

MEMORANDUM OF UNDERSTANDING

BETWEEN

CITY OF HERMOSA BEACH

AND

PROFESSIONAL AND ADMINISTRATIVE EMPLOYEES

JULY 1, 2019 - JUNE 30, 2022

TABLE OF CONTENTS

SUBJECT	PAGE
ADMINISTRATIVE LEAVE	9
AGENCY SHOP	18
BEREAVEMENT LEAVE.....	11
CONTINUATION OF HEALTH BENEFITS.....	15
DEFERRED COMPENSATION.....	5
EDUCATIONAL ALLOWANCE	8
FAMILY AND MEDICAL CARE LEAVE	13
FULL UNDERSTANDING, MODIFICATION, WAIVER	17
GRIEVANCES/APPEAL OF DISCIPLINE.....	16
HEALTH AND WELFARE	13
HOLIDAYS	11
JURY DUTY	10
LAYOFF	15
LONG TERM DISABILITY.....	13
MANAGEMENT RIGHTS	2
MERIT PAY.....	7
MILITARY LEAVE	11
NON-DISCRIMINATION	4
OVERTIME.....	9
PREAMBLE	2
PREMIUM PAY	5
PROBATION.....	4
PROFESSIONAL AND ADMINISTRATIVE EMPLOYEES PURPOSE AND INTENT.....	18
RECOGNITION	2
REDUCTION IN LIEU OF LAYOFF.....	16
RETIREMENT	12
SELECTION OF INDUSTRIAL ACCIDENT DOCTOR OR MEDICAL FACILITY.....	16
SHORT TERM & LONG TERM DISABILITY	14
SICK LEAVE	10
TEMPORARY UPGRADE PAY	18
TERM OF AGREEMENT.....	19
UNIFORMS	8
VACATION	8
WAGE RATE.....	4

MEMORANDUM OF UNDERSTANDING
FOR THE
PROFESSIONAL AND ADMINISTRATIVE EMPLOYEES UNIT

ARTICLE 1 – PREAMBLE

The provisions of this Agreement have been developed in the interest of promoting and improving Employee relations between the City of Hermosa Beach, California and the Professional and Administrative Employees who are represented by the Hermosa Beach Professional and Administrative Employees (P&AE).

ARTICLE 2 – RECOGNITION

The City recognizes the P&AE as the exclusive bargaining representative for all Employees who are or become employed in those job classifications contained on Exhibit "A", which is attached hereto and made a part of this Agreement. The parties recognize that this Agreement contains wages, benefits and working conditions that pertain only to members of the P&AE.

ARTICLE 3 – MANAGEMENT RIGHTS

- A. It is agreed that during the term of this Agreement herein the exercise of the following powers, rights, authority, duties and responsibilities by the City, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and the discretion in connection therewith, shall be limited only by the specific and express terms of this Memorandum of Understanding, City Personnel Ordinance, Personnel Rules and Regulations, and other statutory law.
- B. Except in emergencies, or where the City is required to make changes in its operations because of the requirements of law, whenever the exercise of management's rights shall impact on Employees of the bargaining unit, the City agrees to meet and confer with representatives of the P&AE, regarding the impact of the exercise of such rights unless the matter of the exercise of such rights is provided for in this Memorandum of Understanding.
- C. MANAGEMENT RIGHTS
 - 1. Manage the City.
 - 2. Schedule working hours.
 - 3. Establish, modify or change work schedules or standards.
 - 4. Institute changes in procedures.
 - 5. Direct the work force, including the right to hire, promote, demote, transfer, suspend, discipline or discharge any Employee.

6. Determine the location of any new facilities, building, departments, divisions, or subdivisions thereof, and the relocation, sale, leasing or closing of facilities, departments, divisions, or subdivisions thereof.
7. Determine services to be rendered.
8. Determine the layout of buildings and equipment and materials to be used herein.
9. Determine processes, techniques, methods and means of performing services.
10. Determine the size, character and use of inventories.
11. Determine the financial policy including accounting procedures.
12. Determine the administrative organization of the system.
13. Determine selection, promotion, or transfer of Employees.
14. Determine the size and characteristics of the work force.
15. Determine the allocation and assignment of work to Employees.
16. Determine policy affecting the selection of new Employees.
17. Determine the establishment of quality and quantity standards and the judgment of quality and quantity of work required.
18. Determine administration of discipline.
19. Determine control and use of City property, materials and equipment.
20. Schedule work periods and determine the number and duration of work periods
21. Establish, modify, eliminate or enforce rules and regulations.
22. Place work with outside firms.
23. Determine the kinds and numbers of personnel necessary.
24. Determine the methods and means by which operations are to be conducted.
25. Require Employees, where necessary, to take in-service training courses during working hours.
26. Determine duties to be included in any job classifications.

