time, at an investigative interview or meeting that the employee reasonably believes may result in disciplinary action.

Excluded from the grievance procedure are disciplinary matters, performance evaluation ratings, and actions of City Council.

12.3 Performance Evaluations

Each employee shall receive a written annual performance review within thirty (30) calendar days of the end of his/her evaluation period. The review shall include information regarding employee performance and objectives for the next evaluation period. Within fourteen (14) calendar days of receipt of the evaluation, an employee may provide written comments regarding the evaluation, which will

be attached to the evaluation and placed in the employee's personnel file.

12.4 Letters of Reprimand

Each employee shall receive a copy of any letter of reprimand and/or written warning prior to placement of such document in his/her personnel file. Within fourteen (14) calendar days of receipt of written reprimand and/or warning, an employee may provide written comments, which will be attached to the written reprimand and/or warning and placed in the employee's personnel file. Letters of reprimand and/or written warning are not subject to the grievance or appeal of discipline procedures. An employee may request that letters of reprimand and/or written warning be removed from their personnel file two years following the date of reprimand or written warning. The decision to remove a reprimand or written warning from an employee personnel file is at the discretion of the City and is not subject to appeal or grievance.

12.5 Me-Too Salary and Benefits

If, between July 1, 2018 and June 30, 2021, the City provides a general, unit-wide percentage salary range increase to another bargaining unit (International Union of Operating Engineers Local 39), or to the Non-represented Management unit, then the same percentage increase shall apply to the salary ranges for all classifications represented by Represented Management. Equity increases provided to individual job classes shall not constitute a unit-wide increase.

If, between July 1, 2018 and June 30, 2021, the City provides an increase in the City's contribution toward medical, dental, vision and/or EAP benefits to another bargaining unit (International Union of Operating Engineers Local 39) or to the unrepresented management unit, beyond the level of benefits provided in each current memorandum of understanding (MOU), the percentage increase in benefits shall apply to all classifications represented by Represented Management.

12.6 Alternate Work Schedule

Both the City and Represented Management acknowledge the benefits to alternate work schedules. Employees may request approval for alternate work schedules or to telecommute from their department head. Such requests shall be considered consistent with applicable City policy. The parties shall meet and confer over the terms of such policy within sixty (60) days following adoption of this agreement by the City Council and will implement any agreed-upon policy as soon as administratively possible follow the conclusion of this meet and confer process. It is understood that any approved alternate work schedule must be such that city operations must stay open Monday through Friday.

12.7 City Rights

The City retains the exclusive right, except as expressly stated herein or in the then-current City personnel rules, to operate and direct the affairs of the City in all of its various aspects, including, but not limited to, the right to direct the working forces; to plan, direct and control all of the operations and services of the City; to determine the methods, means and organizations by which such operations and services are to be conducted; to assign and transfer employees; to hire, promote, demote, suspend, discipline, discharge or relieve employees due to lack of work or other legitimate reasons; and to change or eliminate existing methods, equipment or facilities.

**SECTION 13
CONTRACT TERM**

13.1 Contract Term

The term of the MOU is from July 1, 2018 through June 30, 2021.

**AUTHORIZED
SIGNATURES**

MANAGEMENT TEAM

CITY OF HALF MOON BAY

Victoria Ly
Senior Management Analyst

David Boesch
Interim City Manager

Jennifer Chong
Management Analyst

Date _____

Date _____

EXHIBIT A
SALARY SCHEDULE

Effective July 1, 2018 through June 30, 2019

Position	Class	Change	Steps				
			A	B	C	D	E
Monthly Salary Ranges (e)							
City Engineer	10-750	4%	11,845	12,437	13,058	13,710	14,395
Planning and Development Services Manager*	10-748	4%	10,763	11,301	11,866	12,459	13,081
Senior Planner	10-724	4%	8,513	8,938	9,384	9,853	10,345
Associate Engineer	10-746	4%	8,390	8,809	9,249	9,711	10,196
Senior Accountant	10-745	4%	8,144	8,551	8,978	9,426	9,897
Public Works Superintendent	10-400	4%	7,950	8,347	8,764	9,202	9,662
Senior Management Analyst	10-727	4%	7,482	7,856	8,248	8,660	9,093
Associate Planner	10-728	4%	7,264	7,627	8,008	8,408	8,828
Management Analyst	10-721	4%	7,264	7,627	8,008	8,408	8,828
Assistant Engineer	10-719	4%	6,785	7,124	7,480	7,854	8,246
Recreation Coordinator	10-200	4%	5,434	5,705	5,990	6,289	6,603

