MEMORANDUM OF UNDERSTANDING

SUPERVISORY AND CONFIDENTIAL BARGAINING UNIT

1.0
PREAMBLE:

This memorandum of Understanding, hereinafter referred to as "Memorandum", is made by and between the City of Mountain House and the Service Employees International Union, hereinafter referred to as "SEIU" or "Union", representing employees who are members of the Supervisory and Confidential Bargaining Unit. This Memorandum of Understanding constitutes the result of meeting and conferring in good faith pursuant to the California Government Code and the City of Mountain House Employer-Employee Relations Policy.

The bargaining unit shall include all full- time and part-time employees as agreed to by the parties effective July 1, 2026 including:

Facilities Supervisor
Management Analyst
Engineer IV
Accountant I/II
Landscape Supervisor
Landscape Project Supervisor
Senior Public Works Inspector
Customer Service Supervisor
Utility Billing Supervisor
Senior Civil Engineer
Senior Inspection and Code Enforcement Officer
Senior Maintenance Worker
Senior Planner

DURATION:
This Memorandum shall be in effect from the date of adoption by the City Council through June 30, 2030.

1.1 Management Rights

SEIU and the City of Mountain House recognize that it is the exclusive right of the City, except as otherwise provided in this Memorandum of Understanding, or the Employee Relations Policy, to make all decisions of a managerial or administrative character, including but not limited to:

a. To manage and direct its business and personnel.
b. To manage, control, and determine the mission, its departments, building facilities and operations.
c. To create, change, combine or abolish jobs, policies, departments and facilities in whole or in part.

d. To subcontract or discontinue work for economic or operational reasons.
e. To specify or assign work requirements and require overtime.
f. To schedule working hours and shifts.
g. To adopt rules of conduct and penalties for violation thereof.
h. To take whatever action necessary to prepare for and to operate in an emergency.
i. To hire, promote, transfer, assign, classify positions, retain employees, and to suspend, demote, discharge or take disciplinary action against employees.
j. To layoff, demote or furlough employees from duties because of lack of funds, in the interest of the economy, or other legitimate reasons. The Mountain House City Manager may determine the order of layoff and those employees who will be demoted based on the operational needs of the City.
k. To determine the policies, standards, procedures, methods, means and personnel by which Mountain House operations are to be conducted.

Nothing in these policies and procedures shall be construed to interfere with Mountain House's right to manage its operations in the most economical and efficient manner consistent with the best interests of all the citizens of Mountain House.

1.2 Joint Labor – Management Committees

SEIU and the City of Mountain House agree to establish a joint committee comprised of two (2) labor and (2) management representatives to deal with specific areas of concern which may arise from time to time. The Joint Labor Management Committee shall meet at least three (3) times each calendar year. Either party may initiate a joint labor management committee meeting by making a written request to the other; requests to the union shall be made to the SEIU worksite organizer and requests to the City of Mountain House shall be made to the City Manager. Both parties agree to exchange agenda issues at least five (5) days in advance of a scheduled meeting.

1.3 Employees' Rights – Employer-Employee Relations

SEIU and the City of Mountain House recognize that each employee shall have the following rights which he/she may exercise in accordance with this Memorandum, Employer-Employee Relations Policy, applicable law, ordinances and rules and regulations:

a. The right to form, join, and participate in the activities of any labor organization of his/her own choosing for the purpose of representation on all matters within the scope of representation.
b. The right to be free from interference, intimidation, restraint, coercion, discrimination, or reprisal on the part of the City, other employees or employee organizations, with respect to his/her membership or non-membership in any employee organization or with respect to any lawful activity.
c. The right to refuse to join or participate in the activities of any employee organization.
d. The right to represent himself/herself individually in his/her employee relations with the City.

1.4 Discrimination in Employment Prohibited

No employee shall be discriminated against in any aspect of employment because of age, ancestry, color, creed, marital status, medical condition (cancer or genetic characteristics) national origin, physical or mental disability, political affiliation or belief, pregnancy, race, religion, sex, or sexual

orientation.

Any employee who believes he or she has been harassed or discriminated against because of any of the above reasons, may bring the matter to the attention of the supervisor. The initial contact should be made as soon as possible, but no later than 60 days after the alleged act of discrimination or harassment occurred. Employees are encouraged to process discrimination complaints in accordance with Section 14 of the Mountain House Personnel Policies and Procedures, Equal Employment Opportunity Program, when they believe they are experiencing discrimination.

1.5 SEIU Rights

SEIU shall have the following rights:

A. Representation: Upon request, to meet and confer in good faith with appropriate levels of the City of Mountain House management regarding matters within the scope of representation.

B. Advance Notice: Except in cases of emergency, SEIU shall be given reasonable advance written notice of any ordinance, resolution, rule or regulation, proposal or other action directly relating to matters within the scope of representation proposed to be adopted by the City of Mountain House and shall be given the opportunity to meet and confer in good faith with management prior to its adoption. Written notice shall customarily be provided by furnishing SEIU with advance copies of the agenda of the City Council meetings.

C. Representatives – Meeting Attendance: SEIU may have a reasonable number of employees who serve as official representatives released from work without loss of compensation when meeting and conferring with management representatives where matters within the scope of representation are being considered. SEIU shall submit a request for such release and shall include therewith a listing of such employees including their titles and departments to the management representative and departments concerned in advance of the meeting. The use of City time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. The number of such employees shall be pre-approved by City management.

D. Representatives Access to Employees:

1. Authorized representatives of SEIU shall be allowed reasonable access to employees of the unit at their work locations during the working hours of the employees concerned for the purpose of discussing matters within the scope of representation, including but not limited to the processing of grievances and complaints and distributing materials and information provided that the work of the employee and the service to the public are not unduly impaired. The authorized representative shall give advance notice to the department head when contacting departmental employees during their duty period in accordance with (c) above.

2. Reasonable solicitation for membership or other internal Union business or campaigning shall be conducted only during the non-duty hours of all employees concerned, so long as normal work functions of the City are not interfered with.
3. An SEIU Field Representative or designee will be allowed up to 30 minutes during each scheduled new employee orientation to present information about the Union to employees who are in bargaining units represented by SEIU. The City of Mountain House will provide timely notice to SEIU regarding the orientation schedule by providing the Union with a calendar of orientation dates. The Union will be allowed release time for up to 2 members per orientation to present Union information during these orientations.

E. Shop Stewards: Shop Stewards employed and recognized by the City of Mountain House may assist employees in resolving complaints and grievances at the lowest possible administrative level of review. Shop Stewards will be authorized up to three hours release time per case at the 1st and 2nd levels of the grievance and complaint process. Stewards may also be present during "right to representation" discussions, if requested by the employee. The right to representation is established by the Supreme Court's 1975 Weingarten decision. Once it is determined that a right to representation exists, shop stewards may then represent employees using no more than three hours per case. However, the SEIU may only have two (2) Stewards when meeting with Management.

A request for release time for the purposes outlined above shall be made prior to taking the release time. Such a request shall not be unreasonably denied.

Number of Stewards: The City of Mountain House authorizes up to 4 shop stewards for the SEIU represented unit. (2 General Unit & 2 Supervisory and Confidential Unit). If the number of represented employees increases to more than 30 employees, the number of shop stewards will increase by 1 for each additional 15 employees. The Union shall provide the name of the designated shop stewards to the City at the beginning of each calendar year and whenever there is a change in the list of Stewards. The list shall show the employee name, classification, department and work location. No steward shall be recognized as such by the City without written authorization from SEIU.

F. SEIU – City Use: City facilities shall be available to SEIU as follows:

1. City Buildings: SEIU may be granted the use of City facilities for meetings composed of City employees within the bargaining unit provided space can be made available without interfering with City needs. SEIU shall obtain the permission of the designated City official for the use of such facilities.

2. Bulletin Boards: SEIU has the right to the reasonable use of existing bulletin board space in each building or department at a location agreed upon by the Union and the department, under the following conditions:

a. Material shall be posted on space as designated.
b. Posted material shall bear the name of the Union.
c. Posted material shall not be misleading, contain any deliberate misstatements or violate any Federal, State or County laws.
d. Material shall be neatly displayed and shall be removed when no longer timely.
e. The City may remove any material that does not comply with the provisions (a-d) above.

