DUPLICATE OF ORIGINAL
ON FILE IN THE
OFFICE OF THE CITY CLERK
CITY OF HOLLISTER

RESOLUTION NO. 2018-181

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HOLLISTER AND MID-MANAGEMENT UNIT

WHEREAS, representatives of the City of Hollister and Mid-Management Unit, an organization representing Hollister city employees, have met and conferred in good faith concerning subjects of bargaining; and

WHEREAS, understandings and agreements have been reached between the bargaining representatives; and

WHEREAS, both parties agree to enter into a Memorandum of Understanding for the term of July 1, 2018 through June 30, 2021.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hollister authorizes the execution of the Memorandum of Understanding between the City of Hollister and Mid-Management Unit for the term of a Retroactive Date of July 1, 2018 through June 30, 2021, and the City Manager of the City of Hollister is hereby authorized to execute said MOU.

PASSED AND ADOPTED, by the City Council of the City of Hollister at a regular meeting held this 6th day of August, 2018, by the following vote:

AYES: Council members gillio, Luna, Friend, Klauer, and Mayor Velazquez
NOES: None
ABSTAINED: None
ABSENT: None

Ignacio Velazquez, Mayor

ATTEST:

Christine Black, MMC, City Clerk

APPROVED AS TO FORM:

Prentice, Long & Epperson, Attorneys at Law

Jason S. Epperson, City Attorney

Clerk copy

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MEMORANDUM OF UNDERSTANDING

between the

City of Hollister

and the

HOLLISTER MID-MANAGEMENT ASSOCIATION

July 1, 2018 – June 30, 2021

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Article 1. Preamble

This Memorandum of Understanding is entered into by the City of Hollister, hereinafter referred to as "City", and the Hollister Mid-Management Association, hereinafter referred to as "Association". This Memorandum of Understanding hereinafter referred to as "M.O.U.", is subject to Sections 3500-3510 of the Government Code of the State of California, otherwise known as the Meyers-Milias-Brown Act.

Article 2. No Discrimination

The City and Association agree that there shall be no discrimination against any employee in the unit because of race, religion, creed, political affiliations, color, national origin, ancestry, age, sexual orientation, or sex, unless defined as a bona-fide occupation qualification as defined by Federal or State law. The City and Association also agree not to discriminate against any employee for his/her activity on behalf of, or membership in or lack of membership in, the Association. Any employee alleging a violation of this article shall have the burden of proving the existence of a discriminatory act or acts and of proving that but for such act or acts the alleged injury or damage to the grievant would not have occurred.

Article 3. Recognition

Pursuant to Section 3500-3510 of the Government Code, the City certifies the Association as the recognized majority representative for all regular career, full-time employees in the Mid-Management Unit. The Mid-Management Unit includes

- *Animal Control Supervisor*
- *Senior Civil Engineer*
- *Associate Engineer*
- *Associate Civil Engineer*
- *Associate engineer – Traffic*
- *Capital Improvement Project Manager*
- *Fleet Maintenance Supervisor*
- *Cannabis Affairs Manager*
- *Parks Maintenance Supervisor*
- *Code Enforcement Officer*
- *Administrative Supervisor*
- *Planning Manager*
- *Public Works Superintendent*
- *Recreation Services Manager*
- *Projects Coordinator*
- *Senior Wastewater Treatment Plant Operator*
- *Senior Planner*
- *Streets Maintenance Supervisor*
- *Utilities Supervisor*
- *Economic Development Manager*
- *Associate Engineer - Utilities*
- *Code Enforcement Supervisor*

The City agrees to notify the Mid-Management Association within (2) business days when an employee is hired or promoted to a position within the unit. The notification shall include the name, position, and department to which the employee is assigned.

Article 4. No Abrogation of Rights

This M.O.U. does not modify any City Council rights.

Article 5. Maintenance of Benefits

The articles included in this agreement constitute a full and complete agreement with the City and Association on all matters within the scope of representation for the period stated in Article 18 "Term Of Agreement". All present resolutions, ordinances, rules and regulations, practices and policies covering matters within the scope of representation will continue in force and effect during said period without change, except to conform to the terms of this M.O.U. subject to meet and confer. Notice of any matter proposed to be changed will be provided to the Association in a timely fashion.

Article 6. Salary and Special Compensation

A. Salary Adjustment

1. Effective the first full pay period after June 30, 2018, the City shall apply a four-percent (4%) across-the-board increase to the base salary of all classifications.

2. Effective the first full pay period after June 30, 2019, the City shall apply a five-percent (5%) across-the-board increase to the base salary of all classifications.

3. Effective the first full pay period after June 30, 2020, the City shall apply a six-percent (6%) across-the-board increase to the base salary of all classifications.

B. Retirement

1. Contribution

Tier 1

a. Effective the first full pay period after the execution of the MOU, and the City's subsequent adoption of the Resolution changing the CalPERS Retirement Employee Contribution Rate, all unit employees under the Miscellaneous CalPERS "2.5% @ age 55" Retirement Benefit Plan shall pay eight percent (8%) of their Compensation as part of the Employees' contribution.

Tier 2

b. Effective the first full pay period after the execution of the MOU, and the City's subsequent adoption of the Resolution changing the CalPERS Retirement Employee Contribution Rate, all unit employees under the Miscellaneous CalPERS

"2% @ age 60" Retirement Benefit Plan shall pay seven percent (7%) of their Compensation as part of the Employees' contribution .

Tier 3

c. Effective on or after January1, 2013, all new employees hired on or after January 1, 2013, and who are defined as a "new member" under the Public Employee Pension Reform Act of 2013 (PEPRA), AB 340 shall pay the employee contribution rate as established by State of California law.

2. 1959 PERS Survivor Death Benefit

The City shall provide the PERS Section 21574 "Fourth Level 1959 Survivor Death Benefit" for all eligible unit members for the term of this contract. The City shall pay the employer rate contribution. The employee shall pay the member rate contribution.

3. One-Year Final Compensation Benefit

The City shall provide the PERS Section 20042 "One Year Final Compensation" benefit for eligible unit members.

All new employees hired on or after January 1, 2013, and who are defined as a "new Member" under PEPRA, are subject to the new State Formulas, Final Compensation Period, and Contribution requirements as established by the PEPRA.

C. Bilingual Allowance

Employees who perform technical bilingual skills (reading, writing, translation) and who successfully pass a City-administered proficiency test shall receive an allowance of one hundred-seventy five dollars ($175.00) per month. If any other bargaining unit within the City negotiates a bilingual allowance greater than one hundred seventy-five dollars ($175.00) per month, eligible unit members will receive the greater amount. The Allowance will be payable as part of the employee's bi-weekly payroll.

The City agrees that before December 31, 2018, all interested bargaining units will be invited to participate in drafting language that recognizes and compensates employees who perform verbal and written translation bilingual skills and who successful pass a City-administered proficiency test.

The award of allowance shall be determined during this process and shall be effective no later than the first pay period following July 1, 2019.

D. Overtime and Holiday Pay

1. Any employee represented by this unit who is determined to be overtime eligible as defined by the Fair labor Standards Act (FLSA) and who is authorized or required to work overtime in excess of forty (40) hours per week shall be compensated at the rate of time and one-half for each hour worked.

2. Any employee represented by this unit who is determined to be overtime eligible as defined by the Fair Labor Standards Act (FLSA) and is authorized or required to work on any City-recognized holiday shall be compensated at the rate of time and one-half for each hour worked in addition to their regular holiday pay.

3. Any employee represented by this unit who is determined to be overtime ineligible as defined by the Fair Labor Standards Act (FLSA) shall receive Administrative Leave as identified in Article 12. Miscellaneous, Section (P) "Administrative Leave" below.

E. Compensatory Time

Any employees represented by this unit who are determined to be overtime eligible as defined by the Fair Labor Standards Act (FLSA) and who are authorized or required to work overtime shall have the option to either receive paid compensation at a rate one and one-half (1 ½) times the employee's regular rate of pay for all hours worked in excess of forty (40) hours per week, or to take compensatory time off from duty at a rate one and one-half (1 1/2) times the amount of each overtime hour worked which exceeds forty (40) hours per week.

Overtime eligible employees who work holidays shall have the option to either receive paid compensation at a rate one and one-half times the employees' regular pay rate plus receive employees' regular eight (8) hours paid compensation, or to take compensatory time off from duty at a rate one and one-half (1 ½) times the amount for each hour worked plus the eight (8) hours regular paid time. Employees who are called in on holidays shall also receive this option.

