

Memorandum of Understanding

between

CITY OF HAYWARD

and

SEIU LOCAL 1021

MAINTENANCE AND OPERATIONS UNIT

July 1, 2015 through June 30, 2018

TABLE OF CONTENTS

1.00 RECOGNITION, DISCRIMINATION, AND UNION ACTIVITIES 1

1.01 Recognition 1

1.02 Personnel Commission Agendas 2

1.03 Union Security 2

1.04 COPE Deduction 4

1.05 Communicating with Employees 4

1.06 Use of City Buildings 4

2.00 PROBATIONARY PERIOD 4

2.01 Appointments Subject to Probationary Period 4

2.02 New Hire Probationary Period 5

2.03 Promotional Probationary Period 5

2.04 Release of Probationer 5

2.05 Release Following Promotion 5

2.06 Effect of Leaves on Probationary Period 6

2.07 Effective Date of Regular Status 6

3.00 LAYOFFS & RESIGNATIONS 6

3.01 Layoffs 6

3.02 Rights of Return 8

4.00 WORK SCHEDULES - OVERTIME 9

4.01 Work Schedules 9

4.02 Overtime Work 10

4.03 Compensation for Overtime Work 10

4.04 Overtime – Minimum Rest Period 10

4.05 Call-Back Pay 11

4.06 Meal Periods and Rest Periods 11

4.07 Distribution of Overtime 11

4.08 Alternate Work Schedule 11

4.09 Change in Work Schedules 12

4.10 Treatment Plant Shift Bidding and Rotation Procedures 12

4.11 Overtime at the Water Pollution Control Facility 13

4.12 Flexible Scheduling 14

5.00 SPECIAL PAY AND ALLOWANCES 14

5.01 Meal Allowance 14

5.02 Night Shift Differential 14

SEIU LOCAL 1021 MAINTENANCE AND OPERATIONS UNIT

5.03	Certification Fees	14
5.04	Tool Issuance.....	15
5.05	Sewer Maintenance Differential	15
5.06	Heavy Equipment Vehicle Operation Differential.....	15
5.07	Standby Provisions	15
5.08	Pesticide Differential	16
5.09	DMV Certification	17
5.10	Heavy Equipment Repair Differential.....	17
5.11	Distribution Certification Differential.....	17
5.12	Bilingual Pay	17
5.13	Homeless Encampment Differential.....	18
5.14	Thermoplastic Differential	18
5.15	One-Time Cash Payment	18
6.00	<i>MEET AND CONFER - TIME OFF FOR REPRESENTATIVES</i>	<i>18</i>
6.01	Representatives Empowered to Act.....	18
6.02	Time Off to Meet and Confer	18
6.03	Union Stewards.....	19
6.04	Permission to Leave Assignments.....	19
7.00	<i>BENEFIT PLANS.....</i>	<i>19</i>
7.01	Medical Insurance	19
7.02	Flexible Benefits Allowance	20
7.03	Federal or State Health Plan.....	21
7.04	Alternate Benefits.....	21
7.05	Supplemental Retirement Benefit	22
7.06	Dental Insurance	22
7.07	Life Insurance.....	23
7.08	Medical, Dental, Vision and Flexible Benefits for Certain Part-Time Employees	23
7.09	Vision Care.....	24
7.10	Deferred Compensation.....	25
7.11	State Disability Insurance - (SDI).....	25
7.12	Employee Assistance Program.....	25
7.13	Medical Flexible Spending Account and Dependent Care Spending Account.....	26
8.00	<i>SALARY ADMINISTRATION</i>	<i>26</i>
8.01	Salary Administration Policy	26
8.02	Salary at Time of Employment.....	26
8.03	Eligibility for Advancement in Pay	26
8.04	Attaining Advancement.....	27