G. Employee Payroll Deductions: SEIU shall have the right to payroll deduction for its members in this unit including regular dues and employee benefit program costs. Regular dues and employee benefit program costs may be deducted from the employee's individual paycheck. Except as otherwise provided in this Memorandum, payroll deductions shall be made only upon the revocable written authorization of the individual employee.

Requests to authorize the start of or change to dues or other deductions covered in this section, or to change status regarding such dues or other deductions, shall be directed to the Union designee rather than to the City. The City shall not process any dues, COPE, or other change requests that may come directly from an employee in the bargaining unit but agrees to forward such requests to the Union designee.

A continuation of SEIU payroll deductions, without resigning a payroll deduction card, shall be allowed after an employee returns from a leave of absence.

1.6 SEIU Officer
Release Time

One (1) specified bargaining unit employee elected to union-wide office within SEIU 1021 may be afforded reasonable release time to travel to and attend meetings which are required due to the duties of their union-wide office. Reasonable release time will be dependent upon the operational needs of the individual department to which the employee is assigned and shall not exceed 14 days per calendar year. This provision will be interpreted to apply to the two (2) bargaining units represented by SEIU and shall not mean (1) employee chosen from each unit.

Upon the signing of this Agreement the Union agrees to provide the City Manager or designee with a copy of the SEIU constitution and by-laws which shall include the duties of each union wide officer.

The Union shall reimburse the City for all costs associated with the release time of the specified union-wide officers. Reimbursement for all costs associated with the release time of the specified union-wide officers shall be made to the City of Mountain House within thirty (30) calendar days of such release time absence.

2.0 INSURANCE

2.1 Effective Date of Coverage

The effective date of coverage for new employee members in the health, dental, and vision insurance plans provided employees shall be the first day of the first bi-weekly pay period next following the date of appointment to employment as a regular employee or as a regular part-time employee.

2.2 Health Insurance Options

The City shall continue to provide an option for health insurance coverage for eligible employees and dependents in one of several plans. The City shall offer health, dental, vision and life insurance plans.

2.3 Health Insurance Premiums

The City shall pay 80% of the premium and the employee shall pay 20% of the premium for all plans with the exception of Kaiser. For Kaiser plans only, the City shall pay 85% of the premium for employees and the employee shall pay 15% of the premium. For employees electing Kaiser dependent coverage the City shall contribute 85% of the premium and the employee shall pay 15% of the premium. For employees electing dependent coverage other than Kaiser the City shall contribute 80% of the premium and the employee shall pay 20% of the premium. At such time as the Sutter family rate equals or exceeds the Kaiser family rate, the City contribution will increase to 85% and the employee contribution will decrease to 15%.

If on Leave of Absence Without Pay – Refer to Section 2.11 – Continuation of Insurance Benefits While On Leave.

2.4 Coverage for Surviving Dependents

Consistent with the Federal Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), any employee who is covered by City-offered health insurance and who dies while employed, whether in paid or unpaid status, their surviving dependents shall be allowed to retain their dependents' coverage, provided that the dependents elect COBRA coverage and pay their applicable premiums by the due date.

2.5 Dental Insurance

The City shall provide an option for dental insurance coverage for eligible employees and dependents. The City shall pay the employee-only premium and any increases thereof for the term of this memorandum. Dependent dental coverage shall be available at the employee's expense.

2.6 Vision Insurance

The City shall provide vision insurance coverage for eligible employees. The City shall pay the employee-only premium and any increases thereof for the term of this memorandum. Dependent vision coverage shall be available at the employee's expense.

2.7 Life Insurance

The City shall provide each eligible employee with life insurance coverage of

$10,000 effective after their full month of employment.

2.8 Additional Life Insurance
Eligible employees in this unit shall have the option to purchase additional term life insurance in increments of $10,000 from $30,000 to a maximum of $200,000 at the City's rate. Additional life insurance can be purchased for spouses, domestic partners and children in increments of $5,000 from $15,000 to a maximum of $50,000 at the City's rate.

2.9 State Disability Insurance
Employees in this bargaining unit shall purchase at the employee's expense State Disability Insurance. State Disability Insurance provides weekly benefits in the event an employee is unable to work due to an illness or injury that is not job-related. Employees receiving benefits from State Disability Insurance and supplementing those benefits with accrued leave time to receive a full paycheck shall receive the City's contribution to their health, dental, vision, life insurance and retirement, if applicable.

2.10 Flexible Benefits
Employees in this bargaining unit shall have the option to participate in a flexible benefit program (as allowed and prescribed by Section 125 of the Internal Revenue Code and applicable IRAC sections and regulations) which permits the pre-taxing of insurance premiums, reimbursement of eligible dependent care costs, and un-reimbursed healthcare expenses with pre-tax dollars.

2.11 Continuation of Insurance Benefits While on Leave of Absence When an employee is on an authorized leave of absence without pay, or receives insufficient pay to cover their share of the premium cost, the employee shall be allowed at the employee's own expense to remain under the health, dental, vision, and life insurance coverage for up to twenty- six (26) bi-weekly pay periods provided that such employee shall pay the applicable premiums at least two (2) weeks prior to the premium due date. Specific arrangements for such coverage shall be made with the City Manager or designee.

3.0 AUTHORIZED LEAVE

A. **General Policy:** The City of Mountain House provides employees with paid and unpaid time off and leave options to cover illness, vacation, family emergencies, and other occurrences requiring time away from the job. The City policy is designed to encourage planned leave which can be more productively managed than unplanned leave. Unless otherwise provided by law, all leave is granted at the discretion of the City Manager.

B. **Vacation:** Full-time employees (2,080 hours) accrue vacation at the rate shown below.

   Regular part-time employees accrue vacation for each straight-time hour on payroll on a pro- rated basis, based upon the following chart. Vacation time shall accrue as follows:

FOR EMPLOYEES HIRED ON OR AFTER JULY 1, 2020

Length of Service	Pay Period Accrual Per Hour Worked	Bi-weekly Accrual (Full-Time Employees)	Annual Vacation (Full-Time Employees)	Maximum Hours Accrual	Maximum Accrual in Weeks
Less than three (3) years (Less than 78)	.03846	3.0769	80	160	4 Weeks
Three (3) years, Less than 10 Years (Less than 260)	.0577	4.616	120	240	6 Weeks
10 Years, Less than 20 (Less than 520 Hours)	.0770	6.160	160	320	8 Weeks
Over 20 Years (520 Hours or more)	.0885	7.080	184	368	9 Weeks

01 thru 36 months of full & continuous service = 80 hours annually (3.0769 hours per pay period) with a max accrual of 160 hours
37 thru 120 months of full & continuous service =120 hours annually (4.616 hours per pay period) with a max accrual of 240 hours
121 thru 240 months of full & continuous service=160 hours annually (6.160 hours per pay period) with a max accrual of 320 hours
241 mos. & thereafter of full & continuous service =184 hours annually (7.080 hours per pay period) with a max accrual of 368 hours

Whenever a regular employee's accumulation of vacation reaches the maximum as provided herein, any further vacation accrual shall be credited to such employee's sick leave accumulation until such time as the employee's vacation accumulation falls below the maximum allowed, unless the Mountain House City Manager grants an exception to accumulate not more than one additional year of vacation for a clearly specified purpose. All vacation time must be approved by the Department Manager. Each Department must have adequate coverage at all times.

Leave without pay or disciplinary suspension shall delay the advancement to the next higher accrual rate until the employee has been on payroll the number of straight-time hours which equal the number of full, continuous, bi-weekly pay periods specified above.

Subject to the approval of the Mountain House City Manager, each regular employee shall have the option of receiving cash payment in-lieu of using up to two (2) weeks' vacation time once each calendar year from the employee's accumulated vacation and will have the employee's accumulated vacation balance reduced by said hours. Employees must have at least eighty (80) hours of vacation time remaining after vacation is reduced.

An employee may choose to use accrued vacation or compensatory time, if any, if the employee is absent beyond the limits of accumulated sick leave for reasons of illness, injury or quarantine or death in the immediate family as defined in this policy.

C. **Holidays:** Full-time and regular part-time employees become eligible for paid holidays after completing one full pay period and must be at work for a minimum of one hour the business day immediately preceding the holiday or the business day immediately following the holiday. When the holiday falls either within a regularly scheduled vacation or immediately preceding or following a day of other paid leave approved by the employee's supervisor, the work requirement before or after the holiday need not be met to be eligible for the holiday allowance. Holiday pay for regular part-time employees is based on the average hours worked in the preceding five (5) pay periods.