Employees may accumulate a maximum of two-hundred forty (240) hours (160 FLSA overtime hours worked) in their "Compensatory Time Bank".

F. 24-Hour Hazardous Materials (Hazmat) Certification Premium Pay

Employees covered by this agreement who are required to perform duties and respond to emergency situations involving exposure to hazardous materials, and who possess and maintain a 24-Hour Hazardous Materials Technician Level III certification that meets 29 CFR 1910.120(q) shall be paid premium pay of five percent (5.0%) so long as they are assigned such responsibilities and maintain current certification for this Premium Pay.

Eligibility shall be effective on the first Payroll Period following ratification of this Memorandum of Understanding.

The City will review annually the number and types of occurrences to which employees qualifying for this premium pay are called to respond to in order to determine the cost-effectiveness of maintaining this program. The City reserves the right to re-negotiate the amount of the premium pay in consideration of the number and magnitude of the incidents, the actual response by the employee(s) both during and outside normal business hours, and other factors deemed relevant by the City. The Premium Pay will be payable as part of the employee's bi-weekly payroll.

G. Land Surveyor License Certification

All employees of this unit who possess and maintain a valid California Land Surveyor License shall receive Annual Incentive Pay of five percent (5%) of base salary, payable as part of the employee's bi-weekly payroll. Employees covered by this agreement, whose job assignment as determined by the City Manager requires this certificate and performs the work will be the individuals that receive the annual incentive pay. Anyone currently receiving this incentive is grandfathered in as of the signing of the MOU.

H. Cross-Connection Specialist Certification

All employees who possess and maintain a valid California and Nevada Cross-Connection Specialist Certification shall receive Annual Incentive Pay of five percent (5%) of base salary, payable as part of the employee's' bi-weekly payroll. This certification shall be utilized for the upkeep and maintenance of, and be funded solely through the City's Water and Wastewater Enterprise Systems. Employees covered by this agreement, whose job assignment as determined by the City Manager requires this certificate and performs the work will be the individuals that receive the annual incentive pay. Anyone currently receiving this incentive is grandfathered in as of the signing of the MOU.

I. Longevity Pay

A longevity bonus shall be paid to employees of this unit who complete the following specified consecutive years of service and will be effective the first full pay period following the **completion** of:

NUMER OF CONSECUTIVE YEARS OF SERVICE	LONGEVITY BONUS
The 10th Year of Service	***Three Percent (3.0%) of Base Salary***
The 15th Year of Service	***Six Percent (6.0%) of Base Salary***
The 20th Year of Service	***Nine Percent (9.0%) of Base Salary***

Unit members who were eligible for and received longevity bonus pay prior to July 1st, 2009 shall be entitled to receive the difference between the previous longevity bonus pay and the increased longevity bonus pay provide in this M.O.U. so that the net result is that all employees with equivalent years of service will receive the same longevity pay amount. Unit members shall be limited to one category of longevity bonus pay. If a member of this unit initially received this pay while a member of another bargaining unit, the employee shall not be entitled to any additional longevity pay. Longevity Pay will be payable as part of the employee's bi-weekly payroll.

J. Standby Pay

Employees covered by this agreement who are assigned to standby duty shall be paid two-hundred fifty dollars ($250.00) for each week that they are so assigned. Standby pay can be broken down by a rate of $35.71 per day ($250 divided by 7 days) to the maximum of $250.00 per week. The City shall have full discretion in making and administering standby assignments. This shall include, but not be limited to, the authority of the City to:

1. Require an employee to be available at all hours by telephone or to use a pager.
2. To restrict employee's travel in order to perform standby assignments.
3. Require employee to refrain from activities which would impair the ability to respond to emergency situations.
4. While on standby, employee will only be required to answer a call out for public health and safety issues.

Management agrees to involve employees in discussions regarding standby policy modifications.

Standby assignments shall be scheduled in advance to provide even distribution of on-call assignments to the extent possible. However, schedule adjustments may be necessary due to illness, vacation, vacancy, and/or other types of approved leave.

K. Telephone Stipend

The City will pay a cell phone allowance of $40 per month to Mid-Management Employees. Employees receiving this allowance shall keep the phone in service at all assigned times and shall maintain the phone in proper working order at the employee's expense. No employee will be allowed the Cell Phone Allowance if they also maintain a City provided Cell Phone. City has no financial responsibility for lost or damages cell phones. The Stipend will be payable as part of the employee's bi-weekly payroll.

L. Notary Public Commission Pay

Any Mid-Management Employee who possess and maintains a Notary Public Commission shall receive an allowance of $125.00 per month. Employees who receive Notary Public Commission Pay shall remain subject to the needs and requirements of the City. The Commission Pay will be payable as part of the employee's bi-weekly payroll.

M. Event Pay

Any Mid-Management Employee who is required to work a special event, which is defined as a local event that is sponsored by an established organization (i.e. Hollister Motorcycle Rally, Hollister Airshow, HazMat Day, Lights on Celebration, etc.) and with City Manager's approval will be compensated $400 per day

N. Heavy Equipment Operation Premium

Effective upon execution of this M.O.U., Employees in the class of Fleet Maintenance Supervisor, Parks Maintenance Supervisor, Public Works Superintendent, Streets Maintenance Supervisor, and Utilities Supervisor who possess and maintain a Class A license and operate heavy equipment shall receive a premium payment of one dollar ($1.00) over his/her regular base rate for each hour worked.

Article 7. Insurance

A. Description

The City of Hollister Flexible Benefits Plan/Cafeteria Plan (hereinafter "Plan") is available to full-time employees (hereinafter "Employees"). There will be three participation levels as referenced under Section [E]. Optional benefits are listed below. Once an election is made, it will remain in force until the next open enrollment period. A Third Party Administrator (T.P.A.) fee will be paid by the employees that participate in the Plan.

B. Health Insurance Options

The City shall provide employees with the choice of participating in either the Public Employees' Medical and Hospital Care Act (PEMHCA) program offered by CALPERS or the Anthem Blue Cross HMO program.

C. IRS Code Section 125 Flexible Benefits/Cafeteria Plan

1. The City shall provide for unit members an IRS Code Section 125 Flexible Benefits/Cafeteria Plan in accordance with all applicable state and federal laws and regulations.

2. The City shall contribute towards the PEMHCA or Anthem Blue Cross HMO medical, dental and vision care plan amounts allocated in accordance with the City's IRS Code Section 125 Flexible Benefits/Cafeteria Plan as specified below.

3. The City shall allocate specified amounts of "Flex Credits" to the employee's flexible benefit account. These amounts shall consist of the following:

   a. An amount up to and not to exceed the City's contribution towards medical insurance, based upon either the Anthem Blue Cross HMO or PEMHCA's PERS Choice medical plans, whichever plan is greater for Calendar year 2015. For Calendar year 2016, it will be whichever plan is the lessor of the two plans. The required contribution for employees electing dependent coverage in accordance with Section [E] below shall be excluded from this total.

   b. An amount equivalent to the City's contribution towards dental insurance. The required contribution for employees electing dependent coverage in accordance with Section [E] below shall be excluded from this total.

   c. An amount equivalent to the City's contribution towards vision insurance. The required contribution for employees electing dependent coverage in accordance with Section [E] below shall be excluded from this total.

4. In the event that surplus Flex Credits are available, any Mid-Management Employee shall have the option to allocate such Flex Credits to one or more of the following:

   a. Mid-Management Employees' Flexible Spending Account.
   b. Roth Individual Retirement Account (IRA).
   c. ICMA or City-authorized 457 Deferred Compensation Plan.

   If an Association Employee's residual "Flex Credits" are reduced, the employee will have the responsibility to pay the contribution no longer covered by the Surplus Flex Credits.

5. Employees who waive either dental and/or vision coverage shall have the option to apply available flex credits towards the cost of any optional premium listed in the respective sections below. The cost of the optional premium not covered by available flex credits shall remain the employee's responsibility.

6. Employees who elect to waive any or all health coverage shall be subject to the terms and provisions described under Section [J] below.

D. Terms for Health Care Participation

Participation and coverage in the medical, dental, and vision care plans shall be in accordance with

the terms and conditions of the insurance carrier.