27. Determine the necessity of overtime and the amount of overtime required.
28. Take any and all necessary action to carry out the mission of the City in cases of an emergency.

ARTICLE 4 – NON-DISCRIMINATION

Both parties to this Agreement agree not to discriminate against any Employee or applicant because of age, gender, race, national origin, religion, color, ancestry, marital status, sexual orientation, physical or mental disability, medical condition, and/or Association membership or activity. Additionally, the City expects and requires all Employees to treat one another with dignity and respect. Harassment of fellow Employees is a violation of law. No employment decision may be made based upon an Employee's submission to or rejection of such conduct. It is the responsibility of any Employee who believes that they are the victim of such harassment, whether sexual, racial, ethnic or religious, to report the conduct to the supervisor, Department Director, Human Resources Director/Manager or the City Manager in a timely manner.

ARTICLE 5 – PROBATION

There shall be a one (1) year probationary period for all appointments to the Professional and Administrative classes as described in this Resolution. The probationary period may be extended for a period of not more than six (6) months. Employees shall receive notification of an extension seven (7) calendar days prior to the one year anniversary of the probationary period.

ARTICLE 6 – WAGE RATE

The City agrees to hire and appropriately compensate capable Professional and Administrative Employees. They will be professional, be adequately trained, and meet standards required for such positions. The Council reaffirms that compensation will include such items as salary, contribution for PERS, deferred compensation, health insurance and merit pay.

- A. The salary table attached to the MOU as Exhibit A shall be revised by increasing each amount as follows:
 - Effective July 1, 2019, the salary table shall be increased by three percent (3.0%). The retroactive adjustment will be made for employees who are currently employed with the City as of the date the City Council approves the Agreement.
 - Effective July 1, 2020, the salary table shall be increased by three percent (3.0%).
 - Effective July 1, 2021, the salary table shall be increased by three percent (3.0%).

- B. The parties understand that these amounts shall be reported to the California Public Employees Retirement System (CalPERS) as employee compensation and thus be "PERSable."
- C. Performance based step increase is dependent upon employee receiving an overall performance evaluation of being fully qualified.

ARTICLE 7 – DEFERRED COMPENSATION

Each Employee, individually, may elect to participate in the Deferred Compensation Plans established and adopted by the City of Hermosa Beach.

ARTICLE 8 – PREMIUM PAY

A. Bilingual Skill Premium

1. Effective July 1, 1994, the City agrees to pay a 5% premium above base salary per month to full time Employees, not to exceed three (3) in number, who have demonstrated proficiency/fluency in a second language which has been demonstrated to be of value to the City in providing customer service.
2. An Employee receiving bilingual skill premium will be called upon to assist in any department within the City on an "as needed basis" to provide interpretation services. Individuals receiving a bilingual skill premium may periodically be subject to call-out or be required to work in excess of their regular schedule. In the event of call-out or overtime, compensation shall be in accordance with the appropriate provisions of this Agreement.
3. Employees with bilingual ability will be tested for oral skill in the designated language by the Human Resources Director/Manager. Applicants must successfully pass the examination to be eligible for bilingual premium. Periodic evaluation of incumbents receiving bilingual skill premium may be required.
4. Should there be more than three (3) applicants for bilingual premium, the City reserves the right to select the applicant who best meets the needs of the City. Factors to be considered in selection include, but are not limited to: proficiency in both speaking and writing designated language as well as the ability to provide multiple shift coverage.

B. Special Event Supervision Premium (Not reportable to PERS**)**

1. Any Recreation Supervisor assigned responsibility for coordination of resources, emergency response, oversight, and on-call availability for large-scale commercial special events scheduled during other than regularly scheduled work hours may receive a three hundred dollar (\$300) per event

day premium. Should it be determined that this classification is not exempt from FLSA overtime, then this section would be deleted. This amount shall not be reported to PERS as compensation and is thus not "PERSable."

