

RESOLUTION NO. 11629

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ORANGE RESCINDING
RESOLUTION NO. 11511 AND APPROVING
THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF ORANGE AND THE
ORANGE MUNICIPAL EMPLOYEES'
ASSOCIATION CONCERNING WAGES,
HOURS, AND OTHER CONDITIONS OF
EMPLOYMENT EFFECTIVE JULY 1, 2025,
THROUGH AND INCLUDING JUNE 30, 2026**

WHEREAS, the City of Orange, hereinafter referred to as "City," and the Professional, Technical and Clerical Unit, represented by Orange Municipal Employees' Association (OMEA), hereinafter referred to as "Association", collectively the "Parties", have met and conferred in accordance with requirements of the Meyers-Milias-Brown Act; and

WHEREAS, the have reached agreement on wages, hours, and other terms and conditions of employment effective July 1, 2025 through June 30, 2026 and the City Council desires to rescind Resolution No. 11511 and amendments thereto for said employees, as set forth in the Memorandum of Understanding, hereinafter referred to as "MOU".

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Orange that the attached MOU is approved and incorporated by reference as Exhibit A as though fully set forth herein and furthermore, staff is authorized to adjust the departmental salary and benefit accounts in the FY26 budget to reflect the cost of the contract provisions.

ADOPTED this ____ day of _____, 2025

Daniel R. Slater, Mayor, City of Orange

ATTEST:

Pamela Coleman, City Clerk, City of Orange

APPROVED AS TO FORM:

Wayne W. Winthers, Interim City Attorney, City of Orange

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF ORANGE)

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Orange at a regular meeting thereof held on the ____ day of _____, 2025 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

Pamela Coleman, City Clerk, City of Orange

Attachment: Exhibit A



Exhibit A

MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITY OF ORANGE

AND

**THE ORANGE MUNICIPAL EMPLOYEES'
ASSOCIATION**

JULY 1, 2025 THROUGH JUNE 30, 2026

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ARTICLE I

RECOGNITION OF ASSOCIATION

Pursuant to the provisions of the Employer-Employee Relations Resolution No. 11529 of the City of Orange, hereinafter referred to as "City", for the purpose of meeting its obligations under the Meyers-Milius-Brown Act (Government Code Section 3500 et. seq.), Employer-Employee Relations Resolution No. 11529, or as amended, and this Memorandum of Understanding, hereinafter referred to as "MOU", has recognized the City of Orange, Orange Municipal Employees' Association, hereinafter referred to as "Association", as the majority representative of the employee classifications listed within Appendix A. As majority representative, the Association is empowered to act on behalf of all employees who hold positions in classifications covered by this MOU whether or not they are individually members of the Association.

ARTICLE II

NON-DISCRIMINATION

SECTION 1. The parties mutually recognize and agree to protect the rights of all employees hereby to join and/or participate in protected Association activities or to refrain from joining or participating in protected activities in accordance with the Employer-Employee Relations Resolution and Government Code Sections 3500 et. seq.

SECTION 2. In accordance with Federal and State law, the City and the Association agree that they shall not discriminate against any employee on the basis of actual or perceived race, color, national origin, religion, sex, gender, gender identity, physical or mental disability, medical condition (cancer-related or genetic information), ancestry, marital status, age, sexual orientation, citizenship, pregnancy, childbirth or related medical condition, status as a covered veteran, or service in the uniformed services (as defined by the Uniformed Services Employment and Reemployment Rights Act of 1994) or any other lawfully protected class. The City and the Association shall reopen any provision of this MOU for the purpose of complying with any final order of a Federal or State agency or court of competent jurisdiction requiring a modification or change in any provision or provisions of this MOU in compliance with Federal or State anti-discrimination laws.

ARTICLE III

SALARIES

SECTION 1. BASIC COMPENSATION PLAN. A basic compensation plan is established for all employees covered by this MOU, who are now employed, or will in the future be employed, in any of the designated classification titles listed in this MOU and its attachments.

SECTION 2. SALARIES. Salaries and their effective dates for employees covered by this MOU are listed in Appendix A. The salary and wage schedules shall constitute the basic compensation plan consisting of six (6) steps or rates of pay in each range. The respective ranges shall be identified by

number and the steps by the letters A to F. The listed salary and wage schedules are based on a forty (40) hour work week.

SECTION 3. HOURLY RATE PART-TIME EMPLOYEES.

- A. For all employees who have a regular weekly work schedule of forty (40) hours, the equivalent hourly rate of pay shall be the monthly rate times twelve (12) divided by two thousand eighty (2,080) annual hours. The hourly rate for persons employed on a regular part-time or temporary basis in an equivalent classification shall be determined in the same manner. In determining the hourly rate as herein provided, compensation shall be made to the nearest half (½) cent.
- B. Regular part-time employees who are scheduled to work on an average of at least twenty (20) hours per week on a year-round basis may be considered for advancement to the next higher step upon completion of hours of employment equal to the minimum number of months of service required by full-time employees. One thousand forty (1,040) hours of regular part-time employment shall equal six (6) months' service.

SECTION 4. BEGINNING RATES. A new employee of the City shall be paid the rate shown in Step A in the range assigned to the classification for which the employee has been hired, except that on the request of the Department Head under whom the employee will serve, and with the authorization of the Human Resources Director, such employee may be placed at any step depending upon the employee's qualifications.

SECTION 5. SERVICE. The word "service" as used in this MOU, shall be defined to mean continuous, full-time service in an employee's present classification, service in a higher classification, or service in a classification allocated to the same salary range and having generally similar duties and requirements.

A lapse of service by any employee for a period of time longer than thirty (30) calendar days by reason of resignation or for any length of time due to discharge eliminates the accumulated length of service time of such employee for the purpose of this MOU. Employees re-entering the service of the City shall be considered as a new employee, except that the employee may be re-employed within one (1) calendar year and placed in the same salary step in the appropriate compensation range as the employee was at the time of the separation of employment.

SECTION 6. ADVANCEMENT WITHIN SALARY RANGES. The following regulations shall govern salary advancement:

- A. Merit Advancement. An employee shall be considered for advancement through the salary range based only on continuous, meritorious, and efficient performance, and continued improvement by the employee in the effective performance of duties. If merited, advancement through the salary range shall occur after the completion of twenty-six (26) pay periods. A merit increase shall become effective on the first day of the pay period following completion of the length of service required for such advancement. Such merit advancement shall require the following:
 - 1) The Department Head shall file with the Human Resources Director a Personnel Action Form and a completed Performance Evaluation Form recommending the granting or denial of the merit increase and supporting such recommendation with specific reasons

therefore. If denied by the Human Resources Director, the reason for denial will be provided to the Department Head.

- B. Ineligibility for a Step Increase and/or a Delay in Step Increase. An employee is ineligible to receive a step increase while on a leave of absence without pay. Step increases shall be delayed by the amount of time an employee is out on leave without pay status.
- C. Special Merit Advancement. When an employee demonstrates exceptional ability and proficiency in the performance of duties, the Department Head may recommend to the Human Resources Director that said employee be advanced to a higher pay step without regard to the minimum length of service provisions contained in this MOU. The Human Resources Director may, on the basis of a Department Head's recommendation, approve and effect such advancement.
- D. Length of Service Required When Advancement is Denied. When an employee is not approved for advancement to the next higher salary step, the employee may be reconsidered for such advancement at any subsequent time. This reconsideration shall follow the same steps and shall be subject to the same action as provided in Section 6A.
- E. Flexible Staffing. The City shall implement a system of flexible staffing for certain positions in this Association. Employees in the classifications of Building Inspector, Construction Inspector I, Engineering Technician I, Finance Clerk, Assistant Engineer, Assistant Planner, Librarian I, and Traffic Signal Technician I are eligible for the classification of Combination Building Inspector, Construction Inspector II, Engineering Technician II, Senior Finance Clerk, Associate Civil Engineer, Associate Planner, Librarian II, and Traffic Signal Technician II respectively. To qualify for the higher-level position, the employee must be performing at a competent level and have gained the experience and knowledge to perform the full range of journey-level tasks and fulfilling any special requirements based on the judgment of the applicable Department Head with final approval of the Human Resources Director.

SECTION 7. REDUCTION IN SALARY STEPS. Any employee who is being paid on a salary step higher than Step A may be reduced by one (1) or more steps for disciplinary reasons upon the recommendation of the Department Head with the approval of the Human Resources Director.

SECTION 8. BILINGUAL ASSIGNMENT. Employees covered by this MOU may be assigned by the Department Head, with approval of the Human Resources Director, to a bilingual assignment. The Department Head shall determine the number of bilingual assignment positions which are necessary based upon a demonstrable need and frequency of use. Employees on bilingual assignment shall receive an additional one hundred forty dollars (\$140.00) per month for the duration of the assignment. Employees receiving bilingual assignment compensation may be required to take and pass a proficiency test on an annual or as needed basis as determined by the Human Resources Department. No permanency or seniority may be obtained in a bilingual assignment and such assignment may be revoked at any time by the Human Resources Director or a duly authorized designee. Such revocation shall not be subject to the grievance procedures in this MOU. No employee shall be required to perform a Bilingual Assignment on a regular basis or employ bilingual skills on a regular basis who is not receiving bilingual pay pursuant to this section. This form of pay, also referred to as "Bilingual Premium", shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(4), and pensionable compensation for members hired on or after January 1, 2013, as defined by the Public Employees' Pension Reform Act of 2013 (PEPRA) pursuant to CalPERS

Regulations, Section 571.1(b)(3). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.

SECTION 9. SHIFT DIFFERENTIAL.

- A. All Recreation Services Coordinators, regular full-time library personnel and all part-time library personnel budgeted to work twenty (20) hours or more per week on a fiscal year basis herein who are assigned or cover a regularly scheduled shift working after 6:00 p.m. and/or who are assigned or cover a regularly scheduled shift working a Saturday, Sunday, or Holiday, shall be eligible to receive an additional five dollars (\$5.00) per hour for all shift hours worked (i.e., only those hours worked after 6:00 p.m., as well as all hours on Saturdays, Sundays, and Holidays).

In no event shall the provisions described within this section apply to any personnel who are holding over, extending, or filling in on an overtime basis their regular work shift. Whenever two (2) or more rates may appear applicable to the same hour or hours worked by any employee, there shall be no pyramiding or adding together of such rates and only the higher applicable rate shall apply.

- B. Split Shift Differential. Where management asks an employee to leave their regular shift early and return to work at a later time, the City will provide an additional one dollar (\$1.00) per hour, for benefited Library employees only, for each hour worked on their second shift.
- C. Senior/Code Compliance Officer and Environmental Compliance Specialist Shift Pay. Senior Code Compliance Officers, Code Compliance Officers, and Environmental Compliance Specialists who are regularly assigned on a weekly basis to work on Saturdays and Sundays shall be eligible to receive an additional five dollars (\$5.00) per hour for all hours worked on Saturdays and Sundays in addition to their regular salary.
- D. This form of pay, also referred to as "Shift Differential," shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(4), and pensionable compensation for PEPRAs Members pursuant to CalPERS Regulations, Section 571.1(b)(3). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.

SECTION 10. SPECIAL ASSIGNMENTS.

Library Site Supervisor Assignment. Employees classified as Librarian I or Librarian II may be assigned as the "Site Supervisor" by the Department Head or duly authorized designee. Such employees, for the period of such assignment, shall be paid an additional ten percent (10.0%) on top of their current salary. This form of pay, also referred to as "Special Assignment Pay" shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(4), and pensionable compensation for PEPRAs Members pursuant to CalPERS Regulations, Section 571.1(b)(3). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.