Employees who work a regular holiday will be paid one-and-one-half (1-1/2) times the regular hourly rate for all hours worked on the holiday, in addition to receiving eight (8) hours of pay for the holiday. The following are regular holidays:

a) January 1, New Year's Day
b) Third Monday in January, Martin Luther King Birthday
c) Third Monday in February, Washington's Birthday
d) Last Monday in May, Memorial Day
e) June 19, Juneteenth
f) July 4, Independence Day
g) First Monday in September, Labor Day
h) November 11, Veterans Day
i) Any November day designated as Thanksgiving
j) Friday following the day designated as Thanksgiving
k) December 24, Christmas Eve (effective 2024)
l) December 25, Christmas Day
m) December 31, New Year's Eve (effective 2024)
n) All other holidays as may be proclaimed by the Governor of the State of California or the President of the United States and adopted by the Mountain House City Council

When one of the above holidays falls on a Saturday, the preceding Friday shall be observed as a holiday but will be observed as a floating holiday if the City offices are not closed. When one of the above holidays falls on a Sunday, the following Monday shall be observed as a holiday but will be observed as a floating holiday if the City offices are not closed.

Employee will receive four (4) floating holidays (32 hours) the first pay period in January of each year. The floating holidays are to be taken any time in any increment as needed throughout the year with the approval of the immediate supervisor. Employees will not

be allowed to carry over floating holidays from one calendar year to the next. Floating holiday hours remaining at the end of the calendar year will be forfeited. The floating holidays cannot be cashed out in lieu of taking the day off.

Employees hired after January 1 of the calendar year will receive a pro-rated number of floating holidays as follows:

- Hired between January 1 and March 31 – 4 floating holidays (32 hours)
- Hired between April 1 and June 30 – 3 floating holidays (24 hours)
- Hired between July 1 and September 30 – 2 floating holidays (16 hours)
- Hired after October 1 – 1 floating holiday (8 hours)

D. Sick Leave: The use of sick leave with pay is a privilege and not a right. Regular employees eligible for benefits shall accrue .0462 hours of sick leave for each straight time hour on payroll not to exceed eighty (80) straight-time hours per pay period (annual accrual rate, approximately 96 hours). Any employee who was on the City's payroll prior to August 27, 2001, and eligible for sick leave conversion as defined and described in the San Joaquin County Memorandum of Understanding and Resolutions in effect on June 14, 2004, for the employee's classification shall be entitled to sick leave conversion as City employee under the same terms and conditions as set for the in the appropriate Memorandum of Understanding and Resolutions referenced immediately above.

Sick leave may be authorized for any of the following reasons:

a) Illness, injury or quarantine of the employee;
b) Medical, dental or optical care of the employee;
c) Illness, injury or quarantine of a member of the employee's immediate family which requires the employee to tend, care for, or otherwise provide for the care of such person, up to a maximum of 64 hours in a fiscal year. Immediate family means the spouse, registered domestic partner*, child, parent, sibling, grandparent, grandchild, great grandparent, great grandchild of the employee; or the child, parent, sibling, grandparent, grandchild, great grandparent or great grandchild of the employee's spouse or registered domestic partner;
d) Illness, injury or quarantine during an authorized vacation or on a floating holiday as evidenced by satisfactory proof attesting to the nature and length of the disability. Sick leave for non-emergency medical, dental, or optical care during an authorized vacation or on a floating holiday period is not permitted.
e) An amount sufficient which, when added to an employee's disability indemnity under Workers' Compensation, will result in a payment to the employee not more than the employee's regular salary.
f) Care for a new adopted child (using up to a maximum of 40 hours sick leave) unless the use of additional time is approved by the City Manager.

No employee shall be entitled to sick leave because of:

a) Disability arising from any illness or injury purposely self-inflicted or caused by the employee's misconduct;
b) Illness, injury, quarantine or disability while on leave without pay;

* *For a domestic partnership to become official – and therefore enjoy the same rights that married couples have in California –a couple must register with the Domestic Partnership Registry. This is done by filing a Declaration of Domestic Partnership with the Secretary of State.*

An employee scheduled to work on a regular holiday who is absent on that holiday due to illness, injury, or quarantine shall not be permitted to use sick leave but shall be deemed to have used the regular holiday.

Employees absent from work because of illness, injury, or quarantine, or for non-emergency medical, dental or optical care shall be paid only upon furnishing the City Manager or designee with satisfactory proof as may be required by the City Manager or designee that the absence was due to such cause. The requirement, need and form for such verification shall be made known to the employee in advance of any absence, but not later than the time the employee calls in sick. Employees may be required to provide a Doctor's note after two (2) consecutive days of absence, or after the third (3) day per quarter.

A former employee, re-employed by the City of Mountain House, shall not be entitled to accumulated sick leave benefits unless his or her return to the City of Mountain House service is the result of reinstatement within one year of termination of employment OR is the result of re-employment after a layoff due to lack of work, lack of funds, or in the interest of economy.

E. Bereavement Leave: Bereavement leave provides time to attend to funeral arrangements and other responsibilities associated with the death of an immediate family member. Regular full-time and regular part-time employees may be allowed to be absent with pay for up to three (3) regularly scheduled workdays or 24 hours, in the event of the death of each immediate family member. Immediate family members include parent, spouse, child, sibling, grandparent, great grandparent, grandchild or great grandchild of the employee, employee's spouse or registered domestic partner. Bereavement leave is not granted automatically, and the City Manager or designee will balance operational needs with such factors as employee responsibility for arrangements, date and place of the service prior to approving a request. If an employee requires more than three (3) days or 24 hours away from the job, other leave time may be requested, pending approval by the Department Head or the City Manager.

F. Jury Duty: Employees must inform the supervisor when the initial notice or questionnaire is received for jury duty. Since time off with pay will be granted for such duty, the employee must remit to the City of Mountain House the jury duty pay. If the employee chooses to keep the jury duty pay, personal leave must be used.

Because employees may be called for jury duty late in the morning or released early in the day, supervisors may require employees to work the remaining fraction of the workday. If employees do not comply with this obligation, they will not be paid their City salary for time not at work.

G. Witnesses: Employees subpoenaed as a witness in a civil or criminal trial or hearing must provide their supervisor with a copy of the court order requiring appearance prior to the date of the appearance. They must use personal leave for this time off unless the trial or hearing involves the City of Mountain House as determined by the City Manager and

under these circumstances, the employee will be given paid time off for this appearance. Any witness fees received by the employee while receiving paid time off for such court appearance shall be to the City of Mountain House together with any mileage allowed if the employee uses City of Mountain House provided transportation.

Other Court Related Appearances: Employees called as expert witnesses in a trial in which the City of Mountain House has no interest must use personal leave for the time off.

If an employee is personally involved in a court case as a party such as the plaintiff or defendant, he or she must take personal leave to appear in court or to transact business associated with the case.

H. Military Leave: Refer to Policy

I. General Leaves of Absence: A leave of absence without pay provides a means for employees to take prolonged time off without terminating employment. Such leaves are granted only when there is an expectation that the employee will return to work. Employees may request a leave of absence without pay for employee or family illness, maternity or paternity leave, adoption, education, or training which will benefit the City of Mountain House, military service, or urgent or substantial personal reasons. The City Manager will determine whether the leave can be granted based on urgency and workload requirements. No employee who has been granted a leave of absence without pay shall accrue any vacation, sick leave or holiday during the time of such leave. For an employee who has been granted an unpaid leave of absence, the City of Mountain House will only continue paying health, dental, vision and life insurance premiums through the end of the month in which such leave commenced. The City of Mountain House payment of health, dental, vision and life insurance premiums will resume beginning with the month in which the employee returns to paid status or as otherwise provided by any City insurance contractual requirements.

J. Pregnancy Disability Leave: Refer to Policy

K. State Family Leave: Refer to Policy

L. Federal Family Leave Act: Refer to Policy

M. School Activities: The City of Mountain House shall comply with any federal or state law requiring an employer to grant time off to participate in a child's school activities. Current state law provides that parents may take up to forty (40) hours per year, but not more than eight (8) hours per month, to participate in their children's school activities. An employee may take unpaid leave or may use accrued vacation, compensatory leave, or a floating holiday to the extent that this is consistent with the Fair Labor Standards Act.