2. Any individual so assigned by the Community Resources Director may receive said premium lieu of any accrual of Administrative Time. In no case shall an Employee receive Administrative Time and premium concurrently, but will receive one or the other. Administrative Time may only be accrued in lieu of premium with prior approval of the Community Resources Director.
3. The City agrees that individuals in classifications other than Recreation Supervisor may be assigned the responsibilities described above if they are designated as qualified by the Community Resources Director.
4. No more than one individual per event day shall be eligible to be assigned as Special Event Supervisor and receive this pay.

C. Public Works Superintendent Premium Pay **(Not reportable to PERS)**

1. An Employee classified as the Public Works Superintendent shall be eligible to receive a ten percent (10%) monthly premium above salary base for duties performed in maintaining an emergency "call out" program for the Public Works Department. The duties shall include responding to emergency after hour's calls from Police Dispatch or other appropriate Department, and coordinating work crews to respond to the emergency.
2. This premium is compensation for all nonscheduled after hours duties. This amount shall not be reported to PERS as employee compensation and is thus not "PERSable."

D. Planning Division Manager Premium Pay **(Not reportable to PERS)**

1. An Employee classified as Senior Planner may be eligible for Planning Division Manager Premium Pay in an amount up to 10% above base salary as determined by the Community Development Director and approved by the City Manager.
2. To be eligible for Division Manager Premium Pay, the Senior Planner must demonstrate continuing superior performance for at least one year in managing the Planning Division of the Community Development Department, and possess at least 5 years of experience either in the City or in another jurisdiction in a similar role.
3. Division Manager responsibilities include, but are not limited to: supervision of professional and clerical staff; completion of special and ongoing projects as assigned related to long-range planning, policy development, and sustainability programs; management of all current planning functions; preparation and presentation of Planning Commission, City Council and other

task force/committee reports; preparation and monitoring of the division's budget; training, and evaluation of personnel; management of consultant contracts, and, review of projects for conformance with zoning ordinance and municipal code standards.

4. Eligibility for Division Manager Premium Pay may be rescinded (or reduced) by the Community Development Director for failure to perform Division Manager Duties and responsibilities in a superior manner.
- E. Individuals covered by this Agreement in the classification of Assistant Engineer or Associate Engineer shall receive a 10% premium for Professional Engineer certification.

ARTICLE 9 – MERIT PAY (Reportable to PERS)

The following P&AE Employees will be eligible to receive Merit Pay for superior performance: Planning Manager, Associate Engineer, Assistant Engineer, Building & Code Enforcement Official, Planning Associate, Public Works Superintendent, Finance Cashier Supervisor, Senior Recreation Supervisor, Management Analyst, GIS Analyst, Crime & Intelligence Analyst, Community Services Division Manager, Planning Assistant, Accounting Manager, Accountant, Environmental Program Manager, Emergency Management Coordinator, Deputy City Engineer, Recreation Coordinator, Senior Management Analyst. Said bonus pay will be up to a maximum of +5% of base monthly pay payable for three-month (quarterly) increments.

In order for an employee to receive Merit Pay, the Department Director and employee shall agree to specific goals to achieve for each quarter. At the end of the reporting period, the employee shall provide a detailed outline of the goals that have been met. Based on this documentation, the Director shall determine if the employee is eligible for the Merit Pay, either in full (5%) or a lesser amount. Achieving any of the goals equates to performance over and above standard performance and is recognized as superior performance as it relates to these goals. The Bonus Pay will be included in the pay period following the quarter that is being evaluated provided that the detailed outline of goals met is received in a timely manner. The parties understand that bonus pay in these amounts shall be reported to the California Public Employees Retirement System (CalPERS) as employee compensation and thus be "PERSable."

5%	Superior Performance Bonus (employee met nearly 100% of the goals)
4%	Superior Performance Bonus (employee met at least 80% of the goals)
3%	Superior Performance Bonus (employee met at least 60% of the goals)
2%	Superior Performance Bonus (employee met at least 40% of the goals)
1%	Superior Performance Bonus (employee met at least 20% of the goals)

For salary comparison purposes, base salary shall be increased by 3.75% (75% of maximum Bonus Pay) to adjust for Bonus Pay eligibility for those classes eligible.