SECTION 11. CERTIFICATION PREMIUMS. Employees shall be responsible for submitting proof of completion to the department of their eligibility for specialty pays. The effective date is then applied to the pay period following the employee's submission.

A. California State Water Resources Control Board (SWRCB) Water Distribution Operator Certification:

- 1) Employees classified as Construction Inspector or Engineering Technician who possess a Grade I Water Distribution Certificate (D-1) shall receive a flat seventy-five dollars (\$75.00) per month premium.
- 2) Employees classified as Construction Inspector or Engineering Technician who possess a Grade II Water Distribution Certificate (D-2) shall receive a flat one hundred dollars (\$100.00) per month premium.
- 3) Employees classified as Assistant Engineer, Associate Civil Engineer, Construction Inspector, Engineering Technician, or Project Engineer assigned to the Water Division who possess a Grade III Water Distribution Certificate (D-3) shall receive a flat one hundred fifty dollars (\$150.00) per month premium.

B. California Water Environmental Association (CWEA) Sanitation Certification:

- 1) Employees classified as Environmental Compliance Specialist who possess a CWEA Grade I Sanitation Certificate shall receive a flat seventy-five dollars (\$75.00) per month premium.
- 2) Employees classified as Environmental Scientist who possess a CWEA Grade III Sanitation Certificate shall receive a flat one hundred dollars (\$100.00) per month premium.

C. An employee who possesses two (2) or more of the above certifications is eligible to receive only the highest grade certificate premium. There shall be no pyramiding of certificate premium.

D. This form of pay, also referred to as “Educational Incentive”, shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(2), and pensionable compensation for PEPRA Members pursuant to CalPERS Regulations, Section 571.1(b)(2). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.

SECTION 12. EDUCATIONAL INCENTIVE PROGRAM. Employees with postgraduate degrees (i.e. Master’s degree or higher) shall be eligible to receive one hundred fifty dollars (\$150.00) per month. Employees shall be responsible for submitting proof of completion to the department of their eligibility for education pays. The effective date is then applied to the pay period following the employee’s submission. This form of pay, also referred to as “Educational Incentive”, shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(2), and pensionable compensation for PEPRA Members pursuant to CalPERS Regulations, Section 571.1(b)(2). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.

SECTION 13. PERFORMANCE EVALUATIONS. The City shall maintain an employee performance rating system designed to give a fair evaluation of the quantity and quality of work performed by an employee.

- A. Performance evaluation reports shall be prepared and recorded in the employee's personnel file for all regular full-time and regular part-time employees as follows:
 - 1) For probationary employees, at mid-point and upon completion of a probationary period.
 - 2) For non-probationary employees, upon completion of the next step and annually thereafter.
- B. Prior to the performance evaluation report becoming part of the employee's personnel file, the supervisor and the employee must review the evaluation.
- C. When a performance evaluation is recorded in the employee's personnel file a copy of the evaluation shall be given to the employee.
- D. The performance evaluation shall be considered a confidential City record and the information shall not be disclosed except on a need-to-know basis as determined by management.
- E. Any disputes as to the contents of the evaluation shall first be discussed with the employee's immediate supervisor and may be appealed through the appropriate chain of command up to the Department Head whose decision will be final and binding, and not subject to any appeal or grievance procedure.

ARTICLE IV

WORK WEEK

SECTION 1. The regular work week for all employees covered by this MOU shall be forty (40) hours per week.

SECTION 2. The department shall discuss proposed changes in the established work schedule with the affected employees prior to implementation of the change.

ARTICLE V

PROBATION

SECTION 1. NEW HIRE. An employee initially appointed to a classification shall serve a probationary period of twenty-six (26) pay periods during which the employee shall have an opportunity to demonstrate suitability for the job. With the approval of the Human Resources Director, the Department Head may, for just cause, extend the probationary period up to an additional thirteen (13) consecutive pay periods. The employee shall attain regular status in the classification upon successful completion of the probationary period to the satisfaction of the City. An employee who does not satisfy the standards of the

classification during the probationary period shall be notified, in writing, and termination or demotion proceedings shall be initiated. A newly hired probationary employee shall not be entitled to appeal a termination or a demotion.

Employees serving an initial probationary period are ineligible to compete for closed/promotional recruitment processes.

SECTION 2. PROMOTIONS. An employee promoted to a classification shall serve a probationary period of twenty-six (26) consecutive pay periods during which time the employee shall have an opportunity to demonstrate suitability for the job. Under certain conditions, with the approval of the City Manager, the Department Head may extend the probationary period up to a maximum of an additional thirteen (13) consecutive pay periods. An employee who successfully completes the probationary period shall be considered to have obtained “regular status”. An employee who does not satisfy the standards of the class during the probationary period shall be notified in writing and termination or demotion procedures shall be initiated. An employee rejected or laid off during the probationary period from a position to which the employee has been promoted shall be returned to the classification in which the employee had regular status unless the reasons for failure to complete the probationary period would be cause for dismissal.

ARTICLE VI

PROMOTION

SECTION 1. SALARY STEP ASSIGNMENT. When an employee is promoted to a position of a higher classification, the employee may be assigned to Step A in the appropriate range for the higher classification; provided, however, that if such employee is already being paid at a rate equal to or higher than Step A in the appropriate range for the higher classification, the employee shall be placed in the step in that appropriate salary range as will grant the employee an increase of at least one (1) but no more than three (3) salary steps, at the discretion of the Department Head and the Human Resources Director.

SECTION 2. ELIGIBILITY LIST. When an eligible employee remains in higher bands of a current eligibility list, and a Department Head selects an eligible employee in a lower band, upon request, the eligible employee in the higher band will be notified of the reasons for non-selection.

ARTICLE VII

DEMOTION

When an employee is demoted for disciplinary reasons to a position in a lower classification, the new salary rate shall be assigned to the appropriate salary range for the lower classification and the salary rate shall be reduced by at least one (1) step.

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ARTICLE VIII

REASSIGNMENT OF COMPENSATION RANGES

SECTION 1. Any employee who is employed in a classification which is allocated to a different pay range shall retain the same salary in the new range as previously held in the prior range, and shall retain credit for length of service acquired in the previously held step toward advancement to the next higher step in the new salary range; provided, however:

- A. That if such retention shall result in the advancement of more than one step in the old pay range, the Human Resources Director may, at the time of reassignment, place the employee in a step which will result in an increase of only one (1) step.
- B. That if the reassignment is to a lower compensation range, the F Step of which is lower than the employee's existing rate of pay at the time of reassignment, the employee shall continue to be paid at their existing rate of pay until such time as the position shall be reassigned to a compensation schedule which will allow for further salary advancement, or until such time as the employee is promoted to a position assigned to a higher compensation range.
- C. That if the reassignment is to a lower compensation range, the F Step of which is higher than the existing rate of pay, the employee shall be placed in that step of the lower compensation range which is closest to, but no lower than the existing rate of pay.
- D. The City Manager or a duly authorized designee may reduce the salary range of any classification but shall not be able to increase the range when any position is vacant.

ARTICLE IX

WORKING OUT OF CLASS

SECTION 1. The City may work employees out of classification for up to ten (10) consecutive working days without additional compensation.

SECTION 2. ACTING TIME PAY. An employee shall receive acting time pay, as further defined below, at Step A of the higher class, or five percent (5.0%) above the employee's regular salary, whichever is greater, for work performed in the higher classification starting on the eleventh (11th) consecutive working day out of class, and for each consecutive day thereafter an employee works out of class. The Department Head or a duly authorized designee shall assign the employee to work out of classification but shall notify the Human Resources Director prior to the assignment.

- A. **Temporary Upgrade Pay.** When an employee is working out of classification due to an incumbent's approved leave of absence, said employee shall receive Temporary Upgrade Pay. Temporary Upgrade Pay, as defined by California Code of Regulations 571(a)(3), is "compensation to employees who are required by their employer or governing board or body to work in an upgraded position/classification of limited duration".

For Classic Members, the above form of compensation shall be reported to CalPERS as special compensation and therefore compensation earnable. However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation. Temporary Upgrade Pay will not be reported to CalPERS as pensionable compensation for PEPRAs Members.

- B. Out-of-Class Appointment. Out-of-class appointments shall only be made for positions vacated due to voluntary resignation, promotion, demotion or termination. Gov. Code section 20480 of the Public Employees' Retirement Law (PERL) defines an "out-of-class appointment" to mean an appointment to an upgraded position or higher classification by an employer or governing board or body in a vacant position for a limited duration. For purposes of this section, a "vacant position" refers to a position that is vacant during recruitment for a permanent appointment. A vacant position does not refer to a position that is temporarily available due to another employee's leave of absence (see "Temporary Upgrade Pay" above).

SECTION 3. ELIGIBILITY PERIOD. During the ten (10) consecutive working day eligibility period before an employee is entitled to receive acting time pay, absence for compensatory time and/or vacation shall break consecutiveness and cause the ten (10) consecutive working day eligibility period to start over. Absences for regularly scheduled holidays, regular days off, jury duty, and/or verifiable sick leave shall not constitute a break in consecutiveness for acting pay eligibility.

SECTION 4. PROMOTION FROM ACTING INTO PERMANENT POSITION. An employee who is promoted from an acting position to that same position on a permanent basis shall receive credit for time served while acting in that position, towards any applicable probationary period for the permanent position, up to a maximum of six (6) months.

ARTICLE X

OVERTIME/COMPENSATORY TIME/CALL BACK COMPENSATION

SECTION 1. OVERTIME COMPENSATION.

- A. Compensatory Time. An employee covered by this MOU having an average work week of forty (40) hours shall be eligible for compensatory time for all hours worked in excess of forty (40) hours within the employee's work week. Compensatory time shall be accumulated at the rate of one-quarter ($\frac{1}{4}$) hour of compensatory time for each one-quarter ($\frac{1}{4}$) hour of overtime worked.
- B. Premium Overtime. Only time actually worked (i.e., not holiday, vacation, sick leave, or compensatory time) over forty (40) hours in an FLSA work period shall be paid at the premium rate (time and one-half) either in the form of pay or compensatory time.
- C. Paid Leave Hours During Holiday Closure. In the event of a City Hall Holiday Closure (during the Christmas/New Year's Holiday), any paid leave hours (i.e., vacation, compensatory time, or sick leave) used during the Holiday Closure shall count as hours worked for purposes of calculating whether an employee has worked in excess of forty (40) hours within the employee's regular work week, and for purposes of determining whether the employee will be paid premium overtime. This shall be an exception related to an employee's entitlement to premium overtime, as defined in Section 1B.

- D. An employee may not work overtime without prior approval from their supervisor.

SECTION 2. COMPENSATORY TIME ACCUMULATION. Compensatory time shall be accumulated to the nearest one-quarter ($\frac{1}{4}$) hour increment. Where an employee works less than one-quarter ($\frac{1}{4}$) hour per day of overtime, the employee shall not receive compensatory time, and such time shall not count toward the computation of overtime.

SECTION 3. ELIGIBILITY. In order to be entitled to compensatory time, such compensatory time must be authorized by the Department Head or a duly authorized designee.

SECTION 4. MAXIMUM COMPENSATORY TIME ACCRUAL. Any accumulated compensatory time accrued in excess of eighty (80) hours per calendar year shall be automatically paid on the first pay period of the new calendar year.

SECTION 5. USE OF COMPENSATORY TIME.

- A. Payment of Compensatory Time. Overtime shall be paid at the regular rate of pay or equal time off, when authorized by the Department Head and approved by the City Manager or duly authorized designee.
- B. Payment Upon Termination. Employees shall be entitled to receive payment for all accumulated compensatory time upon their termination.
- C. Conversion. Employees may convert accumulated compensatory time to cash.