E. Health Care Contributions

1. Employee-only Premium

The City shall contribute towards the medical, dental, and vision insurance plans an amount equal to the employee-only premium at the time of adoption of this M.O.U. for each member of the unit for the term of this M.O.U. The employee-only premium for medical insurance shall be based on the higher premium for Calendar year 2015 and the lower of the two for Calendar year 2016 of either PEMHCA's PERS Choice or Anthem Blue Cross HMO in accordance with Section [C] above.

2. Employee Option for Dependent Coverage

For those employees who elect the option for dependent coverage for medical, dental, and vision insurance plans, the City shall contribute monthly amounts toward such dependent coverage based upon the higher premium for Calendar year 2015 and the lower of the two for Calendar year 2016 of either PEMHCA's PERS Choice or Anthem Blue Cross HMO in accordance with Section [C] above, so that the employee pays no more than the following:

Medical - One Dependent	***$ 32.55***
Medical - Family	***$ 57.54***
Dental - One Dependent	***$ 8.69***
Dental - Family	***$ 19.39***
Vision - One Dependent	***$ 29.93***
Vision - Family	***$ 29.93***

F. Vision Insurance

The City shall provide a vision care insurance plan which is available to eligible unit members and qualified dependents during the term of this M.O.U.

The City shall offer vision care insurance for employees and qualified dependents as a pre-tax flexible benefit option. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

G. Dental Insurance

The City shall offer dental care insurance for employees and qualified dependents as a pre-tax flexible benefit option. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

H. Life Insurance

The City shall provide term life insurance in the amount equal to $100,000.00 for each member of the unit for the term of this M.O.U. Additional term life insurance may be purchased by the employee in increments of $10,000.00 up to a total of $250,000.00.

I. Long Term Disability Insurance

The City agrees to provide to all employees within this unit at City cost a Supplemental Long Term Disability Plan, coordinated with other existing benefits to provide no more than a thirty (30) day exclusion or elimination period; no less than a one year benefit for accident or illness; and a minimum scheduled benefit of sixty-six percent (66%) or two-thirds (2/3) of gross salary to a maximum of $3,500.00 per month for the term of this M.O.U.. The City in its sole discretion shall select the Supplemental Long Term Disability Plan carrier that meets these requirements.

J. Health Insurance Waiver Option

1. Employees within this bargaining unit who elect not to participate in the City's health care insurance program will be compensated in a monthly amount as follows:

$535	Employee Only
$1,075	Employee plus one
$1,380	Employee plus family

   The compensation will be based the level in which the employee was participating (employee only, employee plus one dependent, employee plus two or more dependents) at the time of waiving City insurance coverage in accordance with Section [3] below. This cash amount will be paid as part of the employee's bi-weekly payroll.

2. Employees within this bargaining unit shall be eligible to elect not to participate in the City's health care program.

3. For employees who elect not to participate in the group medical coverage offered by the City, the City will provide dental and vision coverage for the employee and his/her dependents at no cost to the employee.

4. In addition to the coverage options specified under Article 7. Insurance of the Memorandum of Understanding between the City of Hollister and Mid-Management, the following optional health benefits shall be available to the employees of this bargaining unit.

K. Optional Health Benefits

Employees within this unit that have elected to participate in a City-offered medical plan can also elect to participate in the optional benefits. If the employee has any surplus flex credits after

making all elections required to participate in the medical insurance, the employee can use that surplus toward optional qualified insurance benefits or one or both of the pre-tax spending accounts. Employees that wish to participate in the optional benefits plan, but do not have any surplus credits, can elect to have a pre-tax payroll deduction in a n amount to cover the cost of their elections.

Employees may pay the premiums for the following benefits on a voluntary basis:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Group Term Insurance up to $50,000.00 for Employees only
- Accidental Death and Dismemberment Insurance
- Short Term Disability
- Cancer Insurance
- Supplemental Health Insurance
- Accidental Only Insurance
- Intensive Care Insurance

L. Flexible Spending Accounts (FSA's)

The City agrees to establish a pre-tax dependent care reimbursement account up to the maximum reimbursement allowed by law to be funded by employee.

The City agrees to establish a pre-tax medical reimbursement account, up to two thousand five hundred dollars ($2,500.00) per year per employee.

M. Voluntary Life Insurance

The City shall offer a voluntary supplemental life insurance plan through the flexible benefits plan for pre-tax contributions by the employees. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier. Employees may also elect pre-tax payroll deductions to support other City sponsored voluntary supplemental insurance benefits.

N. Miscellaneous

The City of Hollister does not allow the employee to take the surplus credits in taxable cash. For employees who elect not to participate in the group medical coverage offered by the City, the City will provide dental and vision coverage for the employee and his/her dependents at no cost to the employee.

O. Cost-Savings

During the term of this agreement, the parties agree that upon request to meet and discuss regarding potential cost savings/sharing measures related to health and welfare plan designs or premiums.

Article 8. Personnel System Rules and Regulations

This M.O.U. sets forth certain benefits and working conditions for employees in the Mid Management

Association. Other rules, regulations, policies and general working conditions governing employment for employees covered by this M.O.U. are set forth in the Personnel System Rules and Regulations of the City except that the discipline proposed or imposed on employees within this unit shall be subject to the procedures specified in Exhibit [A] entitled Section 12. Disciplinary Procedures, which is incorporated herein by this reference. If during the term of this M.O.U. the City desires to amend the Personnel System Rules and Regulations, the City shall give notice to the Association of the proposed changes. Representatives of the City and Association shall meet in a timely manner. Hours, wages, and general working conditions contained in the Personnel System Rules and Regulations are the proper subjects of the grievance procedure.

The City intends to revise Personnel Rules and Regulations at which time the City will consider incorporating a Violence in the Workplace Prevention Policy. When the revisions to the Rules and Regulations are discussed with all employee associations, City will consider Association's requests relating to that policy.

Article 9. Job Related Disabilities and The Americans With Disabilities Act

A. Job Related Disabilities

City agrees to comply with the Labor Code of the State of California for employees within this unit deemed disabled or temporarily disabled as a result and because of such job related injury which requires them to be absent from active City service.

B. Americans With Disabilities Act

The parties recognize that the City may be required to make accommodations in order to carry out its obligations under the Americans with Disabilities Act (ADA). Some of the accommodations may require actions which are contrary to the language or intent of existing provisions of this agreement. The parties agree that such accommodation relating to ADA shall not constitute a 'past practice' or waiver by either party of its right to fully enforce such provisions in the future with regard to persons not subject to the protection of the ADA. The parties recognize that circumstances surrounding ADA compliance in individual cases may involve matters which are personal and require the utmost confidentiality. Specifics of an individual case may not be divulged by the City. However, the City, when the release of information is either authorized or will not violate confidentiality, will notify the Association when an accommodation has been made that affects other employees in the workplace. Accommodations made by the City under this Article shall

not be subject to the grievance procedure.

Article 10. Safety Compliance and Equipment

A. Safety Compliance

The City and Association shall meet the requirements of Cal OSHA. The Association further agrees to bring any safety concerns immediately to the attention of management.

B. Safety Boot Allowance

Eligible unit employees in the classification of Senior Civil Engineer, Associate Engineer, Associate Civil Engineer, Associate Engineer-Traffic, Capital Improvement Project Manager, and Administrative Supervisor shall be reimbursed up to one-hundred seventy-five dollars ($175.00) per year, upon presentation of satisfactory proof-of-purchase, for safety shoes or boots which are approved and authorized by City management. Used safety shoes and boots are the property of the City and shall be returned to the City.

This allowance is to assist employees in purchasing City-approved work shoes and/or boots appropriate for the type of work being performed in accordance with General Industry Safety Orders, Title 8, Section 3385. Appropriate safety shoes and boots shall incorporate the following safety factors depending on the type of work performed:

1) Non-skid sole
2) Adequate ankle protection
3) Puncture protection
4) Impact/compression protection

Eligible unit employees in the classification of Streets Maintenance Supervisor, Utilities Supervisor, Animal Control Supervisor, Fleet Maintenance Supervisor, Parks Maintenance Supervisor, Public Works Superintendent, Code Enforcement Officer, and Senior Wastewater Treatment Plant Operator shall be reimbursed up to three-hundred ($300.00) per year, upon presentation of satisfactory proof-of-purchase, for safety shoes or boots which are approved and authorized by City management.

Unit employees in the classifications of Recreation Services Manager Senior Planner, Planning Manager, Information Systems Manager, Economic Development Manager, and Projects Coordinator shall not be eligible for this safety boot allowance.