ARTICLE 10 – EDUCATIONAL ALLOWANCE

- A. City agrees that P&AE Employees who desire to enroll in training and/or academic courses at a State of California approved and/or recognized college or university that may provide the Employee with general or specific skills and/or knowledge that contributes to their ability to perform their current position or enhances promotional opportunities shall have their course fees, books and tuition for any CSU campus (employees who attend a non-CSU campus will receive up to the average of CSULB, CSUDH & CSULA) rates paid by the City in advance, subject to approval of the City Manager. The Employee will reimburse the City for all expenses incurred for any class or classes the Employee fails or does not complete; or if the Employee voluntarily leaves City employment during the period they are enrolled and received payment.
- B. Reimbursement of tuition shall be on a pro-rated basis depending upon the number of hours an Employee covered by this Agreement is normally scheduled to work (i.e. full time @ 100% reimbursement, half time @ 50% reimbursement, etc.).

ARTICLE 11 – UNIFORMS

Uniforms will be provided to the Public Works Superintendent as approved by the Department Director.

ARTICLE 12 – VACATION

- A. It is agreed that all Employees covered by this Agreement shall accrue vacation as follows:

	<u>Years of Service</u>		<u>Accrued Per Year</u>
* Probation Period	1st	Year	80 hours
Commencing with	2nd	Year	80 hours
“ “	4th	Year	96 hours
“ “	6th	Year	112 hours
“ “	10th	Year	128 hours
“ “	14th	Year	144 hours
“ “	18th	Year	160 hours

- B. Employees may request (subject to Department Director's approval) one (1) week of vacation six (6) months after hire date (after halfway point of probationary period).
- C. Vacation may be accrued up to thirty (30) month accrual level, with an automatic cash-out of hours in excess of that amount. The cash outs will take place based on the accrual balance of November 16th and paid on the check of December 5th.
- D. Employees shall be reimbursed for 100% unused vacation days accrued upon resignation, retirement or imposed termination from their employment with the City.

ARTICLE 13 – OVERTIME

- A. For FLSA purposes a "WORK-WEEK" shall be defined as:
1. For employees working a 5/40 or 4/40 schedule: commencing at 0001 hrs. SUNDAY and terminating at 2400 hrs. SATURDAY.
 2. For employees working a 9/80 schedule: commencing 1101 hrs. Friday and terminating the following Friday at 1100 hrs.
- B. The City agrees to pay association members in the following classifications time and one-half (1-1/2) their regular rate of pay for all hours worked in excess of forty (40) hours worked in a work week. Overtime may be paid in either cash or compensatory time earned as part of the regular payroll process. The City will pay overtime to employees in eligible classifications in the same manner as paid to the General & Supervisory Employees Association.

Employees may elect to cash-in accrued compensatory time quarterly each calendar year in January, April, July, and October.

Classifications eligible for overtime compensation in accordance with the FLSA include:

Administrative Assistant
Deputy City Clerk
Administrative Services Coordinator
Crime & Intelligence Analyst (will be non-exempt as of 7/1/2017)

- C. The following classifications have been determined to be exempt from overtime as defined in the Fair Labor Standards Act (FLSA) and as FLSA applies to public agency employees. As such, these classifications shall not be eligible to accrue compensatory time or be paid overtime.

Accountant
Accounting Manager
Associate Engineer
Assistant Engineer
Building and Code Enforcement Official
Community Services Division Manager
Finance Cashier Supervisor
Deputy City Engineer
Emergency Management Coordinator
Environmental Program Manager
GIS Analyst
Management Analyst
Senior Management Analyst
Planning Assistant
Planning Associate
Public Works Superintendent

Recreation Coordinator
Senior Recreation Supervisor
Planning Manager

- D. Administrative Leave: Employees in exempt classifications listed above shall receive seventy (70) hours of additional Administrative Leave each calendar year in addition to flex time for extraordinary assignments, fixed holidays, vacation, and Bereavement Leave. Administrative Leave does not accumulate or carry over; it must be used each year. Said leave shall have no monetary value and shall be prorated for partial years' service upon initial appointment.