N. Unpaid Medical Leave: Employees physically unable to work and under a doctor's care who have exhausted all sick leave and other accrued leave such as vacation or compensatory time may be granted unpaid medical leave until the attending physician releases the employee to return to work. Supervisors may request a doctor's verification of the employee's physical condition. Leaves of absence for disability related to pregnancy

are governed by the California Fair Employment and Housing Act, Government Code Section 12945. Leaves may also be governed by the California Family Rights Act or Federal Family and Medical Leave Act. Additional unpaid medical leave may be granted by the City Manager beyond that required under PDL, CFRA, and FMLA at the discretion of the City Manager.

O. Unpaid Leave, Non-Medical: This covers leave for non-medical, urgent, or substantial personal reasons for needing time off from the job. All personal leave must be used before an unpaid leave of absence will be granted.

P. Leave of Absence Without Pay/Benefits: While an employee is on an unpaid leave of absence, except as may otherwise be provided in this policy, no vacation or sick leave will be earned, no seniority will be accrued, and no holidays will be paid. Employees using a combination of leave credits and disability insurance payments will accrue leave credits and holidays on a prorated basis. Granting of unpaid leave status allows the employee to return to his or her former position or a comparable position to which he or she otherwise would have been allowed had he or she not been on leave.

Employees may continue participating in health, dental, and life insurance plans by paying the appropriate premium during the period of time in which such premiums are not paid by the City of Mountain House.

Q. Administrative Leave: The following members will receive 80 hours of Administrative Leave each calendar year, credited in the pay period that includes January 1, with no carry-over provisions and no cash out provision.

Management Analyst
Engineer IV
Senior Civil Engineer
Landscape Supervisor
Landscape Project Supervisor
Senior Public Works Inspector
Utility Billing Supervisor
Senior Inspection and Code Enforcement Officer

R. Abuse of Leave:

1. Expiration of Leave: Failure to return to work upon the expiration of leave constitutes an automatic resignation.

2. Inappropriate Use of Leave: If an employee uses leave for purposes other than for which it was granted, it may be terminated, employment with the City of Mountain House may be terminated, and pay for the leave may need to be reimbursed to the City, as determined by the City Manager.

3. Unauthorized Leave: Absence without approved leave, voluntary or involuntary, for five (5) consecutive workdays constitutes resignation from the City of Mountain House on the last day worked.

S. Time Off to Vote: The City of Mountain House is willing to accommodate employees who need to take time off to participate in public elections. Generally, employees are able to find time to vote before or after their regular work schedule. If an employee is unable to vote in an election during non-working hours, the City will grant up to two (2) hours of unpaid time off to vote.

T. Leave During Job Action: No employee shall be eligible for paid leave as a result of, or while participating in or engaged in, any concerted work action.

U. Catastrophic Leave Program

At the discretion of the City Manager, employees will be permitted to transfer eligible leave credits to a time bank to be used by an employee when a non-work-related catastrophic illness or injury occurs. The Catastrophic Leave Program, makes it possible for employees to donate from their leave bank to help their coworkers. An employee may donate a minimum of four (4) hours per pay period. Employees may donate up to a maximum of sixteen (16) hours of leave per pay period. Employees must have at least eighty (80) hours on the books after you donate time if you are a full time employee.

Catastrophic illness or injury is defined as a non-work related illness or injury which is expected to incapacitate an employee and which creates a financial hardship because the employee has exhausted all of his/her sick leave and other paid time off.

A time bank is one or more hours of leave credit donated by one or more employees to another employee who has been incapacitated by a catastrophic illness or injury.

A time bank for catastrophic illness or injury may be established:

1. Upon the request of an employee;
2. Upon determination by the City Manager that the employee in the City is unable to work due to the employee's catastrophic illness or injury; and
3. That the employee has exhausted all paid leave credit.

If a time bank is established, any employee may, upon written notice to the City Manager, donate eligible leave credits in one-hour increments, up to a maximum of forty (40) hours in a one-year period, to the time bank. Donations will be reflected as an hour for hour deduction from the leave balance of the donating employee. When transferring leave credits into a time bank, the City will assure that only credits that may be needed are transferred.

In order to receive time from the time bank, an employee must provide appropriate verification of illness or injury as determined by the City of Mountain House.The employee for whom the time bank is established will have any time which is donated to the time bank transferred to his/her account in one-hour increments for use as sick leave only. Donated credits will be reflected as an hour-for-hour addition to the leave balance of the receiving employee. The total amount of leave credits donated may not exceed an amount sufficient to ensure the continuance of regular compensation. An employee who receives time through this program shall use any leave credits he continues to accrue on a monthly basis prior to receiving time from the time bank.
Use of time from the time bank may not be used to augment benefits received due to a work-related injury or illness.

All donations are confidential, voluntary and IRREVOCABLE.

4.0 SALARIES AND OTHER ASSOCIATED COMPENSATION AND REIMBURSEMENTS

4.1 Establishment of Job Classifications and Salary Schedules

The City Council shall establish classes (also may be referred to as job codes) for positions in the City of Mountain House and shall establish salary ranges (also may be referred to as salary grades) for such classes. When the City plans to establish a new classification covered by the terms of this MOU, the City will notify the union of the proposed salary of the proposed new class and will meet and confer with the union regarding the salary of the class if the union requests to meet and confer. Such request by the union shall be made to the City Manager, in writing.

4.2 Salary Steps

The City has a five-step pay range for each class with approximately five percent (5%) between steps. Initial appointment shall be at the first step of the range adopted; however, the Council may authorize advanced step hiring by the City Manager when recruiting difficulties exist. The City Manager may authorize that an allocated position be filled at a step above the minimum of the range commensurate with the qualifications of the prospective appointee which are above the minimum requirements set forth in the class specifications.

Annually, on an employee's anniversary date of employment with the City of Mountain House, a regular full-time employee may be granted a merit step increase if performance is at least satisfactory and advancement is recommended by the supervisor. If an employee promotes to a higher class within the City of Mountain House, the effective date of the promotion shall become the employee's new anniversary date.

Annually, on an employee's anniversary date of employment, a regular full-time or part-time employee may be granted a merit step increase if performance is at least satisfactory and advancement is recommended by the supervisor after the employee has worked 1,840 hours at their present step. Step increases are not automatic and may not result in a base pay rate exceeding the fifth step of the employee's classification. If an employee promotes to a higher class within the City of Mountain House, the effective date of the promotion shall become the employee's new anniversary date.

Whenever an allocated position is filled above the entry step, the City Manager may, at his/her discretion, direct that all incumbents of allocated positions who have qualifications above the minimum set forth in the class specification in the same class and who are earning less than the step in the salary range at which the new employee enters may be raised to the step in the range that will retain the appropriate interrelationship between the classes/positions.

Any step increase withheld because of administrative oversight or inadvertence shall be made retroactive to the normal effective date of the step increase. If the step increase is made retroactive to the normal effective date of the step increase, the employee shall retain the employee's current anniversary date as of the normal effective date of the step increase.

An employee is eligible for an additional step adjustment of five percent (5%) of salary following the completion of ten (10) years of continuous service to the City and the completion of a successful performance evaluation as provided in this section.

4.3 Salary Upon Promotion Upon promotion, an employee appointed to a position with a higher salary range shall have his or her salary adjusted to the first step of the new range or to the step in the new range which is at least 5% higher than the salary the employee was receiving prior to the promotion, whichever is greater, provided that the new salary is within the new range. Any pay supplements being received by the employee and which are a percentage of base salary (except above class pay and special assignment pay) shall be added to the pre-promotion base salary prior to determining the appropriate step in the new range.

4.4 Y Rating of Salary

Whenever an employee accepts a demotion for reasons other than disciplinary action to a class or position having a lower salary range, the City Manager may direct that the capital letter "Y" be set opposite the position to which the employee was demoted in the department budget and all payroll and other personnel records. Whenever the effect of a reclassification is to place the incumbent in a class having a lower salary range, the City Manager may direct that the capital letter "Y" be set opposite the reclassified position in the department budget and all payroll and other personnel records.