SEIU LOCAL 1021 MAINTENANCE AND OPERATIONS UNIT

8.05 Use of Performance Ratings in Determining Whether Step Advancement Is Merited 27

8.06 Withholding Step Advancements 27

8.07 Change in Pay Upon Promotion 28

8.08 Change in Pay Upon Demotion 28

8.09 Change in Pay Upon Reclassification 29

8.10 Working Out-of-Class Pay 29

8.11 Special Assignment Positions 30

8.12 Flexibly Staffed Classifications 30

8.13 Special Pay for Supervising Court Referrals/GAIN/GAE Participants 30

9.00 SALARIES 30

9.01 Salaries 30

9.02 Lead and Senior Differential Pay 31

10.00 RETIREMENT BENEFIT 31

10.01 Defined Benefit Retirement Program 31

10.02 Social Security Coverage 32

11.00 HOLIDAYS 33

11.01 Holidays Observed by the City 33

11.02 Holidays for Permanent Part-Time Employees 33

11.03 Qualifying for Holiday Pay 33

11.04 Compensation for Holidays Worked 34

11.05 Holiday-New Year's Eve 34

11.06 Holiday Pay for Twenty-Four Hour Employees 34

12.00 VACATIONS 34

12.01 Vacation Leave Policy 34

12.02 Vacation Leave Allowance for Full-Time Employees 35

12.03 Vacation Accrual for Permanent Part-Time Employees 36

12.04 Payment for Unused Vacation Leave 36

12.05 Vacation Leave Records 36

13.00 SICK LEAVE 36

13.01 Sick Leave Policy 36

13.02 Sick Leave Accruals for Full-Time Employees 37

13.03 Sick Leave Accruals for Part-Time Employees 37

13.04 Sick Leave Notice and Certification 38

13.05 Payment for Unused Sick Leave 39

13.06 Sick Leave Records 39

14.00 MISCELLANEOUS LEAVES..... 39

14.01 Bereavement Leave..... 39

14.02 Jury Leave..... 40

14.03 Military Leave..... 41

14.04 Industrial Injury Leave..... 41

14.05 Leave Without Pay..... 41

14.06 Leave of Absence..... 41

14.07 Absence Without Leave..... 42

14.08 Family and Medical Leave/California Family Rights Act..... 42

14.09 Pregnancy Disability Leave..... 42

14.10 Parental Leave..... 43

14.11 Catastrophic Injury/Illness Time Bank..... 43

15.00 GRIEVANCES..... 45

15.01 Grievance Defined..... 45

15.02 Investigation and Reporting..... 45

15.03 Grievance Procedure..... 45

15.04 Disciplinary Action..... 47

15.05 Personnel Commission..... 47

16.00 MISCELLANEOUS PROVISIONS..... 48

16.01 Safety Shoes..... 48

16.02 Uniforms..... 48

16.03 Examination Announcements for Job Openings Within the Representation Unit..... 48

16.04 Participation in Promotional Examinations..... 49

16.05 Notification of Address..... 49

16.06 Personnel Files..... 49

16.07 Educational Reimbursement..... 49

16.08 Safety and Safety Committee..... 51

16.09 Advance Notice..... 51

16.10 Introduction of New Equipment..... 51

16.11 Examinations - Oral Boards..... 52

16.12 Seniority List..... 52

16.13 Training..... 52

16.14 Pre-Retirement Counseling..... 53

16.15 Restrictions on Outside Work..... 53

16.16 Employee Development..... 53

16.17 Volunteer Programs..... 54

16.18 Implementation of Department of Transportation Alcohol and Drug Testing Program..... 54

16.19 Court Referrals/Welfare Program 55

16.20 Temporary Positions/Employment Agencies 55

16.21 Light Duty Assignments 55

16.22 Class A/B Driver’s Licenses 55

16.23 Health and Wellness 55

16.24 Subcontracting 56

17.00 SEPARABILITY OF PROVISIONS 56

18.00 DURATION OF MOU 57

APPENDIX A..... 58

APPENDIX B..... 60

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 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. Maintenance of Membership

The City agrees to deduct one (1) month's current and periodic union dues from the pay of each employee who has on file with the City a currently effective payroll deduction authorization for this purpose or who shall hereafter voluntarily execute and deliver to the City the payroll deduction authorization provided by the Union and approved by the City for this purpose.

B. Agency Shop

The parties hereto recognize that membership in the Union is not compulsory, that employees have the right to join, not join, maintain, or drop their membership in the Union, and that neither party shall exert any pressure on nor discriminate against an employee regarding such matters. The Union agrees it is obligated to represent all of the employees in the Unit fairly and equally, without regard to whether or not an employee is a member of the Union.

Therefore:

- a. Any employee who is not a member of the Union shall, either become and remain a member in good standing in the Union; or execute a payroll deduction authorization form and thereby pay to the Union an initial fee not to exceed the standard initiation fee required as a condition of acquiring membership in the Union and, thereafter, a monthly service fee not to exceed the monthly dues uniformly required as a condition of retaining membership in the Union. As an exception to the foregoing, any employee who has a personal or moral objection to joining or financially supporting public employee organizations shall execute a payroll deduction authorization and thereby pay sums equal to the standard initiation fee required as a condition of acquiring membership in the Union and the monthly service to a charitable organization outlined in Appendix B.. If an employee who is paying a monthly service fee to any of the charitable organizations listed in Appendix B requests the Union to use on the employee's behalf the grievance arbitration procedure contained in this Memorandum of Understanding, the Union is authorized to charge the employee for the reasonable cost of using such procedure.
- b. Any new employee shall, within thirty (30) calendar days of his or her employment either become a member in good standing in the Union or execute a payroll deduction authorization form and thereby pay to the Union an initial fee not to exceed the standard initiation fee required as a condition of acquiring membership in the Union and, thereafter, pay to the Union a

monthly service fee not to exceed the monthly dues uniformly required as a condition of retaining membership in the Union.

