Memorandum of Understanding

between

CITY OF HAYWARD

and

SEIU LOCAL 1021

MAINTENANCE AND OPERATIONS UNIT

December 21, 2021 through June 30, 2024
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MEMORANDUM OF UNDERSTANDING

between

CITY OF HAYWARD

and

SERVICE EMPLOYEES INTERNATIONAL, LOCAL 1021 MAINTENANCE AND OPERATIONS UNIT

On the date hereinafter subscribed, authorized representatives of the City of Hayward, herein called "City" and authorized representatives of the Service Employees International Union Local 1021, herein called “Union”, made and entered into this Memorandum of Understanding. It is understood and agreed that this Memorandum of Understanding supersedes and replaces the previous Memorandum of Understanding and any side letters entered into by and between the City of Hayward and Service Employees International, Local 1021, as well as the Imposed Terms.

This Memorandum of Understanding is subject to all applicable Federal laws, State laws and the Charter of the City of Hayward; and all ordinances, resolutions, Administrative Rules and Personnel Rules of the City except as expressly provided to the contrary by this Memorandum of Understanding.

1.00 RECOGNITION, DISCRIMINATION, AND UNION ACTIVITIES

1.01 Recognition

Effective 2007, SEIU restructured its local union affiliates and SEIU Local 790 merged into SEIU Local 1021. The City has recognized Local 1021 as the majority representative for this Maintenance and Operations Unit of employees. The Union has agreed to indemnify the City in the event of claims arising against the City as a result of City recognition of Local 1021. During the term of this Memorandum of Understanding, SEIU agrees to indemnify, defend, and hold the City of Hayward and its agents harmless against any claims made of any nature and against any suit instituted against the City of Hayward arising from this agreement and/or the City’s recognition of Local 1021. The City agrees that, prior to retaining private counsel, the City will consult with the local union’s counsel about (1) whether the City can be defended by union’s counsel, (2) whether proposed private counsel has a conflict of interest with the local union or its predecessor, and (3) the costs of retaining the proposed private counsel.

The City recognizes the employee classifications subject to this Memorandum of Understanding and represented by SEIU Local 1021 as being comprised of the classifications listed in Appendix A of the Memorandum of Understanding and any classifications of employment (excluding those positions assigned to the Confidential Unit) which may hereafter be created by the City Manager or designee in accordance with the provisions of the City of Hayward Personnel Rules governing unit determination and modification.
1.02 Personnel Commission Agendas

Prior to placement on a Personnel Commission Agenda, the City will notify the Union of any proposed title change, or creation, modification, or deletion of a classification assigned to the Maintenance and Operations represented unit.

1.03 Union Security

A. Union Security

The Union may post within the employee work or rest area a written notice which sets forth the classifications included within each representation unit which includes any classification existing in the department and the name and address of the recognized employee organization for each such unit.

Upon certification by the Union that an employee has signed a deduction authorization form, the Employer will deduct the appropriate dues from the employee’s pay as established, and as may be changed from time to time, by the Union and remit such dues to the Union. Employee requests to cancel or change deductions must be directed to the Union rather than the Employer. Deductions will continue unless and until the City receives written notice of cancellation from the Union. Union membership is not a mandatory condition of employment for any employee covered by this Agreement.

B. Deductions

The employee’s earnings must be regularly sufficient after other legal and required deductions are made to cover the amount of the dues or service fees authorized. When an employee is in an unpaid status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee who is in an unpaid status during only part of the pay period and whose salary is not sufficient to cover the full withholding, no deduction shall be made. All other legal and required deductions have priority over union dues.

The Executive Secretary of Service Employees International Union, Local 1021 shall notify the Director of Finance in writing as to the amount of such dues uniformly required of all members of the Union.

Monies withheld by the City shall be transmitted to the Officer designated in writing by the Executive Secretary of the Union as a person authorized to receive such funds at the address specified.

The City shall furnish the Union, on a monthly basis, the name, date of hire, salary, classification, work location, job title, department, work phone number, home phone number, personal cell phone number, personal email address on file with the City and home address of all newly hired employees subject to this Agreement. The City shall provide the Union with the same information for active employees at least once per quarter.
C. Indemnification

Service Employees International Union, Local 1021 shall indemnify, defend, and hold harmless the City of Hayward, its officers, employees, and agents acting on its behalf from and against any and all losses, damages, costs, expenses, claims, demands, actions, suits, judgments, and other forms of liability arising out of the application or enforcement of this Section. The Union shall provide legal representation to the City at the Union’s expense. If the City instead chooses to select and utilize attorneys of its choice, the Union and the City shall evenly split the costs of the legal representation, but this will not change liability with respect to the outcome of litigation.

1.04 COPE Deduction

Upon receipt of the appropriate form generated by the Union, the City shall deduct designated amounts to be contributed to the Union’s political action committee (COPE) through payroll deduction.

1.05 Communicating with Employees

The Union shall be allowed to use designated portions of bulletin boards, electronic media, display areas in public sections of City buildings, or in public portions of offices in which there are employees represented by the Union, provided the communications displayed relate to official organizational business, such as times and places of meetings, and further provided that the Union appropriately posts and removes the information. This privilege may be revoked in the event of abuse after the City Manager notifies representatives of the Union. Solicitation for membership or other internal employee organization business shall be conducted during the non-duty hours of all employees concerned.

1.06 Use of City Buildings

The Union shall be allowed the use of areas normally used for meeting purposes for meetings of City employees when:

1. Such space is available and its use by the Union is scheduled at least twenty-four (24) hours in advance;
2. Such use of the available space does not interfere with normal City operations;
3. The meetings are on matters within the scope of representation.

2.00 PROBATIONARY PERIOD

2.01 Appointments Subject to Probationary Period

All employees who are identified in Appendix A as being members of the classified service shall be subject to a probationary period as provided in this Section. The probationary period shall be regarded as part of the selection process and shall be utilized for closely observing the employees’ work and for securing the most effective
adjustment of new employee to their position.

2.02 New Hire Probationary Period

All appointments (other than temporary and provisional appointments) to full-time positions in the classified service and appointments to part-time positions regularly scheduled to work twenty (20) or more hours per week shall be subject to a probationary period. The regular period of probation shall be twelve (12) months. In the event of a conflict between the job description of a represented position and this Section, the length of the probationary period provided in this Section shall control.

In the event there is a certification required for the position, the probationary period may be extended by the same time period as the time period established in the applicable job description to obtain the certification. Extensions of probationary periods unrelated to certification requirements of up to a maximum of six (6) months, by mutual agreement between the Union and the City Manager or designee in individual cases, shall be in writing.

2.03 Promotional Probationary Period

All employees promoted to a higher position through either a competitive recruitment process or reclassification shall be subject to a probationary period. The regular period of probation shall be six (6) months. In the event there is a certification required for the position, the probationary period may be extended by the same time period as the time period established in the applicable job description to obtain the certification.

An employee promoted to a higher position, who at the time of promotion is serving in such position in an acting or provisional status, may have up to six (6) months of consecutive time served in an acting or provisional capacity credited towards satisfaction of the probationary period for the promotional position. Actual time credited shall be determined by the City Manager or designee.

2.04 Release of Probationer

During the probationary period, an employee in the classified service may be released at any time without right of appeal. Written notice of release designating the effective date of such action shall be furnished to the probationer. Persons employed in a part-time position scheduled for less than twenty (20) hours per week are excluded from the classified service and may be released at any time without right of appeal. However, an employee may make a record for inclusion in the employee’s personnel file of the employee’s reason, if any, for objecting to being released from probation.

2.05 Release Following Promotion

Any employee in the classified service may be released during the probationary period following promotion to another position in the classified service. The employee released shall be reinstated to the employee’s former position or a position in the class from which the employee was promoted unless the reason for release is cause for dismissal. The employee will be reinstated to the salary step held before the promotion. If no vacancy
exists in the former class, the employee with the least amount of time in this class shall be demoted to the most recent class in which the employee has satisfactorily served. If any employee is released by such action, the employee shall be placed on a reemployment register for the classification from which the employee was released.

Release from probation is not appealable except as stated below. First, an employee may make a record for inclusion in the employee’s personnel file of the employee’s reason, if any, for objecting to being released from probation. Second, any employee who is released during a promotional probationary period whose release is cause for dismissal shall retain appeal rights to dismissal from City employment, but not the right to appeal the employee’s release from the position from which the employee was demoted.

In the event that:

a. An employee is involuntarily reclassified to a higher position in this unit;

b. The employee’s prior job classification is eliminated by the City;

c. The employee is unable to bump to another previously held City classification as provided for in Section 3.00, Layoffs and Resignations, and;

d. The employee fails the probationary period for the reclassified higher position.

Then, the employee shall have for-cause appeal rights under Section 15.04, Disciplinary Action.

2.06 Effect of Leaves on Probationary Period

Periods of time on paid or unpaid leave of eighty (80) continuous hours or more shall automatically extend the probationary period of any employee on probation. This timeframe will be prorated for part-time employees based on their budgeted FTE. The length of the extension shall be equal to the length of the individual’s placement on paid or unpaid leave.

2.07 Effective Date of Regular Status

Upon attaining regular status as a full-time employee or as a regular part-time employee, the effective date of the appointment shall revert to the date of initial probationary employment.

3.00 LAYOFFS & RESIGNATIONS

3.01 Layoffs

Whenever there is a lack of work or a lack of funds requiring reduction in personnel in a department or division of the City government, the required layoffs shall be made in such job classification(s) set forth in the Classification Plan of the City of Hayward as the Department Director may designate in accordance with the following procedures. Vacant
positions which are affected by proposed staff reductions will not be filled prior to the implementation of layoff activity.

A. Employees shall be laid off in inverse order of their length of service within the affected job classification.

1. Length of service for the purpose of this Section shall mean an employee's continuous uninterrupted service within a classification from the effective date of appointment as a probationary or part-time employee in that classification.

2. An interruption in length of service within a classification shall occur as a result of any one of the following:
   a. Discharge for cause
   b. Voluntary resignation
   c. Retirement for service or disability
   d. Absence from work for thirty-six (36) consecutive months because of layoff
   e. Failure to return from layoff as provided in Section 3.02, Rights of Return
   f. Failure to return from an approved leave of absence upon the date specified for return at the time said approval was granted.

Provisional and acting appointments to a classification shall not be construed as service in such classification unless such provisional or acting appointment was contiguous with appointment to such classification in a probationary or part-time status.

3. Whenever the effective date of appointment to a classification is the same for two or more employees, the original date of hire as a probationary or part-time employee with the City shall be used to determine which employee has greater length of service within the classification. The employee with the earlier original date of hire with the City shall be considered to have the greater length of service within the classification in this situation.

B. Within each affected job classification, all provisional employees shall be laid off before probationary employees and all probationary employees shall be laid off before any regular employees provided, however, that part-time employees whose length of service is less than any probationary or regular employee shall be laid off before such probationary or regular employee. Thereafter, if additional reductions in personnel are required, those employees with the least length of service within the affected classification shall be laid off. Any temporary hire assigned to a budgeted position in a classification where layoffs are required will be laid off prior to the layoff of a regular or probationary employee in that classification.

Furthermore, the City will request laid off employees to complete a form indicating those City jobs for which they are qualified and which they are willing to perform. When temporary assignments become available in positions indicated,
Department Directors and managers will evaluate the employees’ qualifications for the job and hire into temporary assignments those individuals deemed suitable. If during a period of such temporary employment a vacancy occurs in which an employee has rights of recall, the provisions of this Section and Section 3.02, Rights of Return, of the MOU will apply.

C. As an alternative to layoff, an employee with regular, probationary, or part-time status who is displaced from their classification in accordance with the procedures provided in paragraphs (A) and (B) of this Section shall be allowed to bump to a classification at the same salary level or to a classification at the next lower salary level, provided the classification to which the employee bumped is one in which the employee has previously served in a regular, probationary, or part-time status and where the original date of appointment to said classification, as defined in this Section, predates that of at least one (1) employee presently serving therein. As an exception to the foregoing, an employee may bump into a classification previously held where the employee’s original date of appointment to that classification predates that of at least one (1) employee presently serving therein and where said classification carries a higher salary level, only if such higher salary level resulted solely from the application of an equity salary adjustment.

1. Bumping rights afforded an employee pursuant to this Section shall include access to those classifications in which an employee has previously served but which may since have been retitled but where, as determined by the City, no substantive changes have been made in the duties or qualifications for the classification(s) in question. Such determination by the City shall be subject to the grievance procedure of this Memorandum of Understanding.

2. Prior to employees being laid off, the City shall post on official bulletin boards and provide the Union with status registers for all affected classifications within the representation unit. Said lists shall include the names of all present employees who have held these classifications and their appointment dates thereto.

3. An employee eligible to bump into another classification pursuant to this paragraph (C) shall have five (5) calendar days after notice of assignment by the City Manager to a position in that classification in which to accept such assignment. If the affected employee fails to accept such assignment within said five (5) calendar day period, the employee shall be laid off. An employee so assigned shall be placed at a salary step in the range for the classification to which the employee bumps which is closest to the employee’s former rate of pay but which does not exceed the salary step held by the employee in the classification from which the employee was displaced.

4. In the event an employee bumps to an occupied or vacant position that is "flexibly" staffed as reflected in the job description for the position, assignment to said position shall be at the level which the employee previously held.

5. An employee who is bumped into a lower classification previously held shall have the choice to bump into a position in the employee’s current division
held by a less senior employee or bump into a vacant position in the same classification elsewhere in the City.

D. When employees are scheduled for layoff by the City, the affected employee and the Union will be given at least two (2) weeks’ notice, if possible. The City shall attempt, in so far as is possible, to accomplish any contemplated reduction in personnel by attrition rather than by layoff.

When an employee slated for layoff possesses the qualifications for another class in which there exists an opening and for which there is no eligible list, the City will consider the provisional appointment of the employee to the alternate position pending completion of a recruitment and testing process. An employee provisionally appointed under this provision may compete with other applicants for that position.

E. In the event employees are scheduled to be laid off, other employees with greater length of service within the same classification may elect to be laid off in lieu of those employees scheduled for such layoff. Employees laid off shall be placed on a reemployment register for the period of two years for the classification held at time of layoff.

3.02 Rights of Return

As position vacancies occur, employees on layoff and those occupying positions to which they have bumped shall be afforded return rights in the order of their length of service in the classification(s) in which such vacancies occur.

A. An employee shall have ten (10) calendar days from the mailing by certified mail of a notice of return to the address of record on file with the Human Resources Department to indicate acceptance of such return and the employee’s agreement to report for work as specified in the notice.

B. Employees in layoff status shall retain all credited sick leave earned but unused at the time of layoff. An employee on layoff shall not earn vacation leave credit while in layoff status. Upon an employee’s return from layoff, the employee shall be credited with proportionate vacation leave for the balance of the calendar year. The amount of such credit shall be based upon continuous, uninterrupted service with the City, including time spent in layoff status. Use of vacation leave so credited shall be subject to the provisions of Section 12.02, Vacation Leave Allowance for Full-Time Employees, of this Memorandum of Understanding.