Effective July 1, 2019 through June 30, 2020

		Steps					
Position	Class	Change	A	B	C	D	E
		Monthly Salary Ranges (e)					
City Engineer	10-750	2.5%	12,140	12,747	13,384	14,053	14,755
Planning and Development Services Manager*	10-748	2.5%	11,033	11,584	12,163	12,771	13,409
Senior Planner	10-724	2.5%	8,726	9,162	9,620	10,100	10,604
Associate Engineer	10-746	2.5%	8,600	9,029	9,480	9,953	10,450
Senior Accountant	10-745	2.5%	8,347	8,764	9,202	9,662	10,145
Public Works Superintendent	10-400	2.5%	8,150	8,557	8,984	9,433	9,904
Senior Management Analyst	10-727	2.5%	7,671	8,054	8,456	8,878	9,321
Associate Planner	10-728	2.5%	7,447	7,819	8,209	8,619	9,049
Management Analyst	10-721	2.5%	7,447	7,819	8,209	8,619	9,049
Assistant Engineer	10-719	2.5%	6,956	7,303	7,668	8,051	8,453
Recreation Coordinator	10-200	2.5%	5,570	5,848	6,140	6,447	6,769

Effective July 1, 2020 through June 30, 2021

		Steps					
Position	Class	Change	A	B	C	D	E
		Monthly Salary Ranges (e)					
City Engineer	10-750	2.5%	12,444	13,066	13,719	14,404	15,124
Planning and Development Services Manager*	10-748	2.5%	11,310	11,875	12,468	13,091	13,745
Senior Planner	10-724	2.5%	8,944	9,391	9,860	10,353	10,870
Associate Engineer	10-746	2.5%	8,815	9,255	9,717	10,202	10,712
Senior Accountant	10-745	2.5%	8,557	8,984	9,433	9,904	10,399
Public Works Superintendent	10-400	2.5%	8,354	8,771	9,209	9,669	10,152
Senior Management Analyst	10-727	2.5%	7,862	8,255	8,667	9,100	9,555
Associate Planner	10-728	2.5%	7,634	8,015	8,415	8,835	9,276
Management Analyst	10-721	2.5%	7,634	8,015	8,415	8,835	9,276
Assistant Engineer	10-719	2.5%	7,130	7,486	7,860	8,253	8,665
Recreation Coordinator	10-200	2.5%	5,711	5,996	6,295	6,609	6,939

EXHIBIT B

1. Orientation

- a. The City will provide ten (10) calendar days advanced notice to the appropriate bargaining representative of the time, date, and location of the orientation of any new, represented employee.
- b. The applicable bargaining representative will be given 30- minutes at the beginning of the orientation meeting for no more than one (1) representative to meet in a room designated by the City to present union or association membership information.
- c. The City will provide 30 minutes of Release Time to the representative presenting the membership information during the scheduled orientation. The applicable union or association shall provide the representative's immediate supervisor with the representative's name at least five (5) days prior to the orientation. The representative shall be released for this purpose unless unusual operation needs interfere with such release in which case the representative's immediate supervisor will provide a written explanation of why release could not be approved. If the representative is not released due to department operational needs, the representative may arrange an alternative date and time to meet with the newly hired employee within the first **four (4)** weeks of employment, subject to the 30-minutes orientation and Release Time requirements as stipulated above.
- d. In the event the union or association, as applicable, does not want to be present at the orientation but rather provide something in a written format, the representative will **be responsible for** delivering this written information to the new employee.

2. Information Provided to Association

a. On a quarterly basis (March, June, September, and December), the City will provide to the exclusive bargaining representative a digital file via email to an email address designated by the union or association as applicable. The City will provide the following information with respect to employees represented by a particular exclusive bargaining representative, to the extent the City has it on file:

- Name.
- Job Title.
- Department.
- Work Location.
- Home telephone number.
- Home address.
- Personal cellular telephone number.
- Work telephone number.
- Personal email addresses on file with the City.

The City's existing employee database does not maintain personal cell phone numbers, personal cell phone numbers or personal email addresses. Notwithstanding the foregoing, limited to the express purpose of the requirements of Government Code section 3558 only, an employee may opt out via written request to the City (below), with copy sent to applicable exclusive bargaining representative, to direct the City to withhold disclosure of the employee's home address, home telephone number, personal cellular telephone number, and personal email address.

**EMPLOYEE WAIVER OF PERSONAL
INFORMATION RELEASE**

I, _____ understand that California Government Code Sections 3555-3559 requires the City of Half Moon Bay ("City") to release certain contact information to the employee bargaining unit exclusive representative in furtherance of communication between employees and their exclusive bargaining representative.

I hereby direct the City to NOT release my confidential and personal information (home address, personal home telephone number, personal cellular telephone number, personal email address) to the exclusive bargaining representative at this time.

I may authorize release of this confidential and personal information at a future date of my own accord, and at that time will so direct the City in writing that it may release that information to the exclusive bargaining representative.