As an exception to the foregoing, an employee who certifies he or she is a member of a bona fide religion, body or sect which has historically held conscientious objections to joining or financially supporting public employee organizations, shall execute a payroll deduction authorization form and thereby pay sums equal to the standard initiation fee required as a condition of acquiring membership in the Union and the monthly service fee provided above to a charitable organization listed in Appendix B..

Appendix B can be changed by mutual agreement of the Union and the City during the term of the agreement without requiring a re-opener of the entire contract.

C. 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 the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, 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.

Upon seven (7) days' notice to the City from the Union that an employee described above has failed to maintain his or her membership in good standing or has failed to maintain a current service fee payment or has failed to maintain a current charitable contribution payment to one of the charitable organizations listed in Appendix B, then the City shall (1) counsel the employee of his or her obligation under the provision, and (2) inform the employee that further failure to maintain the appropriate payments shall subject employee to discharge.

The City shall furnish the Union, on a monthly basis, the name, date of hire, salary classification and work location of all newly hired employees subject to this Agreement, along with verification of monthly transmittals to any charitable organizations.

D. 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 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, or 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 provide 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 a new employee to his or her 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 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.

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 acting or provisional status may have up to six (6) months of consecutive time served in 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 his or her former position or a position in the class from which he or she 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 he or she 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 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 his or her 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, 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.

2.06 Effect of Leaves on Probationary Period

Periods of time on paid or unpaid leave of two (2) weeks or more shall automatically extend the probationary period of any employee on probation. 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 3.01 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
 - 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 Section 3.01 and 3.02 of the MOU will apply.

- C. As an alternative to layoff, an employee with regular, probationary, or part-time status who is displaced from his or her 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 he or she bumped is one in which he or she has previously served in a regular, probationary, or part-time status and where the original date of appointment to said classification, as defined in Section 2.07 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 and where his or her 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 he or she 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 displaced.
 4. In the event an employee bumps to an occupied or vacant position that is "flexibly" staffed as reflected in the Positions and Salaries Resolution, 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 his or her 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 in the Human Resources Department to indicate acceptance of such return and his or her 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 he or she 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 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 previously served in, 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 his or her name shall be removed from said secondary register and 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 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 work week 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. 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 with the exception of sick leave. In the event of mandatory overtime, sick leave hours will be counted toward the forty (40) hour threshold. 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 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 his or her designee, use of compensatory time off up to the maximum allowable pursuant to this Section.

4.04 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 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 Section 9.01 of this Memorandum of Understanding for any of the guaranteed hours off which fall within his or her 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.

4.05 Call-Back Pay

An employee who has completed his or her regular shift, and has been released for the day, who is 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.

4.06 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 a meal period or rest period he or she shall be compensated at the overtime rate for said meal or rest 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.

4.07 Distribution of Overtime

Work outside of the scheduled work day and work week shall be assigned to employees on an equitable and even basis in so far as reasonably possible among those employees who are employed in the classifications in the departments in which the overtime work occurs, and who are qualified and available for such work.

Employees with the most seniority within said classifications 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.

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 steward and interested employees to determine whether or not the proposed work schedule will have an adverse impact on service to citizens (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 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 given 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. It is the understanding that the provisions of this item are not subject to the grievance procedure in the Memorandum of Understanding.
- H. The City may schedule a department, division, bureau or any other group of employees to work a ten (10) hour work shift on four (4) days in each work week, i.e., a "4-10 work schedule." The establishment of such a 4-10 work schedule shall normally coincide with the period of time in which daylight savings time is in effect, but the decision to establish and/or discontinue a 4-10 work schedule shall be within the sole discretion of the Department Director who shall take into account productivity and operating requirements. Such decisions shall be communicated to affected employees as far in advance of the effective date as possible. In the event a holiday(s) will be observed by the City while a 4-10 schedule is in effect, the work schedule for affected employees will automatically revert to a 5-8 schedule during the week(s) in which such holiday(s) occur.

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 Treatment Plant Shift Bidding and Rotation Procedures

Lead Operators will first fill Lead Operator slots by bid and classification seniority. A Lead Operator who bids on a Plant Operator slot shall first have his or her 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 week-end 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 of the MOU as follows:

Day Shift	0700 – 1500 – no differential
	1500 – 1900 – swing shift differential
Night Shift	1900 – 2300 – swing shift differential
	2300 – 0700 – grave shift differential

4.11 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.

For the purpose of this Section, at 11:59 p.m. on December 31st of each year, the list will be cleared and all employee's 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 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.

4.12 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. His or her 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.