ARTICLE 14 – SICK LEAVE

- A. Accrual shall be at eight (8) hours per month. After 176 hours are accrued, a unit member may cash out annually up to a maximum of 96 hours at the employee's regular rate of pay at 100% rate. In lieu of cash out, Employees may convert up to a maximum of 96 hours to vacation time annually 100% of their sick time, in excess of one hundred seventy six (176) hours, to vacation time provided that the vacation bank does not exceed allowed maximum level. The cash outs will take place based on the accrual balance of November 16th and paid on the check of December 5th.
- B. Sick leave shall be used only in case of sickness or disability of the Employee or for family sick leave. Misuse of sick leave shall be grounds for disciplinary action.
- C. In case of serious illness of a member of the immediate family, the Employee may utilize sick leave. Immediate family for the purpose of this Section shall be defined as: spouse, child, stepchild, parent, stepparent, parent-in-law, brother, sister, grandparents, grandchildren, any relative not previously listed who lives in the same household as the Employee, and a domestic partner of the Employee.
- D. Any Employee claiming a domestic partner, for purposes of this Agreement shall complete a confidential affidavit to be filed in the Human Resources Department, which shall be signed by the Employee only, declaring the existence of a domestic partnership with a named domestic partner. By extending to a domestic partner Employee the specific benefits defined by this Agreement, the City does not intend to confer or imply any other unspecified benefits to such Employee, or to any other person who may hold the status of domestic partner.
- E. Employees covered by this Agreement may, at any time or upon resignation or retirement from their employment with the City, elect to be paid for unused sick leave accrued prior to June 30, 2017, at their current rate of pay. Sick leave accrued prior to June 30, 2017 shall be eligible for 100% cash-out at resignation or retirement. Except as provided in A above, unused sick leave accrued after June 30, 2017, shall not be cashed out. Pursuant to Government Code § 20965, related CalPERS, rules and the City's contract with CalPERS, upon retirement from City employment, a unit member's unused accumulated sick leave at the time of retirement may be converted to additional service credit.

- F. Employees shall be eligible to use sick leave during their probationary period.

ARTICLE 15 – BEREAVEMENT LEAVE

Each Employee covered by this Agreement shall receive a maximum of three (3) shifts per calendar year to be utilized for Bereavement Leave because of a death in their immediate family (as defined in Article 14 above). For the purposes of bereavement leave, parent in-law, step-children and parents, and persons living within the same household are to be considered in the definition of “immediate family”. Said time will not be cumulative from one twelve month period to another nor will pay in lieu of unused leave be provided. The Department Director shall, if possible, grant approval of two (2) additional shifts in the event of a death that requires extended travel.

ARTICLE 16 – JURY DUTY

If called for jury duty in a Municipal, Superior, or Federal Court, or for a Coroner’s Jury, Employees covered by this Agreement shall remain in their regular pay status. All jury fees except mileage reimbursement shall be returned to the City.

ARTICLE 17 – MILITARY LEAVE

All Employees covered by this Agreement shall be entitled to Military Leave as afforded by Federal and State law but shall not receive any base salary pay while on such Leave.

ARTICLE 18 – HOLIDAYS

- A. All Employees covered by this Agreement shall receive 90 hours per year for the following holidays off with pay: New Year’s Day; Martin Luther King, Jr.’s Birthday; President’s Day; Memorial Day; Independence Day; Labor Day; Veterans Day; Thanksgiving Day; Christmas Day.
- B. When a holiday falls on a normal day off, Employees shall receive Holiday Compensation Time. Employees covered by this Agreement may accrue up to 100 hours of Holiday Compensation Time for those holidays in which compensatory time is earned. The City will provide a holiday schedule to the Association for review prior to January 1 of each year. For all holidays that fall on a Friday or Saturday, City Hall offices will be open regular hours on Monday and employees will receive compensatory time. For all holidays that fall on a Sunday, the holiday will be observed on Monday.
- C. All employees covered by this Agreement, will receive ten (10) hours of Holiday Flex Time for the following purpose: these ten hours can only be used for either Christmas Eve (December 24th) or New Year’s Eve (December 31st). The hours may also be split into two days, using 5 hours each day (applies to Christmas Eve and New Years’ Eve only). Taking into consideration the employee’s preference, Department

Directors will coordinate such leave to ensure there is adequate coverage for the department. Police and Fire Department employees who are required to work those two dates have until January 31st to use the ten (10) hours. The hours cannot be cashed-in and cannot be carried over from January 31st.

ARTICLE 19 – RETIREMENT

- A. Tier I. The City provides the PERS 2% at 55 Plan with one year final compensation to employees hired prior to July 1, 2011. The City will pay the employee's 7% contribution to PERS. The City shall report to P.E.R.S. the value of the 7% employer paid member contribution (EPMC) pursuant to the authority of Government Code section 20023(c)(4).

Tier II. For new employees hired on or after July 1, 2011 and ending December 31, 2012, the PERS retirement benefit formula shall be the 2% @ 60 plan, with retirement benefits calculated on one year final compensation. . The City paid the employee's 7% contribution to PERS. Prior to January 1, 2013, the City reported to P.E.R.S. the value of the 7% employer paid member contribution (EPMC) pursuant to the authority of Government Code section 20023(c)(4) and did not reopen this issue prior to the 2012-2013 negotiations.

