

MEMORANDUM OF UNDERSTANDING

between the

CITY OF MONTEREY

and the

**GENERAL EMPLOYEES OF MONTEREY (GEM) /
LABORERS INTERNATIONAL UNION OF NORTH AMERICA (LIUNA) /
UNITED PUBLIC EMPLOYEES, LOCAL 270, AFL-CIO**

July 1, 2005 through June 30, 2011

Amended November 4, 2007

This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act (Government Code Sections 3500-3510) and the Employer-Employee Relations Resolution of the City of Monterey and is made by and between authorized representatives of the City of Monterey (hereinafter referred to as "City"), and the General Employees of Monterey (hereinafter referred to as "Union").

SECTION 1 RECOGNITION AND IMPLEMENTATION

The City hereby recognizes the Union as the exclusive bargaining agent for all employees within the bargaining unit.

This Memorandum of Understanding constitutes a mutual recommendation to be jointly submitted to the City Council. It is agreed that this Memorandum of Understanding shall not be binding upon the parties either in whole or in part unless and until ratified by the Union's membership, and unless and until the City Council acts, by a four-fifths vote, to formally approve this Memorandum of Understanding. It is understood by the parties that the City Council must, as a part of the implementation, appropriate the necessary funds required to implement the provisions of this Memorandum of Understanding which require funding; and take any other action required.

SECTION 2 TERM AND EFFECT OF MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding shall be effective on July 1, 2005 and shall remain in full force and effect through June 30, 2011. It is understood and agreed that the terms, conditions, wages, and all provisions of this Memorandum of Understanding shall continue in effect after June 30, 2008 until a new Memorandum of Understanding is negotiated and subsequently ratified by the Union and the City Council, or until this Memorandum of Understanding is superseded by action of the City Council.

SECTION 3 SALARY

3.1 Salary Adjustments

During the term of this agreement, base salary shall be increased in accordance with the following schedule for those employees covered by this agreement.

January 1, 2006:	3.0%
January 1, 2007:	3.0%
July 1, 2007:	3.0%
<i>July 1, 2008:</i>	<i>3.0%</i>
<i>July 1, 2009:</i>	<i>3.0%</i>
<i>July 1, 2010:</i>	<i>3.0%</i>

3.2 Premium Pay for the Position of Assistant Engineering Surveyor

Persons holding the classification of Assistant Engineering Surveyor who possess a valid Engineer in Training (EIT) certificate issued in California will be paid a premium pay of 5% over base salary.

SECTION 4 LONGEVITY PAY

Effective January 1, 2008, the following longevity pays will be provided:

For those with at least twenty (20) years of continuous full time City of Monterey service or more, a 5.0% longevity pay will be provided.

For those with at least twenty-five (25) years of continuous full time City of Monterey service or more, an additional 5.0% longevity pay will be provided.

For those with at least thirty (30) years of continuous full time City of Monterey service or more, an additional 5.0% longevity pay will be provided.

SECTION 5 TOTAL COMPENSATION

This is not a total compensation agreement. The City and the Union agree that the principles of total compensation as traditionally practiced in prior agreements do not apply to this agreement. All adjustments to salary and benefits during the term of this agreement shall only be as set forth herein.

SECTION 6 STEP ADVANCEMENTS

Step advancements are merit increases and are not automatic. An employee must perform the duties of the position in a manner satisfactory to the department head to receive a step advancement.

Eligibility for such step advance shall be upon completion of twelve months satisfactory service in the employee's prior step. The step system shall consist of five (5) steps and an employee's initial placement on the step system shall be determined by Sections 25-

5.04 or 25-5.06 of the Monterey City Code (Personnel Rules and Regulations). Step advancements shall be made on the Anniversary Date. No advancement shall be made without a performance evaluation with a written recommendation by the department head and approval of the City Manager or designated representative.

SECTION 7 INSURANCE PLAN

The following is a brief summary of insurance benefits. To the extent that the insurance programs detailed below continue to be available, the City will continue to offer these programs. Employees should refer to the plan documents for a complete description of benefits, coverage and limitations. If, during the term of this agreement, a change in insurance plans or coverage is necessary, the City shall provide notice thirty (30) days in advance, and, upon request, meet with representatives of the Union. If, during the term of this agreement, the premium for an insurance plan changes, the City will attempt to provide a thirty (30) day notice in advance of the rate change.

7.1 Dental/Orthodontia Insurance

The City shall provide an annual maximum of \$2,500 dental coverage per covered individual (employee and dependents). Dental sealant is included as part of this basic coverage. Lifetime maximum orthodontia coverage of \$3,000 shall be provided for each individual covered by this plan (employee and dependents).

Commencing with plan year 2006, the City will afford eligible employee dependents the opportunity to participate in an open enrollment every three years.