C. Employees who are displaced from their classifications by virtue of layoff shall be placed on a reemployment register for the classification they held at the time the layoff occurred, hereinafter referred to as the "primary" register. They shall also be placed on reemployment registers for classifications in which they previously served, hereinafter referred to as "secondary" registers. If an employee fails to respond to such notice of return within the prescribed time period or declines to return from layoff to a secondary register classification, the employee’s name shall be removed from said secondary register, and the employee shall no longer be eligible for recall to that classification. If an employee fails to respond to notice of
return within the prescribed time period or declines return to the primary register classification, the employee will be considered to have voluntarily resigned employment with the City.

D. Primary and secondary reemployment registers shall be valid for a period of two (2) years.

4.00 WORK SCHEDULES - OVERTIME

4.01 Work Schedules

The normal workweek for all full-time employees shall consist of forty (40) hours during each seven (7) day work period.

For payroll purposes, the City’s work week shall commence at 12:00 a.m. on Monday and end at 11:59 p.m. on Sunday, except that the work week for employees on Alternate Work Schedules may be modified based on individual schedules to accommodate forty (40) hours in a seven (7) day work period.

The City reserves the right to implement business closures during the calendar week in which the Thanksgiving holiday is observed and on those days between the City’s observance of Christmas and New Year’s Day, with the discretion to extend the closure through the calendar week in which New Year’s Day is observed.

If the City exercises the right to implement business closures during these times, employees will be permitted to use available accrued vacation, compensatory time off, and/or work upon prior notification to their supervisor. Employees who do not have sufficient leave balances for the entire period will be in an unpaid status. No leave balances will be advanced.

4.02 Overtime Work

Employees eligible to receive overtime compensation, as determined under the provisions of the Fair Labor Standards Act, shall receive overtime for work performed in excess of forty (40) hours per week. All hours paid shall be counted toward the 40-hour threshold for purposes of determining if an employee is entitled to receive overtime compensation. Overtime work shall be recognized only when directly ordered or required by the Department Director or a designated representative. No employee may work overtime without receiving the approval of the appropriate supervisor prior to performing the work. Working overtime without advance approval is grounds for discipline.

4.03 Compensation for Overtime Work

Overtime work shall be compensated by pay at the rate of time-and-one-half (1.5) of the regular rate of pay. An employee may opt to accrue compensatory time off in lieu of cash payment for overtime worked. The accrual rate of compensatory time shall be one- and-one-half (1.5) hours for every hour of overtime worked.

At any time, employees, in their sole discretion, may accumulate up to a maximum of
one hundred and twenty (120) hours of compensatory time maintained on a continuous, per pay period basis. Thereafter, the City will compensate employees with overtime pay for all hours of overtime worked beyond the one hundred and twenty (120) hour limit.

Employees may request and, subject to approval of the Department Director or designee, use compensatory time off up to the maximum accrual pursuant to this Section.

4.04 Call-Back Pay

Employees who have completed their regular shift and have been released for the day who are then called back to work shall be paid at the applicable overtime rate for a minimum of two (2) hours. An employee on standby who is called out during such time is excluded from the application of this provision.

4.05 Meal Periods and Rest Periods

Full-time employees shall be assigned to receive a thirty (30) minute unpaid meal period each day within a two (2) hour period at the midpoint of each shift, a fifteen (15) minute paid rest period during the first half of the work shift, and another fifteen (15) minute paid rest period during the second half of the work shift.

In the event an employee does not receive an unpaid meal period, the employee shall be compensated at the overtime rate for said meal period or shall be permitted equivalent time off the same day. The City shall make reasonable effort to ensure that employees’ meal periods are uninterrupted.

As an exception, employees required to remain on-site at the Wastewater Treatment Plant during their meal break will be provided a thirty (30) minute paid meal break.

4.06 Distribution of Overtime

Work outside of the scheduled workday and workweek shall be assigned to employees in the same classification on an equitable and even basis within a department in so far as reasonably possible provided the employees are qualified and available for such work.

Employees with the most seniority within a classification shall be assured the first opportunity for overtime on a rotating basis in equalizing overtime. Employees who are successfully contacted and state that they are not available for work shall be deemed to have worked the same number of hours as the employee performing the assignment.

Each Department must maintain a daily list and post all hours worked for scheduled and non-scheduled overtime for all classifications on a continual basis. The posted list shall start January 1st and end December 31st.

4.07 Overtime – Minimum Rest Period

An employee assigned to a ten (10) hour per day schedule who works a full shift and is asked to then work an additional six (6) hours in the twenty-four (24) hour period
commencing with the start of said scheduled shift shall be guaranteed eight (8) consecutive hours off the job before being permitted to commence work again. An employee assigned to an eight (8) hour per day schedule who works their regular scheduled full shift and is asked, without being given twenty-four (24) hour notice, to work an additional eight (8) hours in the twenty-four (24) hour period commencing with the start of said shift, shall be guaranteed eight (8) consecutive hours off the job before being permitted to commence work again.

The preceding does not apply during a declared state of emergency, in which case the guarantee shall be five (5) hours. Said employee shall be paid at the regular straight time hourly rate of pay as listed in the Salary Schedule for any of the guaranteed hours off which fall within the employee’s next scheduled work shift.

The provision of this Section shall not apply in the case of scheduled shift changes, if a twenty-four (24) hour notice is provided, or in disaster situations so declared by proper authority.

4.08 Alternate Work Schedule

A. In departments where interest regarding alternate work schedule adjustments has been expressed by either management or employees, appropriate management personnel will meet with a Union representative and interested employees to determine whether or not the proposed work schedule will have an adverse impact on service to residents (i.e. phone coverage, front counter coverage, etc.)

B. If a positive finding is made, the proposed work schedule shall be attempted on a trial basis for a period of up to six (6) months.

C. Should the City determine during the trial period that the work schedule adversely affects customer service the City will have the right to terminate the trial period and revert to the original work schedule.

D. At the conclusion of the trial period, management and employees involved will jointly evaluate whether any adverse impact has been identified.

E. In the event the City wishes to terminate the adjusted work schedule under review, the Union will be given thirty (30) days’ notice and the opportunity to provide feedback.

F. The Department Director, upon consideration of the results of the trial period and following the meeting with the Union, will decide whether to terminate or continue the adjusted work schedule.

G. The provisions of this Section are not subject to the grievance procedure provided in this Memorandum of Understanding.

4.09 Change in Work Schedules

Prior to implementing any work schedule change(s) affecting Union employees, the City will first meet and confer with the Union.
4.10 Flexible Scheduling

Employees wishing to work a flex time schedule (a schedule with varying daily start times) shall be permitted to do so with the approval of the Department Director or designee. Unless the parties otherwise agree, no later than thirty (30) days prior to the requested schedule change, employees must submit a proposed flex time schedule in writing to the Department Director or designee. Employees should indicate in their proposal the details of the intended schedule, including starting and ending times and a description of arrangements or agreements designed to assure the timely and effective completion of the employee’s work, and how the proposed schedule could enhance service to the public and/or improve employee morale and productivity. The Department Director or designee shall respond to the proposal within two (2) weeks. The Department Director’s or designee’s decision is not grievable. The Department Director or designee may amend or cancel the flexible schedule if the City gives the employee at least a two (2) weeks’ notice.

4.11 Treatment Plant Shift Bidding and Rotation Procedures

Lead Operators will first fill Lead Operator slots by bid and classification seniority. Lead Operators who bids on a Plant Operator slot shall first their classification seniority considered during the bidding process. However, in no instance shall a Lead Operator with less classification seniority than a Plant Operator be able to outbid a Plant Operator. Hence, classification seniority shall be the deciding factor when bidding on Plant Operator slots. The shift bidding procedure is as follows:

a. In mid-June and mid-December of every year, shift bid forms will be distributed to all operations employees.

b. Operators will submit bid forms by June 30 and December 31.

c. On or about January 1 and July 1, the new schedule will be posted.

d. Assignment resulting from the shift bidding shall be effective the first complete pay period in February and August of each year.

Employees scheduled to work a weekend 12-hour shift will be charged hour-for-hour for time off when taking sick leave, vacation, compensatory time off, or other paid leave. Employees on 12-hour shifts will earn shift differential in accordance Section 5.02, Night Shift Differential, of the MOU as follows:

<table>
<thead>
<tr>
<th>Shift</th>
<th>Time Period</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
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<td>0700 – 1500</td>
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</tr>
<tr>
<td></td>
<td>1500 – 1900</td>
<td>swing shift differential</td>
</tr>
<tr>
<td>Night Shift</td>
<td>1900 – 2300</td>
<td>swing shift differential</td>
</tr>
<tr>
<td></td>
<td>2300 – 0700</td>
<td>grave shift differential</td>
</tr>
</tbody>
</table>

4.12 Overtime at the Water Pollution Control Facility
Overtime at the Water Pollution Control Facility will be assigned as follows:

a. All Union members who are Operators shall be assigned to the overtime list, provided they hold current certifications and have been checked off on current plant procedures. It is the responsibility of the employee to ensure that the overtime list has their current telephone number.

b. Overtime will be offered to employees within the classification first.

c. New employees on the overtime list shall be credited with the number of overtime hours equal to the maximum number of hours of any employee on the list.

d. For the purpose of this Section, at 11:59 p.m. on December 31st of each year, the list will be cleared and all employees’ hours will be reverted to zero.

e. Employees who are on vacation, sick leave, or disability leave shall not be called for overtime and shall not be deemed to have worked the overtime for purposes of position on the overtime list.

f. Employees with the least amount of overtime worked or charged shall be contacted first. As an exception to this, Operators affected by the eight (8) hour rule will not be called and will not be deemed to have worked the overtime for purposes of position on the overtime list.

g. Other employees who are certified to act as Operators shall be allowed to work overtime if an insufficient number of employees are available.

In the event an insufficient number of employees are available to work the required overtime after all employees not covered by the above paragraph have been contacted, those employees having the least amount of overtime worked or charged shall be required to work such overtime unless they have a good and sufficient reason which precludes them from working the required overtime. After exhausting the above, if an overtime spot remains unfilled, employees affected by the eight (8) hour rule may be called.

5.00 SPECIAL PAY AND ALLOWANCES

5.01 Meal Allowance

A fifteen-dollar ($15.00) meal allowance shall be provided to employees required by their supervisor to work at least two (2) hours of overtime when such overtime is worked at the end of or prior to the start of a shift, or as a result of an unscheduled call-back on scheduled days off. For each additional four (4) hours worked, the employee shall receive an additional fifteen-dollar ($15.00) meal allowance.

5.02 Standby Provisions
A. Standby Pay

Employees who are required to be available on a standby basis for possible service calls during their off-shift hours shall receive a standby allowance as follows:

1. Employees on standby on weekdays (i.e., a sixteen (16) consecutive hour period commencing with the end of the regular scheduled work shift Monday through Friday) shall receive a standby allowance of one (1) hour’s pay at the employee's regular hourly rate for each weekday night of standby required.

2. Employees on standby on regularly scheduled days off and on holidays (i.e., a twenty-four (24) consecutive hour period commencing at 8:00 A.M.) shall receive a standby allowance of two (2) hours’ pay at the employee's regular hourly rate for each of the aforementioned days of standby required.

An employee on standby who is called out on a service call shall receive, in addition to the standby allowance provided above, compensation at the overtime rate for work actually performed during such standby. In the event an employee on standby is called out on a service call(s), the employee shall be guaranteed a minimum of two (2) hours of work or two (2) hours’ pay at the overtime rate for the entire standby period as defined above.

B. Use of City Vehicles by Employees on Standby

The City agrees to continue the program whereby employees on standby will be allowed to take home a City vehicle when assigned to such standby. This program is subject to the following conditions:

1. Taking home a City vehicle shall be allowed only for employees on standby who live either in or within a reasonable distance of the City of Hayward as determined by the Department Director.

2. Under no circumstances shall the employee use a City vehicle so assigned for personal travel or business, including stopping for personal errands while traveling to and from work or a standby assignment.

3. The employee shall be responsible for the security of a vehicle so assigned as well as all tools and equipment with which it is furnished.

4. Whenever possible, vehicles shall not be parked on public streets but shall either be garaged at the employee’s home or parked on private property.

C. Standby Communication

The City will provide cell phones or other communication devices to employees assigned to standby pursuant to this Memorandum of Understanding.

Employees are not eligible for standby pay if they are unable to work due to illness on the day standby pay would have otherwise occurred.

D. Departments/Work Locations Where Standby is Required:
5.03 Certification Fees

When the City or State requires that employees possess a certificate as prerequisite to the performance of their job duties, the City shall reimburse said employee for any fee involved in the issuance or renewal of said certificate. Employees shall suffer no loss in pay for time spent taking qualifying examinations during regularly scheduled work hours for said certificates. The City will pay overtime up to four (4) hours for time spent taking qualifying examinations outside of regularly scheduled work hours. Fees for driver’s licenses and time spent acquiring them are not covered by this provision.

5.04 Bilingual Pay

Department Directors shall identify those employees who are required in the performance of their duties to converse with the public in a language other than English. Those who have demonstrated their competency in a second language through an oral fluency test administered by the Human Resources Department shall receive bilingual pay in the amount of thirty dollars ($30) per pay period.

Employees who are required in the performance of their duties to converse with the public and communicate in writing and/or translate official written documents in a language other than English and who have demonstrated their competency in a second language through an oral and written fluency test administered by the Human Resources Department shall receive an additional seventy dollars ($70) of bilingual pay for a total of one-hundred dollars ($100) per pay period.

No more than once every twenty-four (24) months, the Department Director or designee may require an employee receiving bilingual pay to demonstrate continued competency in a second language as a condition of continuing to receive pay under this Section. Employees who do not demonstrate continued competency will cease receiving bilingual pay until such time competency is again demonstrated.

5.05 Tool Issuance

The City will provide the classifications of Equipment Mechanic I and Equipment Mechanic II with hand tools required in the performance of their duties. Said hand tools will be at no cost to the employee and will be of the same quality as previously furnished by the City.

5.06 Sewer Maintenance Differential

3.174% was rolled into the base salary of eligible employees in February 2014. No additional differential for this duty will be provided.
5.07 Night Shift Differential

Employees assigned to shifts that include five (5) or more hours scheduled between the hours of 3:00 P.M. and 11:00 P.M. shall be paid an additional two dollars ($2.00) per hour for all hours worked during that window. Employees assigned to shifts that include five (5) or more hours scheduled between 11:00 P.M. and 7:00 A.M. shall receive an additional three dollars ($3.00) per hour for all hours worked during that window. For example:

- An employee who works a shift from 6:00 P.M. to 6:00 A.M. will be paid (i) the swing shift differential for the hours worked from 6:00 P.M. to 11:00 P.M. and (ii) the night shift differential for the hours worked from 11:00 P.M. to 6:00 A.M.

- An employee who works a shift from 12:00 P.M. to 8:00 P.M. will be paid (i) the swing shift differential for the hours worked from 3:00 P.M. to 8:00 P.M. and (ii) no premium for the hours worked from 12:00 P.M. to 3:00 P.M.