5.00 SPECIAL PAY AND ALLOWANCES

5.01 Meal Allowance

A ten dollar (\$10.00) meal allowance shall be provided to employees required 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 ten dollar (\$10.00) meal allowance.

5.02 Night Shift Differential

Employees assigned to scheduled shifts in which the employee works five (5) or more hours between the hours of 3:00 P.M. and 11:00 P.M., shall be paid an additional one dollar and thirty cents (\$1.30) per hour for all hours worked on such shift. Employees assigned to scheduled shifts in which the employee works five (5) or more hours between 11:00 P.M. and 7:00 A.M. shall receive an additional one dollar and sixty cents (\$1.60) per hour for all hours worked on such shift. The City will make every effort to provide employees at least twenty-four (24) hours advance notice of a change in shift assignment.

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 Drivers licenses and time spent acquiring them are not covered by this provision.

5.04 Tool Issuance

The City will provide to the classifications of Equipment Mechanic I and Equipment Mechanic II 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.

5.05 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.

5.06 Heavy Equipment Vehicle Operation Differential

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

5.07 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 the 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 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:

Airport

Maintenance Services

Public Works – Transportation and Engineering

Utilities and Environmental Services

5.08 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 who possess 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.

5.09 DMV Certification

Employee assigned to perform testing, DMV certification and maintenance of related documents shall qualify for special assignment pay of five percent (5%) above salary step currently held.

5.10 Heavy Equipment Repair Differential

0.915% pay was rolled into the base salary of employees in the classification of Equipment Mechanic I and Equipment Mechanic II in February 2014. No additional differential for this duty will be provided.

This Section can be changed by mutual agreement of the Union and the City during the term of the agreement without requiring a re-opener of the entire contract.

5.11 Distribution Certification Differential

Employees in the following classifications who attain a State approved D-3 Certification shall be entitled to receive a five percent (5%) differential, so long as their D-3 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

As an exception, those employees who were receiving D-3 differential pay on February 1, 2014 will receive this pay so long as their D-3 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.

5.12 Bilingual Pay

Full-time employees shall identify those employees who are required in the performance of their duties to converse with the public in a language other than English, and who have demonstrated their competency in a second language through a fluency test administered by the Human Resources Department, shall receive bilingual pay in the amount of thirty dollars (\$30) 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.

5.13 Homeless Encampment Differential

Employees assigned to clean up homeless encampments shall receive five percent (5%) more than the employee's salary in his or her 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 his or her present classification for all hours while so assigned. This differential will sunset at the end of the current contract (effective June 30, 2018).

5.15 One-Time Cash Payment

Upon ratification of the MOU by the Union and approval by City Council, a one-time, non-recurring payment that is not subject to CalPERS calculations shall be made to each member of the bargaining unit that was employed by the City on the effective date of this MOU, and remains employed at payout date. The one-time revenue payment shall be equal to \$1735 for each full-time employee; part-time employees will receive a pro-rated payment based on their position's budgeted FTE (i.e. 0.5 FTE would receive \$867.50). Revenue share calculation was based on 2.5% of budgeted salary; benefit costs were not factored into the calculation.

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 for the designated steward and subsequent approval by his or her 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 his or her 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 work stations 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.

During the calendar year 2015, the City will provide an employer contribution of \$122 per month to CalPERS for each eligible active employee towards the purchase of medical insurance benefits.

In the event CalPERS requires a minimum employer payment in excess of the amount recited above, the City shall pay additional amounts, as approved by Council. 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 the PEMHCA, with an employer contribution provided to an active employee under this Section 7.01.

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 eligibility (e.g., Employee only coverage, Employee +1 coverage, or Employee +2 coverage), less the amount of any contribution provided under Section 7.01 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 Section 7.01 and 7.02 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 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 his or her 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 any change to the number of his or her 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 he or she is entitled, shall be liable for refunding the excess amounts received via a reduction in the amount paid to 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, dental care, prescription drug, 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, 7.02 and 7.06 of this Memorandum of Understanding shall be reduced each month by the amounts which 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, as a result of such a law, the level of benefits provided by such law for any group of employees, or their dependents, is lower in certain categories of services than that 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 agreed to be 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 to 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 and 7.02; (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 amount of alternative benefit amount provided to an employee is based on the level of insurance coverage that the employee could have received if he or she 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 has to 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 the Section 7.01 above. This supplemental benefit is provided in the form of cash to the retiree on a monthly basis. In order to receive this benefit, the employee must begin receiving pension benefits within one hundred twenty days (120) of leaving City employment, and 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 which includes the following: 100% payment of diagnostic and preventative services (exempt from deductible); 80% payment for other basic services, crowns, and cast restorations; 70% payment for prosthodontics; 50% payment for orthodontics (adults and children). Deductibles each calendar year shall be \$25 per person with a maximum of \$75 per family. Maximum benefit payments shall be \$2000 per year for each patient except for orthodontics which shall carry a \$2,500 lifetime maximum benefit per patient.