Whenever the "Y" is set opposite a position, the incumbent shall continue to receive his or her previously authorized salary until termination of employment in the position, or until a higher rate of pay may be authorized, whichever comes first.

4.5 Salary Upon Demotion

If an employee demotes, other than voluntary demotion, through no fault of the employee, the employee shall be "Y-rated" at the employee's current salary and remain at that salary until the salary falls within the range for the employee's demoted class. If an employee voluntarily demotes, the employee shall be placed at the highest step of the range that represents a reduction in pay. If an employee is demoted for failure to complete expected tasks following a promotion, the employee shall return to the step of the range the employee held prior to promotion, but may be granted any merit step increases that would have occurred had the employee not accepted a promotion. If an employee is demoted for causes as a result of a disciplinary action, the employee shall be placed at the step of the range stated in the order of discipline.

4.6 Special Assignment Supplement

The City Manager may authorize a 5% salary increase to any employee designated by the City Manager to be on special assignment.

4.7 Receipt of Supplemental Pay

No employee shall receive supplemental pay when on vacation, sick leave, sick leave in conjunction with the receipt of State Disability Insurance or Workers' Compensation temporary disability payments, compensatory time off, holiday, or paid military leave unless such employee shall have been performing duties for a period of not less than four (4) full bi-weekly pay periods or such supplemental duties are scheduled, upon assignment, to last not less than four (4) full bi- weekly pay periods.

4.8 Standby Pay

The City Manager or designee may assign employees to be in a stand-by status and must do so in writing. An employee who is on standby status must be at a location where the employee can be reached at all times and upon being called, shall return to work immediately. An

employee who is recalled to work shall be deemed to be off standby status. While on standby status, non-exempt employees shall be compensated at 20% of their regular hourly rate. Exempt employees shall receive no additional compensation for being on stand-by status.

4.9 Work Above Class

The City Manager or designee may temporarily assign any employee to perform duties normally assigned to a classification with a higher salary without changing the salary of such employee provided the temporary assignment concludes at the end of the fiscal year and does not exceed twenty (20) work days in a one hundred and eighty (180) calendar day period. If an employee is assigned to a classification with a higher salary range for a period of time exceeding this, the employee shall be compensated, beginning with the 21st work day of such above-class assignment, at an amount equal to what the employee would receive if promoted to the higher class or 5% if no class exists. Employees who are being paid for working in a higher classification are not eligible for merit increases in the higher classification. Whenever an employee working in a higher classification receives a merit increase in the employee's regular classification or the employee's regular salary is otherwise increased or decreased, the employee's pay for working above class shall be adjusted so that the employee continues to be compensated at the rate specified above.

4.10 License/Certificate Fee

The City shall pay the cost of renewing state required licenses or certifications that are necessary for the employee, as determined by the City Manager, to fulfill the requirements of the job classification or the tasks assigned to the employee. The City Manager may also authorize the payment of professional organization dues or membership fees if the City Manager considers it in the best interest of employee development that may benefit the City.

4.11 Paycheck Exceptions

A paycheck exception is defined as the incorrect reporting of payroll or failure to process the following payroll actions, causing an employee to receive less than the pay to which he or she is entitled for that pay period with regard to step increase, supplemental pay, and overtime. Paycheck exceptions shall normally be paid no later than the following paycheck.

All payroll errors resulting in either gross or net salary overpayment must be repaid to the City of Mountain House. Employees shall be allowed, at employee's option, to use accrued annual and holiday leave and compensatory time to repay the City in cases of payroll error resulting in gross salary overpayment as determined by the City Manager. Such errors may result from use
of an incorrect salary rate, reporting the wrong number of hours worked, or misclassification of hours worked.

4.12 Negotiated Salary Adjustments

4.12.1 During the term of this MOU the following negotiated general adjustments shall take place:

a. Effective July 1, 2026 all employees shall receive a 4.0% increase.
b. Effective July 1, 2027 all employees shall receive a 4.0% increase.
c. Effective July 1, 2028 all employees shall receive a 4.0% increase.
d. Effective July 1, 2029 all employees shall receive a 4.0% increase.

4.12.2 Deferred Compensation Contribution

The City will contribute to deferred compensation accounts of the members of the Bargaining Unit. The amount of the contribution will be 1% of wages.

4.13 Bilingual Pay

Employees shall receive bilingual pay at 41 cents per hour only if they meet all of the following criteria:

a. Have demonstrated a bilingual proficiency in a designated language other than English, and
b. Have been approved by the City Manager or designee, and
c. Have been designated by the City Manager in a position requiring bilingual skills at least 20% of the time.

4.14 Travel

Mileage reimbursement for the use of personal vehicles on City business shall be paid according to the rates allowed by the Internal Revenue Service. Meals and lodging shall be authorized and paid in accordance with the policy for reimbursement for City travel and expenses as adopted by the Mountain House City Council.

5.0 DAYS AND HOURS OF WORK AND OVERTIME

A. **Work Hours:** The City of Mountain House shall establish regular work hours for each employee. The City Manager may change working hours of individual employees to accommodate functional needs of the City. Alternate work schedules may be authorized by the City Manager provided the alternate schedule does not disrupt or interfere with business operations and service to clients. Employees on alternate work schedules may be required to alter such schedule to cover for absences of other staff members. When possible, one-week advance notice shall be provided for change in working hours. All work schedules of employees hired effective the first pay period following adoption of the MOU by the City Council shall be assigned to a 5/8/40 or 9/80 work schedule as provided in (D) below.

B. All employees who have been previously approved to work a 9/80 work schedule prior to the adoption of the MOU will retain their 9/80 work schedule unless they voluntarily offer to relinquish that work schedule.

An employee may, with supervisory approval, flex hours worked within a workweek only for special events or City Council meetings. The employee's supervisor is required to approve such a request in advance. This section will not apply to medical or personal appointments. Absences from work during the employee's normal work shift for medical or personal appointments shall be handled by taking vacation or sick leave as provided by the leave provisions of this MOU.

C. **Work Week:** The work week is Sunday through Saturday, except that the City Manager may specify an alternate work week period for any employee. The base compensation for employees shall be deemed to be compensation per bi-weekly pay period and is predicated upon a forty (40) hour work week for full-time employees. A bi-weekly pay period shall consist of eighty (80) working hours for full-time employees and the base compensation provided shall be payment in full for all services rendered

to the City of Mountain House except as otherwise provided. If an alternate work schedule is approved pursuant to Section 5.0.A, the work week and pay period may not coincide.

D. **Workplace Assignment:** The place of work and department or division to which an employee is assigned shall be determined by the City Manager or designee, who may also reassign the employee at any time to a different workplace, department or division. The City Manager may also designate employees whose response time to the workplace in emergency situations is critical and may specify for these employees the maximum response time between their place of residence and the workplace. This information must be supplied to the employee prior to their acceptance of a job offer with the City of Mountain House.

E. **Work Site Closure:** If the City Manager or designee closes a work site because it is unsafe or because work operations cannot be carried out, regular full time and regular part-time employees who are scheduled to work and who are not reassigned to alternate work sites and are subsequently sent home, shall receive administrative pay for the remainder of the scheduled workday. Other regularly scheduled employees who are sent home may be paid, at the discretion of the City Manager, for the balance of their scheduled workday. Employees who are sent home and who are receiving administrative pay shall remain available to return to the work site for the duration of their scheduled shift.

F. **Paydays:** The City of Mountain House has a bi-weekly pay period.

G. **Advances:** Advances in pay are not permitted.

H. **Break and Lunch Time:** To promote maximum productivity and morale, it is the policy of the City of Mountain House, when City operations permit, to allow employees two (2) rest periods not exceeding fifteen (15) minutes each, during a regular eight (8) hour shift. When City operations permit, such rest periods are to be taken as nearly as possible in the middle of each four (4) hour segment of each employee's workday. Time allowed for rest periods may not be accumulated from one half of the workday to another, nor may rest periods be used to alter an employee's normal work hours and meal periods. Lunch breaks are unpaid and may be thirty (30) or sixty (60) minutes depending on the employee's work schedule. While every effort will be made to schedule breaks and lunch breaks during the middle of each work period, employees may be required to stagger such breaks to ensure adequate levels of customer service.