SECTION 6. CALL BACK COMPENSATION. If employees are required to report back to work after completing a normal work shift and have left the City premises and/or work location, they shall be compensated in cash or as compensatory time off at the straight time rate for actual hours of work with a minimum of three (3) hours call back compensation, regardless of whether the employee works less than three (3) hours. This provision shall not apply to employees who are continuing on duty. All actual time worked during a call back shall count as time worked toward the forty (40) hours for qualifying for premium (time and one-half) overtime under FLSA. Section 8 below denotes compensation provided when an employee is eligible for call back pay and standby pay.

SECTION 7. STANDBY PAY. Employees, assigned by Management to standby status after their regular work hours, will receive two (2) hours per day (Mondays through Fridays) of standby pay at their straight time hourly rate or three (3) hours per day for Saturdays, Sundays, and Holidays, days where the City closes services (i.e., Holiday Closure), and regular days off (i.e., the employee's scheduled Friday off as part of the 9/80 schedule). Employees must be capable of performing all duties that would be required if called back to work.

SECTION 8. CALL BACK PAY PLUS STANDBY PAY. Employees who are called back to work pursuant to Section 6 above, and who are assigned by Management to standby status after their regular work hours pursuant to Section 7 above, will receive two (2) hours per day (Mondays through Fridays) of Standby Pay at their straight time hourly rate or three (3) hours per day for Saturdays, Sundays, and Holidays, plus a minimum of two and one-half ($2\frac{1}{2}$) hours call back pay at their straight time hourly rate.

Call back incidents over two and one-half (2½) hours worked shall be paid at the straight time hourly rate. All actual call back hours worked by an employee on stand-by shall count as time worked toward the forty (40) hours for qualifying for premium overtime (time and one-half) under FLSA.

SECTION 9. TRAINING TIME. Employees who attend City-required training on a regularly scheduled day off including a 9/80 Friday shall receive straight time compensatory time on an hour-for-hour basis on time spent actually attending said training, unless this training time along with other actual hours worked exceeds forty (40) hours in an FLSA work week, in which case such time would qualify for premium overtime (time and one-half) under FLSA. Travel time outside of an employee's regular work schedule in conjunction with training does not count toward FLSA overtime under this provision.

ARTICLE XI

HOLIDAYS

SECTION 1. HOLIDAY DESIGNATION. Employees covered by this MOU shall receive the following paid nine (9) hour holidays, except item number nine (9) below:

- 1) January 1st (New Year's Day)
- 2) Third Monday of January (Martin Luther King Jr. Day)
- 3) Third Monday in February (Presidents' Day)
- 4) Last Monday in May (Memorial Day)
- 5) July 4th (Independence Day)
- 6) First Monday in September (Labor Day)
- 7) November 11th (Veterans Day)
- 8) Fourth Thursday in November (Thanksgiving Day)
- 9) Fourth Friday in November (day after Thanksgiving)
- 10) December 24th (Christmas Eve), if it falls on a Monday through Thursday
- 11) December 25th (Christmas Day)
- 12) Nine (9) hours of floating holiday time

SECTION 2. FLOATING HOLIDAY. The nine (9) hours of floating holiday will accrue on January 1st of each year and is required to be utilized by December 31st of the year for which it was provided. Unused floating holiday hours shall be forfeited. Employees hired after January 1st of each year shall receive a prorated portion of the nine (9) hours. Floating holiday hours shall be taken at the convenience of the City with approval of the Department Head or duly authorized designee. Probationary employees are provided with, and are eligible to use, Floating Holiday and Holiday Hours according to the guidelines established in this Article, and/or, with approval of the Human Resources Director.

Employees who terminate employment with the City shall receive any remaining portion of their floating holiday in cash reimbursement.

SECTION 3. HOLIDAYS ON CERTAIN DAYS OF THE WEEK. In the event any of the above holidays fall on a Sunday, except Christmas Eve, the following day will be taken in lieu of the actual date on which the holiday falls. When any of the above holidays falls on a Saturday, except Christmas Eve, the preceding Friday will be taken in lieu of the actual date on which the holiday falls. When any of the above holidays,

falls on an employee's regularly scheduled day off during the week, except Christmas Eve, employees will be credited with nine (9) hours of holiday compensatory time. Accumulated holiday compensatory time must be used by the employee by June 30th of the same fiscal year in which it was accumulated or be forfeited.

SECTION 4. ELIGIBILITY TO RECEIVE HOLIDAY PAY. In order to be eligible to receive holiday pay, an employee must have worked, or be deemed to have worked because of an approved absence (e.g., sick leave, vacation, or compensatory time), the employee's regularly scheduled day before and regularly scheduled day after the holiday. Should an employee fail to work the employee's regularly scheduled day before and after the holiday, or if the employee is on an approved leave of absence without pay, the employee shall not be entitled to holiday pay. Probationary employees are provided with and are eligible to use floating holiday hours, according to the guidelines established in this Article, and/or with approval of the Human Resources Director.

SECTION 5. HOLIDAY DURING VACATION. Should one of the holidays listed above fall during an employee's vacation period while an employee is absent with pay, the employee shall receive holiday pay and no charge shall be made against the employee's accumulated vacation.

SECTION 6. COMPENSATION FOR HOURS WORKED ON OBSERVED CITY HOLIDAYS. All employees required to work on a holiday listed above shall receive, with the approval of their supervisor, holiday pay plus straight time pay for hours worked on the holiday, or time off equal to the number of hours the employee actually worked on the holiday. Employees who work in excess of their regular number of hours on a holiday listed above shall receive double time pay for all such hours actually worked. Employees shall receive no other compensation for working on a holiday.

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ARTICLE XII

VACATION

SECTION 1. VACATION ACCRUAL. All full-time, regular employees accrue paid vacation as follows:

Years of Service	Vacation Hours Per Year
1	80
2	96
3	104
4	112
5	120
6	124
7	128
8	132
9	136
10	140
11	144
12	148
13	152
14	156
15	160
16	164
17	168
18	172
19	176
20	180
21	184
22	188
23	192
24 or more	200

SECTION 2. VACATION USAGE AND ACCUMULATION. Vacation shall be taken at the convenience of the City with the approval of the Department Head or a duly authorized designee. Where possible, such vacation should be taken annually and not accumulated from year to year. Vacation hours not in excess of the equivalent number of hours earned in the immediately preceding twenty-four (24) month period may be accumulated with the permission of the Department Head and the Human Resources Director. Accrual of vacation hours shall cease if the accumulated vacation hours exceed equivalent number of hours earned in the immediately preceding twenty-four (24) month period. Vacation accruals will resume once the employee's accumulated vacation balance falls below the allowable limit.

Probationary employees accrue vacation but may not use vacation until six (6) months of active City service is complete, except in the event of a City Hall Holiday Closure. For probationary employees who were hired on or after July 1st of their year of hire shall be able to receive advancement of future vacation

time to cover the holiday closure occurring within their first year of employment. After the holiday closure, the amount of vacation advanced to an employee for the holiday closure must be returned to the employee's vacation bank at the rate of accrual to restore the negative balance. If the employee separates from employment with the City for any reason before the negative vacation balance is restored, the employee shall not be required to compensate the City for the remaining negative vacation balance as a result of vacation advanced to cover the closure.

SECTION 3. VACATION CONVERSION. An employee may convert up to fifty percent (50%) of current annual vacation accrual into cash in lieu of time off with pay. An employee requesting such a conversion must meet the eligibility requirements as set forth in Section 2, above, and may so convert twice in a fiscal year, however, the total amount converted per fiscal year shall not exceed fifty percent (50%) of the employee's annual accrual. Employees serving their initial probationary period shall not be eligible for vacation conversion.

On or before December 15, 2025, and every December 15th thereafter, a qualified employee who elects to cash out accrued vacation for the following year shall submit written request to the Human Resources Department stating their irrevocable election(s).

The City shall administer the cash out twice annually, starting in June 2026 and every June and December thereafter. The City shall make the cash outs in the second pay period in June and December. Such cash outs shall be paid at the employee's net salary hourly rate of pay.

SECTION 4. VACATION PAY-OUT UPON TERMINATION. Eligible full-time and part-time employees who terminate their employment with the City shall be paid for all accrued vacation, if any, and the prorated portion of their final accrual. Prorated vacation shall be on the basis of one-twelfth (1/12) of the employee's annual vacation pay for each full month of service.

ARTICLE XIII

PART-TIME AND TEMPORARY EMPLOYEE ELIGIBILITY FOR FRINGE BENEFITS

SECTION 1. DEFINITIONS. Nothing contained herein shall guarantee to any employee a specified number of hours per day or days per week or weeks per month or months per year of work. Employees who are not defined as full-time employees may be defined as follows:

- A. Regular part-time employees shall be those employees scheduled in the budget to work twenty (20) or more hours per week on a year-round basis (52 weeks minus approved leave).
- B. Temporary part-time employees shall be those employees scheduled in the budget to work less than twenty (20) hours per week on a year-round basis (52 weeks minus approved leave).
- C. Seasonal employees shall be those employees who are scheduled in the budget to work on less than a year-round basis, regardless of total hours worked.

SECTION 2. REGULAR PART-TIME EMPLOYEES. Regular part-time employees shall receive fringe benefits in proportion to the number of hours an employee is scheduled in the budget to work compared to the normal forty (40) hour week on an annual basis.

The annual schedule for all part-time employees shall be on the City's position control and approved in the City's approved budget. This formula of proration shall apply to holiday pay, vacation, sick leave, medical insurance contribution, disability insurance contribution, and retirement contribution.

SECTION 3. TEMPORARY AND SEASONAL EMPLOYEES. Temporary and seasonal employees shall be entitled to receive no fringe benefits provided for in this MOU or in any resolution of the City, except those stated in Article XVIII, Section 2 of this MOU, or unless otherwise provided by Federal and/or State law.

ARTICLE XIV

LEAVES OF ABSENCE

SECTION 1. LEAVE OF ABSENCE WITHOUT PAY. For all regular employees as described herein, the following Leave Without Pay procedure shall apply:

- A. After all available leave benefits, including vacation, compensatory time, and other leave benefits have been completely used, a regular employee, not under suspension, may make written application to the Department Head for leave without pay. No such leave will be considered absent a written application from the employee requesting leave.
- B. If the Department Head and the Human Resources Director agree that such leave is merited and in the interest of the City, leave may be granted for a period not to exceed six (6) months following the date of expiration of all other allowable leave benefits.
- C. An employee is ineligible to receive a step increase while on a leave of absence without pay. Step increases shall be delayed by the amount of time an employee is out on leave without pay status.
- D. No employment or fringe benefits such as sick leave, vacation, health insurance, retirement, or any other benefits shall accrue to any employee on leave of absence without pay except as denoted under the FMLA section below. During such leave in excess of five (5) working days, no seniority shall be accumulated.
- E. Subject to and consistent with the conditions of the group health, life or disability plan, coverage may be continued during a leave, provided direct payment of the total premium by the employee is made through and as prescribed by the Payroll Division of the City. The City will pay up to six (6) months of the Flexible Benefit Plan contribution for employees who are on long-term disability leave.
- F. At the end of such leave, if the employee desires additional leave, written application must be made through the Department Head to the Human Resources Director at least ten (10) days before the end of the six (6) month period, stating the reasons why the additional leave is required and

why it would be in the best interest of the City to grant such leave of absence. If such additional leave is merited and would still preserve the best interests of the City, the Human Resources Director may approve such extension of the leave of absence for a period not to exceed an additional six (6) months.