- An employee who works a shift from 12:00 A.M. to 8:00 A.M. will be paid (i) the night shift differential for the hours worked from 12:00 A.M. to 7:00 A.M. and (ii) no premium for the hour worked from 7:00 A.M. to 8:00 A.M.

The City will make every effort to provide employees at least twenty-four (24) hours’ notice of a change in shift assignment.

5.08 Heavy Equipment Vehicle Operation Differential

Employees in classifications other than equipment operators who are assigned to drive a "ten-wheeler" front loader, backhoe, water tanker truck, vactor truck, knuckle truck, or crane vehicle shall receive five percent (5%) more than the employee's salary in the employee’s present classification for all hours while so assigned.

5.09 Pesticide Differential

An employee who is assigned to operate and/or drive a motorized sprayer of fifty (50) gallons capacity or larger shall receive a salary differential of five percent (5%) above the salary step currently held for all hours during which the employee actually operates the aforesaid equipment. Only those employees who possess a valid Agricultural Pest Control Applicator's License and the requisite knowledge and experience to safely and effectively operate the equipment shall be eligible to receive this salary differential. This salary differential shall not apply during periods of paid leave nor during the use of accrued compensatory time.

5.10 DMV Certification

Employees assigned to perform testing, DMV certification, and maintenance of related documents shall qualify for a special assignment pay of five percent (5%) above the salary step currently held.
5.11 **Heavy Equipment Repair Differential**

Effective the pay period including July 1, 2018 or the first pay period following ratification of this agreement, whichever is later, the heavy equipment repair differential that was previously rolled into the base salary of employees in the classifications of Equipment Mechanic I and Equipment Mechanic II will be rolled out, and salaries for these two (2) classifications will be reduced by 0.915%. In exchange for rolling out 0.915% from the salary schedule, the City will provide employees in the classifications of Equipment Mechanic I and Equipment Mechanic II a salary differential of five percent (5%) during those hours when the employee is performing work repairing front loaders, backhoes, all fire ladder trucks, fire engines, ARFF water tankers, Type III Fire Apparatus, and all vehicles that require a commercial license to operate.

5.12 **Distribution Certification Differential**

Employees in the following classifications who attain a State-approved D-3 Certification or higher shall be entitled to receive a five percent (5%) differential, so long as their certification is valid, provided that they also meet the applicable minimum state qualifications for certification:

- Water Meter Mechanic
- Backflow/Cross Connection Tester
- Utility Worker
- Cross-Connection Control Specialist
- Electrician I/II
- Utility Service Worker
- Utilities Maintenance Mechanic
- Utility Leader

As an exception, those employees who were receiving differential pay for a D-3 certification or higher on February 1, 2014 will receive this pay so long as their certification is valid. This pay will be reinstated the first full pay period following ratification of this contract by the Union and approval of City Council.

5.13 **Homeless Encampment Differential**

Employees assigned to clean up homeless encampments shall receive five percent (5%) more than the employee’s salary in the employee’s present classification for all hours while so assigned.

5.14 **Thermoplastic Differential**
Employees assigned to use thermoplastic equipment shall receive five percent (5%) more than the employee’s salary in the employee’s present classification for all hours while so assigned. This differential will sunset at the end of the current contract (effective June 30, 2024).

6.00 MEET AND CONFER - TIME OFF FOR REPRESENTATIVES

6.01 Representatives Empowered to Act

The Union shall advise the City of those persons empowered to act as its representatives with authority to bind the Union in matters pertaining to the administration of this Memorandum of Understanding.

6.02 Time Off to Meet and Confer

The City shall allow up to four (4) employee representatives of the Union approved time during regular work hours without loss of compensation or other benefits for the purpose of formally meeting and conferring with representatives of the City on matters within the scope of representation.

The City agrees to provide up to five (5) days per year of unpaid release time for purposes of participation in Union training activities upon request from the designated steward and subsequent approval by the steward’s supervisor. Approval shall be subject to the workload requirements of the Department.

6.03 Union Stewards

The Union may select a reasonable number of stewards from within the represented units in each geographical work location.

A specified number of employee representatives, as agreed upon by the City and the Union, may be released from work for the purpose of attending union/management meetings with Department Directors or other managers.

The Union shall provide the City Manager or designee with timely written notification of the names of chapter executive board members and stewards.

6.04 Permission to Leave Assignments

Employee representatives shall not leave their workstations or assignments without specific approval of the Department Director or designee. Approval will not be unreasonably withheld.

7.00 BENEFIT PLANS
7.01 Medical Insurance

The City currently contracts with the California Public Employees’ Retirement System (CalPERS) for the purpose of providing medical insurance benefits for active employees and their eligible dependents, eligible retired employees, and eligible survivors of retired employees. Eligibility of a dependent to participate in this program shall be in accordance with the terms of the Public Employees’ Medical and Hospital Care Act (PEMHCA). Eligibility of retired employees and survivors of retired employees to participate in this program shall be in accordance with those provisions of PEMHCA providing for participation by annuitants.

The City’s employer contribution towards medical insurance benefits for each eligible employee shall be the minimum contribution amount required by Government Code Section 22892. Contributions provided under this Section are required only to the extent mandated by PEMHCA.

Because CalPERS may change carriers and plans, the City shall not be required to provide a specific insurance coverage and shall only be required to provide those benefits as described in this Section so long as the City contracts for benefits with CalPERS for medical insurance benefits.

The City will provide each eligible annuitant, as defined by PEMHCA, with an employer contribution provided to an active employee under this Section.

7.02 Flexible Benefits Allowance

The City shall provide a contribution to the City’s flexible benefits plan (125 plan) for each full-time employee in regular or probationary status who is enrolled in one of the CalPERS medical insurance plans offered by the City. Employees can use this contribution to offset the cost of benefits purchased through the plan. The value of any flexible benefit allowance provided by the City under this Section shall be determined as follows:

A. Effective the pay period that includes July 1, 2015, the allowance provided to an eligible employee shall be equal to one hundred percent (100%) of the premium cost for health insurance coverage based on the employee’s plan selection and participation level (e.g., Employee only coverage, Employee +1 coverage, or Employee +2 coverage), less the amount of any contribution provided under Section 7.01, Medical Insurance, above. The City’s maximum contribution under this Section shall not exceed the cost of one hundred percent (100%) of the Bay Area Kaiser benefit plan as determined by the employee’s participation level, less the City’s contribution towards medical benefits under PEMHCA, except that in no event shall the sum of the City’s contribution pursuant to the provisions of this Section and Section 7.01, Medical Insurance, of this Memorandum of Understanding exceed one hundred percent (100%) of the premium cost for the CalPERS medical insurance plan in which the employee is enrolled.

B. The City shall continue to provide a Flexible Benefit Allowance as provided in this Section unless amended or repealed by the City Council.
C. Contributions to an employee’s Flexible Benefits Account shall be used only for payment of those benefits that are available through the City’s Flexible Benefit Plan.

The City will not treat any contributions made to the Flexible Benefits Plan as compensation subject to income tax withholding unless the Internal Revenue Service and/or the Franchise Tax Board indicates that such contributions are taxable income subject to withholding. Each employee shall be solely and personally responsible for any Federal, State, or local tax liability of the employee that may arise out of the implementation of this Section or any penalty that may be imposed therefore.

D. Each employee shall file an election in writing during the month of open enrollment for medical insurance each year designating how the contributions in the employee’s Flexible Benefit Account are to be spent during the ensuing year. Thereafter, no changes to designations so made shall be allowed until the enrollment of the following year, except for changes due to an eligible qualifying event.

E. Each employee shall be responsible for providing immediate written notice to the Human Resources Director or designee of any change to the number of the employee’s dependents which would affect the amount of the City’s payment to the Flexible Benefits Account. An employee who, by reason of failing to report a change in dependents, receives a City payment greater than the amount to which the employee is entitled shall be liable for refunding the excess amounts received via a reduction in the amount paid to the employee’s Flexible Benefits Account in subsequent months. Changes to flexible benefit contributions associated with changes in an employee’s number of dependents shall take effect at the start of the first pay period in the month following the month in which notice of the changes is received by the Human Resources Department. No retroactive increases to the Flexible Benefit Allowance provided by the City shall be allowed.

7.03 Federal or State Health Plan

If, pursuant to any Federal or State law, including but not limited to the Patient Protection and Affordable Care Act, which may become effective subsequent to the effective date of this Memorandum of Understanding, the City is required to pay contributions or taxes for hospital-medical care, dental care, prescription drugs, or other health benefits to be provided to employees under such Federal or State act, the City’s obligation to furnish the same benefits under the Hospital Medical-Surgical-Dental Care and Prescription Drug Plans shall be suspended, and the contributions agreed to be paid monthly hereunder by the City under Sections 7.01, Medical Insurance, 7.02, Flexible Benefits Allowance, and 7.06, Dental Insurance, of this Memorandum of Understanding shall be reduced each month by the amounts the City is required to expend during any such month in the form of contributions or taxes to support said Federal or State health plan.

If, the level of benefits provided by such law for any group of employees or their dependents is lower in certain categories of services than those provided under Sections 7.01, 7.02, and 7.06, the City shall, to the extent practicable, provide a plan of benefits supplementary to the Federal or State benefits so as to make benefits in each category of coverage as nearly comparable as possible to the benefits provided under said Sections 7.01, 7.02, and 7.06. The City need only expend for this purpose the actual amount required to achieve parity between the benefits provided under Sections 7.01,
7.02, and 7.06 and the benefits provided under any Federal or State plan as supplemented in the manner hereinabove described.

If the benefits provided under the Federal or State Act exceed the benefits provided hereunder in each category of coverage, the City shall be under no further obligation to make any contribution in pursuance of this Section.

In the event that the federal or state government enacts a health care program requiring contributions by employees, such employee contribution shall be reimbursed by the City in the amount by which said employee contribution reduces the City contribution required under this Section of the Memorandum of Understanding.

7.04 **Alternate Benefits**

A. An alternative benefit in the form of a cash payment is available to those full-time employees in regular or probationary status who: (1) elect to opt-out of receiving City contributions under Section 7.01, Medical Insurance, and 7.02, Flexible Benefits Allowance; (2) are not enrolled in a City-sponsored health insurance plan as the dependent of another City employee; and (3) provide proof of medical insurance coverage from a plan other than a City-sponsored plan.

Any cash payment provided under this Section shall be reported to the Internal Revenue Service (IRS) and the California Franchise Tax Board as compensation subject to income tax withholding. Each employee shall be solely and personally responsible for any tax liability that may arise out of receipt of the alternative benefits provided under this Section. The alternative benefit provided to an employee is based on the level of insurance coverage that the employee could have received if the employee had enrolled in a City-sponsored health insurance plan, as follows:

- Employee only ........................................ $210.00 per month
- Employee and one dependent .................. $380.00 per month
- Employee and two + dependents ............. $500.00 per month

For the purpose of this Section, the term "dependent" shall mean a dependent eligible for coverage under a CalPERS medical insurance plan if such coverage had otherwise been elected by the employee.

B. Enrollment in alternative benefits must be elected each year during open enrollment. Benefit eligibility and alternative benefit amounts may vary from year to year depending on plan premiums.

C. The provisions of this Section shall be administered in accordance with regulations issued by the City Manager or designee which shall include, but not be limited to: the method and frequency of reimbursement to employees for the alternate benefits program(s) selected, the frequency with which employees may exercise the option to change alternate benefits programs, and appropriate procedures for the verification of payments made in pursuance of this Section.

7.05 **Supplemental Retirement Benefit**
Employees who retire from the City with at least ten (10) years of continuous City service are eligible to receive a supplemental retirement benefit. This benefit shall be equal to $274.72, less the amount provided for under PEMHCA as described in Section 7.01, Medical Insurance. This supplemental benefit is provided in the form of cash to the retiree on a monthly basis. In order to receive this benefit, the retiree must begin receiving pension benefits within one-hundred twenty (120) days of leaving City employment and must be enrolled in a CalPERS sponsored healthcare plan as a retiree of the City of Hayward. Retirees are solely responsible for any tax consequences associated with the receipt of benefits under this Section.

7.06 Dental Insurance

The City shall contribute towards dental insurance premiums for full-time employees, other than temporary and provisional employees, and their eligible dependents. The City’s contribution on behalf of an eligible employee participating in a City-sponsored dental plan shall be equal to eighty percent (80%) of the monthly premium for dental insurance as determined by the employee’s enrolled participation level in the City sponsored dental plan. Employees enrolled in dental insurance are required to contribute the remaining twenty percent (20%) of the premium costs for dental insurance coverage.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third-party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

Currently, the City provides insurance through a Delta Dental plan or United Concordia plan. Details regarding benefits and covered services for each plan may be found in the current Delta Dental or United Concordia benefits summaries for the City of Hayward, respectively.

The City reserves the right to provide dental care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing dental care benefits for employees, or through a program of self-insurance. In the event the City exercises this option, the alternate coverage shall be substantially equivalent to the coverage in effect when a change in carriers takes effect.

7.07 Life Insurance

The City shall pay the entire cost of providing each regular and probationary employee with fifty thousand dollars ($50,000) group term life insurance with said policy to include accidental death and dismemberment coverage and the right to conversion at the time of termination of employment to a form of permanent coverage without medical restrictions. Part-time employees who consistently work twenty (20) or more hours per week shall be eligible for twenty-five thousand Dollars ($25,000) City paid group term life insurance coverage.

7.08 Medical, Dental, Vision and Flexible Benefits for Certain Part-
Time Employees

Employees who are hired in a part-time status and full-time employees who voluntarily assume part-time status shall be entitled to participate in group medical and dental insurance programs and receive a payment from the City to be applied to such plans subject to the following conditions:

1. Except as provided in paragraph (2) below, only those employees hired into positions budgeted for twenty (20) or more hours per week shall be entitled to coverage under group medical and dental plans.

2. The City's contribution for part-time employees who are eligible to participate in a CalPERS health insurance plan as an “employee” shall be proportionate to that amount provided for full-time employees in Section 7.01, Medical Insurance, of this Memorandum of Understanding.

3. The City will provide those part-time employees who regularly work more than twenty (20) hours per week (at least a 0.5 FTE) with a Flexible Benefit Allowance. The amount of any allowances provided shall be determined in accordance with the formulas provided in Section 7.02, Flexible Benefits Allowance, except that the sum of the contribution provided to a part-time employee who works more than twenty (20) hours per week under Section 7.01 plus the amount provided as a Flexible Benefit Allowance shall be based on the total number of hours worked each month by the part-time employee.

For new employees, the City contribution for medical insurance shall be based upon the employee’s estimated work schedule during the first month of coverage. Thereafter, the actual number of hours worked by the employee each month shall be used to determine the amount of City contributions towards medical insurance premiums in the following month, except that the amount provided shall never be less than the amount required by the applicable government code.

4. The City's contribution towards dental insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 7.06, Dental Insurance, of this Memorandum of Understanding. The calculation of proportionate payments shall be in accordance with the provisions of paragraph three (3) of this Section.

5. The City's contribution towards vision insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 7.09, Vision Care, of this Memorandum of Understanding. The calculation of proportionate payment shall be in accordance with the provisions of paragraph three (3) of this Section.