I. **Wages:** Employees will be paid bi-weekly based on the hours recorded on timecards, or other manner as required by the City Manager.

J. **Overtime:** There are certain periods where overtime may be required. If, in the judgment of the City Manager or designee, work beyond an employee's normal workday or work week is required, the City Manager or designee may order such overtime work. All employees are expected to work overtime when deemed necessary but may not work overtime without the specific authorization of the City Manager or designee.

Hours of work, for purposes of determining overtime eligibility, means only those hours that an employee is at their assigned place of work, being compensated for these hours by the City of Mountain House and performing their assigned duties at the direction of the City Manager or designee. Hours of work for purposes of determining overtime eligibility does not include any compensated or uncompensated leave time, including holidays.

All FLSA non-exempt employees shall be eligible for overtime compensation when:

a. A regular full-time employee works in excess of the number of hours in his or her normal work day, provided that the employee has worked eight hours prior to the commencement of overtime; and any part-time employee shall not be eligible for overtime compensation until such employee works at least 12 hours in a day;

b. An employee works in excess of eighty (80) hours in a bi-weekly pay period.

c. An employee whose normal work week is five (5) scheduled eight (8) hour days in a calendar week of seven (7) days works more than forty (40) hours in five (5) days in a calendar week;

d. An employee who, because of shift changes, works two (2) or more shifts in any twenty-four (24) hour period and is off duty less than eight (8) hours between shifts. In such case, the employee shall be compensated for any additional shift(s) in the same manner as for other overtime notwithstanding (b) and (c) above;

FLSA nonexempt employees whose normal work week varies from the normal five (5) days in a calendar week of seven (7) days shall not be eligible for overtime compensation except as described in (a), (b) and (d) above.

Employees who are employed in classifications eligible for exemption from the overtime provisions of the Fair Labor Standards Act (FLSA) and designated by the City of Mountain House City Council to be salaried are exempt from the overtime provisions of the FLSA. Since these employees may be required periodically or routinely to work long and irregular hours to fulfill the responsibilities of their positions and are not eligible for overtime compensation or compensatory time off, the City will provide paid administrative leave as follows in recognition of the long and irregular hours that they may be required to work to accomplish program objectives:

a. Each fiscal year, the City Manager shall grant ten days of administrative leave to employees in designated job classifications who are employed by the City of Mountain House on January 1 of that calendar year. For eligible salaried employees whose first day of employment is after January 1, the City Manager shall grant a pro-rata amount of the ten days,

rounded up to the next whole day, based on the number of whole months remaining in the fiscal year.

b. The benefits provided by this program are not related to hours worked nor are they subject to accrual, and under normal circumstances, may not be carried over beyond the end of the fiscal year, except that the City Manager may approve such carryover on a case-by-case basis.

Employees shall be compensated for overtime according to the following guidelines. Employees eligible for overtime shall be compensated for overtime by either cash payment at the rate of one and one-half (1-1/2) times the employee's hourly salary (including any applicable supplements) or by the accrual of compensatory time at the rate of one and one-half (1-1/2) times the overtime hours worked. The maximum compensatory time accumulation shall be eighty (80) hours and any additional overtime worked shall be compensated by cash payment at the rate of one and one-half (1-1/2) times the employee's hourly salary (including any applicable supplements). Compensatory time, in lieu of cash payment, will be given based upon the determination of the City Manager or designee that the budgetary situation or work requirements of the City of Mountain House allows latitude to confer either compensatory time off or overtime. Compensatory time shall be used at times mutually agreeable to the City and employee.

6.0 CLASSES OF EMPLOYMENT

Definitions of classes of employment shall be as follows:

A. **Regular Full-Time Employee:** An employee who is appointed to a regular allocated position, regularly scheduled to work eight (80) hours per bi-weekly pay period.

B. **Regular Part-Time Employee:** An employee who is appointed to a regular allocated position, regularly scheduled to work at least thirty (30) hours per bi-weekly pay period, but not more than 1,599 hours per calendar year and whose employment is anticipated to exceed 7 months in duration.

C. **Part-Time Employee:** An employee who is appointed to a position to work less than thirty (30) hours per bi-weekly pay period and whose employment is anticipated to exceed 7 months in duration. Such employees do not receive any leave, health insurance, or other benefits except those required by law.

D. **Temporary Employee:** An employee who is appointed to a position which is either seasonal in nature (not to exceed seven months in a calendar year) and recurs year to year, or who covers peak workloads, regular employee absences, or a vacant position for a period not to exceed nine months. Such employees do not receive any leave, health insurance, or other benefits except those required by law.

7.0 RETIREMENT

Unless otherwise stated, all statutory references in this section of this Memorandum of Understanding are in reference to the California Government Code as well as with City of

Mountain House City Council Resolution 2024-09, Resolution of the City Council of the City of Mountain House Reaffirming Inclusion of the City of Mountain House in the San Joaquin County Employees' Retirement Association.

7.1 Benefit Tiers and Eligibility

SJCERA Tier I – Employees who established and maintain membership in the San Joaquin County Employees' Retirement Association (SJCERA) prior to January 1, 2013, and other eligible employees as defined by law, participate in the defined benefit formula that was in place before January 1, 2013, hereinafter "SJCERA Tier I."

SJCERA Tier II – Employees who meet the definition of "new member" and establish membership in SJCERA on or after January 1, 2013, who are subject to the provisions of the Public Employees' Pension Reform Act of 2013 (Article 4 (commencing with Section 7522, et seq.) of Chapter 21 of Division 7 of Title 1 of the Government Code), hereinafter "PEPRA, participate in the defined benefit formula prescribed by PEPRA for these employees, hereinafter "SJCERA Tier II."

SJCERA Tier IIb – Employees who meet the definition of "new member" and establish membership in SJCERA on or after January 1, 2022, who are subject to the provisions of the Public Employees' Pension Reform Act of 2022 whose retirement benefits are calculated using only "base pay", excluding special pays.

7.2 Retirement Formula

The City shall maintain the defined benefit retirement formula specified in Section 31676.14 (2% at age 55 ½) for General Members of SJCERA Tier I.

General Members of SJCERA Tier II participate in the defined benefit formula prescribed by Section 7522.20 of PEPRA (2.0% at age 62).

An annual cost of living adjustment of up to three percent (3%) shall be maintained in accordance with Section 31780.1 for monthly benefits payable by SJCERA to retired members (Tiers I, II, and IIb) or their beneficiaries.

7.3 Retirement Age and Service

The provisions of Section 31672 permitting service retirement for members of SJCERA Tier I at age **seventy (70) years, or at age** fifty (50) years with the completion of ten (10) years of service, as adopted by County Resolution R-72-1245, **or with thirty (30) or more years of service regardless of age** shall be maintained for employees who are members of SJCERA Tier I.

Section 7522.20 permits service retirement for General Members of SJCERA Tier II and IIb after five (5) years of service and upon reaching fifty-two (52) years of age.

7.3.1 Retirement Benefits – Final Compensation Calculation

For employees who are members of SJCERA Tier I, final compensation shall, as authorized by County Resolution R-71-2161 pursuant to Section 31462.1, be the average annual compensation earnable by the member in the twelve **(12)** consecutive months elected by the member or, if no election is made, immediately preceding the member's retirement.

As required by Section 7522.32, for employees who are members of SJCERA Tier II, final compensation shall mean the highest average annual pensionable compensation earned by the member during a period of **thirty-six** (36) consecutive months designated by the member or, if not designated, immediately preceding the member's retirement or last separation from service if earlier.

7.4 Retirement Contributions

Tier 1 member contributions as determined annually by the plan actuary pursuant to Section 31621.3 for General Members of SJCERA Tier I, and expressed as a percentage of payroll shall be known as the "Basic Member Contribution Rate". Effective the first full pay period following approval by the City Council of this MOU amendment, employees who are members of SJCERA Tier I shall pay the Basic Member Contribution Rate applicable to their member category plus the increase in that rate as specified in Government Code Section 31631.5 (a) (1), not to exceed 50% of the normal cost of benefits.

Employees who are members of SJCERA Tier II shall pay member contributions pursuant to Section 7522.30, which shall be at least 50% of normal cost as determined annually by the plan actuary and expressed as a percentage of payroll. The City shall not pay any of the required member contribution. The member contribution rate shall not be adjusted unless the normal cost rate increases or decreases by more than 1%.