C. Animal Control and Code Enforcement Safety Equipment

The City agrees to provide necessary safety equipment for the classifications of Animal Control

Supervisor and Code Enforcement Officer. This equipment may include, but not be limited to, bullet proof vests, utility belts, and bite sticks. This equipment will be purchased by the City at no cost to unit members.

Article 11. Grievance Procedure

This grievance procedure shall be the sole and exclusive procedure for resolving grievances filed by employees covered by this M.O.U.

A. Definition

A grievance is a claimed violation, misapplication, or misinterpretation of a specific provision of this agreement or the City's Personnel System Rules and Regulations which adversely affects the grievant.

B. Stale Grievance

A grievance shall be void unless filed in writing within fifteen (15) calendar days from the date upon which the City is alleged to have misinterpreted or misapplied this agreement, or within fifteen (15) calendar days from the time an employee might reasonably have been expected to have learned of the alleged misinterpretation or misapplication. Such discovery period shall not exceed 180 days regardless of the date of discovery. In no event shall a grievance include a claim for money relief for more than the fifteen (15) day period plus such reasonable discovery period.

C. Informal Discussion with Employee's Supervisor

Before proceeding to the formal grievance procedure, an employee shall discuss his/her grievance with his/her immediate supervisor in private and attempt to work out a satisfactory solution. Any solution reached at this level must be reviewed by the Personnel Officer to assure compliance with this agreement before it has any binding effect.

D. Formal Written Grievance to Employee's Supervisor

If the employee chooses to formally pursue his/her grievance, he/she or his/her representative shall present the written grievance to his/her immediate supervisor within five (5) working days after the date upon which the grieving employee informally discusses the grievance with the supervisor. (In the event a group grievance is formally submitted by the recognized employee organization, its initial submission will be to the department head and subsequent steps will be followed as outlined in this section.) The formal written grievance shall specify the provisions of this M.O.U. or the City's Personnel System Rules and Regulations alleged to have been misinterpreted or misapplied, the remedy sought, and such other specific dates, times, places and persons and other facts necessary to derive a clear understanding of the matter being grieved. The immediate supervisor shall return a copy of the written grievance to the employee with the supervisor's answer thereto in writing within

five (5) working days from receipt of the supervisor's answer within which to file an appeal to the next level.

E. Grievance to Department Head/City Manager

The department head or the City Manager, if the department head was the grievant's immediate supervisor, shall have seven (7) working days in which to review and answer the grievance in writing. Unless waived by mutual agreement of the employee or his/her representative and the department head or City Manager, a meeting is required at this level and the employee and his/her representative shall have the right to be present and participate in such a meeting. The time limits at this level may be extended by mutual agreement between the department head or City Manager and the employee or his/her representative.

F. Waiver of Appeal Steps

If the grievance is not resolved after the immediate supervisor has answered it in writing, the grievant(s) and the department head may, by mutual agreement, waive review of the grievance at Step E and proceed to present the grievance to the City Manager.

G. Advisory Fact Finding of Grievances

In the event the grievance is not resolved by the City Manager, the recognized employee organization may with fifteen (15) calendar days after receipt of the decision of the City Manager, request that the grievance be heard by a fact finder.

H. Selection of a Fact Finder

The fact finder shall be selected by mutual agreement between the City and the Association. If the parties are unable to agree on the selection of a fact finder, they shall jointly request the State Mediation and Conciliation Service to submit a list of five (5) qualified fact finders. The City and the grievant, or his/her representative, shall then alternately strike names from the list until only one name remains, and that person shall serve as fact finder.

I. Duty of Fact Finder

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the fact finder to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a proposed disposition of the grievance which shall be advisory in nature.

The proposed disposition shall be based solely on the interpretation of the applicable provisions of the M.O.U. and other personnel rules if applicable to the grievance, and he/she shall not add to, subtract from, modify or disregard any of the terms or provisions of the M.O.U. or such rules.

J. Payment of Costs

Each party to a hearing before a fact finder shall bear its own expenses in connection therewith. All fees and expenses of the fact finder shall be borne one-half by the City and one-half by the grievant.

If the City does not implement the proposed disposition of the grievance made by the fact finder, the City shall pay all fees and expenses of the fact finder.

K. Effect of Failure of Timely Action

Failure of the employee(s) to file an appeal within the required time period at any level shall constitute an abandonment of the grievance. Failure of the City to respond within the time limit at any step shall result in an automatic advancement of the grievance to the next step.

Article 12. Miscellaneous

A. Deferred Compensation Plan

The City shall continue to provide a voluntary Deferred Compensation Plan for all employees of this unit for the term of this M.O.U.

B. Tool Replacement Allowance

1. The City shall provide a tool replacement fund for the replacement of worn out or broken shop tools and the purchase of new shop tools as needed. This allowance will be available to those employees in classifications of Fleet Maintenance Supervisor who are required as a condition of employment to provide their own shop tools for the performance of their duties within City service. The utilization of this fund shall not exceed $500.00 per employee for any fiscal year. All shop tools purchased and reimbursed under this provision shall be maintained by the employee so as to be immediately available for City work.
2. The employee shall acquire the tool(s) and shall present documentary evidence (receipts and invoices, etc.) of the acquisition and ownership to the City for reimbursement. The Department Head or his designee may inspect and inventory all tools acquired under this provision.

2. The refusal to replace a tool by Management will not be a grievable matter.

C. Working Out of Classification Assignment

Unit employees assigned by management on a Personnel Action Form (P.A.F.) shall be

compensated within the salary range for which the assignment is made, but in no case less than five percent (5%) subject to the following:

1. The position must be budgeted.

2. Must be assigned in writing by the department head and approved by the City Manager to work in a higher classification and, therefore, performs substantially all of the duties of the higher classification for a period of more than ten (10) consecutive working days or eighty (80) consecutive working hours in a fiscal year, (or eight (8) consecutive working days) the employee, shall be entitled to be compensated with an additional five percent (5%) over his/her current rate of pay, beginning with the eleventh (11th) day or the eighty–first (81st) hour of the assignment. A continuous out–of–classification assignment bridging two (2) fiscal years shall be treated as if it occurred during the prior fiscal year. For example, an employee receiving the compensation for an assignment, which commences on June 15 of one (1) fiscal year and ended on July 5 of the succeeding fiscal year, would receive compensation for the entire assignment. Similarly, an employee whose 11th day or eighty–first (81st) hour of out–of–classification assignment occurred during the prior fiscal year would commence receiving compensation as of the 11th day or eighty–first (81st) hour. This provision shall apply only as pensionable compensation for Classic Members as defined by the Public Employees' Pension Reform Act (PEPRA) of 2013 as it is currently enacted and as it is amended in the future, and its implementing regulations, referred to hereinafter collectively as "PEPRA".

3. The grievance procedure shall not be utilized by unit members in any conflict and Management's assignment or non-assignment is final a binding upon all parties.

D. Vacation Leave, Sick Leave, and Floating Holidays

1. Vacation Leave

All unit members are entitled to ten (10) working days of vacation pay upon successful completion of their first six (6) months of continuous service. Employees may take accrued vacation after the completion of six (6) months of service.

a. Vacation Accrual Rate

Years of Service	Annual Vacation Accrual
1st through completion of 3rd	*10 days*
4th through completion of 7th	*15 days*
8th through completion of 15th	*20 days*
16th through completion of 20th	*22 days*
beginning of 21st year	*25 days*

b. Maximum Accrual

Mid-Management Employees may only accumulate a maximum of thirty- five (35) working days (280 hours) of vacation without the authorization of the City Manager. Accumulated vacation time of more than thirty-five days (280 hours) requires prior written authorization by the City Manager and must be used prior to the end of the calendar year or it will be lost.

Any Mid-Management Employee who separates in good standing from the City shall be compensated for a maximum of two-hundred eighty (280) hours at the employee's hourly rate of pay at the time of separation from City service.

c. Cash Out of Vacation

Mid-Management Unit Members may cash out vacation leave hours in the increments of ten (10) hours as long as it has been budgeted and must have the City Manager's Approval. Compensation for vacation leave cashed out will be made at the employee's rate of pay at the time of cash out. Request for payment of vacation time shall be made in writing to the Department of Administrative Services at least thirty (30) days in advance.

Payments of cashed-out vacation leave will be made on the first full pay day which follows the end of the thirty (30) day advance. This payment will be made in the regular payroll check issued for that pay period.

2. Sick Leave

Sick leave shall be accrued at a rate of twelve (12) days per year (8 hours per month). Unused sick leave may be accrued without limit.