- B. Member contribution: Each employee in the bargaining unit shall pay the full seven percent (7%) PERS member contribution by payroll deduction as follow:

1. Effective January 1, 2013, by 2.5%
2. Effective July 1, 2013, an additional 2.5% for a total of 5%.
3. Effective July 1, 2014, an additional 2% for a total of 7%.
4. The City adopted the necessary resolution so that such payments made by the employees may be excluded from taxable income pursuant to section 414(h)(2) of the U.S. Internal Revenue Code.

- C. Tier III. Employees hired on or after January 1, 2013, shall be subject to the Public Employee Pension Reform Act, ("PEPRA"; Assembly Bill 340) including but not limited to:

1. 2% at 62 retirement formula for those who are "new members" as that term is defined in AB 340.
2. Such new members shall pay to PERS by payroll deduction 50% of the "normal cost" as defined in AB 340 or the then current contribution rate of similarly situated employees, whichever is greater, as required by new Government Code section 7522.30(c).

- D. Employees who retire after July 1, 2006 and were hired before July 1, 2018 shall be eligible, upon service retirement from the City, for a medical premium supplement. Said supplement shall be in the following amount:
1. The City will contribute 5% of the health insurance premium for each year of service with the City of Hermosa Beach up to the lesser of the single person HMO premium or \$500 per month. A retiring employee must have completed a minimum of ten (10) years of service with the City of Hermosa Beach and be at least fifty-five (55) years of age to be eligible for this benefit.
 2. Said supplement shall commence with the first month following the Employee's service retirement in which the Employee is responsible for payment of the insurance premium.
 3. In order to be eligible for medical supplemental payments, an Employee must either remain on a medical insurance plan offered by the City or provide proof of coverage on a self-procured medical insurance plan.
 4. Retirees who are eligible for a supplement but who are not covered on the City insurance policy are still eligible to receive their supplement. Payments will only be made when the retiree provides proof of coverage of insurance and proof of the amount paid for said coverage.
 5. Any Retiree receiving a benefit under this section agrees to apply for, and enroll in, any Federal and/or State medical insurance plan (e.g. Medicare, Medicaid) for which they become eligible.
- E. Employees who are hired after July 1, 2018 shall be eligible, upon service retirement from the City at age sixty (60) with a minimum of twenty (20) continuous City service, for a medical premium supplement. Said supplement shall be paid as follows:
1. The City shall pay a \$400,00 per month medical supplement that shall commence with the first month following the Employee's service retirement in which the Employee is responsible for payment of the insurance premium.
 2. The City's payments will end with the month in which the employee reached the eligibility of State of Federal Medicaid, currently 65 years of age.

ARTICLE 20 – HEALTH AND WELFARE

- A. The City will have full responsibility for all Health and Welfare programs enacted or in force as of September 1, 1997.
- B. The City shall make available for employees the following insurance plans: Health, Dental, Long Term Disability, Vision and Psychological Health. Current Health, Dental, Long Term Disability, Vision, Psychological Health, or their equivalent, to

remain in force during the term of this Agreement. City shall meet and confer with the bargaining unit should there be a change in providers or a change in benefit level.

- C. For life insurance, the City shall provide and pay the premiums for a Life Insurance policy for each Employee, payable in an amount equal to the individual's annual salary upon such Employee's death.
- D. For long term disability insurance, the City will provide and pay the premiums for Long Term Disability for each employee.
- E. For medical/health insurance, for the benefit years beginning January 1, 2020 and later, the City's maximum contribution toward medical insurance for each employee's selected plan and level of coverage will be \$1,786.50. Employees choosing a medical insurance plan and/or coverage level with a monthly premium that exceeds the City's maximum contribution shall pay the difference by payroll deduction.
- .F. Effective, January 1, 2020, an employee who demonstrates proof of medical insurance coverage available through a spouse or domestic partner may receive a cash payment of \$750.00 per month in lieu of City provided coverage.
- G. For dental insurance, the City shall pay the monthly premium contribution for full family coverage for dental insurance, including PPO.
- H. For psychological health, the City will continue to pay for the benefit.
- I. The full cost of the Vision Insurance shall be borne by the employee.
- J. The City and P&AE mutually recognize the need to maintain existing health insurance cost-containment measures and to continue to control health insurance costs. Toward that end, the City and P&AE agree to establish an "Insurance Review" committee that shall meet prior to each benefit renewal year to evaluate and recommend renewal coverage.