Employees' retirement contributions to SJCERA shall be made on a pre-tax basis.

7.4.1 Retirement COLA Cost Share

Effective January 1, 2012, the County modified Resolution R-75-1592 whereby it agreed to pay the costs of the contributions which would otherwise be assessed to individual members of SJCERA for their cost-of-living contributions. In accordance with Section 31873, the contributions required for the normal cost of post-retirement cost-of-living adjustments shall be shared equally between the City and employees who are members of SJCERA.

7.5 Retirement Death Benefits

The death benefits provisions of Section 31789.3 shall be maintained for qualified employees who are members of SJCERA.

7.6 Retirement Information

Employees nearing retirement age who desire to discuss their retirement with SJCERA shall be allowed to do so on City time.

7.7 Purchase of Additional Retirement Service Credit

Any employees who are a member of SJCERA and eligible to purchase additional retirement service credit may elect to purchase such service credit in accordance with the provisions of the County Employees' Retirement Law, the SJCERA Bylaws, and the policies and procedures applicable to SJCERA members. Any required contributions paid by a member of SJCERA for additional service credit shall become part of the member's accumulated contributions with SJCERA. Any additional liability assumed by or contributions paid by the City because of an

employee's purchase of additional service credit shall not become part of the employee's accumulated contributions and shall not be considered compensation for purposes of contributions to or benefits from SJCERA.

8.0 TRAINING AND EDUCATION

8.1 In-service and Job-Related Training

Employees who participate in City-mandated supplemental education programs shall either be assigned to such programs during their regular working hours or be compensated for each hour spent participating in such programs at the applicable overtime rate in accordance with this memorandum. Travel time for City-authorized training shall be computed in accordance with FLSA procedures.

8.2 Educational Reimbursement Program

City employers who are employed in an allocated budgeted position shall be reimbursed for career-related course work taken on the employee's own time, but not to exceed a maximum reimbursement for each fiscal year of $850; however, an employee enrolled in an approved degree program may be reimbursed up to $800 per semester for a maximum of $1,600 per fiscal year
and may include reimbursement for educational materials. Reimbursement is subject to approval by the City Manager upon satisfaction that the course work is career-related and an acceptable form of a receipt is provided.

9.0 WORKERS' COMPENSATION AND EMPLOYEE SAFETY

9.1 Workers' Compensation

Under the Workers' Compensation Act, provisions are made for benefit payments if an employee is disabled in the course of employment and misses work as a result of the disabling condition. The Workers' Compensation Act also provides free medical and hospital service, if necessary, for the disabling condition. In order to meet the requirements of the act, the City shall carry Workers' Compensation Insurance. For the employee's protection, it is mandatory that any injury, no matter how slight, be reported immediately to the employee's supervisor. If medical attention is needed, the employee will arrange for a visit to a local doctor.

Employees who are receiving temporary disability indemnity payments under Division 4 or Division 4.5 of the Labor Code shall accumulate vacation, holidays and sick leave during such period of time that they are drawing such temporary disability indemnity. The City shall continue to provide health, dental, vision, and life insurance plan coverage for such employees as if they were on payroll as employees.

Employee's disabled in the course of employment and eligible for Workers' Compensation Benefits shall be on paid administrative leave until the effective date of temporary disability indemnity payments to the employee or until it is determined that recovery from disability is sufficient to release the employee to return to work, whichever occurs sooner. With the commencement of temporary disability payments, the employee may use accrued leave in an amount such that the combination of leave time and temporary disability payments equals the employee's regular salary. When and if leave time is

exhausted, the employee shall be on unpaid leave until it is determined that recovery from disability is sufficient to release the employee to return to work or it is determined that the employee's disability is permanent and the employee will not be able to return to work.

9.2 Safety Equipment

The City shall provide employees with safety prescription glasses (glasses only, not prescription examination) whenever safety glasses are required by the CAL/OSHA or other State or Federal regulation. The City will not provide for broken lenses or frames unless such breakage is the result of an on-the-job accident.

The City agrees to maintain a program for reimbursement of City required safety shoes. The City will reimburse the employee for actual and reasonable costs for replacement of, or repair to, the shoes up to a maximum of ($250) two hundred fifty dollars per employee once per fiscal year.

The City shall provide employees with safety shoes as specified by the City Manager whenever such shoes are required by the CAL/OSHA or other State of Federal regulations. Employees who work outside an office/in the field in the following classifications shall be eligible for this benefit:

- Public Safety Coordinator
- Inspection and Code Enforcement Officer
- Senior Inspection and Code Enforcement Officer
- Maintenance Worker I/II
- Senior Maintenance Worker
- Landscape Supervisor
- Landscape Project Supervisor
- Senior Public Works Inspector
- Engineer I-IV
- Assistant Engineer
- Associate Engineer
- Associate Civil Engineer
- Senior Planner
- Facilities Supervisor
- Senior Civil Engineer

Safety boots that are no longer functional as protective gear due to wear or damage, through no fault of the employee, will be replaced by the City. Employees who lose or intentionally damage boots so that the boots are no longer safe will be responsible for the full cost of replacing the boots.

9.3 Physical Examinations

Employees required to take physical examinations to maintain licenses or employment with City shall be given physical examinations at a medical facility of the City's choosing at no cost to the employee.

10.0 EVALUATIONS AND PERSONNEL FILES

10.1 Employee Performance Evaluations

The City and the union agree that regular evaluations are a constructive way to provide employees with regular feedback, to recognize exemplary performance, and to correct "needs improvement" performance if necessary.

a. Probationary employees: Probationary employees shall be provided evaluations following three (3), six (6) and nine (9) months of service. Any employee performance evaluation shall be prepared by the employee's supervisor who has the responsibility and authority to prepare such reports.

b. Regular employees: Regular full-time employees. Regular full-time employees shall be evaluated annually.

Employee performance evaluation reports shall be discussed with the employee prior to finalization of each category of the report.

An employee will receive an appointment with his/her department's reviewing officer to discuss the evaluation by signing the evaluation form in the space provided. Each department shall make a reasonable effort to ensure that the reviewing officer for this purpose has not been a party to the preparation of the evaluation. In no case shall the reviewing officer sign the evaluation form until a review has occurred.

Any regular or special evaluation with a rating of "needs improvement" shall include plans for employee development. Except in cases of termination, release from probation, or leave of absence, employees who receive a "needs improvement" performance evaluation must receive a follow-up evaluation. The follow-up evaluation shall cover a period of time no greater than ninety (90) calendar days from the date of the final review of the initial "needs improvement" evaluation.

An employee shall have the right to submit written comments regarding any evaluation and to have such comments included in his/her personnel file along with the evaluation.

Any proposed change to the established evaluation form shall be subject to negotiations.

10.2 Probationary Evaluations – Notice

For the purposes of the initial probationary period only, an employee who fails to complete probation and is released from probationary status within two weeks of the end of the probationary period may be paid regular salary for the hours the employee would have been scheduled between the release date and the end of the probationary period.

10.2.1 Probationary Period

All employees hired by the City will serve an initial probationary period of one (1) year from their date of hire. Upon successful completion of the initial probationary period the employee will gain permanent status. Any employee who subsequently promotes shall serve a six (6) month probationary period. If the employee does not complete the six months satisfactorily, that employee will be returned to their former

position in the City.

10.3 Employee Personnel Files

Employees shall have the right to review and at their own expenses obtain copies of their City, department and division personnel files. An employee's representative may inspect the contents of an employee's personnel files upon signed, dated authorization by the employee. Authorization shall be valid for sixty (60) calendar days from the date of signature.

The City reserves the right to withhold from employee review reports of an employee's pre-employment physical examination, medical files, records of an employee relating to investigation of possible criminal offense or other legally privileged records.

Employees shall be given an opportunity to read and initial any report to be added to their personnel files, but an employee shall not be required to sign any such report. An employee's signature on a report shall be understood to be acknowledgment of receipt and shall not be construed as agreement or disagreement with its content. If the employee refuses to sign any report, a notation to that effect may be entered on the document. A copy will be provided to the employee upon request. Any information that the City attempts to use in any disciplinary or other derogatory way against an employee and does not contain either the employee's signature or a notation of refusal to sign shall be disqualified from being used.