3. Floating Holidays

All Eligible unit members shall receive two (2) floating holidays for their use on July 1 of each fiscal year.

4. Working/ Called in on a Holiday

Any employees represented by this unit who work or called in on a holiday shall receive compensatory time off from duty at a rate equal to the amount of time worked on the holiday up

to eight hours per day worked. If a represented employee is also entitled to an event pay the employee will be allow to receive both the compensatory time and event pay.

E. Vacation Illness Conversion

If an employee of this unit is on vacation and becomes ill, he or she may convert vacation time to sick leave with pay. This conversion must be supported by a physician's statement.

F. Sick Leave Conversion To Cash

Eligible unit employees may convert a percentage of accrued, unused sick leave to cash at death or retirement from City employment. The provisions for this policy are as follows:

1. Employees of this unit may not "cash out" or be compensated for any of the first 240 hours of sick leave accrued.

2. Any current employee of this unit having completed 10 years of continuous service with the City and who retires from City service, will be compensated for fifty-percent (50%) of accrued, unused sick leave in excess of 240 hours at the employee's hourly rate of pay at the time of retirement from City service.

3. The surviving spouse or State-registered Domestic Partner, beneficiary(s), dependent(s), or estate of any current employee of this unit who has completed 10 years of continuous service with the City and dies while employed by the City prior to retirement, will be compensated for fifty percent (50%) of accrued, unused sick leave in excess of 240 hours at the employee's hourly rate of pay at the time of death.

4. Any current employee of this unit having completed 10 years of continuous service with the City and having an unused sick leave accrual balance exceeding 500 hours may, at their option, "cash out" up to a maximum of 96 hours (12 days) of unused sick leave annually as long as the "cashed out" hours do not diminish the unused sick leave accrual balance to an amount less than 500 hours.

5. Compensation for unused, accrued sick leave will be made at the employee's rate of pay at the time of "cash out". Requests for payment of unused sick leave as described herein, shall be made in writing to the Administrative Services Department at least 30 days in advance of June 1st and December 1st of each year.

6. Payments of "cashed out" unused sick leave will be made on the first pay day which follows June 1st and December 1st of each year.

G. Flexible Work Schedule

Eligible unit members may work flexible work schedules (i.e. 4/10, 9/80) when feasible. It is not the intention of the City to reduce the number of hours that City services are available to the public. It is agreed that implementation of flexible work schedules shall be evaluated on a work unit basis, and will only be approved in those units where flexible work schedules can be implemented without reducing service levels and cost effectiveness.

H. Association Representatives Time Off for Training

1. City shall grant the Mid-Management Association Board an aggregate of sixty (60) hours of paid time off from work per fiscal year for the purpose of attending Association sponsored educational and training opportunities as shown below:

   a. Executive Board Meetings
   b. Advisory Board Meetings
   c. Bargaining Team Training
   d. Budget Training

2. It is agreed that the Association representatives shall provide sufficient notice to their supervisors so that work schedules can be arranged to compensate for their absence.

3. The City will grant time off for "Meet and Confer" preparation and negotiations, for a time period not to exceed one hour before the respective negotiation session and one-half hour following the conclusion of same negotiation session.

4. Unless modified by mutual agreement at the onset of negotiations, time off in addition to that provided in H(3.) for any other "Meet and Confer" preparation shall be taken as leave in accordance with the City's established leave procedures and with sufficient notice to Supervisors to ensure appropriate coverage of operations.

I. Advance Notice

Except in cases of emergency as provided in Government Code ' 3504.5, the City will provide 30 days written notice to the Association of any ordinance, rule, resolution, or regulation directly related to matters within the scope of representation proposed to be adopted by the City and shall give the Association the opportunity to meet with the City. As provided by Government Code ' 3504, "scope of representation" as used in this section shall include all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order. In cases of emergency when the City determines that an ordinance, rule, resolution, or regulation must be adopted immediately without prior notice or meeting with the Association, the City shall provide notice and opportunity to meet at the earliest practicable time following the adoption of the ordinance, rule, resolution, or regulation.

J. Joint Association-Management Committee to Review City Personnel Rules and

Regulations

The parties agree that a committee comprised of three (3) management representatives and three (3) Association Representatives will be established. The committee will meet as needed. The purpose of the committee shall be communication, information sharing, and problem solving on relevant issues such as employee work environment and policies and procedures.

K. Professional Development Incentive Program

Employees who have successfully completed probation shall be eligible to receive a one-time professional development incentive for obtaining certificates or degrees received after the date of this M.O.U. A professional development incentive shall not be awarded if the certification or degree is a minimum requirement for their position.

The certificate must relate to the employee's current position or future lateral or promotional opportunities with the General Employees Unit, Mid-Management Association or the unrepresented units of Confidential Employees and Executive Management. Vocational Training, for purposes of this section, is defined as a minimum of 100 hours of specific training in a career field which results in a certificate of completion. The minimum one hundred (100) hours shall be documented classroom time or in the case of a correspondence program identified as the average length of time required to complete the program certification as documented by the certifying agency or institution. Only one (1) professional development incentive per fiscal year can be received by an employee. If an employee receives a Ph.D., Master's degree or Bachelor's degree in a fiscal year, the employee may also receive one (1) additional professional development incentive for a certificate earned in the same fiscal year. Additionally, any additional development incentives earned in the same fiscal year do not rollover to the subsequent fiscal year. The city will reimburse members up to Thirty Five Hundred dollars ($3,500.00) per fiscal year for tuition reimbursements.

1. **Professional Certificates - $2,500.00 Lump Sum:**

   - Professional Engineer Registration
   - Professional Land Surveyor Registration
   - Certified Public Accountant
   - Engineer-In-Training
   - Land Surveyor-In-Training
   - American Institute of Certified Planners
   - Paralegal Certificate
   - Grade 5 Water Treatment Operator or Water Distribution Operator
   - Grade 5 Waste Water Treatment Operator
   - QSP or QSD

2. **College Degrees and Certificates - $2,500.00 Lump Sum**

   - Ph.D.

- Master's Degree
- Bachelor's Degree
- Associate's Degree

3. Technical Certificates - $2,000.00 Lump Sum:

- Grade 4 Water Treatment Operator or Water Distribution Operator
- Grade 3 Water Treatment Operator or Water Distribution Operator
- Grade 2 Water Treatment Operator or Water Distribution Operator
- Grade 1 Water Treatment Operator or Water Distribution Operator
- Grade 4 Waste Water Treatment Operator
- Grade 3 Waste Water Treatment Operator
- Grade 2 Waste Water Treatment Operator
- Grade 1 Waste Water Treatment Operator
- I.C.B.O. Certificates
- Public Works Inspector – NICET
- Cross Connection Control Specialist Certification
- Certified Arborist

4. Vocational Certificates of Completion:

Examples:

- A(+) Certification (Computer Hardware, Software & Networking)
- Microsoft Certified Systems Engineer
- Cisco Certified Network Associates
- Operation Of Wastewater Treatment Plants Program administered by California State University, Sacramento Regional and Continuing Education Program
- Title 29 CFR 1910.120(q) - 24 Hour Hazardous Materials (Hazmat) Technician Level III Certification

The amount of the incentive for any Vocational Certificate of Completion shall be based on the following number of hours of course work:

Minimum Hours For Vocational Certificate	Amount
100	*$ 1,500.00*
80	*$ 1,200.00*
60	*$ 900.00*
40	*$ 600.00*
20	*$ 300.00*

5. Technical Certificates - $1,000.00 Lump Sum:

- Chemical Applicator
- Licensed Tree Trimmer
- Automotive Service Technician (A.S.E.)

6. Additional Eligibility Criteria

Additional licenses and certificates eligible for these professional development incentives, not listed in this Article, may be reviewed and approved by the Department Head in accordance with the following criteria:

- The license or certificate submitted for consideration must directly relate to the employee's current position or future lateral or promotional opportunities in accordance with the provisions of this section.

- The employee earning the license or certificate shall be subject to duties and assignments commensurate with the level of proficiency attained under the City's Professional Development Incentive Program.

- After the effective date of this M.O.U., all such requests for consideration for eligibility for such license and certificate incentives shall be submitted to the Department Head for review, with final approval by the City Manager at his/her sole discretion. The City Manager's determination is not subject to appeal.