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 at such time as 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 following sixty (60) consecutive days of employment.

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 to receive a payment from the City to be applied to such plans subject to the following conditions:

1. Except as provided in Section B 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 towards 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 Sections 7.01 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, 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 amount of 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 month next following. Except that, the amount provided shall never be less than the amount required by applicable government code.

4. The amount of the City's payment for dental insurance shall be proportionate to the amounts paid on behalf of full time employees as specified in Section 7.06 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 amount of the City's payment for vision insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 7.09 of this Section. The calculation of proportionate payment shall be in accord with the provisions of paragraph three (3) of this Section.
6. The amount of 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 of this Section. 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 for full-time employees.

Parties agree to revisit this section for discussion and impacts of ACA once parties have an understanding of ACA laws.

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, 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 his or her 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 a maximum of \$2,550 for medical expenses and \$5,000 for dependent care into the Plan. Each employee shall be solely and personally responsible for meeting provisions and requirements set forth in the regulations of Section 125 Plan and the Plan Administrator.

Each employee shall file an election in writing during the month of open enrollment each year designating how much they would like to contribute to his or her 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 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.

<u>Step</u>	<u>Time-in-Step</u>
A	6 months
B	12 months
C	12 months

D 12 months

E ---

If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing duties, 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.

Advancement in pay when approved 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 Director 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 his or her performance by his or her 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. 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.

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 his or her choice. 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 he or she deems necessary to assess the employee's denial of the merit step increase.

8.07 Change in Pay Upon Promotion

When employees are promoted, they shall receive the first step in the salary range for their new position or 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 an employees' salary 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 acting or provisional status credited towards satisfaction of the probationary period for the position, in accordance with Section 2.03. 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 demotion providing 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 shall receive the first step in the new salary range or be placed on a step that represents a salary increase of a minimum of five percent (5%) added to 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 his or her sole discretion appoint the incumbent occupying such reclassified position without competitive examination providing 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 be reduced in pay while he or she 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 at the beginning of the work shift, 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 his regular position assignment or a five percent (5%) increase in pay, whichever is the greater, for the full day of assignment to such classification. In no event shall an employee receive out-of-class pay at a rate which is in excess of the maximum rate of the classification to which he or she 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

Effective the pay period including July 1, 2016 2.5%

Effective the pay period including July 1, 2017 3%

In addition to the above cost of living increases, pursuant to the mutually agreed upon salary survey, positions will receive equity adjustments as indicated in the equity adjustment schedule, which will be finalized pending the completion of the salary survey. Such adjustments shall be in three (3) equal parts applied over the three (3) years of this contract.

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

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. Post-Retirement Survivor Allowance
4. One (1) Year Final Compensation

- 5. Military Service Credit as Public Service
- 6. 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, 2015	1.5%
Effective the pay period including July 1, 2016	3.0%
Effective the pay period including July 1, 2017	4.5%

The additional contributions to the City’s employer contributions to CalPERS described in this section are made pursuant to California Government Code section 20516(f).

New members as defined by the PEPRRA 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, 2015	1.5%
Effective the pay period including July 1, 2016	3.0%
Effective the pay period including July 1, 2017	4.5%

The additional contributions to the City’s employer contributions to CalPERS described in this section are made pursuant to California Government Code section 20516(f).

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.

New Year's Day	January 1
Martin Luther King Day	3 rd Monday in January
Lincoln's Birthday	February 12
Presidents' Day	3 rd Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	1 st Monday in September
Admissions Day	September 9
Columbus Day	2 nd Monday in October
Veterans Day	November 11
Thanksgiving Day	4 th Thursday in November
Friday after Thanksgiving Day	Friday following 4 th Thursday in November
Christmas Eve	December 24
Christmas Day	December 25

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday provided, however, that Christmas and New Year's Day shall be observed on the day the holiday actually falls for employees who work a seven (7) day operation. 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 employee shall be credited with equivalent time to either compensatory time or vacation leave.

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 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 on both his or her last regular work day immediately preceding the holiday and his or her first regular work day following a holiday, and unless the employee so reports shall receive no pay for such 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 Worked

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

Any work performed on the above 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; provided that employees who are entitled to pay or an equivalent credit to vacation leave as provided in Section 11.01 above for any such holidays if not worked shall receive such holiday pay or equivalent time off in addition to the time-and-one-half (1.5) they are paid for working. 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) off on the work day immediately preceding the day on which New Year's Day is observed. 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 day, twenty-four 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 the use of same 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 at least a 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 exhausts his or her vacation leave, the City will use any accrued compensatory leave balances. If an employee exhausts all eligible leave balances (excluding sick leave), the employee will be placed on authorized leave without pay. 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 for 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 shall accrue vacation leave benefits each payroll period based upon the number of regularly scheduled hours.