6. The City's payment for alternate benefits shall be based upon scheduled hours of work and shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 7.04, Alternate Benefits, of this Memorandum of Understanding. The calculation and proportionate payments shall be based upon the hours budgeted for the position.
As an exception to the foregoing, full-time employees who become part-time employees as a result of a City imposed reduction in hours will continue to receive City payment of medical and dental insurance premiums and will continue to participate in the Flexible Benefits plan on the same basis as full-time employees.

7.09 Vision Care

The City shall contribute toward vision care insurance for full-time employees, other than temporary and provisional employees, and their eligible dependents. Currently, the City provides vision coverage through VSP under a plan that provides for a fifteen-dollar ($15.00) deductible and includes an eye examination, lenses, and frames once per year. The cost of the monthly premium shall be shared equally (50/50) between the employee and the City.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third-party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

The City reserves the right to provide vision care benefits under a self-funded plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing vision care benefits for employees, or through a program of self-insurance. In the event the City exercises its option to move to a self-funded plan or to change insurance carriers, any new benefit plan shall provide coverage that is substantially equivalent to the coverage available at the time this option is exercised.

7.10 Deferred Compensation

A Deferred Compensation Plan has been established for the benefit of City employees. Employees may contribute to the Plan as provided by the Plan terms.

Except for those changes which are necessary or desirable to obtain or maintain the favorable tax status of the plan, any changes in the written plan document governing the implementation and administration of the Deferred Compensation Plan adopted by the Hayward City Council on May 12, 1981 with respect to termination or modification of the Plan will be jointly decided upon by the Administrative Committee as defined in Section 13.00 of the Plan document.

7.11 State Disability Insurance - (SDI)

SDI coverage shall continue for employees and shall be coordinated with employees’ sick leave in order to extend the period of full pay for as long as possible while employees are disabled.

In conjunction with SDI coverage, employees may be eligible for Paid Family Leave Insurance per State law. Employees eligible for this benefit shall coordinate paid leave in order to extend the period of full pay for as long as possible while the employee is disabled.

In no event shall the employee receive disability benefits in conjunction with paid leave
or any other paid leave that will exceed the employee’s full monthly gross salary.

7.12 Employee Assistance Program

The City agrees to continue to provide an Employee Assistance Program (EAP) at no cost to the employee for the duration of this Agreement. Such Program shall offer confidential counseling services to eligible bargaining unit employees and their eligible dependents, subject to a ten (10) session limitation per fiscal year.

The City and the Union will, during the course of future union/management meetings, review the effectiveness of the EAP and recommend to the City Manager as necessary proposed changes and/or additional training needs.

7.13 Medical Flexible Spending Account and Dependent Care Spending Account

The City shall maintain a Section 125 Plan, permitting employees to pay for eligible expenses, such as employee premium contributions, medical expenses and dependent care cost, with pre-tax dollars. Participants will be responsible for any claims service charge. Participants in the Plan may annually deposit up to the maximum amount allowable under Section 125 of the Internal Revenue Code for medical expenses and dependent care into the Plan. Each employee shall be solely and personally responsible for meeting provisions and requirements set forth in the regulations of the Section 125 Plan and the Plan Administrator.

Employees shall file an election in writing during the month of open enrollment each year designating how much they would like to contribute to their Flexible Spending Account. Thereafter, no changes to designations so made shall be allowed until the enrollment of the following year, except for changes due to an eligible qualifying event.

8.00 SALARY ADMINISTRATION

8.01 Salary Administration Policy

The policy governing preparation of a compensation plan shall be that of salary standardization.

8.02 Salary at Time of Employment

The Plan may provide a flat salary rate or a salary range for each classification with a minimum, maximum, and one or more intermediate steps. The beginning or normal hiring rate shall usually be at the first step of the range. Every new employee shall be paid at the first step on employment, except that the City Manager or designee may authorize employment at a higher step if the labor supply is restricted or the person to be hired is unusually well-qualified.

8.03 Eligibility for Advancement in Pay
Employees may be advanced to higher steps as merited by progressive improvement in job skills and work performance. The following time-in-step requirements shall normally apply for an employee to be eligible for advancement in pay.

<table>
<thead>
<tr>
<th>Step</th>
<th>Time-in-Step</th>
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<tbody>
<tr>
<td>A</td>
<td>6 months</td>
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<tr>
<td>B</td>
<td>12 months</td>
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<tr>
<td>C</td>
<td>12 months</td>
</tr>
<tr>
<td>D</td>
<td>12 months</td>
</tr>
<tr>
<td>E</td>
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If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing duties, the employee may be advanced prior to completion of the above time-in-step requirements. No early advancement may be made for an employee in a probationary status.

If the first day of the time-in-step period begins in the first five (5) days of the payroll period, then time-in-step shall begin with the start of the payroll period. Advancement in pay, when approved, shall be effective at the beginning of that pay period. If not, then time shall begin on the first day of the next payroll period.

When approved, advancement in pay shall be effective at the beginning of the first pay period immediately following completion of the time-in-step requirement outlined above. If an employee is on leave without pay for more than one (1) month, the period shall be deducted from the accumulated time-in-step.

**8.04 Attaining Advancement**

An employee must demonstrate that advancement is merited on the basis of job performance. Advancement shall not be made solely because an employee is eligible according to time-in-step requirements. Good attitude and personal conduct, work accomplished, conscientious attendance, safety alertness, efforts at self-improvement, positive customer service, and other factors of individual achievement must be evident as appropriate to the position. The City Manager or designee shall be notified by the Human Resources Director or designee of an employee's approaching eligibility for step advancements.

**8.05 Use of Performance Ratings in Determining Whether Step Advancement Is Merited**

Performance ratings shall guide supervisors and Department Directors in determining whether step advancements have been earned and should be recommended to the City Manager. Performance ratings shall also serve as a means whereby an employee may benefit from a regular review of the employee's performance by the employee's immediate supervisor for: (A) clarifying the supervisor's and the employee's expectations regarding job performance, (B) reviewing the employee's performance of duties...
assigned and noting deficiencies requiring improvement or recognizing exemplary performance, and (C) establishing employee developmental goals in appropriate career or performance areas.

8.06 Withholding Step Advancements

Department Directors or their designees shall keep their employees informed about their job performance, giving good work its proper recognition and deficient work guidance and assistance toward improvement. An employee’s supervisor or manager shall notify the employee in writing at least sixty (60) days prior to the employee’s time-in-step eligibility for a merit step advancement that the employee has thus far not earned the increase based on some or all of the factors listed in Section 8.04, Attaining Advancement. The notice shall objectively identify the employee’s deficiencies and further identify the specific improvement(s) that the employee must achieve to earn a merit step increase. The supervisor or manager shall provide a copy of this sixty (60) day notice to the Human Resources Director. The notice shall be placed in the employee's personnel file along with any written response from the employee. The notice is not subject to appeal. The employee shall receive the merit step increase if the supervisor or manager does not provide the written notice to the employee at least sixty (60) days prior to the merit step increase due date.

If an employee does not meet the objectives described in the sixty (60) day notice, the employee’s Department Director or designee shall have the authority and responsibility to recommend to the City Manager that the City withhold the merit step advancement from the employee. Denial of a merit step increase is not grievable under Section 15.00, Grievances.

However, an employee denied a merit step advancement may request a meeting with the Human Resources Director or designee. The request must be made in writing (email is preferred) by the employee and submitted to the Human Resources Director within five (5) working days of the denial of the merit step increase. The meeting shall occur within thirty (30) days of the denial of the merit step increase. During the meeting, the employee may have a Union representative of choice present. The employee and/or Human Resources Director or designee may require the presence of the supervisor or manager who denied the merit step increase. The Human Resources Director or designee may conduct whatever additional review of the matter that the Director or designee deems necessary to assess the denial of the merit step increase.

8.07 Change in Pay Upon Promotion

When employees are promoted, their rate of pay shall begin at the first step in the salary range for their new position or at the step which is at least four and a half percent (4.5%) greater than their current compensation, whichever is greater. In no event will employees' salaries be set at a rate that exceeds the range applicable to the employees' new classification. When recommended by the Department Director and approved by the City Manager, additional advancement may be granted.

An employee promoted to a higher position who, at the time of promotion, is serving in such position in an acting or provisional status may have all or a portion of the time continuously served in an acting or provisional status credited towards satisfaction of
the probationary period for the position in accordance with Section 2.03, Promotional Probationary Period. Any amount of time credited will also be credited toward the employee’s time-in-step requirement for a merit increase in the newly promoted position. Credit allowed for this purpose, if any, shall be at the sole discretion of the Department Director and shall not affect the employee’s effective date of regular status in the promoted position.

**8.08 Change in Pay Upon Demotion**

When employees are demoted, they shall be placed in a salary step in their new class which is the same as or above the step held prior to promotion, provided that said demotion is not the result of disciplinary action.

**8.09 Change in Pay Upon Reclassification**

When a position is reclassified to a classification with a higher pay range and the incumbent employee retains the position, that employee’s rate of pay shall begin at the first step in the new salary range or at the step that represents a salary increase of a minimum of five percent (5%) to the employee’s base salary, whichever is greater. However, in no case shall the increase be greater than the fifth step of the range of the new classification to which the employee is reclassified. When recommended by the Department Director and approved by the City Manager, additional advancement may be granted. If no change in salary is granted, the employee may be allowed to carry forward time-in-step accumulation.

In the event the City reclassifies a position from a lower-level classification to a higher-level classification, the City Manager may, in their sole discretion, appoint the incumbent occupying such reclassified position without competitive examination provided that said incumbent meets the minimum qualifications (employment standards) for the higher classification. The Union shall be notified of appointments made pursuant to this provision.

When a position is reallocated to a classification with a lower salary range, the incumbent employee shall not experience a reduction in pay while the employee continues to occupy the position. If the current rate is below the maximum step of the new range, the employee shall continue at the present salary and carry forward time-in-step accumulation. If the current rate exceeds the maximum step of the new range, the salary shall be frozen at its current level. When the incumbent leaves the position, a replacement shall normally be hired at the beginning rate.

**8.10 Working Out-of-Class Pay**

Employees may be assigned to perform the duties of a higher classification on an out-of-class basis when a vacancy exists in such higher paid classification or when an additional job for which there is no available incumbent is required to be filled for a work shift. An out-of-class assignment shall only be made by the Department Director or a designated representative, and employees designated to receive out-of-class pay shall be provided with a written notice assigning them to the higher classification on an out-of-class basis.
An employee qualifying for out-of-class pay shall receive the salary step of the higher classification which represents an increase over the employee's present salary step held in the employee's regular position assignment or a five percent (5%) increase in pay, whichever is the greater. In no event shall an employee receive out-of-class pay at a rate which is in excess of the maximum rate of pay for the classification to which the employee is assigned on an out-of-class basis. Work assignments shall not be changed for the sole purpose of evading the requirement of providing out-of-class pay to an employee who would otherwise be eligible.

An employee who is receiving out-of-class pay by reason of assignment to a position in the Management Unit shall not be entitled to receive overtime compensation during such period of assignment for overtime work involving the performance of duties associated with the out-of-class position. If such employee is required to perform overtime work in the performance of duties related to the employee's regular position, the employee shall be entitled to receive overtime compensation based on the rate of pay for the employee's regular position.

8.11 Special Assignment Positions

Special assignment positions within a classification may be established where duties and responsibilities are of a specialized nature by comparison to other positions in the class or the duties and responsibilities in the class specification. Selection of employees to said positions and removal from those positions shall be made by the City Manager or designee upon recommendation of the Department Director. An employee so assigned shall receive additional pay equal to five percent (5%) of the employee's present salary.

8.12 Flexibly Staffed Classifications

The job duties of employees hired into flexibly staffed classifications within this unit shall be formally evaluated no later than eighteen (18) months from date of appointment to the classification to determine whether duties performed justify a reallocation to the higher level of the flexibly staffed classification. Such evaluations may be performed by the supervisor(s) in conjunction with Human Resources Department staff, and recommendations for advancement shall require approval of the City Manager or a designated representative.

8.13 Special Pay for Supervising Court Referrals/GAIN/GAE Participants

An employee assigned by a supervisor or management employee to supervise, direct, and monitor the activities of court referrals and/or GAIN/GAE participants (or other welfare program participants) shall receive additional pay equal to five percent (5%) of the employee's regular pay for the actual hours of such activity only. Special pay for supervising court referrals shall not be paid in conjunction with any overtime pay earned by virtue of extra hours worked in a day or extra days worked in a week. Such assignments shall be voluntary and shall be rotated among those employees in a work unit who are available and qualified to perform the work.
9.00 **SALARIES**

9.01 Salaries

Salaries for classifications in the representation unit shall be as enumerated in Appendix A to this Memorandum of Understanding. In addition to the increased cost of City provided benefits, including retirement, medical, dental and vision, all bargaining unit salary range increases shall be as follows:

Full-time employees represented by the Union shall receive a one-time lump sum payment of $1,500 (part-time employees will receive a prorated amount based on their position’s budgeted FTE). To be eligible for the one-time cash payment, SEIU-represented employees must be employed on the date of ratification and the date of payout. This payment will be made in a separate check.

Effective December 15, 2021, base wages for employees represented by the Union shall be increased by 2% (two percent).

Effective the pay period including July 1, 2022, base wages for employees represented by the Union shall be increased by 3% (three percent).

Effective the pay period including July 1, 2023, base wages for employees represented by the Union shall be increased by 5% (five percent).

9.02 Lead and Senior Differential Pay

The wage rates for the classifications “Lead”, and “Senior” shall be set at ten percent (10%) above the highest base wage rate of the linked classifications. In the event wages of incumbents in the referenced classifications are higher than the proposed ten percent (10%), such wages shall not be reduced or excluded from negotiated COLAs. The following classifications, due to the level of responsibility, shall be set at fifteen percent (15%) above the highest base wage rate of the linked classification.

- Groundskeeper III
- Senior Maintenance Leader
- Senior Utility Customer Service Leader
- Senior Utility Leader
- Cross Connection Control Specialist
- Senior Equipment Mechanic

9.03 Continuous Service Pay

For purposes of this section only, continuous paid experience with the City of Hayward
that is contiguous to an employee’s most recent hire date by the City of Hayward shall be considered for the purpose of calculating continuous service and eligibility for continuous service pay.

An employee with twenty-five (25) or more years of continuous service with the City of Hayward shall receive continuous service pay of two and a half percent (2.5%) above their base salary.

An employee with thirty (30) or more years of continuous service with the City of Hayward shall receive additional continuous service pay of five percent (5%) for a total of seven-and one-half percent (7.5%) above their base salary.

In no case shall an employee receive more than a total of seven- and one-half percent (7.5%) above their base salary on account of continuous service pay.

This benefit shall be implemented effective the first full pay period following Council adoption for all then-current bargaining unit employees who meet the above years of service thresholds. Going forward, continuous service pay shall be implemented the first full pay period following the employee’s anniversary date that triggers eligibility for such pay. Continuous service pay shall be payable on employees’ regular paychecks.