7.2 Vision Care

The City will continue to provide vision care coverage for employees and dependents. The plan will provide for a fully covered Preferred Provider exam and up to \$105 every 12 months toward the purchase of contact lenses. The employee will pay any difference between the \$105 and the actual cost of the contact lenses if the cost exceeds the \$105.

7.3 Life Insurance

The City will continue to provide a \$20,000 Term Life Insurance and Accidental Death and Dismemberment Policy for each employee covered by this agreement.

Additional Term Life Insurance may be purchased by each employee through payroll deductions in increments of \$10,000, subject to the City's life insurance carrier's coverage limitations. At least \$50,000 of term life insurance will be available to employees for purchase. Only premiums for up to \$30,000 of employee purchased term life insurance may be paid on a pre-tax basis. The purchase of additional insurance shall be in accordance with payroll deduction procedures established by the Finance Director and the underwriting requirements of the insurance carrier.

Subject to the conditions of the City's life insurance carrier, the City shall offer to employees at the time of their retirement the option to convert their life insurance policy (both City-paid and employee-purchased supplemental insurance) to individual coverage at the employees' expense.

7.4 Major Medical Insurance

The provisions of this plan require participation by the Union in the Public Employees Medical and Hospital Care Act (PEMHCA).

A. Non-Elective Contributions/Premiums

During the term of the contract, the City contribution to insurance coverages will be as outlined below. Employees shall not have the option of using these contributions for any other purpose. During the term of the contract, should the dental (employee only premium), vision and/or life non-elective contributions/premiums increase, the City will pay these increases. Should, during the term of this agreement, the non-elective contributions/premiums for dental (employee only premium), vision, and/or life decrease, the City shall retain the savings from the decrease. The non-elective contribution/premium toward the medical will remain at \$48.40 per month per employee through December 2005.

<u>Plan</u>	<u>Amount</u>
1. Medical	Applied toward premium - \$48.40mo/employee
2. Dental	Cost of premium for employee only
3. Vision	Cost of premium for employee & dependents
4. Life	Cost of basic policy (see Section 7.3)

Effective January 1, 2006, and in accordance with State law, the non-elective contribution/premium paid by the City toward the medical will increase to \$64.60 per month per employee.

Effective January 1, 2007, and in accordance with State law, the non-elective contribution/premium paid by the City toward the medical will increase to \$80.80 per month per employee.

Effective January 1, 2008, and in accordance with State law, the non-elective contribution/premium paid by the City toward the medical will increase to \$97.00 per month per employee.

Effective January 1, 2009, and in accordance with State Law, the non-elective contribution/premium paid by the City toward the medical for active employees shall be adjusted annually by the PERS board to reflect any change to the medical care component of the Consumer Price Index

and shall be rounded to the nearest dollar.

B. Elective Contributions/HPSF

The City will contribute a monthly sum to the employee's Health Plan Spending Fund (HPSF) in the amount indicated below based on the employee's status in PEMHCA and the employee's participation tier:

1.	LIUNA Medical Trust (Employee Opts Out of City Medical Plan)	\$742.00
2.	Employee opts out of City Medical Plan	\$548.29
3.	PEMHCA Medical—Employee Only	\$548.29
4.	PEMHCA Medical—Employee Plus One	\$742.00
5.	PEMHCA Medical—Employee Plus Two	\$823.00

Effective January 1, 2006, the tiered amounts will be as follows:

1.	LIUNA Medical Trust (Employee Opts Out of City Medical Plan)	\$843.60
2.	Employee opts out of City Medical Plan	\$548.29
3.	PEMHCA Medical—Employee Only	\$548.29
4.	PEMHCA Medical—Employee Plus One	\$779.00
5.	PEMHCA Medical—Employee Plus Two	\$901.00

Effective January 1, 2007, the tiered amounts will be as follows:

1.	LIUNA Medical Trust (Employee Opts Out of City Medical Plan)	\$921.80
2.	Employee opts out of City Medical Plan	\$548.29
3.	PEMHCA Medical—Employee Only	\$548.29
4.	PEMHCA Medical—Employee Plus One	\$841.00
5.	PEMHCA Medical—Employee Plus Two	\$988.00

Effective January 1, 2008, the tiered amounts will be as follows:

1.	Employee opts out of City Medical Plan	\$548.29
2.	PEMHCA Medical—Employee Only	\$548.29
3.	PEMHCA Medical—Employee Plus One	\$912.00
4.	PEMHCA Medical—Employee Plus Two	\$1084.00

Effective January 1, 2009, the tiered amounts will be as follows:

1.	<i>Employee opts out of City Medical Plan</i>	<i>\$548.29</i>
----	---	-----------------

2. EMHCA Medical—Employee Only	\$548.29
3. PEMHCA Medical—Employee Plus One	\$999.00
4. PEMHCA Medical—Employee Plus Two	\$1198.00