Vacation accrual schedule for employees who are budgeted and work full-time are as follows:

Years of Service	Per 80 Hr. Period	Hourly Equivalent	Annual
Up to 5 yrs.	3.08 hrs.	.0385 hrs.	80 hrs.
From 5 to 9 yrs.	4.62 hrs.	.0578 hrs.	120 hrs.
From 10 to 19 yrs.	6.16 hrs.	.077 hrs.	160 hrs.
From 20 yrs.	7.70 hrs.	.0963 hrs.	200 hrs.

Beginning January 1, 2015, an employee will accrue at the next highest benefit level on his or her 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 his or her separation in a probationary or regular appointment, shall receive credit for his or her 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 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. 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 insure the full use of vacation leave credits received by scheduling the necessary time off each year.

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 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 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 12.01, 12.02, 12.03, 12.04 and 12.05 of this Memorandum of Understanding. 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 at date of termination shall be added to 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.

Employees shall whenever possible 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, or the child of a registered domestic partner as defined by California Labor Code 233. 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 his or her 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 his or her annual sick leave accruals (based on his or her budgeted work schedule) per calendar year as family sick for family members who reside outside of the employee's residence.

If an employee exhausts his or her 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 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 of his or her 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 shall accrue sick leave benefits each payroll period based upon the number of hours the employee is entitled. The full-time sick leave accrual rate is 3.7 hours per payroll period. After an absence is approved as sick leave, it shall be deducted from an employee's leave balance. 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 which may be accumulated by an employee.

13.03 Sick Leave Accruals for Part-Time Employees

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 3.7 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 that may be accumulated by an employee. Upon separation of employees, sick leave balance for which payment has not been made shall be canceled, but shall be restored if a former employee is reinstated within two (2) years of separation.

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 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 his or her designee, stating cause of absence. After five (5) working days' absence, the 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 case 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 needs to include the name and signature of the attending physician, the date and time the employee was seen by the physician. Employees may also be required to take an examination 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 his or her 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

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.

Employees hired after May 1, 2014 will not be eligible for payouts upon separation as outlined in this Section.

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 his or her 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 his or her 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 meal time in cases where the employee reports to work from jury duty.

An employee who is seated as a juror or alternate juror shall inform the supervisor on or before the day the trial begins of the estimated length of the trial. If an employee is required to serve on jury duty on his or her regularly scheduled days off the City will endeavor to reschedule the days off beginning with the sixth day of a combination 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 injury or disability 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 worker's compensation benefits received. If any paid leave is used, the employee must contact 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, but 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 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 of his or her leave entitlements, the employee may be retired for disability or separated.

The employee may be required to deplete his or her paid leave balances before requesting this leave.

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, said extension 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 to 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 of absence 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 at its expiration or within a reasonable time after notice to return to duty, shall terminate his or her right to be reinstated.

All eligible paid leaves must be depleted before this leave is taken. If Leave of Absence is used for purposes that qualify under a State or Federal leave law, such as 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 of his or her 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 but 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 his or her 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 case of sickness or emergency which prevents the employee from providing notification. Prior to the time required to report for duty, an employee shall notify his or her supervisor or Department Director of his or her 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 Family Medical Leave Act/California Family Rights Act.

14.11 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or his or her designated representative, 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 accruals to maintain 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 one 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 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) shall be returned to the respective donor(s).
- h. In the event of the death of the recipient, his or her designated beneficiary shall receive payment for hours credited as donated. Hours remaining in pledge status are not subject to payout to the beneficiary, and shall be returned to the donor(s).
- i. Any leave used for purposes that qualify under a State or Federal leave law, such as 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 of his or her 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 his or her dependent stating that the employee's dependent has a severe and disabling injury or illness and indicating the amount of time he or she would need to be off to care for his or her dependent.

An employee shall not be credited with more than 100% of his or her 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 his or 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 his or her 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 his or her 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 for 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 6.02 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 or 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 date of receipt of 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 he or she may designate within seven (7) working days of response at previous step. The Department Director or a designated representative shall have seven (7) working days from date of receipt of 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 he or she may designate within seven (7) working days of response at previous step. The City Manager shall have seven (7) working days from 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 presentation 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. It is the intent of this provision that Arbitrator awards 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.
 - 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 he or she has engaged in certain acts of commission or omission which, if continued, may subject him or her to 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 his or her 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, he or she shall be given an opportunity to present their position in writing or in a hearing 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 hearing with the City Manager or his or her designee. In the event a hearing is requested by the employee it shall be scheduled no later than fifteen (15) calendar days following receipt of request. The results shall be made known to the affected employee no later than thirty (30) calendar days following completion of the hearing. 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 Sections 15.01 through 15.04 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 his or her 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 be reimbursed for the purchase of safety shoes in an amount not to exceed Two-Hundred and Fifty Dollars (\$250.00) per year.