- G. If the employee does not return to work prior to or at the end of such leave of absence or extension of leave of absence, the City shall consider that the employee has terminated employment with the City.
- H. An employee on leave must give the City at least seven (7) days' written notice of intent to return to work prior to returning to work.
- I. Any employee who engages in outside employment during said leave of absence without prior notification and approval of the Human Resources Director and Department Head may be subject to termination.
- J. Any employee who falsifies the reason for the request for said leave of absence may be terminated for falsifying a request for leave of absence or extension thereof.
- K. Such leave shall be granted on the same basis for pregnancy, childbirth, and other medically related conditions, except that such an employee shall retain all seniority rights.
- L. Forms setting forth the benefits available and other pertinent information shall be maintained for distribution in the Human Resources Department.
- M. Management will allow an employee to take a leave of absence without pay during a City Hall Holiday Closure without having to exhaust all accrued leave benefits on the books. During said closure, employees will not see a reduction in benefits, including no loss of eligibility for holiday pay, if leave without pay hours are used during the closure (i.e., the day after Christmas Day and/or working day before the New Year's Day).

SECTION 2. JURY DUTY AND WITNESS SERVICE FOR THE CITY.

- A. Jury Duty. When required to serve on a jury, all employees shall have time off for a period not to exceed thirty (30) calendar days for each jury duty summons which an employee responds to per calendar year. Employees shall receive their regular pay for the period of actual service required on the jury, provided all jury fees paid to the individual employee are turned over to the City, with the exception of automobile expenses allowed.

If an employee is required to call in for jury service and the court does not need the employee's service, the employee is expected to report to work. Once an employee has completed jury service, the Certificate of Jury Service must be provided to the immediate supervisor to qualify for jury duty compensation.

- B. Witness Service for the City. If an employee is called as a witness, on behalf of the City, the employee shall receive normal pay for time spent by the employee serving as a witness for the City. Employees shall be required to pay any witness fees that accrue to the employee for witness service to the City as a condition of receiving normal pay while serving as a witness for the City.

SECTION 3. MILITARY LEAVE OF ABSENCE. If an employee is deployed or required to attend military training, the employee shall be entitled to military leave of absence under the provisions of Federal and State laws including Uniform Services Employment and Re-employment Rights Act (USERRA) and the California Military and Veterans' Code. Employees must provide a copy of their military orders and Leave and Earnings Statements (LES) if requested, to the Human Resources Department to qualify for a military leave of absence. Any exceptions to this provision shall be considered on a case-by-case basis, with final approval of the Human Resources Director.

SECTION 4. SICK LEAVE. Sick leave with pay shall be allowed, credited, and accumulated in accordance with the following:

- A. For employees working a regular forty (40) hour week, eight (8) hours of sick leave will accrue for each month of continuous service. Probationary employees may use accrued sick leave during the probationary period.
- B. All non-benefited employees shall receive sick leave as required by State law.
- C. Sick leave will be charged at the rate of one-quarter ($\frac{1}{4}$) hour for each one-quarter ($\frac{1}{4}$) hour an employee is absent.
- D. Any employee eligible for sick leave with pay may use such leave for the following reasons:
 - 1) Medical, dental, and vision office appointments during work hours when authorized by the Department Head or duly authorized designee; and/or
 - 2) Personal illness or physical incapacity resulting from causes beyond the employee's control; including pregnancy, childbirth and other medically related conditions.
 - 3) For an employee who is a victim of domestic violence, sexual assault, or stalking, for the purposes described in Labor Code sections 230(c) and 230.1(a).
 - 4) No employee shall be eligible or entitled to sick leave with pay for any illness or injury arising out of and in the course of City employment.
- E. Sick Leave Application. Sick leave may be applied only to absence caused by illness or injury of an employee and may not extend to absence caused by illness or injury of a member of the employee's family except as provided in Section 5 below.
- F. Sick Leave Charged. In any instance involving use of a fraction of a day's sick leave, the minimum charged to the employee's sick leave account shall be one-quarter ($\frac{1}{4}$) hour, while additional actual absence of over one-quarter ($\frac{1}{4}$) hour shall be charged to the nearest one-half ($\frac{1}{2}$) hour. Sick leave shall only be used for the purposes stated, and the Department Head shall be responsible for control of employee abuse of sick leave. Employees may, upon prior notice, be required to furnish a certificate issued by a licensed physician or nurse or other satisfactory written evidence of any subsequent illness.

- G. Maximum Accumulation of Sick Leave. Employees shall be allowed to accumulate sick leave to a maximum of nine hundred sixty (960) hours. There shall be no accrual of sick leave hours in excess of such maximum.
- H. Retirement from City Service and Entering CalPERS as a Retired Annuitant. Upon retiring from City service and entering CalPERS as a Retired Annuitant, an employee shall receive no pay for the first sixty (60) days of accrued sick leave (0 - 480 hours), but shall receive twenty-five percent (25%) pay for the first thirty (30) days of accrued sick leave after the first sixty (60) days of accrued sick leave (481 - 720 hours), and fifty percent (50%) of all accrued sick leave thereafter (721 - 960 hours).
- I. Death of an Employee. Upon the death of an employee while employed by the City, one hundred percent (100%) of all accrued sick leave benefits shall be paid to the beneficiary of the deceased employee. Payment will be made when proper authorization for payment is received from the estate of the decedent employee.
- J. Sick Leave Conversion.
- 1) Eligible employees with sick leave usage of zero (0.0) to thirty-six (36.0) hours per payroll calendar year shall have the option to convert up to thirty (30) hours of their unused sick leave to vacation in the first pay period of the following year.
 - 2) Eligible employees with sick leave usage of thirty-six and one-quarter (36.25) to forty-five (45.0) hours per payroll calendar year shall have the option to convert up to twenty (20) hours of their unused sick leave to vacation in the first pay period of the following year.
 - 3) Sick leave used under the Family and Medical Leave Act (FMLA) shall not be counted towards an employee's sick leave conversion to vacation total.
 - 4) Employees must have a minimum balance of one hundred forty (140) hours of sick leave available after conversion.
 - 5) However, no hours will be converted to vacation if said vacation conversion places the employee's vacation bank over the maximum allowable accrual. In this case, all sick leave hours eligible for conversion will instead remain in the employee's sick leave account up to the nine hundred sixty (960) hour limit.

SECTION 5. FAMILY LEAVE. In accordance with the California Family Sick Leave and Paid Sick Leave Acts, employees are allowed up to one-half (½) of their annual accrual of sick leave per calendar year for family related illness or injury, which shall be charged against the employee's accumulated sick leave. Family as used in this subsection is limited to any relation by blood, marriage or adoption who is a member of the employee's household; and any parent, substitute parent, parent-in-law, spouse, registered domestic partner, child, brother, sister, grandchild or grandparent of the employee, or "designated person" pursuant to AB1041, regardless of place of residence. Benefited part-time employees are allowed to use up to one-half (½) of their annual accrual of sick leave for family leave purposes.

SECTION 6. BEREAVEMENT LEAVE. Regular full-time employees shall be entitled to take up to five (5) days of paid bereavement leave per incident. The following terms and conditions apply:

- A. Bereavement leave may only be used upon the death, or critical illness where death appears to be imminent, of the employee's immediate family. "Immediate family" as used in this subsection shall be limited to any relation by blood, marriage, or adoption, who is a member of the employee's household; and any parent, legal guardian, parent-in-law, brother-in-law, sister-in-law, grandparent, grandchild, aunt, uncle, spouse, registered domestic partner, child, brother, sister, or registered domestic partner of the employee, regardless of place of residence.
- B. Days of absence due to bereavement leave shall not exceed five (5) working days per incident and shall not be deducted from the employee's accumulated sick leave. An employee on bereavement leave shall inform the immediate supervisor of the fact and the reasons therefore as soon as possible. Failure to inform the immediate supervisor, within a reasonable period of time, may be cause for denial of bereavement leave with pay for the period of absence.

SECTION 7. WORKERS' COMPENSATION. Association employees who incur a work-related injury or illness will be eligible to receive Workers' Compensation benefits according to the State of California's Division of Workers' Compensation (DWC) laws and regulations.

- A. Temporary Disability. An Association employee shall be granted Temporary Disability in accordance with the current State of California's Division of Workers' Compensation laws and regulations. When an Association employee is eligible to receive Temporary Disability payments, the City will contribute additional compensation to allow the employee to receive one hundred percent (100%) of their regular rate of pay, or provide full salary continuance, for the first thirty (30) days starting from the first day of Temporary Disability. The employee will then receive eighty percent (80%) of salary for up to an additional three hundred thirty-five (335) calendar days. Temporary Disability in excess of three hundred sixty-five (365) days will be provided at the regular temporary disability rate to the current State Workers' Compensation laws and regulations.
- B. Claims Pending Compensation Determination. When a claim is pending a compensability decision while in a delayed or denied status, and the employee is losing time off from work, the employee can use their own accruals (sick, vacation, compensatory time, etc.). If the claim is accepted, the employee's accruals will be credited based on the dates that meet the Temporary Disability criteria under the State of California's Division of Workers' Compensation.
- C. Physician Pre-Designation. Before a work-related injury, an employee may elect to pre-designate a qualified medical provider if done in accordance with the State of California's Division of Workers' Compensation laws and regulations.
- D. Fringe Benefits. An employee receiving Temporary Disability benefits will continue to receive the City's contribution to the employee's medical, dental, vision and other applicable insurances. All authorized deductions will continue as though the employee is on regular work status. If the employee has exhausted Temporary Disability benefits, the employee shall be responsible for paying the full premium for the employee's medical, dental, vision, and other applicable insurances.
- E. An employee receiving temporary disability payments in accordance with the current State of California's Division of Workers' Compensation laws and regulations may use a prorated amount of accumulated leave (including sick leave, vacation, compensatory time, etc.) to supplement

temporary disability payments to reach the amount equal to the employee's full regular pay until the employee's leave balances reach zero (0). At that time, the employee may request a Leave Without Pay.

SECTION 8. FAMILY AND MEDICAL LEAVE ACT (FMLA). Federal and State laws require the City to provide family and medical care leave for eligible employees. The following provisions set forth employees' and employer's rights and obligations with respect to such leave. Rights and obligations which are not specifically set forth below are set forth in the City's Employee Handbook. Any provisions not set forth in the Employee Handbook are set forth in the Department of Labor regulations implementing the Federal Family and Medical Leave Act (FMLA) of 1993 and the regulations of the California Fair Employment and Housing Commission implementing the California Family Rights Act (CFRA) (Government Code Section 12945.2). Unless otherwise provided, "Leave" under this article shall mean leave pursuant to the FMLA and CFRA. An employee's request for leave is subject to review and final approval of the Human Resources Director.

- A. **Amount of Leave.** Eligible employees are entitled to a total of twelve (12) work weeks of leave during any twelve (12) month period. An employee's entitlement to leave for the birth or placement of a child for adoption or foster care expires twelve (12) months after the birth or placement.
- B. **Calculating the 12-Month Period.** The twelve (12) month period for calculating leave entitlement will be a "rolling period" measured backward from the first date leave is taken and continues with each additional leave day taken. Thus, whenever an employee requests leave, the City will look back over the previous twelve (12) month period to determine how much leave has been used in determining how much leave an employee may be entitled to.
- C. **Use of Other Accrued Leaves While on Leave.** If an employee requests leave for any reason permitted under the law, all accrued paid leave must be exhausted (except sick leave) in connection with the leave. This includes vacation, holiday, compensatory time, and other paid leaves. If an employee requests leave for a serious health condition, in addition to exhausting accrued leave, the employee must also exhaust sick leave. The exhaustion of accrued paid leave will run concurrently with FMLA.
- D. **Required Forms.** Employees must fill out required forms, available in the Human Resources Department, including: Request for Family Medical Leave; Medical Certification; Authorization for Payroll Deductions for Benefit Coverage Continuation During Family/Medical Care Leave; and Fitness-for-Duty to return from leave (if applicable).