Employee Signature

Date

EXHIBIT C

GRIEVANCE PROCEDURES

Purpose of Grievance Procedure

The grievance procedure shall be used to resolve ~~employee complaints concerning terms and conditions of employment~~ **any dispute which may arise concerning the interpretation, application, or violation of the express terms of an applicable, ratified Memorandum of Understanding (MOU), any written rules, regulations and/or policies, City Council resolutions and/or ordinances now in effect or as may from time to time be adopted that affect the wages, hours or other conditions of employment** with the City. The grievance procedure shall not be used for:

- a) The resolution of any complaint concerning any disciplinary action;
- b) The resolution of any complaint relating to any concerted refusal to work.

Any provisions of this grievance process in conflict with a ratified MOU shall be governed by the MOU.

Informal Discussion of Grievance

When an employee has a complaint, the employee shall first informally discuss the matter with the employee's immediate supervisor within ~~fifteen (15) calendar~~ **ten (10) working** days from the date of the incident or decision generating the grievance. If, after a discussion with the immediate supervisor, the complaint has not been satisfactorily resolved, the employee shall have the right to discuss the complaint informally with the supervisor's immediate superior, **within five (5) working days from the discussion with the immediate supervisor**. If, after such a discussion, the complaint has not been satisfactorily resolved, the employee shall have the right to file a formal grievance.

Formal Grievance Procedure

The formal grievance procedure shall be comprised of the following:

An employee shall have the right to present a formal grievance, in writing, within five (5) working days after the informal discussion of the grievance with the immediate supervisor or the immediate supervisor's superior. All formal grievances shall state the reasons for the complaint and the employee's suggested solution.

The formal grievance shall be presented to the department director. The department director shall discuss the grievance with the employee and/or the employee's representative. Within ten (10) working days after receipt of the formal grievance, the department director shall render a written decision regarding its merits. The grievance shall be considered resolved and no further

review of the subject matter of the grievance shall be permitted under this rule when the employee does not seek further review of the grievance within five (5) working days after receipt of the decision of the department director. Failure of the department director to render a written decision on the grievance within ~~five (5)~~ ten (10) working days after receipt of the formal grievance constitutes a decision denying the grievance.

If the department director's decision does not satisfactorily resolve the complaint, the employee may present the formal grievance to the Personnel Officer within five (5) working days of receipt of the department director's decision or other denial of the grievance, as applicable. The Personnel Officer shall discuss the grievance with the employee and/or the employee's representative. Within ~~fifteen (15)~~ ten (10) working days after meeting with the employee and/or the employee's representative, the Personnel Officer shall render a written decision regarding its merits.

If the Personnel Officer's decision does not satisfactorily resolve the complaint, or if the Personnel Officer fails to respond in writing as provided in Step (c) above, the employee shall have the right to refer the grievance to binding arbitration. Such referral shall be made in writing to the Personnel officer within ten (10) working days of receipt of his/her decision. In the event the Personnel Officer does not provide a written response as provided in Step (c), the employee must refer the grievance to arbitration within ten (10) working days of the deadline for submission of a written response by Personnel Officer under Step (c) (i.e. ten (10) working days after meeting with the employee and the employee's representative).

Binding Arbitration

The binding arbitration procedure shall be as follows

The parties may mutually agree upon the selection of the arbitrator or shall jointly request from ~~arbitrator shall be provided by the State of California Mediation and Conciliation Service~~ a list of seven (7) persons qualified to act as arbitrators. Within ten (10) working days of receipt of said list, the parties shall meet to select the arbitrator. The right to strike the first name shall be determined by lot and the parties shall alternately strike one (1) name from the list until only one (1) name remains. That person shall be the arbitrator.

Unless otherwise agreed to by both parties, expedited arbitration shall be used and shall include:

- (1) A requirement that the arbitrator selected render a written decision within sixty (60) calendar days of the conclusion of the hearing.
- (2) No court reporter unless mutually agreed to by all parties.
- (3) No post hearing briefs unless mutually agreed to by all parties.

The fees and expenses of the arbitrator and the court reporter, if required, shall be shared equally by both parties.

Arbitrator's Decision

The decision of the arbitrator shall be final and binding and shall be limited to the issue or issues involved in the grievance. The arbitrator shall not add to, subtract from, change or modify any provisions of these Personnel Rules, any applicable memorandum of understanding, departmental rules or regulations, ordinance, or City Council resolution affecting working conditions and shall be authorized only to apply existing provisions of the applicable documents to the specific facts involved and to interpret only applicable provisions of such documents. The arbitrator's decision shall constitute the final step within the City's administrative process.

Reprisals Prohibited

The City shall not institute any reprisals against any employee or any representative resulting from the use of the grievance procedure.

Grievance Preparation Time

An employee submitting a grievance and the employee's representative may use a reasonable amount of time during working hours to prepare for and present the grievance.