ARTICLE 21 – SHORT & LONG TERM DISABILITY

- A. The City's Short Term Disability Insurance Plan begins after a 30 day waiting period. The maximum benefit is 66 2/3% of your earnings to a maximum of \$1,125 per week. The City's Long Term Disability Insurance Plan, has a maximum benefit of \$4,500 per month and begins after 90 days. An Employee utilizing the Short or Long Term Disability Plan shall not accrue Vacation, Sick Leave, Holiday Pay or allowances after the 30th calendar day after disability.

B. FAMILY AND MEDICAL CARE LEAVE

1. As required by State and Federal law, the City will provide Family and Medical Care Leave for eligible Employees. The following provisions set forth unit members' rights and obligations with respect to such Leave. Rights and obligations which are not specifically set forth below are set forth in the Department of Labor regulations implementing the Federal Family and Medical Leave Act of 1993 "FMLA"), and the regulations of the California Fair Employment and Housing Commission implementing the California Family Rights Act ("CFRA") (Government Code § 12945.2). Unless otherwise provided by this Article, "Leave" under this article shall mean Leave pursuant to the FMLA and CFRA.
2. Eligible Employees are entitled to a total of 12 weeks of Leave during any 12-month period. An Employee's entitlement to Leave for the birth or placement of a child for adoption or foster care with the Employee expires 12 months after the birth or placement.
3. The 12-month period for calculating Leave entitlement will be a "rolling period" measured backward from the date Leave is taken and continues with each additional Leave day taken. Thus, whenever a member requests Leave, the City will look back over the previous 12-month period to determine how much Leave has been used in determining how much Leave a member is entitled to.
4. If an Employee uses Leave for any reason permitted under the law, he/she may concurrently utilize all other accrued Leaves in connection with the Leave. The utilization of other accrued Leaves will run concurrently with the Leave.
5. Employees must fill out the following applicable forms in connection with Leave under this article:
 - "Request for Family or Medical Leave"
 - "Certification of Physician or Practitioner"
 - "Fitness for Duty to Return from Leave"
6. The provision of Article 21 (A) shall apply regarding the accrual of Vacation, Sick, Holiday Pay and allowances with the exception that seniority shall continue to accrue during the period of FMLA leave.

ARTICLE 22 – LAYOFF

- A. It is mutually agreed that whenever, in the judgment of the City Council, it becomes necessary to abolish a position in the interest of economy or because the necessity for the position no longer exists, the City Council may abolish any position or employment in the competitive service and the personnel officer shall layoff, demote or transfer Employees thereby affected.

- B. The criterion used in determining the order of separation shall be seniority, pursuant to the Municipal Code, Chapter 2.76 – Civil Service.
- C. The City will endeavor to provide each affected Employee as much notice as possible, with a minimum thirty (30) day advance notice to each affected Employee.

ARTICLE 23 – REDUCTION IN LIEU OF LAYOFF

It is mutually agreed that an Employee whose position is abolished shall be governed by Municipal code 2.76.200 – Civil Service.

ARTICLE 24 – SELECTION OF INDUSTRIAL ACCIDENT DOCTOR OR MEDICAL FACILITY AND CONTINUATION OF HEALTH BENEFITS

- A. It is understood that the City will provide medical facilities to be used for industrial accidents or illness. However, in the event an Employee covered by this Agreement wishes to grieve the City's selection, the City will give due consideration to the facts presented and may select a new facility.
- B. An Employee who suffers an injury-on-duty will continue to have payment of the City portion of all Health Insurance premiums paid for a period of seven (7) full months commencing with the month in which the injury occurred.
- C. Nothing herein shall prevent an Employee from utilizing their accrued time in lieu of receiving temporary disability payments under the provisions of the Workers' Compensation laws of the State of California.

ARTICLE 25 – GRIEVANCES/APPEAL OF DISCIPLINE

This Grievance Procedure shall be used to resolve disputes arising from any allegation by Professional and Administrative Employees that the City has violated the terms of this Resolution.