ARTICLE XV

FRINGE BENEFIT ADMINISTRATION

SECTION 1. ADMINISTRATION. The City reserves the right to select the insurance carrier or administer any fringe benefit programs that now exist or may exist in the future during the term of this MOU.

SECTION 2. SELECTION AND FUNDING. In the administration of the fringe benefit programs, the City shall have the right to select any insurance carrier or other method of providing coverage to fund the benefits included under the terms of this MOU, provided that the benefits of the employees shall be no less than those in existence as of implementation of this MOU.

SECTION 3. CHANGES. If, during the term of this MOU, any change of insurance carrier or method of funding for any benefit provided herein occurs, the City shall notify the Association prior to any change of insurance carrier or method of funding the coverage.

ARTICLE XVI

HEALTH BENEFITS

SECTION 1. HEALTH INSURANCE. The City contracts with CalPERS to make available those health insurance benefits provided under the Public Employees' Medical and Hospital Care Act (PEMHCA).

- A. **Flexible Benefits Plan.** The City shall provide a Section 125 Flexible Benefits Plan for active full-time and part-time eligible employees and pay the following monthly amounts to provide funds for optional health plans, dental plans, vision plans, health care reimbursement, dependent care, or cash as established by the Internal Revenue Service. The following amounts include the minimum amount required under PEMHCA, which is one hundred fifty-eight dollars (\$158.00) per month effective January 1, 2025, and one hundred sixty-two dollars (\$162.00) per month effective January 1, 2026. This contribution may be adjusted annually each January 1st to the amount set by the CalPERS Board of Administration.

Effective Dates	Single	2-Party	Family
January 1, 2025	\$1,095.00	\$1,670.00	\$2,095.00
January 1, 2026	\$1,095.00	\$1,715.00	\$2,170.00

- B. Any costs in excess of the amounts designated in Section 1A necessary to maintain benefits under any benefits plans selected by the employee shall be borne by the employee.
- C. An employee cannot be enrolled in the CalPERS Health Benefits Plan if a spouse is enrolled in the same agency or enrolled in an agency with CalPERS Health unless the employee (or the spouse) is enrolled without being covered as a family member.
- D. An employee may choose to not be enrolled in a CalPERS Health Benefits Plan. If an employee chooses not to be enrolled in the health plan, the employee must provide proof of group medical insurance coverage (e.g., coverage under a spouse's employer's plan) that is compliant with the Affordable Care Act (ACA), as determined by the Human Resources Director. Based on determination that group medical insurance coverage is in full force and effect, employees hired prior to January 1, 2020 shall receive nine hundred ninety-five dollars (\$995.00) per month toward the Flexible Benefits Plan. Employees hired after January 1, 2020 who elect to waive the City's medical insurance shall receive four hundred dollars (\$400.00) per month.

- E. In the event the employee loses eligibility (with documentation), the employee may enroll in the CalPERS Health Benefits Plan pursuant to their rules and regulations. Failure to do so within sixty (60) days, shall result in the City seeking reimbursement of said contributions.
- F. Retired Annuitant Contribution. The City shall contribute toward the payment of premiums under the CalPERS Health Benefits Plan to each eligible retired annuitant of CalPERS to the extent required by law, a contribution of one hundred fifty-eight dollars (\$158.00) per month effective January 1, 2025 and one hundred sixty-two dollars (\$162.00) per month effective January 1, 2026. This contribution shall be adjusted annually each January 1st to the amount set by the CalPERS Board of Administration.

SECTION 2. LIFE INSURANCE. The City shall contribute the full premium toward a fifty-thousand dollar (\$50,000.00) life insurance policy for each benefited employee.

SECTION 3. LONG TERM DISABILITY INSURANCE. The City shall contribute the full premium toward a long-term disability plan that pays sixty percent (60%) of salary after a sixty (60) day elimination period to a maximum of six thousand dollars (\$6,000.00) per month.

SECTION 4. RETIREMENT HEALTH SAVINGS PLAN (RHSP) TRUST. The City allows the Association to establish an RHSP trust for its employees. The City will not contribute to this plan, as all costs and contributions of the Plan will be borne by the employees. The Association will sponsor said plan, and indemnify and release the City from any and all plan liability. The City will provide logistical payroll support. The responsibility for the maintenance and investment of the plan funds rests solely with the Association.

ARTICLE XVII

EDUCATIONAL ASSISTANCE, PROFESSIONAL DEVELOPMENT, AND WELLNESS PROGRAM

Educational assistance and professional development reimbursement payments to an employee shall not exceed one thousand five hundred dollars (\$1,500.00) in any one (1) fiscal year and the individual must still be employed by the City when the course is completed to qualify for reimbursement. Courses/purchases must be approved in advance by the Department Head and the Human Resources Director prior to registration. Employees with a future separation date on file are ineligible for this benefit.

SECTION 1. EDUCATIONAL ASSISTANCE. The City will reimburse employees for the cost of tuition, textbooks, health fees, lab fees, and parking fees required for approved accredited college courses, as well as job-required licensing, testing, renewal, and registration fees. An approved course is one designated to directly improve the knowledge of the employee relative to the specific job or courses leading to an accredited degree or certificate program. Reimbursement will be based upon the final grade received. A final grade of C or better qualifies an employee for reimbursement up to the amount specified.

SECTION 2. PROFESSIONAL DEVELOPMENT. The City will reimburse employees for course materials that aid in an employee's professional development. Reimbursable activities include the following:

- A. Attendance at job-related professional conferences, trainings, and seminars; and
- B. Payment of membership dues in community or professional organizations; and
- C. Purchase of job-related professional journals, books, and other written materials, which further the employee's knowledge and improve the employee's effectiveness in performing their duties.

This professional development benefit encourages employees to voluntarily pursue educational and professional development activities beyond those normally budgeted for by their departments. Costs associated with work travel, lodging, meals (or per diem), parking, or other costs as defined in Article XX of this MOU are ineligible for reimbursement under this section.

SECTION 3. WELLNESS REIMBURSEMENT. The City agrees to allow up to three hundred seventy five dollars (\$375.00) of the one thousand five hundred dollars (\$1,500.00) allotted per fiscal year towards reimbursement for any combination of items A, B, and/or C below that aid in an employee's wellness. Requests must be approved by the Human Resources Director prior to purchase or participation.

- A. Membership in a health/fitness club;
- B. Participation in a weight loss/stop smoking/wellness/fitness program; and
- C. Fitness equipment/home gym equipment.

The City will not reimburse employees for any of the above listed activities for family/dependent health-related expenses. Employees with a future separation date on file are ineligible for this benefit.

SECTION 5. EDUCATION PROGRAM FOR BUILDING INSPECTOR/COMBINATION BUILDING INSPECTOR.

- A. All employees classified as a Building Inspector or Combination Building Inspector shall be eligible for this program
- B. To qualify for the incentive, eligible employees shall become and remain certified by the International Code Council (ICC) as a Combination Building Inspector in one of the following disciplines:
 - 1) Plumbing;
 - 2) Electrical;
 - 3) Mechanical;
 - 4) Plans Examiner; or
 - 5) Any other discipline approved by the Chief Building Official and Community Development Director that may be offered by ICC in the future.

Failure to maintain certification in the required disciplines through re-examination shall result in such inspector no longer qualifying for the incentive.

- C. Employees who qualify as set forth above shall be compensated by an additional one hundred dollars (\$100.00) per month. This form of compensation, also referred to as “Educational Pay - International Code Council (ICC) Certificate”, shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(2), and pensionable compensation for PEPRA Members pursuant to CalPERS Regulations, Section 571.1(b)(2). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.
- D. The City shall pay ICC certification fees upon passing initial and re-certification examinations.

SECTION 6. CERTIFICATION REIMBURSEMENT PROGRAM FOR SENIOR CODE COMPLIANCE OFFICER, CODE COMPLIANCE OFFICER, ASSISTANT OR ASSOCIATE PLANNER.

Employees classified as a Senior Code Compliance Officer, Code Compliance Officer, or Assistant or Associate Planner, shall be eligible for this program. To qualify for the reimbursement, eligible Code Compliance Officers shall become certified by the California Association of Code Enforcement Officers (CACEO); eligible Planners shall become certified by the American Institute of Certified Planners (AICP). The City shall reimburse up to three hundred dollars (\$300.00) for CACEO and AICP testing fees upon successful completion of the examination.

ARTICLE XVIII

RETIREMENT

SECTION 1. The City participates in the California Public Employees’ Retirement System (CalPERS). This participation shall include, but is not limited to, the following retirement benefits:

- A. PEPRA Members. Miscellaneous employees who are PEPRA Members of CalPERS as defined by California Government Code Section 7522.04(f) are subject to the 2% @ age 62 retirement formula as set forth in California Government Code Section 7522.20. PEPRA Members are subject to the three (3) year final compensation measurement period as set forth in California Government Code Section 7522.32. PEPRA Members shall contribute half of normal cost of retirement as determined by CalPERS from their pensionable compensation, on a pre-tax basis, as set forth in California Government Code Section 7522.30. In all other respects, PEPRA Members shall be subject to the terms and requirements of PEPRA.
- B. Classic Members. Miscellaneous employees who are not defined as PEPRA Members as outlined in Section A above are defined as Classic Members of CalPERS and are subject to the 2.7% @ age 55 retirement formula as set forth in California Government Code Section 21362.2. Classic Members are subject to the one (1) year final compensation measurement period set forth in California Government Code Section 20042. Classic Members shall contribute eight percent (8.0%) of their compensation earnable, on a pre-tax basis.

SECTION 2. PART-TIME EMPLOYEES. Part-time employees not covered under the Public Employees' Retirement System shall participate in a defined contribution retirement plan in lieu of Social Security contributions. The City shall contribute three and three-fourths percent (3.75%) of the employee's eligible earnings toward the retirement plan. Part-time employees shall contribute three and three-fourths percent (3.75%) of their eligible earnings toward the retirement plan.

SECTION 3. 1959 CALPERS SURVIVOR BENEFIT. The City provides the 1959 CalPERS Survivor Benefit at the Fourth Level Option as forth in California Government Code Section 21574 for all covered employees. Employees shall pay their two dollar (\$2.00) monthly contribution through payroll deduction. The City shall pay the employer portion subject to the following limit: six dollars (\$6.00) per month. Employees shall pay any portion of the employer portion that exceeds six dollars (\$6.00) monthly.

ARTICLE XIX

MISCELLANEOUS

SECTION 1. RIDESHARE INCENTIVE PROGRAM. An employee may receive thirty dollars (\$30.00) per month and eight (8) hours of paid time off (to a maximum accrual of sixteen (16) hours) every six (6) months for carpooling, using public transportation, biking, walking, or other approved modes of transportation to commute to and from the worksite. To qualify for these incentives, an employee must use one (1) of the above modes of transportation a minimum of seventy percent (70%) of their commuting time.

SECTION 2. UNIFORMS.

- A. The City may purchase uniforms for designated classifications within the Association. All uniforms and/or safety equipment purchased by the City shall remain the property of the City.
- B. Employees in the classifications of Senior Traffic Signal Technician, Stock Clerk, Traffic Management Center Technician, Traffic Signal Technician I/II, and Warehouse/Inventory Specialist shall receive up to one hundred thirty-five dollar (\$135.00) reimbursement allowance for the purchase of blue work pants (including but not limited to blue jeans, Dickies, Red Kap) as determined by the Department Director or their designee. This form of pay, also referred to as "Uniform Allowance", shall be reported to CalPERS as special compensation, and is therefore compensation earnable for Classic Members pursuant to CalPERS Regulations, Section 571(a)(5). However, it is ultimately CalPERS who determines if any form of pay is reportable special compensation.; Uniform allowance is not pensionable compensation for PEPRAs Members.