The process for receiving a professional development incentive under this program shall be:

- Prior to beginning any class, program, seminar or study toward a desired certificate or degree, the employee must submit a request to his/her department head for consideration and approval of bonus award. Qualifying classes, programs, seminars or study toward a desired certificate or degree shall not be denied.

- If prior approval is not obtained, the class, program, seminar or study toward a desired certificate or degree shall not fall within the scope of this Professional Development Incentive Program.

- Upon obtaining a copy of the certificate or degree, payment will be processed for the specified incentive. Professional development incentives shall not be granted prior to receiving a copy of the degree or certificate.

The following are not eligible for consideration under this Section:

- Any driver's licenses

- Certificates, licenses, or degrees required for the position the employee holds

- Certificates, licenses, or degrees earned at the expense of the City including City sponsored training programs and consortium training programs except for approved tuition reimbursement pursuant to Section 8.10 (D) and (E) of the City of Hollister Personnel Rules & Regulations for Associate degrees, Bachelor's degrees, Master's degrees, and Ph.D. degrees.

L. Jury Duty and Subpoenaed Witness

Any eligible employee of this unit shall be allowed to take leave from his/her City Duties without loss of wages, leave time or other benefits for the purpose of responding to jury selection or serving on a jury for which he/she has been selected, subject to the limitation that an employee receive paid leave for jury duty not more than once per calendar year. In the case of serving on a jury more than one time during a year, the employee has the option of using leave time to mitigate loss of pay. No employee shall suffer loss of wages or other benefits responding to a subpoena to testify in court on behalf of the City.

M. Bereavement Leave

Eligible, career employees of this unit are eligible for three (3) days of Bereavement Leave upon the death of the following:

- Husbands
- Uncles
- Mother-in-law
- Grandparents
- Fathers
- Sisters-in-law
- Legal Guardians
- Brothers
- Wife
- Aunts
- Father-in-law
- Grandparents-in-law
- Nephews
- State Registered Domestic Partners
- Grandchildren
- Sisters
- Children
- Nieces
- Brothers-in-law
- Mothers

Eligible, career employees of this unit shall be allowed up to five (5) days upon City Manager approval for travel out of state or outside a five-hundred (500) mile radius within the state for Bereavement Leave. Such approval shall not be unreasonable denied.

N. Uniform Allowance

1. A uniform allowance in the amount of sixty dollars ($60.00) per month will be granted to employees in the classification of Animal Control Supervisor, Code Enforcement Officer, and Administrative Supervisor when said employees are required to wear a uniform.

2. An amount of three-hundred and fifty dollars ($350.00) will be paid upon initial employment and every anniversary date of any employee in the classification of Animal Control Supervisor, Code Enforcement Officer, and Administrative Supervisor for the purchase of uniforms. Uniforms damaged or torn in the line of duty shall be repaired or replaced at City expense, which will include the use of City Cal-Card.

O. Automatic Payroll Deposit

All new unit members of the Association shall enroll in the automatic payroll deposit program at the time of their employment with the City or at the time of promotion to this unit.

P. Administrative Leave

Eligible unit members, who are determined to be overtime ineligible as defined by the Fair Labor Standards Act (FLSA) shall receive eighty (80) hours Administrative Leave on July 1st of each fiscal year. The terms for use of Administrative Leave are as follows:

1. Administrative Leave credit will be accrued at the rate of 3.08 hours per pay period.

2. The entire eighty (80) hours of Administrative leave will be advanced and be available for use on July 1 of each fiscal year.

3. Leave usage will be monitored by having each eligible employee execute a Leave Request. This request must be signed by the individual eligible employee and approved by the Department Director or City Manager. The Administrative Leave usage must be identified and recorded o the official time card for the period in which leave was taken.

4. Residual Administrative Leave not utilized during the fiscal year may not be carried over into a subsequent year. Administrative Leave shall not be cumulative and shall not be converted into monetary compensation, except upon termination of retirement.

5. In the event an eligible employee terminated during the year, unused accrued Administrative Leave shall be paid out in the same manner as unused vacation. If leave has been taken beyond that which is accrued the employee must pay back all excess leave taken.

6. For eligible employees hired during the year, leave credit will be accrued for the date of hire.

7. The Department of Administrative Services will initiate a separate Administrative Leave System for accounting purposes.

Q. Tuition Reimbursement

The City will provide for tuition reimbursement in accordance with provision of the current Personnel System Rules and Regulations. In order to be eligible for this reimbursement the employee must obtain prior approval for the course from both the department head and the City Manager.

R. Reclassification and Salary Adjustment Policy

The City and Association agree to develop a structured process for addressing individual reclassifications and resulting salary adjustments that will be consistent with the annual budget process.

S. Christmas Eve Holiday

The City shall provide an additional paid 1/2 day holiday on the afternoon (4 hours) of December 24th, known as Christmas Eve. The Christmas Eve holiday shall be observed on the afternoon of the workday proceeding the day on which the December 25th holiday, known as Christmas Day, is observed.

T. Fleet Maintenance Supervisor – FLSA Exempt

The City has determined that, as a result of its supervisory responsibilities and the level of independent judgment exercised, the Fleet Maintenance Supervisor shall be classified as FLSA Exempt.

U. Layoff and Reduction in Time Procedures

In those instances where the City may have to lay off or reduce the work hours of bargaining unit members due to lack of work or lack of funds, the following order of layoff/ reduction shall be used:

1. Temporary/ seasonal workers
2. Workers on probation
3. Career, regular employees

In the event that a career employee is laid off, the following criteria shall be used:

1. Layoff by seniority, in the classification and department determined to

be eliminated.

2. A laid off employee has the right to "bump" or displace the most junior worker in the classification, providing the laid off worker is qualified to fill the position.

V. Computer Loan Program

Mid-Management Employees shall be eligible to purchase computer equipment through the City. Under this program, the City shall offer a one-percent (1%) loan to Mid-Management Employees who purchase a computer, printer, scanner, and/or any directly-associated computer hardware/software package. All Mid-Management Employees who participate in this program must pay back the loan in full either directly or through payroll deductions within one year from the date of the loan.

Mid-Management Employees shall be eligible for a subsequent loan contingent upon the full balance of the previous loan paid off in full. Employees electing to participate in this program shall specify in writing their agreement to allow withholding of any unpaid balance through payroll deductions in the event the employee leaves City service or expires.

The computer equipment shall remain the property of the Mid-Management Employee at all times after purchase.

Article 13. Maintenance of Operations

The Association agrees that during the term of this M.O.U. and for the period of time necessary for the meet and confer process to conclude a successor M.O.U., neither the Association, nor any representative acting on its behalf, will cause, authorize, engage in, condone or sanction a strike, sick-in, work stoppage, slow down, picketing (other than informational picketing on the employees' own time), concerted or individual failure to report for duty, unauthorized absence, including compliance with a request of another unit's labor organization to engage in or honor such activities against the City, or any activity by any other euphemism known which results in less than the full and faithful performance of any duties of employment.

If the City determines that the Association has engaged in any activity which violates Subsection (a) above, the City may order the forfeiture of all rights and privileges, or any portion thereof, of the Association.

If the City determines that an employee has engaged in any activity which violates subsection A above, the employee has member(s) may be subject to disciplinary action up to and including discharge from City service.

Article 14. Prevailing M.O.U.

In the event of a conflict between a specific provision of this M.O.U. and a written rule, regulation, or

resolution of the City or any of its divisions, the terms of the M.O.U. shall prevail and said written rule, regulation, or resolution shall be physically amended to conform to the specific provisions of this M.O.U.

Article 15. Drug Free Workplace Policy

The City's Drug Free Workplace Policy, City Personnel Rule 2.05, adopted by Resolution 92-116 (August 3, 1992), is incorporated by reference into this M.O.U.

Article 16. Savings Clause

If any article or section of this M.O.U. should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other articles and sections of this M.O.U. shall remain in full force and effect for the duration of this M.O.U. In the event of invalidation of any article or section, the City and the Association agree to meet within thirty (30) days for the purpose of meeting and conferring upon said article or section.

Article 17. Term of Agreement

The term of this M.O.U. shall commence on July 1, 2018 and shall expire June 30, 2021, unless otherwise agreed to by both parties. It is also agreed to by both parties to initiate the meet and confer process in a timely fashion, exchanging written proposals at least thirty (30) days prior to the termination of this agreement. An extension of the term of this agreement on a month to month basis may be made my mutual agreement of the parties.