16.02 Uniforms

Employees other than temporary employees shall be entitled to uniforms at City expense to be worn during the performance of their work. Employees receiving the City-furnished uniforms shall be required to wear same in the performance of his or her 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) pair of pants, and one (1) jacket.

Between January 1st and April 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 two (2) years if needed. Employees working in the Garage and Shops 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 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 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.

16.05 Notification of Address

All employees, including those on 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 the 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 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, permanent employee with at least three (3) months 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 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 course 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 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 approval of the subject matter or license must be obtained by the employee on 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 financial benefits, an employee will be expected to complete an approved subject with a satisfactory degree of proficiency. An employee will be considered as having completed a subject when employee concludes a term for which the educational institution quotes tuition fee and rates proficiency.
3. The City will reimburse 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, a lesser percent may be stipulated based upon degree of appropriateness of the subject matter. Reimbursement shall be made at the rate of fees, books and expenses charged at California State University at East Bay for comparable institutions and Chabot College for Community College level courses.

4. If employees are required to engage in study of subjects that are required for the 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 five thousand dollars (\$5,000) each fiscal year for reimbursement of costs related to approved educational activities and/or 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 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 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.

16.10 Introduction of 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.

16.11 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.

16.12 Seniority List

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

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 his or her designated representative, 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 Pre-Retirement Counseling

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

16.15 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 his or her employment or may be of such nature as to interfere with the satisfactory discharge of his or her regular City duties.

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 his/her 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 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 supervisory training required in Section G of Administrative Rule 1.91 for Public Works and Facilities 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 this Administrative Rule and for grievance processing.
- G. Eight (8) hours additional training during the first twelve (12) months will be provided to Public Works supervisors on addressing alcohol and drug issues in the work place. Union stewards will be permitted to attend the training.
- H. A monthly meeting will be held with the Union stewards, Public Works management, and Human Resources Department to review the process and correct any problem areas.
- I. 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 a SAP.
- J. St. Rose Industrial Medical Clinic will be the collection site and PharmChem Laboratories will be the testing facility for the first six months. The Union will have the right to provide input into the decision to continue St. Rose and/or PharmChem after six (6) months.
- K. 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 are 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.

- L. 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 that he or she is 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.
- M. The terms of this Agreement shall be subject to the grievance procedure. Either the Union or the City may re-open any portion of this agreement after one (1) year.

16.19 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.

16.20 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.

16.21 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.

16.22 Class A/B Driver’s Licenses

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 will continue to pay any fees above those fees imposed for a regular (Class C) driver’s license.

16.23 Health and Wellness

The City will reimburse employees for expenses associated with health and wellness programs. This reimbursement may be used for 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 or other health and wellness related expenses. Requests must be made in writing and submitted with receipts. Requests

for reimbursement must be submitted within thirty (30) days of payment by employee. All full-time SEIU employees shall be eligible to receive a maximum of fifty (\$50) dollars per month for these purposes.

Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and the City Manager.

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

16.24 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, equipment not currently owned by the city, constitutes a discrete, non-recurring, project or is seasonal in nature, or results from an emergency situation, including 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. 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.

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.

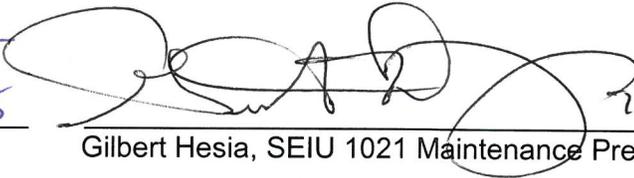
Upon such invalidation the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon substitute provisions the dispute may at the request of either the City or the Union be referred to arbitration for settlement pursuant to the provisions of Section 15.03; 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, 2018 and shall continue thereafter from year to year unless at least one hundred twenty (120) days prior to the first day of July, 2018 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.

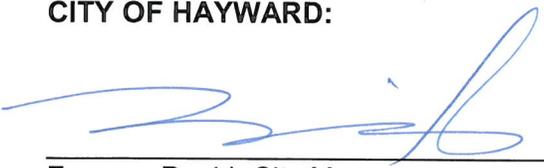
SERVICE EMPLOYEES INTERNATIONAL, LOCAL 1021:

 7/1/2015
Stephen Sommers, Negotiator

 7/1/2015
Gilbert Hesla, SEIU 1021 Maintenance President

 July 1, 2015
Angela Osayande, SEIU 1021 Field Representative

CITY OF HAYWARD:


Frances David, City Manager


Nina S. Collins, Director of Human Resources

Made and entered into this 8th day of July, 2015.