Continuous Service Pay shall be reported to CalPERS as Longevity Incentive Pay. The Parties acknowledge that CalPERS makes all final determinations as to the pensionability of any differential pay.

**10.00 RETIREMENT BENEFIT**

**10.01 Defined Benefit Retirement Program**

The City will continue to contract with the California Public Employees’ Retirement System (CalPERS) to provide a retirement program for employees. Bargaining Unit members deemed classic employees shall have the following retirement benefit package:

Benefits shall include:

1. 2.5% at age 55 benefit formula
2. Fourth Level of 1959 Survivor's Benefits
3. One (1) Year Final Compensation
4. Military Service Credit as Public Service
5. Continuation of Pre-Retirement Death Benefit after Remarriage of Survivor.

These benefit plans require an employee contribution of eight percent (8%) for “Classic” bargaining unit members. Classic employees shall pay the full employee contribution of
eight percent (8%), which shall be paid by the employee on a pre-tax basis in accordance with IRS Section 414(h)(2) method of reporting retirement payments. In addition, “Classic” bargaining unit members shall be responsible to contribute to the City’s employer contributions to the California Public Employees’ Retirement System (CalPERS) as follows:

Effective the pay period including July 1, 2017 4.5%

Effective the pay period including January 1, 2021 5.0%

The City agrees to amend its contract with CalPERS effective January 1, 2019 to allow employees to receive PERS credit for the additional contributions made to CalPERS on the City’s behalf.

New members as defined by the PEPRA pension reform statute shall have a retirement formula dictated by law and shall be required to pay at least fifty percent (50%) of the normal cost of their pension as identified, and periodically revised, by CalPERS or eight percent (8%), whichever is greater up to the legal maximum. In addition, “New” bargaining unit members shall be responsible to contribute to the City’s employer contributions to the California Public Employees’ Retirement System (CalPERS) as follows:

Effective the pay period including July 1, 2017 4.5%

Effective the pay period including January 1, 2021 5.0%

The City agrees to amend its contract with CalPERS effective January 1, 2019 to allow employees to receive PERS credit for the additional contributions made to CalPERS on the City’s behalf.

10.02 Social Security Coverage

Employees who are not eligible for enrollment in the Public Employees’ Retirement System and who, in accordance with the federal Omnibus Budget Reconciliation Act of 1990, are required to be covered by Social Security or an alternate system shall be enrolled in the Public Agency Retirement System (PARS). The City shall contribute 3.75% of covered earnings into the employee’s PARS account.

11.00 HOLIDAYS

11.01 Holidays Observed by the City

The following days shall be holidays for all full-time employees other than temporary and provisional employees.

<table>
<thead>
<tr>
<th>Holiday</th>
<th>Date</th>
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<tbody>
<tr>
<td>New Year’s Day</td>
<td>January 1</td>
</tr>
<tr>
<td>Martin Luther King Day</td>
<td>3rd Monday in January</td>
</tr>
<tr>
<td>Lincoln’s Birthday</td>
<td>February 12</td>
</tr>
</tbody>
</table>
If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If Christmas Eve falls on a Sunday, the holiday shall be observed on the previous Friday. If a holiday falls on a Saturday, the previous Friday shall be observed as a holiday. If a holiday falls on an employee’s regular day off, the employee shall be credited with equivalent time to either compensatory time or vacation leave. Notwithstanding the foregoing, all holidays shall be observed on the day the holiday actually falls for employees who work in a seven (7) day operation.

Observance of California State and/or Federal holidays not listed above shall be discussed in Labor-Management meetings.

11.02 Holidays for Permanent Part-Time Employees

Only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be eligible to receive holiday pay. For each holiday observed by the City, the amount of holiday pay or credit provided to part-time employees shall be based upon the employee’s regular work schedule, i.e., the average number of hours worked each week divided by five (5), not to exceed eight (8) hours.

11.03 Qualifying for Holiday Pay

All employees who qualify for pay on holidays observed by the City shall receive holiday pay provided that an employee who fails to report for a scheduled work shift on any of such holidays shall receive no pay; and provided also that in order to qualify for such paid holidays, the employee must report for work or be in an otherwise approved, paid status on both the employee’s last regular work day immediately preceding the holiday and the employee’s first regular work day following a holiday.

As an exception to the foregoing, an employee who does not report for work as herein provided shall receive holiday pay if the reason for such absence is a bona fide illness supported by a statement from the attending physician or for another legitimate reason. Employees absent by reason of illness may, at the discretion of the supervisor, be required to provide a supporting statement of illness from an attending physician.
Employees otherwise entitled to holiday pay but who are absent due to layoff for a period not to exceed fifteen (15) days immediately preceding the holiday shall nevertheless receive holiday pay.

11.04 Compensation for Holidays

Holidays Taken Off

An employee working a regular schedule of eight (8) hours per day, five (5) days per week (a “5/8” schedule), shall receive eight (8) hours of holiday pay for all City-observed holidays taken off on the employee’s regularly scheduled workday. The City may require an employee to work an alternate work schedule, such as a “4/10 work schedule” (four (4) days per week, ten (10) hours per day) or a “12/8 work schedule” (a 2-week schedule of six (6) 12-hour days and one (1) 8-hour day). In the event a City-observed holiday occurs while a mandatory alternate work schedule is in effect, the employee shall be entitled to holiday pay based on the hours the employee would have been regularly scheduled to work that day. For example, an employee who works a mandatory 4/10 schedule Monday through Thursday shall receive ten (10) hours of holiday pay for a holiday observed on a Monday.

If the holiday is observed on an employee’s regularly scheduled day off, the employee shall be credited time off with pay to either their vacation leave or compensatory time banks as follows: (a) eight (8) hours will be credited to employees who work a 5/8 schedule or a voluntary alternate work schedule; (b) ten (10) hours will be credited to employees who are required by their supervisor to work a 4/10 schedule; (c) twelve (12) hours will be credited to employees who are required by their supervisor to work a 12/8 schedule; or (d) for employees who are required by their supervisor to work a schedule that exceeds eight (8) hours in a day other than the schedules listed above, holiday pay will equal their hours for that day.

Employees who elect to work an alternate work schedule shall receive eight (8) hours of holiday pay on holidays observed on the employee’s regularly scheduled workday, regardless of the employee’s regularly scheduled hours as dictated by the elected alternate work schedule.

Holidays Worked

Prior approval for holiday work must be secured from the City Manager except in emergency situations where said approval cannot be obtained beforehand.

An employee who actually works on a City-observed holiday shall be entitled to holiday pay or equivalent time credited to their compensatory time off or vacation leave pursuant to this Section and Section 11.01, Holidays Observed, by the City of this Memorandum of Understanding. In addition, any work performed on City-observed holidays shall be paid for at the rate of time-and-one-half (1.5) the straight time rate or time off with pay at time-and-one-half (1.5) the straight time rate. There shall be no pyramiding of overtime.

11.05 Holiday-New Year’s Eve
Full-time employees shall be allowed the last half (four (4) hours) of the work day immediately preceding the day on which New Year’s Day is observed off. An employee unable to be released for this time shall receive four (4) hours of compensatory time or vacation leave.

Part-time employees shall be afforded time off pursuant to this provision at the rate of one-half (.5) hour leave for each full hour of leave granted to full-time employees.

11.06 Holiday Pay for Twenty-Four Hour Employees

When holidays fall on Saturday or Sunday, seven (7)-day, twenty-four (24) hour employees who work on the actual holiday shall be paid compensatory time or overtime for all actual hours worked, NOT the day observed by the City.

12.00 VACATIONS

12.01 Vacation Leave Policy

Vacation leave is a benefit, and its use shall be approved by the Department Director or designee, taking into account the desires and seniority of employees and, more particularly, the workload requirements of the department. Employees shall take vacation leave regularly each year and shall be encouraged to take vacation in increments of at least one (1) full week at a time. In order to give effect to this policy and to realize the greatest benefit from vacation leave for both employees and the City, limitations shall be placed upon the amount of unused vacation leave an employee is allowed to accumulate.

If an employee exhaust all accrued vacation leave, the City will use any accrued compensatory leave balances to cover requested vacation time off. If an employee exhausts all eligible leave balances (excluding sick leave), the employee will be placed on authorized leave without pay for requested vacation time off. No vacation leave accruals will be credited in advance. No vacation leave will be earned while on an unpaid leave.

If vacation leave is used to remain in a paid status while on approved leave pursuant to the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the vacation hours will run concurrently with the State and/or Federal leave entitlement.

12.02 Vacation Leave Allowance for Full-Time Employees

All full-time employees, other than temporary and provisional employees, shall accrue vacation leave benefits each payroll period based upon the number of regularly scheduled hours.

The vacation accrual schedule for employees who are budgeted to and work a full-time is as follows:
Beginning January 1, 2015, an employee will accrue at the next highest benefit level on the employee’s corresponding anniversary date.

For purposes of crediting service time for vacation accruals, a former employee who is reinstated within one (1) year from the date of the employee’s separation in a probationary or regular appointment shall receive credit for the employee’s prior service time. No service time on a temporary, provisional, or contracted appointment shall be credited.

Vacation leave can be accrued but shall not be granted during the first six (6) months of service. The increases in the vacation leave allowance shall be granted on the basis of full-time, continuous service. An approved leave of absence shall not constitute a break in service for the purpose of this Section, but vacation leave shall not be earned during any period of unpaid absence.

Vacation is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay. When a holiday falls during an employee’s absence on vacation leave, it shall not be deducted from employee’s accrued leave.

The maximum vacation accrual cap shall be twice the employee’s annual rate. An employee may accrue vacation hours in excess of the applicable maximum vacation accrual cap during the calendar year, but employees may not carry vacation hours in excess of the cap into a subsequent calendar year. By the final full pay period of each calendar year, any unused vacation hours in excess of the applicable accrual cap shall be forfeited, and the employees’ vacation leave balance shall be reduced back to the cap. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions may be permitted on approval of the Department Director and the City Manager. In granting such exceptions, the City Manager may specify a time within which such excess vacation leave must be used. Failure to use such excess vacation leave within the time specified by the City Manager shall cause no additional vacation leave to accrue.

It shall be the responsibility of each employee to ensure the full use of vacation leave credits received by scheduling the necessary time off each year.

Employees who request to use vacation leave and whose vacation leave request is denied in writing by their supervisor based on operational need may elect to cash out vacation leave equal to the amount of the vacation leave denied. This provision will not be triggered by denials of vacation on the basis of existing departmental practices that limit the number of people who may be on vacation at any one time. Such cash out request must be made no later than the first pay period of December of the calendar year during which the vacation leave request was denied, up to a maximum cash out of eighty (80) hours in a calendar year.
Unused vacation hours will be cashed out upon separation of employment, except that any hours accrued in excess of two (2) times an employee’s annual accrual will be forfeited and will not be included in any cash-out upon separation.

12.03 Vacation Accrual for Permanent Part-Time Employees

Only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be eligible for vacation leave.

Notwithstanding the foregoing, employees who are hired in a part-time status and full-time employees who assume part-time status shall accrue vacation benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period. In order to be eligible for this benefit, employees must consistently work a half-time schedule or more. The amount of vacation so accrued shall be proportionate to that earned by full-time employees in the same payroll period. The vacation accrual schedule specified in Section 12.02, Vacation Leave Allowance for Full-Time Employees, of this Memorandum of Understanding will be used for purposes of prorating vacation leave.

Vacation leave can be accrued but shall not be granted during the first six (6) months of service. Vacation is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay.

The use of vacation shall be subject to the provisions of Section 12.00, Vacations, of this Memorandum of Understanding in its entirety. The vacation accrual cap shall be maintained on a per pay period basis. Exceptions to the foregoing may be permitted pursuant to the provisions of Section 12.02 of this Memorandum of Understanding. The maximum vacation accrual cap shall be twice the employee’s annual rate.

12.04 Payment for Unused Vacation Leave

Leave time earned but unused upon an employee’s date of separation shall be added to final pay. The payment for unused accrued leaves that are eligible for cash out will be issued as a separate check from their final pay.

12.05 Vacation Leave Records

Vacation leave records shall be maintained through the payroll system. After an absence is approved as vacation leave, it shall be deducted from an employee’s leave balance.

13.00 SICK LEAVE

13.01 Sick Leave Policy

Sick leave is a paid leave. Sick leave shall be allowed in case of an employee’s bona fide illness or injury, or for an employee’s doctor/health appointments. Sick leave shall
be approved by the Department Director or a designated representative.

Whenever possible, employees shall make appointments for medical, dental, and other health and wellness purposes on non-work time. If this is not possible, sick leave may be used for these purposes and should not exceed four (4) hours, except in unusual circumstances.

In addition to the foregoing, sick leave may be used as family sick leave to care for an ill or injured family member or to take a family member to a doctor appointment. A family member is a child, parent, spouse, registered domestic partner, the child of a registered domestic partner, grandparent, grandchild, or sibling. For family members who reside in the employee’s home, there is no limit on the amount of sick leave that can be used as family sick leave by full-time or part-time employees. For family members who reside outside of the employee’s home, up to half of the employee’s annual sick leave accruals per calendar year may be used as family sick leave by full-time employees. Part-time employees are allowed to use up to half of their annual sick leave accruals (based on their budgeted work schedules) per calendar year as family sick for family members who reside outside of the employee’s residence.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

If an employee exhaust all accrued sick leave, the employee may apply for another eligible paid or unpaid leave as provided for in this Memorandum of Understanding. If no other leave is approved, the leave will be documented as Unauthorized Leave Without Pay. No sick leave accruals will be credited in advance. Sick leave will not be earned while on an unpaid leave.

If sick leave is used for purposes that qualify under a State or Federal leave law, such as the Family Medical Leave Act/California Family Rights or Pregnancy Disability Leave, the leave taken will count toward the State or Federal leave entitlement. If an employee is unable to return to work and has exhausted all leave entitlements, the employee may be retired for disability or separated.

13.02 Sick Leave Accruals for Full-Time Employees

All full-time employees, other than temporary and provisional employees, shall accrue sick leave benefits each payroll period based upon the number of hours to which the employee is entitled. The full-time sick leave accrual rate is 3.704 hours per payroll period. After an absence is approved as sick leave, it shall be deducted from an employee’s leave balance at the end of the pay period in which the leave is taken. Employees shall earn sick leave credits in accordance with the foregoing schedule from their initial date of employment and shall be entitled to the use of sick leave upon commencement of employment. There shall be no limit upon the number of hours of unused sick leave an employee may accumulate.

13.03 Sick Leave Accruals for Part-Time Employees

1. Healthy Workplaces, Healthy Families Act of 2014
Part-time employees who work thirty (30) or more days within a year shall receive sick leave in accordance with the Healthy Workplaces, Healthy Families Act of 2014 and the City’s Administrative Rule (AR) 2.46, Paid Sick Leave, per the policy effective December 8, 2016. The parties agree to meet and confer prior to making any changes to AR 2.46 which are within the scope of representation. The annual period shall be based on the part-time employee’s first day of employment and anniversary date thereafter.