SECTION 3. WORK SHOE VOUCHER. Employees in designated classifications covered by this MOU may be required to wear compression resistant footwear (safety footwear) while on duty. An employee classified as Assistant Engineer, Associate Civil Engineer, Building Inspector, Buyer, Code Compliance Officer, Combination Building Inspector I/II, Construction Inspector I/II, Contract Administrator, Engineering Technician I/II, Environmental Compliance Specialist, Environmental Scientist, Senior Code Compliance Officer, Senior Traffic Signal Technician, Stock Clerk, Traffic Signal Technician I/II, and Warehouse/Inventory Specialist, will receive up to five hundred fifty dollars (\$550.00) per fiscal year for

safety boots allowance. An inspection of the worksite will be made on a regular basis to ascertain compliance with this safety shoe program.

SECTION 4. BREAKS. Employees are entitled to two (2) fifteen (15) minute breaks, unless an emergency requires continued work, as determined by the employee's supervisor. An employee shall be permitted to take one (1) break during the first half of the work shift and one (1) break during the second half of the work shift. Breaks shall be scheduled to ensure that public counters and telephones are covered at all times during the regular working day and are intended to provide a period of relaxation and/or nutrition during each half of the work shift. If a break is not taken, it shall not be accumulated, but shall be lost and not charged in the future to the City.

SECTION 5. DIRECT DEPOSIT. City employees are required to participate in the City's direct paycheck deposit program.

SECTION 6. SHORT-TERM DISABILITY INSURANCE. The City shall administer payroll deductions for an employee-funded short-term disability insurance plan. The Association will indemnify and release the City from all liabilities related to the selected plan, and the City shall not incur cost as a result of this action.

ARTICLE XX

TRAVEL EXPENSE ALLOWED

The City has established a Travel and Business Expense Reimbursement policy (Administrative Policy Number 4.13) to reimburse City employees when conducting City business, attending business or professional conferences, training seminars, or other travel on authorized City business.

Any employee who is required to travel in the performance of their duties or to attend an authorized meeting or conference or otherwise incurs expenses relating to the conduct of City business shall be reimbursed for reasonable expenses incurred for transportation, meals, lodging, and incidentals as outlined in the Finance Policy referenced above.

Travel related to Professional Development as outlined in Article XVII, Section 3 is excluded from this provision.

ARTICLE XXI

SAFETY AND HEALTH

SECTION 1. The City and its employees agree to comply with all applicable Federal, State, and Local laws as well as any City policies which relate to health and safety. In addition, the City and the Association agree to actively pursue the continuation of safe working procedures and environments.

SECTION 2. SAFETY EQUIPMENT. All protective clothing or protective devices required of employees in the performance of their duties shall be furnished without cost to the employees by the City.

ARTICLE XXII

CITY MANAGEMENT RIGHTS AND RESPONSIBILITIES

SECTION 1. The City reserves, retains, and is vested with, solely and exclusively, all rights and responsibilities of Management which have not been expressly abridged by specific provisions of this MOU or by law to manage the City, as such rights and responsibilities existed prior to the execution of this MOU. The sole and exclusive rights of Management, as they are not abridged by this MOU or by law, shall include, but not be limited to, the following rights:

- A. To manage the City generally and to determine issues of policy.
- B. To determine the existence or non-existence of facts which are the basis of Management decisions.
- C. To determine the necessity of organization of any service or activity conducted by the City and expand or diminish services.
- D. To determine the nature, manner, means, and technology, and extent of services to be provided to the public.
- E. To determine methods of financing.
- F. To determine the types of equipment or technology to be used.
- G. To determine and/or change the facilities, methods, technology, means, and size of the workforce by which the City operations are to be conducted.
- H. To determine and change the number of locations, relocations, and types of operations, processes, and materials to be used in carrying out all City functions including, but not limited to, the right to contract for or subcontract any work or operation of the City.
- I. To assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments.
- J. To relieve employees from duties for lack of work, economic conditions, or similar non-disciplinary reasons.
- K. To establish and modify productivity and performance programs and standards.
- L. To discharge, suspend, demote, or otherwise discipline employees for proper cause.
- M. To determine job classifications and to reclassify employees and to determine the job classifications to be assigned to the Association.
- N. To hire, transfer, promote, and demote employees for non-disciplinary reasons in accordance with this MOU.

- O. To determine policies, procedures, and standards for selection, training, and promotion of employees.
- P. To establish employee performance standards including, but not limited to, quality and quantity standards; and to require compliance therewith.
- Q. To maintain order and efficiency in its facilities and operations.
- R. To establish, modify, and promulgate reasonable rules and regulations which are not in contravention with this MOU to maintain order and safety in the City.
- S. To take any and all necessary action to carry out the mission of the City in emergencies.

SECTION 2. Except in emergencies, or where the City is required to make changes in its operations because of the requirements of law, whenever the contemplated exercise of Management's rights shall impact on a significant number of employees of the Association, the City agrees to meet and confer in good faith with representatives of the Association regarding the impact of the contemplated exercise of such rights prior to exercising such rights, unless the matter of the exercise of such rights is provided for in this MOU or in Personnel Rules and Salary Resolutions and Administrative Policies, which are incorporated in this MOU. By agreeing to meet and confer with the Association as to the impact and the exercise of any of the foregoing City Rights, Management's discretion in the exercise of these rights shall not be diminished.

ARTICLE XXIII

EMPLOYEE ORGANIZATIONAL RIGHTS AND RESPONSIBILITIES

SECTION 1. ASSOCIATION DEDUCTIONS. The City shall deduct Association dues and supplemental benefit payments from employee paychecks on a bi-weekly basis. The City shall process these deductions based on the information certified to be current by the Association. The total amount of deduction shall be remitted by the City to the Association within ten (10) calendar days of each applicable payday.

SECTION 2. INDEMNIFICATION. The Association agrees to hold the City harmless and indemnify the City against any claims, causes of actions, or lawsuits arising out of the deductions or transmittal of such funds to the Association, except the intentional failure of the City to transmit, to the Association, monies deducted from the employees pursuant to this Article.

SECTION 3. NEWLY HIRED EMPLOYEES. The City will provide the Association with a list of any new hires into the bargaining unit within thirty (30) days of receipt of a request for such list by the Association.

SECTION 4. POSTING OF NOTICES. The Association shall be afforded the opportunity to post Association bulletins, updates, and notices pertaining to Association business and meetings.

SECTION 5. USE OF CITY FACILITIES. Upon prior notice and subject to availability, the City shall allow the Association to use City facilities for membership, Board of Directors, and committee meetings.

ARTICLE XXIV

GRIEVANCE PROCEDURE

SECTION 1. DEFINITION OF GRIEVANCE. A grievance shall be defined as a timely complaint by an employee or group of employees of the Association concerning the interpretation or application of specific provisions of this MOU or of the Rules and Regulations governing personnel practices or working conditions of the City. An employee complaint concerning their own discipline shall be processed in accordance with Article XXV.

SECTION 2. BUSINESS DAYS. Business days means those days in which the City's administrative offices are open.

SECTION 3. TIME LIMITS FOR FILING WRITTEN FORMAL GRIEVANCES. The time limits for filing written formal grievances shall be strictly construed, but may be extended by mutual agreement evidenced, in writing, and signed by a duly authorized representative of the City and the grieving party. Failure of the grieving party to comply with any of the time limits set forth hereunder shall constitute waiver and bar further processing of the grievance. Failure of the City to comply with time limits set forth in this Section shall automatically move the grievance to the next level in the Grievance Procedure. The grieving party may request the assistance of the Association in presenting a grievance at any level of review or may represent themselves.

SECTION 4. INFORMAL GRIEVANCE PROCESS. An employee must first attempt to resolve a grievance on an informal basis by discussion with an immediate supervisor without undue delay. Every effort shall be made to find an acceptable solution to the grievance by these informal means at the most immediate level of supervision. At no time may the informal process go beyond the division head concerned. In order that this informal procedure may be responsive, all parties involved shall expedite this process. In no case may more than ten (10) business days elapse from the date of the alleged incident giving rise to the grievance, or when the grievant knew or should have reasonably become aware of the facts giving rise to the grievance and the filing of a written formal grievance with the Human Resources Director of the City, with a copy to the Department Head in which the employee works. Should the grievant fail to file a written grievance within ten (10) business days from the date of the incident giving rise to the grievance, or when grievant knew or should have reasonably become aware of the facts giving rise to the grievance, the grievance shall be barred and waived.

SECTION 5. FORMAL GRIEVANCE PROCESS, HUMAN RESOURCES DIRECTOR, DEPARTMENT HEAD. If the grievance is not resolved through the informal process, and the written grievance is filed within the time limits set forth above, the grievant shall discuss the grievance with the Human Resources Director and the Department Head within ten (10) business days. The Human Resources Director and the Department Head shall render a decision and comments, in writing, regarding the merits of the grievance and return them to the grievant within five (5) business days following the grievance discussion.

SECTION 6. FORMAL GRIEVANCE PROCESS, CITY MANAGER. If the grievance is not resolved in Section 5 above, or if no answer has been received from the Human Resources Director and Department Head within fifteen (15) business days from the presentation of the written grievance to the Human Resources Director and Department Head, the grievant may present a written grievance to the City

Manager, or a duly authorized designee within ten (10) business days, for determination. Failure of the grievant to take this action shall constitute a waiver and bar to the grievance, and the grievance will be considered settled on the basis of the last Management grievance response. The City Manager, or duly authorized designee, shall render a final decision on the merits of the grievance and comments, in writing, and return them to the grievant within ten (10) business days after receiving the grievance. After this procedure is exhausted, the grievant, Association, and the City shall have rights and remedies to pursue said grievance under the law. The City shall instruct its supervisors on the proper use and implementation of this grievance procedure and every reasonable effort shall be made by the employee and supervisor to resolve the grievance at the informal step.

ARTICLE XXV

DISCIPLINARY APPEALS PROCEDURE

SECTION 1. DISCIPLINARY APPEALS. Any employee who has obtained regular status, and any promotional probationary employee shall have the right to appeal any termination, suspension, reduction in salary, or non-probationary demotion. The right to appeal shall not apply to probationary, non-benefited part-time, temporary, or seasonal employees covered by this MOU. Verbal or written reprimands, probationary demotions, performance evaluations, and denial of merit increases are not subject to appeal. However, an employee may submit a written rebuttal to any verbal or written reprimand. In addition, the employee may also request said reprimand be withdrawn from their official personnel record after one (1) year. However, such removal shall be at the sole, non-grievable discretion of the Human Resources Director.

SECTION 2. MANAGER'S FORMAL DISCIPLINARY APPEALS PROCESS. An employee desiring to appeal a supervisor's decision to take disciplinary action shall have up to ten (10) business days after receipt of the notice of intent to discipline to file either a verbal or written appeal to the Department Head. If, within the appeal period, the employee does not file an appeal, unless good cause for the failure is shown, the disciplinary action shall be considered final and shall take effect as prescribed. If the employee does file a notice of appeal within the appeal period, the Department Head shall consider the merits of said appeal prior to implementation of any disciplinary action. In the event the Department Head upholds the disciplinary action, said action shall be implemented immediately.

An employee may appeal the Department Head's decision to the City Manager or, duly authorized designee, as long as such designee is not a manager from the department of the employee filing said appeal. An employee may appeal any termination, suspension, reduction in salary, or non-probationary demotion to the City Manager or duly authorized designee. Any request for an appeal to the City Manager shall be submitted in writing to the Human Resources Department within ten (10) business days of the Department Head's decision. Failure to do so shall render the discipline final and constitute a waiver of any further administrative or judicial appeals. The appeal to the City Manager may be either in the form of a written appeal or an oral presentation. Termination appeals may be further processed in accordance with the provisions of Section 3 below.