APPENDIX A

SEIU 1021 Maintenance Unit
Classification and Salary Plan as of March 24, 2015

Classification Title	A	B	C	D	E	JCN
AIRPORT ATTENDANT	20.64	21.55	22.34	23.32	24.48	301
AIRPORT MAINTENANCEWORKER	27.57	28.58	29.70	30.94	32.21	303
BACKFLOW/CROSS CONNECTION TESTER	24.77	25.95	27.16	28.48	29.85	370
CROSS CONNECTION CONTROL SPECIALIST	29.47	30.49	31.69	33.00	34.31	376
ELECTRICIAN I	35.59	37.06	38.53	40.15	41.77	328
ELECTRICIAN II	39.14	40.70	42.30	44.09	45.92	329
EQUIPMENT MECHANIC I	27.10	28.46	29.90	31.38	32.92	310
EQUIPMENT MECHANIC II	29.76	31.15	32.73	34.44	36.15	312
EQUIPMENT OPERATOR	28.39	29.43	30.60	31.84	33.13	361
EQUIPMENT PARTS STOREKEEPER	24.78	26.09	27.35	28.72	30.17	307
EQUIPMENT SERVICE ATTENDANT	22.86	23.76	24.75	25.58	26.57	308
FACILITIES CARPENTER I	28.94	30.14	31.38	32.65	34.01	326
FACILITIES CARPENTER II	31.82	33.08	34.47	35.89	37.39	327
FACILITIES LEADWORKER	43.30	45.02	46.78	48.71	50.79	300
FACILITIES PAINTER I	29.07	30.24	31.47	32.79	34.08	324
FACILITIES PAINTER II	31.95	33.25	34.55	35.98	37.48	330
FACILITIES SERVICEWORKER I	21.42	22.20	23.08	24.03	24.88	318
FACILITIES SERVICEWORKER II	23.51	24.45	25.45	26.34	27.39	320
GROUNDSKEEPER I	25.81	26.84	27.97	28.93	30.08	338
GROUNDSKEEPER II	28.42	29.55	30.76	31.84	33.07	342
GROUNDSKEEPER III	32.41	33.72	35.08	36.56	37.99	343
HVAC MECHANIC	39.14	40.70	42.30	44.09	45.92	315
LABORER	22.72	23.56	24.50	25.50	26.42	336
MAINTENANCE LEADER	29.00	30.13	31.38	32.48	33.73	360
MAINTENANCE WORKER	26.33	27.39	28.53	29.50	30.68	357
OPERATOR-IN-TRAINING	28.84	29.99	31.24	32.30	33.56	347
SENIOR AIRPORT MAINTENANCE WORKER	30.35	31.47	32.72	34.06	35.43	302
SENIOR MAINTENANCE LEADER	33.03	34.35	35.73	37.25	38.71	367
SENIOR UTILITY CUSTOMER SERVICE LEADER	33.63	34.98	36.37	37.91	39.42	378
SENIOR UTILITY LEADER	35.35	36.77	38.23	39.88	41.46	377
SENIOR UTILITY LEADER - SEWER	35.35	37.06	38.91	40.86	42.90	379
SENIOR UTILITY SERVICE REPRESENTATIVE	32.19	33.79	35.40	37.21	39.03	373
STOREKEEPER - EXPEDITER	25.86	26.93	27.94	29.01	30.13	371
SWEEPER EQUIPMENT OPERATOR	27.09	28.00	29.12	30.36	31.56	362
TREE TRIMMER	29.16	30.32	31.55	32.67	33.95	340
UTILITIES MAINTENANCE MECHANIC	32.39	33.64	34.96	36.37	37.84	325

SEIU LOCAL 1021 MAINTENANCE UNIT

UTILITIES SERVICE WORKER	28.24	29.36	30.57	31.64	32.87	368
UTILITY LEADER	31.06	32.30	33.64	34.82	36.16	374
UTILITY LEADER - SEWER	32.05	33.32	34.69	35.90	37.30	311
UTILITY WORKER	28.24	29.36	30.57	31.64	32.87	372
UTILITY WORKER - SEWER	29.14	30.29	31.54	32.64	33.91	309
WATER METER MECHANIC	28.64	29.74	30.97	32.24	33.53	375
WATER METER READER	25.60	26.61	27.70	28.71	29.85	369
WPCF LEAD OPERATOR	34.66	36.04	37.46	38.94	40.51	351
WPCF OPERATOR	31.51	32.77	34.08	35.41	36.84	350

APPENDIX B

CHARITABLE ORGANIZATIONS:

- **Ruby's Place – Hayward, CA**
- **Meals on Wheels – Hayward, CA**
- **Alameda County Food Bank**