2. Part-Time Employees Regularly Scheduled Twenty (20) or More Hours per Week

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to accrue sick leave benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period. The amount of sick leave so accrued shall be proportionate to that earned by full-time employees based on the number of hours worked by the part-time employee. The full-time sick leave accrual rate is 3.704 hours per payroll period.

The use of sick leave so earned by part-time employees shall be subject to the provisions of this Memorandum of Understanding. Eligible part-time employees who are scheduled to work, but who are unable to do so because of illness, shall be charged sick leave in an amount equal to the number of hours of work for which they were scheduled on the day(s) they were unable to work due to illness.

Sick leave can be accrued and granted during the first three (3) months of service. Sick leave is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay.

There shall be no limit upon the number of hours of unused sick leave an employee may accumulate. Upon separation of employees, any sick leave balance for which payment has not been made shall be canceled, but it shall be restored if a former employee is reinstated within two (2) years of separation.

3. Sick Leave Usage

Sick leave may be taken for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee’s family member. Employees may take up to a maximum of twenty-four (24) hours of sick leave per year to care for an eligible family member (the employees’ child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling). A certificate from an attending physician stating nature and extent of the family member’s illness may be required in cases of suspected abuse of this provision.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

13.04 Sick Leave Notice and Certification

A. Procedure for Compensation

In order to receive compensation while absent on sick leave, the following procedures shall apply:
1. Employees assigned to continuous shifts in the Wastewater Treatment Plant, or someone on their behalf, shall notify their supervisor at least two (2) hours prior to the commencement of their scheduled shift whenever they will be unable to report for said shift due to illness, injury, or unforeseen emergency.

2. All other employees shall notify their supervisor or designated representative prior to the commencement of their scheduled shift whenever they will be unable to report to work due to illness, injury, or unforeseen emergency.

Department Directors may waive these requirements upon presentation of a reasonable excuse by the employee.

Employees shall file a personal affidavit or physician's certificate with their supervisor if required by their Department Director or designee stating cause of absence. After five (5) working days' absence, an employee's supervisor may require a physician's certificate. If employees become ill while on vacation, periods of illness may be charged to sick leave upon presentation of a physician's certificate.

In cases of frequent use of sick leave, employees may be requested to file physician's certificates for each illness, regardless of duration, after having been counseled about their use of sick leave. A physician's certificate must include the name and signature of the attending physician and the date and time the employee was seen by the physician. Employees may also be required to be examined by a physician designated by the City and to authorize consultation with their own physician concerning their illness. Sick leave shall not be granted for absences caused by substance abuse or excessive use of alcoholic beverages. As an exception to the foregoing, sick leave may be authorized for the treatment of alcoholism or substance addiction when such condition has been diagnosed by a competent medical authority.

These same requirements may also be applied for family sick leave requests.

B. Certification as a Result of Concerted Job Action:

In the event the City Manager finds that employee absences from duty are the result of a concerted job action, any employee claiming sick leave with pay shall be required to provide certification on a form prescribed by the City. Such form shall include but not be limited to the name and signature of the attending physician, the date and time the employee was seen by the physician, and the physician's certification that the illness or injury was of such nature as to prevent the employee from performing the employee's job, but disclosure of a specific medical diagnosis shall not be required. A determination by the City Manager that a job action exists, necessitating the sick leave certification procedures required herein, shall be final and not subject to any grievance procedure in effect between the Union and the City. Nothing herein shall prevent a Department Director from approving the payment of sick leave in situations where the employee submits alternative proof of disability satisfactory to the Department Director showing that the employee was unable to work on the date(s) for which sick leave is requested.

13.05 Payment for Unused Sick Leave
For employees hired on or before May 1, 2014, any employee leaving the employment of the City in good standing after having completed twenty (20) years of continuous service, or upon retirement from the City for service or disability, with at least ten (10) years of service, or upon termination of employment by reason of death, shall receive payment for a portion of that sick leave earned but unused at the time of separation. The amount of this payment shall be equivalent to one percent (1%) of sick leave earned but unused at the time of separation times the number of whole years of continuous employment times an employee's hourly rate of pay at the time of separation.

That portion of an employee's sick leave balance for which payment is not provided shall be canceled and shall not be restored if said employee is reinstated.

In each year, employees hired after May 1, 2014, who have both a sick leave balance of four-hundred (400) or more hours on December 31 and have used fewer than thirty-two (32) sick leave hours in that calendar year shall receive sixteen (16) hours of vacation added to their vacation leave balance. Hours added to an eligible employee's leave bank will be deposited by March 31 of the subsequent year. Vacation hours added under this Section shall not increase the maximum accrual cap applicable to an employee's vacation leave bank. If the hours added result in an employee's vacation leave balance exceeding the applicable vacation accrual cap, the hours in excess of the accrual cap will be available to use through the end of the calendar year in which they are deposited. Unused hours above the employee's accrual cap are not subject to cash-out and will be subject to forfeiture as described in Section 12.02, Vacation Leave Allowance for Full-Time Employees, of this Memorandum of Understanding.

13.06 Sick Leave Records

Sick leave records shall be maintained through the payroll system. After an absence is approved as sick leave, it shall be deducted from an employee’s leave balance.

Upon separation of employees, sick leave balances for which payment has not been made shall be canceled and shall not be restored if a former employee is reinstated.

14.00 MISCELLANEOUS LEAVES

14.01 Bereavement Leave

All full-time employees, other than temporary and provisional employees, shall be granted bereavement leave with pay for not more than three (3) workdays upon the occasion of the death of a close relative or a domestic partner registered with the City in a manner prescribed by the Human Resources Department. When additional time is desired, employees may be allowed to take accumulated vacation leave or compensatory time off. For the purpose of this Section, a close relative is defined as any relation of the employee, by blood or marriage, where one or more of the following conditions are present:

a. The employee will be attending the service of the deceased.

b. The employee is responsible for or involved with service arrangements and/or
estate settlement for the deceased.

c. The employee's relationship with the deceased was of a close and personal nature such that time is required by the employee to deal with their bereavement or to participate in memorial services, either religious or non-sectarian.

When requesting such leave, an employee will be required to certify to the Department Director or a designated representative the conditions for granting bereavement leave have been satisfied. Upon presentation of such a request, the Department Director shall determine whether leave shall be granted and in what amount. Additional bereavement leave of two (2) work days for travel purposes not to exceed a total of five (5) work days may be granted by the Department Director when circumstances warrant the same. Part-time employees who work a continuous schedule of twenty (20) or more hours per week shall be granted bereavement leave with pay as necessary on the same basis as full-time employees, except that the leave amount shall be prorated based on hours worked not to exceed the number of days provided to full-time employees.

14.02 Jury Leave

An employee summoned to jury duty shall inform their supervisor and, if required to serve, may be absent from duty with full pay. Any jury fees received by an employee shall be remitted to the City. Employees who are required to appear and testify in court on matters relating to or arising out of their official duties as employees of the City of Hayward shall suffer no loss of pay by reason of such appearance(s).

Any employee scheduled to begin service on a jury three (3) or less hours from the start of their work shift shall not be required to report to work beforehand. Any employee released from jury duty with four (4) or more hours remaining in their scheduled work shift shall then report to work; provided, however, in no event shall this combination of jury duty and work time exceed the total number of hours of the employee’s regularly scheduled shift. The City shall afford the employee reasonable travel and mealtime in cases where the employee reports to work from jury duty.

An employee who is seated as a juror or alternate juror shall inform their supervisor on or before the day the trial begins of the estimated length of the trial. If an employee is required to serve on a jury on the employee’s regularly scheduled days off, the City will endeavor to reschedule the days off beginning with the sixth day of combined jury duty and work duty, provided that such rescheduling does not require the payment of overtime.

14.03 Military Leave

This provision shall be in compliance with all applicable State and Federal laws and is governed per Resolution by the City of Hayward.

14.04 Industrial Injury Leave

For employee injuries or disabilities falling within the provisions of the State Workers’ Compensation Disability Act, disability compensation at the rate allowed under said Act shall be the basic remuneration during the employees' period of disability. Compensation
under this Act will be provided through payroll or the City’s third-party administrator. Employees may elect to use their own personal paid leave to supplement any workers' compensation benefits received. If any paid leave is used, the employee must contact the Human Resources Department and integrate the leave with the temporary disability benefits paid under this Act so that compensation does not exceed one hundred percent (100%) of an employee’s regular pay.

The City reserves the right to withhold payment of any disability benefits until such time it is determined whether or not the illness or injury is covered by Workers' Compensation.

14.05 Leave Without Pay

A Department Director, upon written request of a full-time or part-time employee other than temporary or provisional employees, may grant authorized leave under this provision for a maximum of eighty (80) hours per calendar year. An employee will continue to receive health benefits but is still responsible for any out-of-pocket expenses. No leave accruals will be earned. If the leave is requested for purposes covered by a State or Federal leave law such as, not limited to, School Issues and Activities Leave, the leave will be approved if required by law. If Leave Without Pay is used for purposes that qualify under a State or Federal leave law, such as the Family Medical Leave Act/California Family Rights or Pregnancy Disability Leave, the leave taken will count toward the State or Federal leave entitlement. If an employee is unable to return to work and has exhausted all leave entitlements, the employee may be retired for disability or separated.

The employee may be required to deplete all paid leave balances before requesting leave without pay.

14.06 Leave of Absence

The City Manager, upon written request of a full-time employee other than temporary and provisional employees, may grant for the good of the service a leave of absence without pay for a maximum period of one (1) year. The City Manager may grant an extension of an approved leave of absence without pay for an additional period not to exceed one (1) year. Leaves hereby authorized shall include medical leaves, educational leaves, parental leaves, and leave for any other purpose promoting the good of the service. Part-time employees are eligible for leaves of absence on a pro-rata basis (e.g., half-time employees are eligible for one-half the leave of absence duration of a full-time employee).

Requests for parental leave of six (6) months or less shall be approved unless the granting of such leave is deemed a work hardship upon the City. Upon request of the employee and approval of the City Manager, up to six (6) additional months of unpaid parental leave may be granted for a total not to exceed twelve (12) months.

Whenever granted, leaves of absence shall be in writing and signed by the City Manager. Upon expiration of such a leave, the employee shall be reinstated to the position held at the time leave was granted. Failure of the employee to report promptly upon the expiration of the approved leave or within a reasonable time after notice to return to duty shall terminate the employee’s right to be reinstated.
All eligible paid leaves must be depleted before this leave is taken. However, an employee may request authorization for an unpaid leave of absence in anticipation of exhausting all other paid time off. If the Leave of Absence is used for purposes that qualify under a State or Federal leave law, such as the Family Medical Leave Act/California Family Rights or Pregnancy Disability Leave, the leave taken will count toward the State or Federal leave entitlement. If an employee is unable to return to work and has exhausted all leave entitlements, the employee may be retired for disability or separated.

No benefits will be provided during this period except as provided below. Health coverage may be continued at the employee’s own cost in concurrence with COBRA laws. Employees who are out on a bona fide work-related injury or illness or who are waiting for a determination on their CalPERS disability retirement application will be placed on a Leave of Absence. However, employees on workers’ compensation or waiting for a CalPERS disability retirement determination will continue to receive health benefits but are still responsible for any out-of-pocket expenses.

Employees on SDI or Workers’ Compensation should contact the Human Resources Department to determine if a medical leave is necessary to ensure their job rights.

14.07 Absence Without Leave

No employee shall be absent without leave except in cases of sickness or emergency which prevent the employee from providing notification. Prior to the time required to report for duty, an employee shall notify their supervisor or Department Director of the employee’s inability to report.

14.08 Family and Medical Leave/California Family Rights Act

This provision shall be in compliance with all applicable State and Federal laws and is governed by the City of Hayward, Administrative Rule 2.45.

14.09 Pregnancy Disability Leave

This provision shall be in compliance with all applicable State and Federal laws and is governed by the City of Hayward, Administrative Rule 2.45.

14.10 Parental Leave

Employees shall be granted forty (40) hours leave with pay at their current straight time hourly rate upon the birth of a child, or when a child begins residence with an employee who has commenced adoption proceedings with full intent to adopt. Part-time employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be granted proportionate leave based upon their work schedules. Leave must be taken within one (1) year from the date of birth or placement of the child.

Parental leave taken will count toward any applicable State or Federal leave entitlement,
such as the Family Medical Leave Act/California Family Rights Act.

14.11 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who is incapacitated by a catastrophic illness or injury. The intent of this program is to assist catastrophically ill or injured employees who have exhausted all available paid leave accruals to maintain a paid status as long as possible. Catastrophic injury or illness is defined as a medically certified, severe and disabling non-industrial condition resulting in an employee's inability to work. Employees may submit requests to donate earned vacation and/or compensatory time on a voluntary basis subject to the conditions listed below.

a. Employees initially eligible to receive leave contributions must have exhausted all other leave balances available including earned vacation, earned sick leave, and accrued compensatory time.

b. State and Federal income tax on the value of leave donated shall be deducted from the recipient employee’s pay at the time of crediting.

c. Leave hours that are credited as sick leave to the recipient shall not be reversible.

d. Hours requested to be donated shall be kept in a pledge status until used, shall be credited on a monthly basis as sick leave, and shall be subject to the provisions of this Memorandum of Understanding regarding the use and payment of same. Donations shall be credited in the following order:

1. From donors whose vacation accruals are at or within sixteen (16) hours of the maximum allowed for their classification, then

2. From other donors in random order to be determined on a draw basis by the Human Resources Department.

3. Donation requests shall be credited in the order specified above in subsequent month(s).

e. Donated leave time shall be changed to its cash value and then credited to the recipient in equivalent hours at the recipient's straight time hourly rate of pay. Recipient employees shall not be credited with more than one hundred percent (100%) of their normally scheduled hours for any given pay period.

f. Donating employees may not reduce their balance of earned vacation below eighty (80) hours by reason of such donations.

g. Recipient employees shall be credited with up to forty (40) hours of donated time upon their return to work, provided that sufficient hours remain in pledge status during the pay period immediately preceding the return to work date. All undonated, pledged hours exceeding forty (40) hours shall be returned to the respective donor(s).
h. In the event of the death of the recipient, the recipient’s designated beneficiary shall receive payment for hours credited as donated. Hours remaining in pledge status are not subject to payout to the beneficiary, and it shall be returned to the donor(s).

i. Any leave used for purposes that qualify under a State or Federal leave law, such as the Family Medical Leave Act/California Family Rights or Pregnancy Disability Leave, will count toward any State or Federal leave entitlement. If an employee is unable to return to work and has exhausted all leave entitlements, the employee may be retired for disability or separated.

This provision shall also allow the use and donation of catastrophic leave to employees who need paid time off to care of a catastrophically injured or ill dependent. The use of this leave is limited to a one (1) year period for establishment of any Catastrophic Injury/Illness Time Bank. Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who has a dependent who is incapacitated by a catastrophic illness or injury. A dependent is defined as a legal spouse, registered domestic partner, legal child under the age of twenty-six (26), or legal child of a registered domestic partner under the age of twenty-six (26).