An employee shall have the right to submit written comments regarding any document in his/her personnel file and to have such comments included in his/her personnel file along with the document.

10.4 Letters of Reprimand

A letter of reprimand shall be removed from the employee's personnel file if three years have elapsed from the date of reprimand and there has been no recurrence of the issue contained in the reprimand. The employee or employee representative must make the request in writing for it to be removed.

If the reprimand is in the department or division personnel file, the request must be directed to the department head or designee. If the reprimand is in the central Human Resources files, the request must be directed to the City Manager.

11.0 LAYOFFS

11.1 Notice

Any permanent City employee (over one year of service with the City) who is to be laid off or dismissed for other than disciplinary reasons shall be given ten (10) working days' notice. This provision does not apply to probationary employees. Nothing contained herein shall be deemed to require the City to pay an employee except for services rendered.

11.1.1 Seniority

Layoffs shall be in the inverse order of hire date within the classification.

11.1.2 Meet and Confer

Ten (10) working days prior to issuing any layoff notices, the City shall notify the Union in writing of the proposed layoffs. Such notice will identify the proposed layoffs by department and by classification. Upon the request of the Union in writing, the City will meet and confer with the Union regarding the effects of the proposed layoffs and will consider any proposals advanced by the Union regarding the effects of the proposed layoffs.

11.1.3 Mitigation

In order to attempt to mitigate the effect of lay-offs, the City will provide employees identified for layoff with the opportunity to participate in an orientation program. The City will make all reasonable efforts to place employees who have been placed on any resulting layoff list. The City shall also provide a monthly mailing of the City Employment Bulletin and any other information deemed relevant by the City to all employees who remain on the layoff list.

11.1.4 Benefits

Employees who are provided a notice of layoff pursuant to section 11.1 of this Agreement shall have their eligibility for employee benefits extended for one pay period beyond the date coverage would have terminated due to the notice of layoff. In such situation the City will make payment for benefits as provided in section 2.3.1 of this Agreement.

12.0 GRIEVANCE PROCEDURE

12.1 Definitions

Grievance: An alleged violation of the City of Mountain House Personnel Policies and Procedures, or the Memorandum of Understanding (MOU).

12.2 Purpose/Rights

It is the intention of this procedure to resolve all issues at the lowest supervisory level possible. The employee has the right to representation at any and/or all steps of the procedure.

SEIU may file and process grievances on behalf of employees, but the employee must be identified by name if necessary to the processing of the grievance. In those circumstances where a grievance is filed alleging a grievance dispute between a member of the Supervisory and Confidential unit and a member of the General Bargaining Unit, SEIU will provide separate SEIU representatives to represent the interests of each SEIU member.

2.3 Filing Deadline

Grievances filed under this Section should be initiated within twenty (20) days from the time the employee knew or had reason to know of the facts giving rise to the grievance. For the purpose of this section days shall be workdays.

12.4 Grievance Processing

STEP 1: Any grievance shall be discussed with the employee's immediate supervisor. If the issue is not resolved at the supervisor's level within fifteen (15) days from the day of presentation, the issue may be processed to the second step. If the department head is the immediate supervisor, the grievance shall be in writing and contain the information specified in Step 2 below.

STEP 2: If the grievance is not resolved at Step 1 of this procedure, then the grievance may be filed with the City Manager or designee. The grievance must be in writing and must be filed within fifteen (15) days of the response from Step 1 or from the date when such response was due. The grievance must state: (1) the specific MOU provision or policy or procedure which is alleged to have been violated; (2) the statement of facts comprising the violation; (3) the requested remedy. The City Manager, or designee shall have fifteen (15) working days in which to investigate the issues and respond in writing to the grievance. NOTE: If grievance is against the City Manager or caused by actions of the City Manager, the process shall start at Step 2 with a filing, in writing, to the City Manager.

STEP 3: If the grievance is not resolved at Step 2 of this procedure following the City Manager's response at Step 2, the employee or representative may then, within fifteen (15) days request Mediation with the State Mediation and Conciliation Services (SMCS) in accordance with Section 10 (A-D) of the City Labor Relations Policy. The Union would be responsible for notifying the City Manager of the intent, contact SMCS with a copy to the City. The request shall spell out what is in dispute.

The parties shall meet with the mediator in a timely manner in an effort to resolve the grievance. The mediator's recommendations regarding the resolution of the grievance shall be shared with the Union and the City Manager in writing following the completion of mediation. The mediator's recommendations shall be advisory to the City Manager, whose decision shall be final and binding.

All grievances shall be represented and acted upon in a timely manner. However, with the mutual consent of the parties, the time limitation for any step may be extended.

The City and the Union shall be responsible for all their side's costs associated with the SMCS.

13. DISCIPLINARY ACTIONS

13.1 Notice of Proposed Disciplinary Action

When the City proposes to initiate disciplinary action against a non-probationary bargaining unit employee, the City Manager or designee must submit to the employee a written notice of intent to take disciplinary action. The notice must state specifically the reason(s) for the action and explain the employee's "Skelly" rights of appeal. When applying discipline, the concept of progressive discipline shall generally apply.

13.2 Request for Hearing

The employee may appeal the proposed action and request a hearing by responding in writing to the appointing authority within seven (7) business days of receipt of the notice. Upon

receipt of a timely response, the City Manager or designee and the Union shall schedule a mutually agreed upon date and time to conduct a "Skelly" hearing as soon as possible, but no later than seven (7) business days after receiving such notice. In the event the parties cannot meet with seven (7) business days the employee may submit a written rebuttal directly to the City Manager.

13.3 Rights of Access

The employee shall be given access to copies of all materials upon which the City relied in taking the proposed action and shall be provided with copies upon request.

13.4 Representation

The employee may be represented at the hearing by a representative of the employee's choice.

13.5 Conduct of Skelly Hearing

The City Manager or his/her designee shall be the hearing officer at the informal "Skelly" hearing. Upon consideration of all materials and discussions presented at the hearing, the City Manager or his/her designee may uphold, modify, or revoke the proposed disciplinary action.

13.6 Final Order of Disciplinary Action

If the employee does not respond to the notice of intent within the prescribed time limits, or if, after hearing, the City Manager or his/her designee upholds or modifies the proposed discipline, the City Manager or designee shall submit to the employee a written final order of disciplinary action. The order shall state the proposed action, the reasons for the action, and the employee's rights of appeal. No discipline shall be effective until the date of order.

13.7 Appeal of Final Order of Disciplinary Action

In the event the employee wishes to appeal the Final Order of Discipline, he/she may do so by filing a written appeal to the City Manager within seven (7) business days following receipt. If the discipline involves a termination, or a suspension of 10 days or more, the employee, in making the appeal, shall designate in writing his/her request that the matter be heard by a neutral arbitrator. Other disciplines are not subject to the arbitration clause of this section but may be appealed to the City Manager who shall meet with the employee within ten (10) business days. The decision of the City Manager shall be final.

13.8 Arbitration

When an employee appeals the final order of termination to arbitration the timing and procedure of such arbitration shall be established by agreement of the City and the Union. Unless agreed otherwise, the arbitrator shall be selected from a list of five (5) names provided by the State Mediation and Conciliation Service (SMCS). In selecting the arbitrator the parties shall alternately strike two names from the list, with the City striking the first name. Absent an agreement otherwise, the final name remaining shall be the arbitrator.

The arbitrator shall render his/her decision in writing by no later than forty-five (45) calendar days, following the conclusion of the hearing, unless mutually extended in writing by the parties. The costs of the arbitration shall be borne equally by the City and the Union. The decision of the arbitrator shall be binding on the parties.

The parties attest to this Memorandum of Understanding (MOU} which has been entered into between the City of Mountain House (City) and SEIU Local 1021 (Union-Supervisory and Confidential Unit.)

For SEIU Local1021	For City of Mountain House
Cheryl Harris Field Representative & Chief Negotiator	Steven J. Pinkerton City Manager
David Canham SEIU Executive Director	Joe Kriskovich Chief Negotiator
Bill Petrone SEIU Field Director	Nicole Adamo Human Resources Manager
Jamie Jaime Negotiations Committee Member	Jodi Almassy Deputy City Manager
Valerie Watts Negotiations Committee Member	
Anjali Kothari Negotiations Committee Member	
Rogelio Alvarez Negotiations Committee Member	