EXHIBIT D

DISCIPLINARY PROCEDURES

Disciplinary Action and Causes Therefore

The following discipline section will apply to all employees who are not designated “at-will.” Any provisions in conflict with a ratified Memorandum of Understanding (MOU) shall be governed by the MOU.

Disciplinary action consists of discharge, involuntary demotion, suspension, reduction in salary, written reprimand, or transfer for purposes of punishment. Discipline will not be imposed except upon a showing of cause which may include but shall not be limited to the following:

Violation of administrative policies and procedures;

Failure to properly perform assigned duties;

Theft of City property;

Insubordination;

Conviction of a felony, or conviction of a misdemeanor relating to the employee's fitness to perform assigned duties;

Unauthorized absence from employment;

Tardiness;

Failure to maintain satisfactory working relationships with other employees or the public;

Reporting for work, or being at work, under the influence of or in possession of alcohol or nonprescribed controlled substances;

Improper use of City funds;

Unauthorized use of City property

Failure to properly care for City property;

Dishonesty within the scope of the employee's work, or Misstatement of material fact;

Failure to maintain any employment qualification;

Failure to comply with safety standards;

Other failure of good behavior either during or outside of employment such that the employee's conduct causes discredit to the City.

Disciplining Authority

The department director **or their designee, who shall be within the same department,** shall have the responsibility to institute disciplinary action, to schedule and conduct any predisciplinary conference and to recommend the imposition of disciplinary action.

Notice of Discipline:

Prior to recommending the imposition of any disciplinary action, the department director **or their designee, who shall be within the same department,** shall notify the employee, in writing, of the nature of the proposed disciplinary action and its proposed effective date, the reason for the proposed disciplinary action, any specific charges against the employee, the employee's right to receive copies of the written documents and materials upon which the proposed disciplinary action is based ~~and~~ the employee's right to respond to the charge, either orally or in writing, and a statement advising the employee of the right to Union representation, when applicable.

Representation

If an employee requests or is required to meet with a department director or supervisor and such meeting involves the possible imposition of disciplinary action against the employee, the employee, upon request, shall be entitled to have one representative present at such meeting.

Emergency Suspension

When a department director determines that an employee's conduct threatens or has caused injury to persons or property, the department director may impose a suspension with pay against the employee, effective immediately, until a predisciplinary conference is conducted pursuant to the personnel rules. The imposition of an emergency suspension against an employee does not preclude the department director from proposing a more severe disciplinary action against such employee receiving an emergency suspension. Within three (3) working days of such emergency suspension, the department director shall notify the employee, in writing, of the nature of any proposed disciplinary action, the reason for the disciplinary action, any specific charge against the employee, the employee's right to receive copies of the documents and materials upon which the disciplinary action is based and the employee's right to respond to the charge, either orally or in writing. The department director, unless otherwise requested by the employee, shall conduct a disciplinary conference in not less than ten (10) **working** days after the effective date of the emergency suspension.

APPEAL PROCEDURES

Request for Disciplinary Hearing

Employees shall have the right to appeal the imposition of disciplinary action by requesting a

hearing before an advisory arbitrator. Any such request shall be in writing, signed by the employee or representative, and presented to the Personnel Officer within ten (10) **working** days after the effective date of the imposition of the disciplinary action. Further, said request shall identify the subject matter of the appeal, the grounds for the appeal and the relief desired by the employee. If the employee fails to request a disciplinary hearing within the prescribed time, the employee shall have waived the right to a hearing and all rights to further appeal of the disciplinary action.

Scheduling of Disciplinary Hearing

The Personnel Officer shall schedule any disciplinary hearing within a reasonable time after the filing of the employee's request, considering the availability of the advisory arbitrator and the convenience of the employee and the witnesses.

Advisory Arbitrator

The parties may mutually agree upon the selection of the advisory arbitrator or shall jointly request a list of seven (7) persons qualified to act as the advisory arbitrator from ~~shall be provided~~ by the State of California Mediation and Conciliation Service or similar, mutually agreed upon agency. **Within ten (10) working days of receipt of said list, the parties shall meet to select the arbitrator. The right to strike the first name shall be determined by lot and the parties shall alternately strike one (1) name from the list until only one (1) name remains. That person shall be the advisory arbitrator.**

Expedited Arbitration

Unless otherwise agreed to by both parties, expedited arbitration shall be used and shall include:

- a) **A requirement that the arbitrator selected render a decision within sixty (60) calendar days of the conclusion of the hearing.**

No court reporter unless mutually agreed to by all parties.

No post hearing briefs unless mutually agreed to by all parties.

Costs

The fees and expenses of the arbitrator and the court reporter, if required, shall be shared equally by both parties.

Decision

The decision of the arbitrator shall be advisory only and constitutes the final step within the City's administrative process.