An employee must provide a signed medical certification from the treating physician of the employee’s dependent stating that the employee’s dependent has a severe and disabling injury or illness and indicating the amount of time the employee would need to be off to care for their dependent.

An employee shall not be credited with more than 100% of their normally budgeted hours for any given pay period. In no event shall an employee receive donated paid leave in addition to any paid benefit provided to the employee for time off to care for their dependent, such as but not limited to Paid Family Leave, that will result in the employee receiving more than 100% of the employee’s base salary for the pay period. Records of any paid benefit provided to the employee for time off to care for their dependent must be provided by the employee to Payroll for integration with catastrophic leave.

Employees can donate paid leave to an employee who has a dependent with a catastrophic injury/illness under the same terms and conditions as for an employee who has a catastrophic injury/illness.

Employees can utilize catastrophic leave for up to a one (1) year period. The period starts for the first day of use of catastrophic leave. For example, if catastrophic leave starts on July 1, 2010, it can only be used up until June 30, 2011. Leave can be taken on an intermittent basis if approved by the City Manager or designee but will not exceed catastrophic leave usage past the one (1) year leave period.

Any leave used for purposes that qualify under a State or Federal leave law, such as Family Medical Leave Act/California Family Rights Act/Pregnancy Disability Leave, will count toward any State or Federal leave entitlements. If an employee is unable to return to work and has exhausted all of their leave entitlements, the employee may be retired for disability and/or separated.

This Section does not affect an employee’s rights, if any, under the Americans with Disabilities Act and/or the California Fair Employment and Housing Act.
15.00 GRIEVANCES

15.01 Grievance Defined

A grievance is any dispute which involves the interpretation or application of any provision of this Memorandum of Understanding, scope of representation, or appeals to disciplinary actions.

All complaints involving or concerning the payment of compensation shall be initially filed in writing with the Human Resources Director. With respect to grievances regarding compensation, only those which allege that employees are not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and if not detailed in the Memorandum of Understanding which results from such meeting and conferring process shall be deemed withdrawn until the meeting and conferring process is next opened for such discussion. No adjustment shall be retroactive to more than thirty (30) days from the date upon which the complaint was filed. Retroactive adjustments of any undisputed payroll errors shall not be subject to the thirty (30) day limit.

15.02 Investigation and Reporting

Grievances which may arise and which cannot be adjusted on the job shall be reported to the Union by a steward appointed by the Union pursuant to Section 6.03, Union Stewards, of this Memorandum of Understanding; provided, however, in no event shall the steward or the Union order any changes, and no changes shall be made except with the consent of the City.

If the aggrieved employee desires the assistance of a union representative as provided in Steps 1, 2, or 3 of the grievance procedure, the City shall afford said representative reasonable time off during work hours without loss of compensation or other benefits to investigate and take up said grievance. The grievant and/or the area representative shall obtain the specific approval of the Department Director or, in the latter’s absence, another authorized City management official before leaving their duties, work situation, or assignment for the purpose of investigating and/or processing a grievance.

15.03 Grievance Procedure

A. Grievance Process

Grievances shall be processed in the following manner:

1. The grievance shall be presented either by the employee or by an authorized Union representative to the designated supervisor of the employee within seven (7) working days after the cause of such grievance occurs. The designated supervisor shall have seven (7) working days from the date of receipt of the grievance to respond.
2. Should the grievance remain unresolved, the grievance may be presented in writing either by the employee or by an authorized Union representative to the Department Director or to such representative as the Director may designate within seven (7) working days of receiving the City’s response at the previous step. The Department Director or a designated representative shall have seven (7) working days from the date of receipt of the grievance to respond.

3. Should the grievance remain unresolved, the grievance may be presented in writing either by the employee or by an authorized Union representative to the City Manager or to such representative as the City Manager may designate within seven (7) working days of receiving the City’s response at the previous step. The City Manager shall have seven (7) working days from the date of receipt of the grievance to respond.

4. Should the grievance remain unresolved, either the Union or the City may, within seven (7) business days of the date of the City Manager’s response, require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Union and the City Manager. The fees and expenses of the arbitrator and of a court reporter shall be shared equally by the Union and the City. Each party, however, shall bear the cost of its own representation including preparation and post hearing briefs, if any. Decisions of arbitrators on matters properly before them shall be final and binding on the parties hereto to the extent permitted by the Charter of the City of Hayward. It is the intent of this provision that arbitrator awards are to be implemented.

   a. No arbitrator shall entertain, hear, decide, or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Union and unless such dispute falls within the definition of a grievance as set forth in Section 15.01, Grievance Defined.

   b. Proposals to add to or change this Memorandum of Understanding or written agreement or addenda supplementary hereto shall not be arbitrable and no proposal to modify, amend, or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to arbitration under this Section. No arbitrator shall have the power to amend or modify this Memorandum of Understanding or written agreements or addenda supplementary hereto, or to establish any new terms or conditions of employment.

B. Grievance Process for Letters of Reprimand

1. A letter of reprimand (or warning letter) shall be defined as any written communication to an employee which advises the employee that they have engaged in certain acts of commission or omission which, if continued, may subject the employee to further disciplinary action.
2. A letter of reprimand as defined above shall not be subject to the grievance procedures in the current MOU.

3. In the event an employee is subject to termination, suspension, or demotion, the arbitrator may consider the relevance of any written reprimands that the City introduces as evidence. The arbitrator may not rule on the merits of whether the City had just cause to issue any of the written reprimands.

15.04 Disciplinary Action

An employee may request the presence of a Union representative during an interview with the employee’s supervisor which the employee reasonably believes may result in disciplinary action and where there is no assurance from the supervisor that disciplinary action is not intended. If, at any time during an interview without a Union representative in attendance, it becomes apparent that disciplinary action could occur, either party may adjourn the interview until a Union representative can be present. The provisions of this paragraph shall not apply to interviews conducted for the purpose of reviewing an employee's performance evaluation.

In those instances where an employee is afforded the opportunity for a pre-disciplinary review, the employee shall be given an opportunity to present their position in writing or in a Skelly meeting concerning the matter. Specific charges and all material upon which the recommendation for disciplinary action is based shall be sent to the employee and to the Union. The employee shall be afforded five (5) work days after receipt of this material to request a Skelly meeting with the City Manager or designee. In the event a Skelly meeting is requested by the employee, it shall be scheduled no later than fifteen (15) calendar days following receipt of the request. The results shall be made known to the affected employee no later than thirty (30) calendar days following the completion of the Skelly meeting. In the event the City fails to observe any one of the above referenced time limits, the proposed disciplinary action shall be deemed to be null and void. An extension or waiver of the time limits herein provided may be agreed to by the parties.

When the City Manager has acted as the Skelly officer or directly imposed the disciplinary action, employees having the right to appeal a disciplinary action shall commence such appeal at step 4 of the Grievance Procedure detailed in Section 15.03. Otherwise, appeals shall be filed at the management level one (1) step higher than the manager invoking the discipline.

15.05 Personnel Commission

Nothing contained in Section 15.00, Grievances, shall abridge any rights to which an employee may be entitled under the City Charter. Any employee may, as an alternative to step 4 of the Grievance Procedure recited in Section 15.03, request that the grievance, including appeals to disciplinary action, be heard by the Personnel Commission.

16.00 MISCELLANEOUS PROVISIONS
16.01 Safety Shoes

Upon recommendation of the Department Director and approval of the City Manager or a designated representative, an employee, other than a temporary or provisional employee, may either be reimbursed for the purchase of safety shoes in an amount not to exceed two-hundred and fifty dollars ($250.00) per year or obtain safety shoes from an approved vendor at a cost to the City of no more than two-hundred and fifty dollars ($250.00) per year.

16.02 Uniforms

Employees, other than temporary employees, shall be entitled to uniforms at the City's expense to be worn during the performance of their work. Employees receiving the City-furnished uniforms shall be required to wear them in the performance of their work. Failure to do so will forfeit the employees' entitlement to City-furnished uniforms. Matters of color, style, manufacture, supplier, and cost shall be decided solely by the City. Each employee shall receive an initial uniform issue of three (3) long-sleeved shirts, three (3) short-sleeved shirts, three (3) pairs of pants, and one (1) jacket.

Between July 1st and September 1st each year, on a date to be selected by the City, employees shall be entitled to receive a maximum of six (6) articles of uniform for replacement purposes if needed, exclusive of jackets.

Jackets shall be replaced once every year if needed. Employees working in the Fleet Management Division may elect to receive City-furnished uniforms as provided above or coveralls, which will be laundered at City expense. This option may be exercised once each year during the first week of January.

The City, in its sole discretion, may issue other types of wearing apparel, in lieu of or in addition to the basic uniform allotment described above, to those employees whose work assignments warrant the same.

16.03 Examination Announcements for Job Openings Within the Representation Unit

Examination announcements for classifications within the representation unit shall be posted internally for at least a two (2) week period prior to the filing deadline. A copy of each examination announcement shall be provided to the Union and to Stewards appointed by the Union pursuant to Section 6.03, Union Stewards, of the Memorandum of Understanding.

All position vacancies within the representation unit shall be posted internally at least two (2) weeks prior to their being filled. Such notices will state the pertinent requirements and conditions for the vacant position. Employees desiring transfer to a posted position who respond within the posting period and who meet the requirements for transfer shall be given consideration in the form of application review, interview, or both.

The City retains the right to determine whether promotional positions within this bargaining unit shall be filled by closed promotional or open competitive examination.
Postings for closed promotional or open competitive exams will be posted simultaneously with internal Transfer Notices. Employees eligible for a transfer will be given consideration without going through the examination process.

16.04 Participation in Promotional Examinations

Employees who participate in promotional examinations which are scheduled by the City during the employee's scheduled working hours shall do so without loss of compensation. Employees who participate in promotional examinations outside of their normal work schedule shall receive no compensation for such participation. However, employees shall receive compensation for participating in promotional exams outside of their normal work schedule for a new position being created by the City to replace their current position, which shall be eliminated. Participants will be sent their own results including score and ranking on the applicable promotional examination(s) from Human Resources.

16.05 Notification of Address

All employees, including those on a leave of absence, shall keep the Human Resources Director informed as to their current home address at all times.

16.06 Personnel Files

Personnel files are maintained by the Human Resources Director for each employee. These personnel files are considered confidential and shall be made available only to the employee or to a concerned Department Director; Union stewards and staff representatives shall be entitled to review the contents of an employee's personnel file and receive copies of requested materials, provided written permission to do so is given by the employee.

Employees shall be notified of any adverse material placed in their personnel file and may file with the Human Resources Director for inclusion in their file a written reply to any such adverse material contained in their official personnel file.

After a period of three (3) years, employees may file a request for removal of disciplinary materials from their personnel file, provided there has been no repetition of the behavior giving rise to the disciplinary action, no additional reprimand or disciplinary actions for any other cause have been filed during the intervening three (3) years, and there is no legal impediment to complying with the request. Such requests shall be reviewed by the Human Resources Director, who shall grant or deny the request based upon considerations of the severity of the original infraction, advice of the Department Director, and subsequent performance by the employee.

16.07 Educational Reimbursement

The City's policy of reimbursing employees who voluntarily engage in educational and/or professional development activities outside of working hours beneficial to both the City and themselves shall be continued without change for the duration of this Memorandum of Understanding. This policy contemplates the future growth and development of the
City and its employees through encouragement and financial aid to those individuals who seek to increase their knowledge, improve their skills, and obtain non-required licenses.

A. Eligibility

1. Any full-time employee with at least three (3) months of service may apply. Employees in a temporary or provisional status are not eligible; part-time employees are eligible for reimbursement on a pro-rata basis.

2. Any employee who qualifies for GI benefits for a proposed course of study will be eligible only for reimbursement of that portion of tuition that is not covered by GI benefits.

B. Required Qualifications

1. Application may be made only for attendance at a school of recognized educational standing, including correspondence schools.

2. Selected subjects and/or professional licenses not required for the position must relate directly to the employee's present job or to a reasonably predictable future job with the City. These include:

   a. Technical or non-technical courses of immediate benefit to the employee and City in the performance of present assignments or in qualifying for promotion within the present field of specialization.

   b. Technical or non-technical courses outside the employee's current field of specialization but related to either fields of specialization within the department or to a logical program of personal development and progression in a related field.

C. Procedures

1. Prior to enrolling in a class or correspondence course, the employee must obtain approval by completing the form entitled Application for Educational Reimbursement. Approval is required from the immediate supervisor, Department Director, Human Resources Department, and the City Manager.

2. In order to receive reimbursement, an employee will be expected to provide proof of satisfactory completion of the approved course.

3. A maximum of one thousand dollars ($1,000) per fiscal year of the tuition or fee, including any enrollment or laboratory fees, will be provided by the City. Reimbursement shall be made at the rate of fees, books, and expenses charged by California State University at East Bay for comparable institutions and Chabot College for Community College level courses.

4. If employees engage in the study of subjects that are required for their position, and are so directed by the City, the entire tuition, and other specifically approved expenses, will be considered training and development rather than covered under this educational reimbursement program.
As a supplement to each department’s available funds for reimbursement, the City shall maintain a fund in the amount of ten thousand dollars ($10,000) each fiscal year for reimbursement of costs related to approved educational activities and/or the professional development of bargaining unit members. A maximum reimbursement of one thousand dollars ($1,000) will be available to individual employees applying for reimbursement provided there is a sufficient balance remaining in the fund at the time of the request.

16.08 Safety and Safety Committee

The City agrees to provide a safe place to work and appropriate safety training consistent with the requirement to conduct efficient operations. The parties agree that Administrative Rule 7.8, Safety Inspections, sets forth the procedures for conducting safety inspections.

The City agrees to continue to make available inoculations for Hepatitis B and Tetanus, as medically indicated, to employees in sewer maintenance, streets and landscapes, wastewater treatment classifications, and any employees tasked with cleaning up homeless encampments. Training on infectious disease control concerns shall continue to be made available to employees in the sewer maintenance, water, landscaping, and wastewater treatment divisions, and any employee tasked with cleaning up homeless encampments.

The City will continue employee involvement in meetings of safety committees presently in existence, and any new or revised committees which may be formed during the term of this Memorandum of Understanding.

16.09 Examinations – Oral Boards

An authorized representative of the Employee Organization who is not an employee of the City may attend, as an observer, oral boards convened for the purpose of promotional examinations, provided the candidate requests in writing the presence of said observer.

16.10 Seniority List

The City will provide a current seniority list by classification upon request.

16.11 Advance Notice

Except in cases of emergency, reasonable advance written notice shall be given to the Union if employees are affected by any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation which is to be considered by the City Council, by any board or commission of the City, or by any department. The Union shall be given the opportunity to meet with such body prior to any action taken thereon. In cases of emergency, when the City determines that such a proposal must be acted
on immediately without prior notice or meeting with the Union, the City shall provide such notice and opportunity to meet at the earliest practical time following the action taken thereon.

**16.12 Introduction to New Equipment**

In the event of the introduction of new machinery or new processes, the City will provide suitable training for those employees whose job assignments require operation or maintenance of the new machinery or processes.