- A. The complaint shall be presented in writing to the Department Director. The Director shall have five (5) working days of receipt of the complaint to resolve the issue or respond to it in writing stating the reasons for the failure to resolve it.
- B. If not resolved, the complaint shall be presented in writing to the City Manager. The City Manager shall have five (5) working days of receipt of the complaint to resolve the issue or respond to it in writing stating the reasons for the failure to resolve it.
- C. If disciplinary actions concerning dismissals, suspensions, reduction in pay, etc. are not resolved, further action is pursuant to Municipal Code, Section 2.76 – Civil Service.
- D. Grievances regarding the provisions contained within this memorandum of understanding, with the exception of disciplinary actions, not settled following the City

Manager's determination and that either party desires to contest further, may be submitted to arbitration as provided in this article provided however that said Request for Arbitration shall be made within twenty (20) calendar days of the City Manager's determination

- E. As soon as possible and in any event not later than fourteen (14) calendar days after either party received written notice from the other of the desire to arbitrate, the parties shall agree upon an arbitrator. If no Agreement is reached within said fourteen (14) calendar days, an arbitrator shall be selected from a list of seven (7) arbitrators submitted by the Federal Mediation and Conciliation Service by alternate striking of names until one name remains. The party who strikes the first name from the panel shall be determined by lot.
- F. Either the City or the Association may call any employee as a witness, and the City agrees to release said witness from work if he/she is on duty.
- G. The arbitrator shall have no power to alter, amend, change, add to or subtract from any of the terms of this Agreement. The decision of the arbitrator shall be based solely upon the evidence and arguments presented to him by the respective parties in the presence of each other.
- H. The decision of the arbitrator within the limits herein prescribed shall be advisory only.
- I. The arbitrator may hear and determine only one grievance at a time without the express agreement of the City and the Association. The parties shall share equally the expense of the cost of the arbitration, with the exception of counsel's fees.

ARTICLE 26 – FULL UNDERSTANDING, MODIFICATION, WAIVER

- A. It is intended that this Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or Agreements by the parties whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.
- B. Except as specifically provided herein, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right, and agrees that the other shall not be required to negotiate with respect to any subject or matter covered herein during the term of this Agreement. Association members and the City can meet and confer on mutually desirable changes as needed.
- C. Any agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the City Council.
- D. The waiver of any breach, term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

ARTICLE 27 – TEMPORARY UPGRADE PAY

Employees covered by this Agreement who are temporarily assigned to a higher classification because of emergency conditions, Sick Leave, Vacation and/or vacancy shall receive the higher rate of pay commencing with the eleventh (11th) consecutive day of such assignment.

ARTICLE 28 – AGENCY SHOP

- A. All employees covered by this Agreement and employees subsequently hired must within 30 days of the effective date of this Agreement or 30 days from date of employment and as a condition of employment, either become and remain a Member of the Association in good standing for the term of this Agreement or pay a monthly service fee equal to Association dues to the Association.
- B. Any employee who is a Member of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting employee organizations shall not be required to join or pay a service fee to the Association, however, such employee shall be required to pay a monthly sum equal to Association dues to one of the charitable organizations listed below in the same manner as stated in “A” above for the duration of this Agreement.

Charitable Organizations:

- 1. United Way
- 2. City of Hope
- 3. American Cancer Society

ARTICLE 29 – PROFESSIONAL AND ADMINISTRATIVE EMPLOYEES PURPOSE AND INTENT

- A. The City is cognizant of the crucial role that the Professional and Administrative Employees (P&AE) have in implementing and enforcing the City's policies, practices and procedures. The P&AE wholeheartedly accept these responsibilities and are committed to the success of City goals. The P&AE agrees to encourage Employees in an attitude of excellence of job performance and increased productivity.
- B. Both the City and the P&AE must positively support these concepts and mutually promote a cooperative alliance for carrying out these provisions. The P&AE is a vital component in the current and future growth of the City and endeavors to act as a valued liaison to communicate City mandates to Employees. This attention to the pursuit of obtaining the most efficient and effective level of professionalism position the P&AE as an outstanding management support team.

ARTICLE 30 – TERM OF AGREEMENT

This Agreement shall commence July 1, 2019 and continue until midnight June 30, 2022.

IN WITNESS WHEREOF, the parties hereto cause this Agreement to be executed this _____ day of _____, 2022.

PROFESSIONAL & ADMINISTRATIVE
EMPLOYEES OF HERMOSA BEACH
NEGOTIATING COMMITTEE

CITY OF HERMOSA BEACH

Ells Freeman

Daphne M. Anneet, Chief Negotiator

Yuritzzy Randle

Viki Copeland, Finance Director

Reed Salan

Vanessa Godinez, HR Manager

Nico De Anda-Scaia, Assistant to the
City Manager