SECTION 3. FORMAL PROCESS FOR TERMINATIONS, ADVISORY HEARING OFFICER. A non-probationary terminated employee may request a full evidentiary hearing within fifteen (15) City business days of the date of any notice of termination. Failure to request a hearing within the fifteen (15)

day period constitutes a waiver of the hearing. In lieu of a hearing, a terminated employee may submit a written response to the City Manager within the fifteen (15) day period. Requests for extensions to file a written response must be made within the fifteen (15) day period, and may be granted at the sole non-grievable discretion of the City Manager or duly authorized designee. If a hearing is requested to challenge the imposition of termination, a full evidentiary hearing shall be held by a Hearing Officer who shall render an advisory decision to the City Manager.

If the parties cannot agree on the identity of the Hearing Officer, the parties shall procure from the State Mediation and Conciliation Service a list of seven (7) qualified Hearing Officers. Each party shall alternately strike one (1) name from the list until only one (1) person remains, who shall be the Hearing Officer. The determination as to which party strikes first shall be made on a random basis.

- A. Fees for retaining the Hearing Officer and other costs related to conducting the hearing, for example employing a court reporter, shall be shared equally by the City and the employee. The City and the employee shall each be responsible for securing and paying for their respective representation at the hearing, if any.
- B. The Hearing Officer shall determine whether good cause exists for the imposition of the termination and, if not, the appropriate degree of discipline. The advisory decision of the Hearing Officer is remitted to the City Manager for final disposition.
- C. The City Manager, or duly authorized designee, shall render a final decision on the Hearing Officer's comments and recommendation, in writing, and return them to the employee within ten (10) business days after receiving the Hearing Officer's advisory findings.
- D. After this procedure is exhausted, the employee and the City shall have all rights and remedies to pursue said appeal under the law.

ARTICLE XXVI

NO STRIKE-NO LOCKOUT

SECTION 1. PROHIBITED ASSOCIATION CONDUCT. The Association, its officers, agents, representatives and/or members agree that during the term of this MOU, they will not cause or condone any strike, walkout, slowdown, sick-out, or any other job action by withholding or refusing to perform services.

SECTION 2. PROHIBITED CITY CONDUCT. The City agrees that it shall not lock out its employees during the term of this MOU. The term "lockout" is hereby defined so as not to include the discharge, suspension, termination, layoff, failure to recall, or failure to return to work of employees of the City in the exercise of its rights as set forth in any of the provisions of this MOU or applicable ordinance or law.

SECTION 3. Any employee who participates in any conduct prohibited in Section 1 above may be subject to termination by the City.

SECTION 4. In addition to any other lawful remedies or disciplinary actions available to the City, if the Association fails, in good faith, to perform all responsibilities listed in Section 5 below, the Association Responsibility, the City may suspend any and all of the rights, privileges, accorded to the Association under the Employee Relations Resolution in this MOU, including, but not limited to, suspension of recognition of the Association, grievance procedure, right of access, the use of the City's bulletin boards, and facilities.

SECTION 5. ASSOCIATION RESPONSIBILITY.

- A. In the event that the Association, its officers, agents, representatives, or members engage in any of the conduct prohibited in Section 1 above, the Association or its duly authorized designees shall immediately instruct any persons engaging in such conduct that their conduct is in violation of this MOU and they should immediately cease engaging in conduct prohibited in Section 1 above, and return to work.
- B. If the Association performs all of the responsibilities set forth in paragraph A above, its officers, agents, and representatives shall not be liable for damages for prohibited conduct performed by employees who are covered by this MOU in violation of Section 1 above.

ARTICLE XXVII

ASSOCIATION RELEASE TIME

Upon request and with prior approval by the City, employees elected to the Association Board will be granted release time to perform Association functions. All Association release time must be fully documented on employee timesheets in a manner specified by the City.

ARTICLE XXVIII

LAYOFF PROCEDURE

When a layoff or reduction in force is necessary, the layoff procedures set forth in Resolution No. 8177, as incorporated below, shall be used as the established layoff policy and procedure.

SECTION 1. PURPOSE. The purpose of this policy is to establish and communicate the City's procedures when a layoff or reduction in force is necessary.

SECTION 2. SCOPE. All Association employees are subject to reduction in force at the direction of the City Manager or duly authorized designee.

SECTION 3. POLICY. The City retains the right to abolish any position, reduce the workforce and layoff employees when it becomes necessary due to economic conditions, organizational changes, lack of work, or because the necessity for a position no longer exists. The City's layoff policy provides the following criteria to be followed during a reduction in force.

SECTION 4. PROCEDURE.

- A. Order of Reductions in Force (Layoff and Demotion). Within a department and by classification, the order of layoff or demotion shall be as follows:

- 1) Temporary employees (19 hours or less);
- 2) Initial probationary employees;
- 3) Regular part-time employees (20 or more hours, but less than 40 hours);
- 4) Regular full-time employees (40 hours)

For purposes of this procedure, the Water Division will be considered a department.

B. Layoffs.

- 1) Layoffs shall be based on City-wide seniority, except, negative performance during the past three (3) years will be considered to determine the order of layoff. Negative performance and disciplinary actions will include the following:
 - a) Denial of merit increases;
 - b) Suspension without pay;
 - c) Extensions of probationary periods;
 - d) Disciplinary demotions to lower level positions;
 - e) Disciplinary reductions in pay;
 - f) Performance evaluations containing significant, negative written comments indicating improvement needed and warning of further consequences to follow if improvement fails to occur.

A single negative disciplinary action as described above will not reduce the employee's seniority. However, each additional disciplinary action during the three (3) year period will reduce the employee's seniority by two (2) years for each additional occurrence, for a total possible reduction of six (6) years.

- 2) The order of layoff shall be established by the Human Resources Director, including seniority and results of review of performance evaluations and prior disciplinary actions.
- 3) The order of layoff will be from the least senior employee as determined by the procedure above.
- 4) Prior to the establishment of the final order of layoff, the Human Resources Director shall furnish affected employees a copy of the "Proposed Order of Layoff." Notice will be hand delivered to employees whenever possible, though alternative forms of notice may be utilized.
- 5) If the employee wishes to contest the application of the criteria set forth in this policy to their position on the list, the employee may appeal with any supporting materials to the

Human Resources Director. This request should be directed to the Human Resources Director within seven (7) calendar days following the establishment and distribution of a "Proposed Order of Layoff" list. The employee will be allowed representation during the appeal process, so long as it does not cause undue delay.

- 6) After meeting with all employees wishing to be heard with respect to their position on the layoff list, the Human Resources Director or a duly authorized designee shall establish the "Final Order of Layoff" list. The decision of the Human Resources Director shall be final and not subject to the grievance process or further appeal.

C. Written Notice. Employees to be laid off shall be provided written notice at least seven (7) calendar days in advance of the layoff date. Notice will be hand delivered to the employee whenever possible. If personal delivery is not possible, the notice will be sent by certified mail to the employee's last known residential address.

D. Transfer or Demotion in Lieu of Layoff.

- 1) Whenever employees are to be laid off, they may transfer or demote to another vacant position in their own department or other departments providing that:
 - a) The positions are at the same or lower level;
 - b) Positions are authorized, budgeted, and the City intends to fill the vacancies;
 - c) The employee meets the qualifications of the new position as determined by the Human Resources Director.
- 2) Whenever employees are to be laid off, they may demote to lower level, filled positions within their department providing they:
 - a) Formerly held or supervised the lower-level position within the City of Orange and within the classification series;
 - b) Employee meets or can reasonably meet qualifications for the new position as determined by the Human Resources Director;
 - c) Possesses greater seniority to displace a lower level worker;
 - d) Requests in writing a demotion to the previously held or supervised position within seven (7) calendar days of receiving the notice of layoff or voluntary demotion. A voluntary demotion shall not reflect as a negative action in the employee's personnel file.

E. Re-employment Lists.

- 1) Regular employees in good standing who are laid off or demoted shall have their name placed on a departmental re-employment list for the last classification previously held. Names shall be placed on the list in inverse order of seniority (last released - first rehired). Vacancies the department desires to fill will be offered first to eligibles on the departmental re-employment list.

- 2) Other hiring departments who have vacancies the City desires to fill will give priority consideration to those employees whose names appear on the re-employment list. If these employees are not selected for re-hire, the reason for non-selection must be approved by the Human Resources Director.
- 3) Names of qualified individuals shall remain on re-employment lists for a period not to exceed two (2) years from the date of layoff. Individuals who qualify for re-hire but do not respond to written notification to the last known address on file within fourteen calendar days or who refuse two (2) job offers shall have their names removed from the re-employment list. It is the employee's responsibility to provide the Human Resources Department with a current mailing address. Once re-hired, employee names are removed from all re-employment lists.

SECTION 5. NON-DISCRIMINATION IN REDUCTION IN FORCE. Layoffs and demotions, which result from a reduction in force, shall be made without regard to an employee's actual or perceived race, color, national origin, religion, sex, gender identity, physical or mental disability, medical condition (cancer-related or genetic information), ancestry, marital status, age, sexual orientation, citizenship, pregnancy, childbirth or related medical condition, status as a covered veteran, or service in the uniformed services (as defined by the Uniformed Services Employment and Re-employment Rights Act of 1994) or any other lawfully protected class.

ARTICLE XXIX

SCOPE AND APPLICATION OF MEMORANDUM OF UNDERSTANDING

It is the intent of the parties hereto that the provisions of this MOU shall supersede all prior agreements including Side Letter Agreements, Letters of Understanding, Memoranda of Understanding, contrary salary and/or personnel resolutions, Administrative Codes, past practices, or provisions of the City, oral and written, expressed or implied, between the parties, and shall govern the entire relationship and shall be the sole source of any and all rights which may be asserted hereunder. This MOU is not intended to conflict with Federal or State law.

ARTICLE XXX

WAIVER OF BARGAINING DURING TERM OF MEMORANDUM OF UNDERSTANDING

During the term of this MOU, the parties mutually agree that they will not seek to change, negotiate, or bargain with regard to wages, hours, benefits, and terms and conditions of employment, whether or not covered by this MOU or in the negotiations leading thereto, and irrespective of whether or not such matters were discussed or were even within the contemplation of the parties hereto during the negotiations leading to this MOU. Regardless of the waiver contained in this Article, the parties may, however, by mutual agreement, in writing, agree to meet and confer about any matter during the term of this MOU.

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ARTICLE XXXI

EMERGENCY WAIVER PROVISION

In the event of circumstances beyond the control of the City, such as force majeure, fire, flood, wind, insurrection, civil disorder, national emergency, or similar circumstances, provisions of this MOU or the Personnel Rules or Resolutions of the City, which restrict the City's ability to respond to these emergencies, shall be suspended for the duration of such emergency. After the emergency is declared over, this MOU will be reinstated immediately. The Association shall have the right to meet and confer with the City regarding the impact on employees of the suspension of the provisions in the MOU during the course of the emergency.

ARTICLE XXXII

MEMORANDUM OF UNDERSTANDING TERMS SEVERABLE

Should any provision of this MOU be found to be inoperative, void, or invalid by a court of competent jurisdiction, or by enactment of Federal or State legislation, all other provisions of this MOU shall remain in full force and effect for the duration of this MOU.

ARTICLE XXXIII

TERM OF MEMORANDUM OF UNDERSTANDING, NO LAYOFF OR FURLOUGH CLAUSE, & PARITY AGREEMENT

SECTION 1. TERM. The term of this MOU shall commence on July 1, 2025 and shall continue in full force and effect until June 30, 2026.