The effective date of this Memorandum of Understanding is the date on which the City Council takes action in an open and public meeting to ratify and approve this M.O.U.
(Last Updated on 7-26-18: DH)

The above constitutes a full and complete agreement between the parties on all matters within the scope of representation.

CITY OF HOLLISTER

Dated 8/14/18

By _____
City Manager

By _____
City Negotiators

By _____
City Negotiators

By _____
City Negotiators

HOLLISTER MID-MANAGEMENT ASSOCIATION

Dated 8/15-18

By _____
Association President

By _____
Association Negotiators

By _____
Association Negotiators

By _____
Association Negotiators

The above constitutes a full and complete agreement between the parties on all matters within the scope of representation.

CITY OF HOLLISTER	HOLLISTER MID-MANAGEMENT ASSOCIATION
Dated _____	Dated _____
By _____ City Manager	By _____ Association President
By _____ City Negotiators	By _____ Association Negotiators
By _____ City Negotiators	By _____ Association Negotiators
By _____ City Negotiators	By _____ Association Negotiators

EXHIBIT [A]

SECTION 12. DISCIPLINARY PROCEDURE

Section 12.01 General

A. The expected standard for employees of the City shall be to render the best possible service to the public, to reflect credit upon the City service, and to serve the public interest. The tenure of every employee shall be conditioned on good behavior and satisfactory performance of duties. Disciplinary actions are intended to be corrective and progressive in nature with the objective of obtaining compliance with rules, orders, procedures, standards of conduct and expected job performance.

B. The procedures set forth in this section shall not apply to probationary employees who are rejected during probation, or to any employee serving in a seasonal or temporary appointment. These procedures shall not apply to a reduction in force, or a reduction in pay which is part of a reclassification action or reorganization approved by the City Council.

C. The City Manager may take disciplinary action based upon a Department Head recommendation or initiate such action based upon his/her own authority. The City Manager may delegate the responsibility to take disciplinary action to Departments Head(s). As used in this section, "disciplining authority" shall mean either a Department Head or the City Manager, whoever initiates the disciplinary action; "working day" shall mean any day of the month when the City offices are officially open for business.

D. The procedures set forth in this section shall not preclude an employee from entering into a written agreement with the City to settle a pending disciplinary matter, and further shall not preclude an employee from waiving any of the notice provisions herein provided for, as part of that written settlement agreement.

Section 12.02 Grounds for Discipline

An employee may be reprimanded, suspended, denied a merit increase, demoted or dismissed for any of the following reasons:

1. Furnishing false information to secure employment.

2. Incompetence, which shall mean that the employee lacks adequate ability, knowledge, motivation, or fitness to satisfactorily perform the duties which are within the scope of employment.

3. Inefficiency in performance of work which results in performance lower than that which is typically expected of the position.

4. Neglect of duty.

5. Insubordination, which shall mean refusal or failure to follow a direct, lawful order which the employee is capable of following.

6. Nonobservance of work hours.

7. Excessive absenteeism, tardiness, or absence without authorized leave.

8. Violation of city personnel rules and regulations, administrative policies and procedures, department rules and regulations, safety rules, resolutions, ordinances or codes.

9. Damage to or waste of public property, equipment or supplies, or unauthorized possession or use of public property, supplies or equipment.

10. Any conduct related to employment which impairs, disrupts or causes discredit to the employee's department or the city, including but not limited to conduct which is or would be cause for discipline under any other provisions of this section.

11. Willful failure or refusal to property perform official duty.

12. Gross negligence in the discharge of official duty.

13. Dishonesty involving employment.

14. Any act of moral turpitude which adversely reflects on the employee's ability or fitness to perform his/her duties.

15. Soliciting or taking for personnel use a fee, gift or other valuable thing in the course of the employee's work, or in connection with the contributing party's expectation or hope of receiving favorable or better treatment than that afforded other persons.

16. Disclosure of confidential information to an unauthorized source.

17. Refusal to take and subscribe to any oath or affirmation which is required by law in connection with employment by the city.

18. Falsification of time sheets or any official city records.

19. Misuse of sick leave.

20. Consuming, possessing, or being under the influence of an alcoholic beverage, while on duty.

21. Unless legally authorized, using, consuming, injecting, possessing, being under the influence of, selling or offering for sale, while on duty, any drug which can or does impair, the employee's work performance, or any controlled substance as the latter term is defined in the California Health and Safety code.

22. Discourteous or disrespectful treatment of the public, other employees, or city officials.

23. Violation of city harassment policy.

24. Persistent failure or refusal to take, complete, or follow through with appropriate and reasonable treatment or corrective measures designed to remedy an employee's condition, such as alcohol or substance abuse, when said condition results in conduct which constitutes grounds for discipline under these rules.

25. Engaging in outside employment in violation of city policies or rules.

26. Engaging in non-City business during work hours, excluding employee free time such as lunch and breaks.

Section 12.03 Types of Disciplinary Action

As used in this section, "disciplinary action" shall mean any of the following and may be taken singly or in combination:

A. Counseling or Oral Warning. A counseling or oral warning will not be placed in an employee's personnel file except as part of a regular or special performance evaluation report of the employee on which the employee is given an opportunity to respond. A counseling or oral warning or a performance evaluation report is not subject to the appeal process outlined below.

B. Written Reprimand. A written reprimand shall be provided to an employee prior to being placed in the employee's personnel file. Such reprimands shall not be subject to the appeal process outlined below, but the employee shall have the right of rebuttal by providing a written statement which will be included in the personnel file along with the written reprimand.

C. Imposition of special employment conditions. Such action shall be subject to the appeal process outlined below.

D. Suspension with or without pay. Fringe benefits such as vacation and sick leave shall not accrue during a period of suspension without pay. However, health, dental and life insurance shall remain in effect during a period of suspension without pay. Such action shall be subject to the appeal process outlined below.

E. Reduction in pay level not to exceed one (1) year. Such action shall be subject to the appeal process outlined below.

F. Demotion. Such action shall be subject to the appeal process outlined below.

G. Dismissal or Discharge. Such action shall be subject to the appeal process outlined below.

Section 12.04 Notice of Intended Disciplinary Action

A. In cases of proposed disciplinary action, except a counseling, oral warning, or written reprimand, the proposed disciplinary action shall be served on the employee personally or by mail. The written notice of intended disciplinary action which shall include:

1. The reasons for the disciplinary action, those facts alleged to be the basis for the intended action and copies of any documents or materials upon which the disciplinary action is based;

2. The specific action proposed to be taken, including any time period or other conditions associated with the discipline;

3. The proposed effective date of the intended disciplinary action; and

4. The right of the employee to respond to the proposed disciplinary action either in writing or orally, at the option of the employee. The employee shall be advised that he/she has ten (10) working days within which to file a written response or request, in writing, an informal predisciplinary conference before the disciplining authority or his/her designee.

B. A copy of the notice of intended disciplinary action shall be placed in the employee's personnel file.

Section 12.05 Predisciplinary Conference

Where an employee has requested an opportunity to respond orally, the disciplining authority or his/her designee shall cause an informal predisciplinary conference to be held to review the statement of charges and to provide the opportunity for the employee or his/her representative to answer the charges. The disciplining authority or his/her designee shall allow the parties to present any relevant evidence tending to prove or disprove the facts upon which the action is based or upon the nature and severity of the proposed disciplinary action. Failure of the employee to appear at the predisciplinary conference, if requested, shall forfeit all the employee's right to respond to the statement of charges.

Section 12.06 Notice of Discipline or Rejection of Discipline

A. If the employee does not respond or upon conclusion of the predisciplinary conference, the disciplining authority or his/her designee shall, by written notice to the employee and the supervisor, affirm, reduce or abandon the proposed disciplinary action.

B. If the decision is to affirm or reduce the proposed disciplinary action, such action shall be served on the employee personally or by mail. The written notice of disciplinary action shall include:

1. The reasons for the disciplinary action, those facts alleged to be the basis for the disciplinary action and copies of any documents or materials upon which the disciplinary action is based;

2. The specific action proposed to be taken, including any time period or other conditions associated with the discipline;

3. The effective date of the disciplinary action; and

4. The right of the employee to appeal the disciplinary action. The employee shall be advised that he/she has ten (10) working days within which to file a written appeal of the disciplinary action.

C. A copy of the notice of disciplinary action shall be placed in the employee's personnel file.

D. If the notice is to abandon all action, the notice of intended disciplinary action shall be removed from all personnel files.