**16.13 Training**

A. **On the Job Training**

Interested employees may receive, on an informal basis, on-the-job training for jobs in a higher classification. The Department Director or a designated representative will designate situations for which such training is to be accomplished, and such training shall be conducted so as not to interfere with operations.

B. **Training Opportunities**

Certain job assignments within a given classification may provide experience and training opportunities which serve to enhance the chances for promotion of employees performing such assignments. Prior to filling such job assignments, employees in the division where the assignment occurs shall be informed of the opening and be given an opportunity to request consideration for said assignment. Selection shall be limited, for the most part, to employees serving at or near entry level positions in the division and shall be based upon such factors as possession of minimum qualifications for the job assignment, previous experience and training relevant to the position, quality of work performance in present and previous assignments with the City, attendance, and demonstrated interest and aptitude for the position.

In addition, consideration shall be given to recommendations for selection made by representatives of the Union which are consistent with the foregoing criteria. Final selection of employees for such jobs shall be at the discretion of the Department Director or designee and shall not be subject to the grievance procedure in the Memorandum of Understanding. Where practicable and consistent with the City's requirement for the efficient and expeditious completion of the work to be performed, and where the assignment is of sufficient duration, the Department Director shall attempt to rotate additional qualified employees through long-term assignments.

C. **Training Recommendations**

The City and the Union shall continue, during the course of future Union/Management meetings, to review and discuss training programs and training needs, and to recommend proposed training activity to the City Manager.

D. **Training for Water Pollution Control Facility Operators**

Training will be made available to WPCF Operators to facilitate promotional
opportunities to Lead Operator positions. Parties will meet periodically to discuss various aspects of the training program.

16.14 Temporary Positions/Employment Agencies

Persons retained from employment agencies to fill vacant positions normally occupied by members of this bargaining unit will be subject to the same six (6) month limitation as temporary employees hired by the City to fill such positions. If the Union has reason to believe that the six (6) month limitation on temporary employment is not being observed, the City will furnish to the Union upon request a list of persons serving in temporary positions and the dates upon which they commenced employment.

16.15 Pre-Retirement Counseling

The Human Resources Department will continue to make CalPERS brochures and forms, deferred compensation distribution forms, and other information related to retirement options available to employees. Upon request, staff will meet with employees to provide explanation of City administered benefits.

16.16 Employee Development

In the interest of providing bargaining unit employees with opportunities to enhance their ability to promote, the parties agree to the following:

Application Process

For purposes of Transfer Requests, employees are encouraged to submit an application to the Human Resources Department outlining their qualifications for the vacancy. Human Resources Department staff will provide consultation on application preparation to employees as requested.

Training

1. The City agrees to offer Interviewing Skills training workshops up to two (2) times per fiscal year. Interested employees shall be released from their duties to attend such workshops upon making such a request to their supervisor, and contingent on available coverage.

2. The City's computer resources room shall be made available during regular workdays at 7:00 a.m., during the lunch period, and until 6:00 p.m.

Skills Enhancement Opportunities

Up to three (3) bargaining unit representatives (one (1) Clerical, one (1) Confidential, one (1) Maintenance), shall meet with the Human Resources Director and/or the Human Resources Director's designee for the purpose of identifying and promoting skill enhancement and developmental training needs for bargaining unit members, and to ensure that Transfer and Promotion processes are fairly administered.

Such skill enhancement and developmental training that may be offered may include, but is not necessarily limited to, computer, written and oral presentation, communication,
interviewing, in addition to other employment-related training offered by the City. Career counseling assistance will continue to be available from the Human Resources Department.

16.17 Volunteer Programs

The Union recognizes the value of active volunteer participation in the City of Hayward; however, volunteers shall not be used to perform bargaining unit work. The parties shall meet as necessary to discuss the use of volunteers in the City.

16.18 Light Duty Assignments

In the event the City desires to modify Administrative Rule 7.15, Light Duty Work Assignments, the City will discuss changes with the Union.

16.19 Implementation of Department of Transportation Alcohol and Drug Testing Program

A. The City will provide each supervisor and shop steward with a detailed checklist on steps to take when ordering an alcohol or drug test for reasonable cause, post-accident test, and random test.

B. Union stewards will attend the supervisory training described in Administrative Rule 7.9 for Public Works and Maintenance supervisors.

C. A Union committee will be afforded site visits at any proposed collection site to observe the facilities prior to its use.

D. A Union committee will be afforded a site visit at any proposed testing laboratory prior to its use, provided that it is local.

E. The Union will be allowed input into the selection of the Medical Review Officer assigned to Local 1021 cases.

F. The Union will be permitted to annually review records kept pursuant to Administrative Rule 7.9 and for grievance processing.

G. A quarterly meeting will be held with the Union stewards, Public Works management, and the Human Resources Department to review the process and correct any problem areas.

H. The Union agrees that a clinician from Occupational Health Services will serve as the designated Substance Abuse Professional during the first six (6) months. A Union committee will be afforded the opportunity to meet with the designated SAP from OES. The Union and City will mutually select an SAP.

I. California Cardiovascular Consultants and Medical Associates (CCCMA) will be the collection site, and Alere will be the testing facility.

J. Any employee taking a prescription medication that may impair the ability to safely
perform assigned duties (including medications marked with a warning such as “may cause drowsiness”, “use caution when operating a motor vehicle or machinery”, etc.) shall immediately notify their supervisor that they are taking such a medication, but the employee is not required to reveal the specific medication or purpose. The employee shall contact the Medical Review Officer directly to receive clearance to perform usual duties with medication.

K. An employee who is not on standby duty and is called in to work in an emergency shall notify the supervisor if the employee believes they are not in a state of sobriety for the purpose of driving a commercial vehicle. If sufficiently fit, the employee may be called in for emergency duty and not assigned to drive a commercial vehicle. There will be no penalty to the employee for providing such notice.

L. The terms of this Section shall be subject to the grievance procedure.

M. As of January 6, 2020, the Federal Motor Carrier Safety Administration requires employers, Medical Review Officers (MROs) and Substance Abuse Professionals (SAPs) to record positive drug and alcohol test results and to query the Drug and Alcohol Clearinghouse for positive drug and alcohol test results at least annually for every driver and before beginning employment in a safety-sensitive position (CFR 49 Part 382 Subpart G). As a condition of employment in a safety-sensitive position, employees must sign a limited query consent form allowing the City to perform the required annual query, and employees must register as a driver in the clearinghouse if it is determined that a fully query is required as a result of the limited query.

16.20 Court Referrals/Welfare Program

If the City participates in such programs, the City will meet and confer with the Union first to discuss the impact on the membership. Under no circumstance will program participants be used to replace City bargaining unit employees.

16.21 Restrictions on Outside Work

Gainful employment outside an employee’s regular City position shall be subject to prior written approval by the City Manager in as much as the outside employment may be incompatible with the employee’s employment or may be of such nature as to interfere with the satisfactory discharge of the employee’s regular City duties.

16.22 Health and Wellness

The City will reimburse employees a maximum of six hundred dollars ($600) annually for expenses associated with health and wellness equipment or programs to support the employee’s health and wellness. This reimbursement may be made in lump sums of up to six hundred dollars ($600) for the purchase of health and wellness equipment or may be made monthly, up to fifty dollars ($50) per month, for all other health and wellness related expenses, including recurring monthly fees associated with gym or health club memberships, fitness classes (such as yoga, Zumba, or similar), personal trainers, weight loss programs (such as Weight Watchers, Jenny Craig, or similar), short or long-term disability plans.
Requests for reimbursement of monthly fees for health and wellness related expenses must be submitted in writing and accompanied by receipts and proof of monthly membership within forty-five (45) days of the most recent monthly payment made by the employee.

For recurring health and wellness expenses, following receipt and approval of the employee’s request, the employee shall receive the health and wellness reimbursement on a monthly basis until the employee indicates they have cancelled the monthly health and wellness related payments. The employee will be expected to inform the City in a timely manner that they have ceased making recurring monthly payments for health and wellness related expenses. Timely notice under this section of the MOU shall mean no more than thirty (30) days from when the employee cancels their recurring monthly health and wellness related fees.

Alternatively, this reimbursement may be used for health and wellness equipment (such as treadmills, stationary cycles, bike stands (to convert road bike to stationary cycle), non-motorized bicycles (excluding any road bicycles or scooters that have motors or batteries), stair climbing machines, elliptical machines, rowing machines, cross-country ski machines, air walkers, weights, or wearable fitness trackers (such as Fitbit etc.) or similar and associated parts for equipment previously reimbursed by the City under this provision). Employees may not seek reimbursement for apparel, sneakers, or recreational equipment under this program. Requests for reimbursement of equipment must be submitted in writing, accompanied by receipts and proof of purchase, and may only be requested twice per year, and within forty-five (45) days of the most recent expenditure made by the employee.

Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and the City Manager. Although participants may not be required to produce monthly receipts for health and wellness payments made on a recurring monthly basis, the City, at the discretion of the Human Resources Director, or designee, may at any time request receipts to verify monthly payments have been continuous and the participating employee remains eligible to receive the health and wellness benefit in accordance with this section of the MOU.

Part-time employees who work less than forty (40) hours per week shall be eligible to receive a maximum of twenty-five dollars ($25) per month for expenses associated with health and wellness programs as described above. Requests must be made in writing within forty-five (45) days of payment by the employee and submitted with receipts.

The City’s decision to reimburse an employee is not subject to dispute as provided for in Section 15.00 in this MOU.

16.23 Subcontracting

As a policy, the City of Hayward affirms its commitment to maintaining the integrity of the Local 1021 bargaining unit work and actively seeking ways to preserve jobs and provide career opportunities within the City workforce.

In keeping with this policy, for the duration of this Memorandum of Understanding (MOU), the City will reserve the use of subcontracting for work that requires special skills.
not currently within the City workforce or equipment not currently owned by the City, constitutes a discrete, non-recurring project or is seasonal in nature, results from an emergency situation, or results from insufficient staffing levels. The parties expect that during the term of the MOU work may need to be subcontracted because the work has met one (1) or more of the above-mentioned criteria.

The City is currently obligated by a number of contracts to perform bargaining unit work, which may or may not conform to the above-mentioned criteria, for example some landscaping work. The Union will make no claim to work covered by those contracts until those contracts expire. The City shall not renew any current contracts to perform bargaining unit work unless those contracts comply with the requirements of this Section. The City shall not enter into any new contracts to perform bargaining unit work unless those contracts comply with the requirements of this Section. Upon request, the City Manager or designee shall provide the Union with information as to the scope of work currently contracted, to whom the work is contracted, the cost associated with those contracts, and the duration of the contracts. The Union may request additional information as needed.

No less than sixty (60) days prior to the contracting of work or services for the above-mentioned criteria or as soon as possible, in the case of an emergency the City shall notify the Union. Upon request, the City Manager or designee shall provide the Union with information as to the scope of work to be contracted, to whom the work is to be contracted, the cost associated with those contracts, and the intended duration of the contracts. The Union may request additional information as needed.

16.24 Class A/B Driver’s License

The City agrees to continue the practice of paying for medical examinations required to secure a job-required Class A or B driver’s license, and the City will continue to pay any fees above those fees imposed for a regular (Class C) driver’s license.

17.00 SEPARABILITY OF PROVISIONS

Should any Section, clause, or provision of this Memorandum of Understanding be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such Section, clause, or provision shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Memorandum of Understanding.

Upon such invalidation, the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions, the dispute may at the request of either the City or the Union be referred to arbitration for settlement pursuant to the provisions of Section 15.03, Grievance Procedure; but the power of the arbitrator shall be restricted and limited to determining a substitute provision to provide for the same specific objective and purpose of the provision rendered or declared illegal.
18.00 DURATION OF MOU

This Memorandum of Understanding shall be effective upon ratification of the union and approval by City Council, except for those provisions of the Memorandum of Understanding which have been assigned other effective dates as hereinabove set forth, and shall remain in full force and effect to and including the 30th day of June, 2024 and shall continue thereafter from year to year unless at least one hundred twenty (120) days prior to the first day of July, 2024, or the first day of July of any subsequent year, either party shall file written notice with the other of its desire to amend, modify, or terminate this agreement.

FOR SERVICE EMPLOYEES INTERNATIONAL, LOCAL 1021:

Blake Huntsman, Chief Negotiator, SEIU, Local 1021
Robert Mitchell, SR., SEIU, Local 1021 Maintenance Unit President
Ed Lopez, Negotiating Team Member
Jeffrey Bashir, Negotiating Team Member
Timothy Sira, Negotiating Team Member
David Cahnam, Executive Director of SEIU, Local 1021

FOR CITY OF HAYWARD:

Burke Dunphy, Lead Negotiator

Saad Muhammad, Chief Negotiator, SEIU, Local 1021
Armando Quintero, SEIU, Local 1021 Maintenance Unit Vice President
Gil Hesia, Negotiating Team Member
Salvador Sanchez, Negotiating Team Member
Peter Masiak, Regional Director of SEIU, Local 1021
SEIU LOCAL 1021 MAINTENANCE AND OPERATIONS UNIT

Regina Youngblood, acting Director of Human Resources

Kelly McAdoo, City Manager

Made and entered into this 15th day of July, 2022.
APPENDIX A

SEIU 1021 Maintenance Unit
Classification and Salary Plan as of June 25, 2018

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APPENDIX B

EQUITY STUDY

The City and the Union agree to perform an equity study on total compensation that includes all benchmark positions for SEIU Maintenance and Clerical classifications, to be completed no later than December 31, 2023, with the results to be shared with SEIU Local 1021 upon completion. The parties understand the purpose of this study is to collect information that will allow them to better understand the City’s position in the labor market with respect to bargaining unit positions and inform discussions about equity adjustments.

The City and the Union agree that the following jurisdictions will be included in the survey: City of Alameda, City of Berkeley, City of Daly City, City of Fremont, City of Palo Alto, City of Redwood City, City of Sunnyvale, City of San Leandro, City of Santa Clara, and City of San Mateo. In addition to the ten (10) agencies listed, the parties agree that Alameda County Water District, Dublin-San Ramon Services District, Oro Loma Sanitary District, and Union Sanitary District shall be included in the surveyed jurisdictions for the following classifications only:

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<td>Utility Worker</td>
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<td>Senior Utility Leader</td>
<td>Utility Worker – Sewer</td>
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<td>Senior Utility Leader – Sewer</td>
<td>Water Meter Mechanic</td>
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<td>Maintenance Worker</td>
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<td>Facilities Carpenter II</td>
<td>Facilities Painter II</td>
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</table>

The classification study will match positions using a comparison of job duties and not solely based on job title.

In addition to the ten (10) agencies listed, the parties agree that City of San Ramon, City of Oakland, Santa Clara County, and Alameda County shall be included in surveyed jurisdictions for comparable job duties and descriptions where there are fewer than three (3) comparable classifications identified among the ten (10) agencies listed above, for the purpose of an effective study of Police Department (PD) classifications.

The City shall issue a request for proposal (RFP) for a survey provider no later than January 1, 2023. The parties will consult over selection of a provider from the consultants responding to the RFP. The City retains the discretion to select the consultant in order to ensure timely completion of the salary survey.