SECTION 2. NO LAYOFF OR FURLOUGH. During the term of this agreement, the City shall not impose furloughs, reductions in work hours, or layoffs on any OMEA represented employees. This provision shall sunset on June 30, 2026 and will no longer be applicable after this date.

SECTION 3. PARITY AGREEMENT - SALARY. During the term of this agreement, the City agrees that if the Orange Management Association (OMA), the International Brotherhood of Electrical Workers – Maintenance and Crafts, or the International Brotherhood of Electrical Workers – Water receive additional across the board base salary increases the City shall provide said adjustments to OMEA as applicable.

SECTION 4. PARITY AGREEMENT - SECTION 125 FLEXIBLE BENEFITS PLAN (MEDICAL). During the term of the agreement, should both parties agree that if IBEW – Maintenance and Crafts and/or IBEW – Water receive a comprehensive value greater than what is afforded to OMEA based on a comprehensive tentative agreement and/or executed LOU/MOU, the City shall provide additional adjustments to OMEA as applicable.

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ARTICLE XXXIV

RATIFICATION AND EXECUTION

The City and Association acknowledge that this MOU shall not be in full force and effect until ratified by the Association and adopted by the City Council of the City of Orange. Subject to the foregoing, this MOU is hereby executed by the authorized representatives of the City and the Association and entered into this 12th day of August, 2025.

CITY OF ORANGE

Dated: _____

By: _____
Monica Espinoza, Human Resources Director

By: _____
Trang Nguyen, Finance Director

By: _____
Cody Kleen, Assistant Human Resources Director

By: _____
Shelby Alley, Human Resources Analyst II

By: _____
Eric Figueroa, Human Resources Analyst I

ORANGE MUNICIPAL EMPLOYEES' ASSOCIATION

Dated: _____

By: _____
Kerensa Schupmann, OCEA Representative

By: _____
Joe Avila III, President

By: _____
John Ferry, Vice President

By: _____
Holly Gardner, Treasurer

By: _____
Martin Varona, Secretary

By: _____
Eric Perez, Director at Large

APPROVED AS TO FORM:

By: _____
Wayne W. Winthers, Interim City Attorney, City of Orange

APPENDIX A

ORANGE MUNICIPAL EMPLOYEES' ASSOCIATION MONTHLY SALARY RANGES

EFFECTIVE DECEMBER 31, 2023

5.5% Across-the-Board Salary Increase

CLASSIFICATION TITLE	RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
Accountant	573	6214	6530	6864	7214	7582	7969
Administrative Assistant	521	4794	5039	5296	5566	5850	6148
Administrative Specialist	519	4747	4989	5243	5510	5792	6087
Assistant Engineer	602	7181	7548	7931	8336	8762	9208
Assistant Planner	560	5824	6121	6433	6761	7106	7468
Associate Civil Engineer	625	8054	8465	8895	9350	9828	10328
Associate Engineer	625	8054	8465	8895	9350	9828	10328
Associate Planner	595	6935	7289	7659	8050	8461	8892
Building Inspector	561	5853	6152	6465	6795	7142	7505
Business License Inspector	549	5513	5795	6089	6401	6727	7070
Buyer	557	5737	6030	6338	6661	7000	7357
Code Compliance Officer	555	5680	5970	6274	6595	6930	7284
Combination Building Inspector	571	6152	6466	6795	7143	7507	7889
Construction Inspector I	542	5324	5595	5881	6181	6496	6827
Construction Inspector II	562	5882	6182	6498	6829	7177	7543
Contract Administrator	602	7181	7548	7931	8336	8762	9208
Engineering Technician I	531	5040	5297	5567	5851	6149	6463
Engineering Technician II	551	5569	5852	6151	6464	6794	7141
Environmental Compliance Specialist	555	5680	5970	6274	6595	6930	7284
Environmental Scientist	625	8054	8465	8895	9350	9828	10328
Finance Assistant	534	5116	5376	5651	5939	6242	6560
Finance Clerk	499	4296	4515	4746	4988	5242	5509
GIS Analyst	625	8054	8465	8895	9350	9828	10328
Housing Specialist	555	5680	5970	6274	6595	6930	7284
Human Resources Technician	529	4990	5244	5512	5793	6088	6399
Lead Business License Inspector	559	5795	6090	6401	6727	7070	7431
Lead Finance Clerk	559	5795	6090	6401	6727	7070	7431
Librarian I	537	5193	5458	5736	6028	6336	6659
Librarian II	557	5737	6030	6338	6661	7000	7357
Librarian III	577	6339	6663	7002	7359	7735	8129
Library Assistant	497	4254	4470	4698	4938	5190	5455
Library Clerk	451	3382	3554	3735	3926	4126	4336
Library Literacy Coordinator	537	5193	5458	5736	6028	6336	6659

APPENDIX A (CONTINUED)

**ORANGE MUNICIPAL EMPLOYEES' ASSOCIATION
MONTHLY SALARY RANGES**

CLASSIFICATION TITLE	RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
Library Page	422	2926	3076	3232	3397	3571	3752
Library Support Services Assistant	497	4254	4470	4698	4938	5190	5455
Library Technology Assistant	497	4254	4470	4698	4938	5190	5455
Library Technology Coordinator	557	5737	6030	6338	6661	7000	7357
Library Technology Specialist	537	5193	5458	5736	6028	6336	6659
Library Volunteer Coordinator	521	4794	5039	5296	5566	5850	6148
Office Assistant	471	3736	3927	4127	4338	4559	4791
Payroll Technician	559	5795	6090	6401	6727	7070	7431
Permit Technician	521	4794	5039	5296	5566	5850	6148
Plan Check Engineer	602	7181	7548	7931	8336	8762	9208
Planning Aide	530	5015	5270	5540	5822	6118	6431
Project Engineer	612	7548	7934	8337	8763	9210	9679
Recreation Services Coordinator	538	5219	5485	5765	6059	6368	6692
Senior Code Compliance Officer	575	6276	6596	6933	7286	7658	8049
Senior Combo. Building Inspector	591	6797	7145	7508	7891	8294	8717
Senior Finance Clerk	519	4747	4989	5243	5510	5792	6087
Senior Library Clerk	481	3927	4128	4338	4559	4792	5036
Senior Office Assistant	491	4129	4339	4560	4793	5037	5293
Senior Permit Technician	541	5297	5568	5851	6150	6463	6793
Senior Traffic Signal Technician	591	6797	7145	7508	7891	8294	8717
Stock Clerk	480	3907	4107	4316	4537	4768	5011
Traffic Management Center Tech	591	6797	7145	7508	7891	8294	8717
Traffic Signal Technician I	531	5040	5297	5567	5851	6149	6463
Traffic Signal Technician II	551	5569	5852	6151	6464	6794	7141
Transportation Analyst	625	8054	8465	8895	9350	9828	10328
Warehouse/Inventory Specialist	538	5219	5485	5765	6059	6368	6692

APPENDIX A (CONTINUED)

**ORANGE MUNICIPAL EMPLOYEES' ASSOCIATION
MONTHLY SALARY RANGES**

EFFECTIVE JUNE 29, 2025

2.0% Across the Board Salary Increase

CLASSIFICATION TITLE	RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
Accountant	577	6339	6663	7002	7359	7735	8129
Administrative Assistant	525	4891	5141	5403	5678	5968	6272
Administrative Specialist	523	4842	5089	5349	5622	5908	6210
Assistant Engineer	606	7325	7700	8091	8504	8938	9394
Assistant Planner	564	5941	6244	6563	6897	7249	7619
Associate Civil Engineer	629	8216	8636	9074	9538	10025	10535
Associate Engineer	629	8216	8636	9074	9538	10025	10535
Associate Planner	599	7074	7436	7814	8213	8632	9071
Building Inspector	565	5971	6275	6596	6931	7285	7657
Business License Inspector	553	5624	5911	6212	6529	6862	7212
Buyer	561	5853	6152	6465	6795	7142	7505
Code Compliance Officer	559	5795	6090	6401	6727	7070	7431
Combination Building Inspector	575	6276	6596	6933	7286	7658	8049
Construction Inspector I	546	5431	5708	5999	6305	6627	6965
Construction Inspector II	566	6001	6307	6629	6966	7322	7695
Contract Administrator	606	7325	7700	8091	8504	8938	9394
Engineering Technician I	535	5141	5403	5679	5969	6273	6593
Engineering Technician II	555	5680	5970	6274	6595	6930	7284
Environmental Compliance Specialist	559	5795	6090	6401	6727	7070	7431
Environmental Scientist	629	8216	8636	9074	9538	10025	10535
Finance Assistant	538	5219	5485	5765	6059	6368	6692
Finance Clerk	503	4383	4606	4841	5088	5348	5620
GIS Analyst	629	8216	8636	9074	9538	10025	10535
Housing Specialist	559	5795	6090	6401	6727	7070	7431
Human Resources Technician	533	5090	5350	5623	5909	6211	6527
Lead Business License Inspector	563	5911	6213	6530	6863	7213	7581
Lead Finance Clerk	563	5911	6213	6530	6863	7213	7581
Librarian I	541	5297	5568	5851	6150	6463	6793
Librarian II	561	5853	6152	6465	6795	7142	7505
Librarian III	581	6467	6796	7144	7508	7890	8293

APPENDIX A (CONTINUED)

**ORANGE MUNICIPAL EMPLOYEES' ASSOCIATION
MONTHLY SALARY RANGES**

CLASSIFICATION TITLE	RANGE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F
Library Assistant	501	4339	4561	4793	5038	5295	5565
Library Clerk	455	3450	3626	3810	4005	4209	4423
Library Literacy Coordinator	541	5297	5568	5851	6150	6463	6793
Library Page	426	2985	3138	3297	3466	3642	3828
Library Support Services Assistant	501	4339	4561	4793	5038	5295	5565
Library Technology Assistant	501	4339	4561	4793	5038	5295	5565
Library Technology Coordinator	561	5853	6152	6465	6795	7142	7505
Library Technology Specialist	541	5297	5568	5851	6150	6463	6793
Library Volunteer Coordinator	525	4891	5141	5403	5678	5968	6272
Office Assistant	475	3812	4006	4210	4425	4650	4887
Payroll Technician	563	5911	6213	6530	6863	7213	7581
Permit Technician	525	4891	5141	5403	5678	5968	6272
Plan Check Engineer	606	7325	7700	8091	8504	8938	9394
Planning Technician*	534	5116	5376	5651	5939	6242	6560
Project Engineer	616	7700	8094	8505	8940	9396	9874
Recreation Services Coordinator	542	5324	5595	5881	6181	6496	6827
Senior Code Compliance Officer	579	6403	6729	7073	7433	7812	8211
Senior Combo. Building Inspector	595	6935	7289	7659	8050	8461	8892
Senior Finance Clerk	523	4842	5089	5349	5622	5908	6210
Senior Library Clerk	485	4006	4211	4426	4651	4888	5138
Senior Office Assistant	495	4212	4426	4652	4890	5138	5401
Senior Permit Technician	545	5404	5680	5969	6274	6594	6930
Senior Traffic Signal Technician	595	6935	7289	7659	8050	8461	8892
Stock Clerk	484	3987	4190	4404	4628	4864	5112
Traffic Management Center Tech	595	6935	7289	7659	8050	8461	8892
Traffic Signal Technician I	535	5141	5403	5679	5969	6273	6593
Traffic Signal Technician II	555	5680	5970	6274	6595	6930	7284
Transportation Analyst	629	8216	8636	9074	9538	10025	10535
Warehouse/Inventory Specialist	542	5324	5595	5881	6181	6496	6827

*Classification of Planning Aide retitled to Planning Technician