Section 12.07 Appeal of Disciplinary Action

An employee who has been discharged, demoted, reduced in salary, been made subject to specific employment conditions, or suspended without pay has the right to appeal to the City Manager the disciplinary action by filing a written notice of appeal within ten (10) working days from the date of the notice of discipline. The appeal must state specifically the reason or reasons upon which it is based. Failure to file within the time allowed constitutes abandonment of appeal rights. The evidentiary appeal shall be heard by a hearing officer who will serve as the City Manager's designee.

Section 12.08 Appeal

A. The Personnel Officer shall be responsible for obtaining the hearing officer from JAMS (Judicial Arbitration and Mediation Services of California). The Personnel Officer shall ask JAMS to randomly provide the name of one retired judge who shall be impartial and who shall conduct the hearing on behalf of the City Manager. The City shall pay for the services of the hearing officer.

B. The Hearing Officer shall assume responsibility for scheduling and conducting the hearing in accordance with the provisions of Chapter 12. The hearing officer shall conduct the hearing and

prepare a report that includes findings of fact and recommendation(s). The City Manager shall be bound by the findings of fact but reserves final authority on the recommendation(s) of the Hearing Officer. The decision of the City Manager shall be final unless appealed to the City Council.

C. If the decision is to affirm or modify the disciplinary action, the decision shall be placed in the employee's personnel file. If the decision is to modify or reverse the disciplinary action, that action shall be implemented. If reversed, the notice of the intended disciplinary action and the notice of disciplinary action shall be removed from the employee's personnel file.

Section 12.09 Evidentiary Appeal Hearing Procedure

A. The Hearing Officer shall provide the appellant and City with written notice of the date, time, and place of the hearing no less than ten (10) working days in advance of the scheduled hearing date. Any time lines contained in this section may be extended upon mutual agreement of the City and the appellant for good cause.

B. The hearing shall be conducted in conformity with Sections 11512 through 11515, inclusive, of the Government Code. The hearing officer shall be deemed to be the administrative law judge in the proceeding.

C. The hearing shall be closed to the public unless the appellant, prior to the commencement of the hearing, requests in writing that it be open to the public. The hearing shall be conducted in accordance with the provisions of Section 11513 of the Government Code which reads:

1. Oral evidence shall be taken only on oath or affirmation.

2. Each party shall these rights: to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in the direct examination; to impeach any witness regardless of which party first called him or her to testify; and to rebut the evidence against him or her. If the appellant does not testify on appellant's own behalf, s/he may be called and examined as if under cross-examination.

3. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining other evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in a civil action. The rules of privilege shall be effective to the extent that they are otherwise required by statute to be recognized at the hearing, and irrelevant and unduly repetitious evidence shall be excluded.

D. The appellant may be examined and may examine or cause any person to be examined under Section 776 of the Evidence Code. The appellant shall be allowed to appear personally at the hearing, and appellant shall have the right to legal counsel or lay representation of appellant's choice and sole expense at all times throughout the proceeding, and appellant shall be allowed to produce such competent evidence in his/her own defense and in rebuttal to the charges as the appellant or appellant's/her representative may wish to offer.

E. The hearing shall be recorded by a stenographic reporter. If any transcript is ordered by the appellant or the City, the party ordering the transcript shall bear the cost of the transcription. If both the appellant and the City order transcriptions, the cost of the transcription, along with the cost of the reporter, shall be borne equally by the City and the appellant.

F. The Hearing Officer shall have the power to subpoena and require the attendance of witnesses, and the production of books, papers, and other evidence pertinent to the hearing, and to administer oaths to witnesses. In arriving at a recommendation, the hearing officer may consider any prior disciplinary actions taken against the appellant, or any prior proceedings under this section.

G. Unless the circumstances were beyond the control of the appellant, failure of the appellant to appear at the hearing shall be deemed a withdrawal of the appeal and the action of the department head in the notice of disciplinary action shall be final without right of appeal to the City Council. The participation of the appellant's representative at the hearing shall constitute appearance of the appellant.

H. The City Manager shall review the hearing officer's report including the findings of fact and recommendation(s) and within thirty (30) days from the hearing officer's report issue his or her written decision affirming, reversing, or modifying the discipline which shall be final unless appealed to the City Council.

I. An employee can appeal the City Manager's decision to the City Council by filing the written notice of appeal with the City Clerk within ten (5) working days from the date of the mailing of the City Manager's decision.

J. Within ten (10) days after receipt of the appeal, the City Clerk shall give notice of the appeal to each member of the City Council, the City Manager, and other persons named or affected by the appeal and shall schedule a hearing before the City Council.

K. The hearing before the City Council shall be non-evidentiary in nature and shall be limited to oral arguments from both parties or their representatives. The City Council shall be bound by the findings of fact prepared by the hearing officer. Appellant and City shall each have 20 minutes of oral argument with an additional 5 minutes of rebuttal argument. The hearing before the City Council shall be closed to the public unless prior to the hearing the appellant requests in writing that the hearing be open to the public.

L. The City Council shall deliberate in closed session and shall issue a decision which affirms, reverses, or modifies the discipline imposed by the City Manager.

M. If the Council's decision is to affirm or modify the disciplinary action, the decision shall be placed in the employee's personnel file. If the decision is to modify or reverse the disciplinary action, that action shall be implemented. If reversed, the notice of the intended disciplinary action and the notice of disciplinary action shall be removed from the employee's personnel file.

N. The decision of the City Council shall be final and subject to judicial review under Code of Civil Procedure 1094.5.

Section 12.10 Serving of Notices

Written notices shall be served either by direct personal service on the person affected, or by mail. Mailed notices to the City Manager or his/her designee, a Department Head, an appellant and/or his/her designee, or the City Council shall be effective upon recorded deposit with the United States Postal Service.

Section 12.11 Summary Suspension

Prior to any disciplinary proceedings under this section, the City Manager may summarily place any City employee on an immediate suspended status with or without pay. Such suspensions shall be made only in cases where the employee's continued active duty status might, in the sole opinion of the City Manager, constitute a hazard to the employee or others, tend to bring the City service into discredit, or prolong acts or omissions of improper employee conduct. If the disciplinary action or suspension is not subsequently ordered and/or affirmed, the employee shall be reinstated in status and restored all pay and fringe benefits lost during such summary suspension.

Section 12.12 Right to Representation

An employee subject to a meeting, an investigation that may result in disciplinary action, a predisciplinary conference or hearing has the right, upon request, to be represented by an employee representative or an attorney retained by the employee at the employee's expense. Any employee, other than those defined as management, mid-management and confidential employees shall be permitted to represent another City employee or group of City employees.

Section 12.13 Records Purged

An employee's personnel file shall be purged of all documents relating to ordered disciplinary actions, except dismissal, after three (3) years from the end of such action upon the written request of the employee or former employee against whom the action was taken. *(Updated 09-25-08: RCG)*

STAFF REPORT
CITY COUNCIL REGULAR MEETING AGENDA
MEETING DATE: AUGUST 6, 2018

SUBMITTED:	July 26, 2018	**AGENDA ITEM:**	Consent Resolution
DEPARTMENT:	Human Resources	**CONTACT:**	Diana Hillstock, Human Resources Analyst
DEPARTMENT HEAD:	Brett Miller, Administrative Services Director		831-636-4301

TITLE OF ITEM: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HOLLISTER AND MID-MANAGEMENT UNIT

BRIEF DESCRIPTION: This Resolution approves the Memorandum Of Understanding between the City of Hollister and the Mid-Management Unit for the term of July 1, 2018 through June 30, 2021.

RECOMMENDATION: Staff recommends City Council ADOPT the Resolution approving the Memorandum of Understanding between the City of Hollister and the Mid-Management Unit.

DEPARTMENT SUMMARY: The current Memorandum of Understanding between the City of Hollister and Mid-Management Unit expired on June 30, 2018. Representatives have negotiated in good faith for approximately one (1) month and have reached agreement for a successor Memorandum Of Understanding with a three (3) year term. The implementation of this agreement is effective July 1, 2018.

FINANCIAL IMPACT: No financial impact in the current year as the increase was budgeted as part of the bi-annual 2018/2020 budget.

ATTACHMENTS:
1. FINAL DRAFT Mid Mgmt MOU 7-1-18 TO 6-30-18 as of 7.26.18

THIS REPORT WAS REVIEWED BY THE CITY MANAGER WHO CONCURS WITH THE STAFF RECOMMENDATION

William B. Avera, City Manager