Effective January 1, 2010, the tiered amounts will be as follows:

1. Employee opts out of City Medical Plan	\$550.00
2. PEMHCA Medical—Employee Only	\$600.00
3. PEMHCA Medical—Employee Plus One	\$1115.00
4. PEMHCA Medical—Employee Plus Two	\$1323.00

Effective January 1, 2011, the tiered amounts will be as follows:

1. Employee opts out of City Medical Plan	\$550.00
2. PEMHCA Medical—Employee Only	\$650.00
3. PEMHCA Medical—Employee Plus One	\$1245.00
4. PEMHCA Medical—Employee Plus Two	\$1460.00

For those employees opting to use the LIUNA Medical Trust, the following amounts and effective dates will apply:

<i>December 1, 2007</i>	\$1009.00
<i>September 1, 2008</i>	\$1099.00
<i>September 1, 2009</i>	\$1218.00
<i>September 1, 2010</i>	\$1351.00

For the term of this agreement, the effective dates for LIUNA Medical Trust shall correspond with the first date of the new LIUNA Medical Trust plan year. The dates listed herein assume the LIUNA Medical Trust plan year begins on September 1. If the plan year is adjusted, the effective dates above will also be adjusted accordingly to coincide with the LIUNA Medical Trust plan start date.

The amounts above may be applied to the following:

1. Medical coverage for the employee and dependents under PEMHCA;
2. Dependent dental coverage;
3. Additional term life insurance to the limits described in Section 7.3;
4. To make contributions toward dependent care as described in Section 9 of this agreement;
5. To make contributions toward flexible spending as described

in Section 9 of this agreement; and/or

6. To take any unused cash value after selecting from the above options as taxable cash-in-lieu.

Not to be confused with the non-elective contributions contained in Section 7.4A, any increases in PEMHCA rates will be paid by the employee through cash-in-lieu and/or salary deduction. Decreases in PEMHCA rates will remain in cash-in-lieu.

If an employee joins GEM/LIUNA and chooses the LIUNA Medical Trust for his or her medical coverage and remits the dues withholding form or other required documentation to the City's payroll office, the City shall commence dues deductions for that employee as quickly as possible, subject to normal administrative deadlines and processes. Similarly, if an employee has a qualifying event and subsequently chooses the LIUNA Medical Trust for his or her medical coverage, the City shall commence dues deductions for that employee as quickly as possible, subject to normal administrative deadlines and processes.

SECTION 8 RETIREMENT

The City will continue to provide the 2% @ 55 Public Employee's Retirement System (PERS) Miscellaneous Members Retirement for each employee covered by this agreement. As of July 1, 2003, the City's contract with PERS for the 2% @ 55 plan contained the following plan amendments:

1. Highest twelve (12) consecutive months for purposes of determining final compensation (Section 20042).
2. Sick leave credit/conversion to service time (Section 20965).
3. 1959 Survivor Benefit Level 4(Section 21574).
4. Exclusion of hourly rated employees.
5. Military Service Credit (Section 21024).

The City shall pay for any increase in the employer rate and shall retain any savings from a decrease in the employer rate and/or contribution credits (rebates) from PERS.

The employee will pay his/her own member contribution to PERS, with the State and Federal income tax on the member contribution deferred to the extent allowed by Internal Revenue Code 26 USC Section 414 (h) (2). (Through December 31, 1997, the City paid the employee contribution to the PERS Retirement System on behalf of the employee. On January 1, 1998 and thereafter, the City ceased paying the employee's 7% employee contribution to PERS and instead provided a 7% salary adjustment as part of this change. Effective January 1, 1998, the employee commenced paying the

employee contribution to PERS.)

Effective as soon as the City moves to the 2.7% at 55 PERS retirement plan, as described below, the employee's contribution shall change to 8%. This new contribution percentage shall remain pretax as described in the above paragraph.

The following paragraph is no longer relevant, but is maintained in the agreement for historical purposes: *For the period of July 1, 2000 to June 30, 2001, so long as PERS designates the City as a Super Funded Agency, and during any subsequent period PERS designates the City of Monterey as a Super Funded Agency for purposes of defining the City's actuarial obligations to PERS, the Employee Contribution Rate to PERS will be reduced by 2.5%. PERS has indicated the City will be Super Funded at least through June 30, 2001.*

Effective as soon as practical, the City will provide the 2.7% at 55 PERS retirement plan for each employee covered by this agreement.

The employer's cost for the 1959 Survivor Benefit Level 4 (Section 21574) will be paid by the employees through payroll deduction.

SECTION 9 SECTION 125 PLAN

Employees may elect to participate in three Section 125 programs offered by the City. The available programs are Premium Conversion, Dependent Care, and Flexible Spending Account. Each of these programs will be administered in accordance with the IRS Code. Employees will pay any administration fee for this service through payroll deductions. The Flexible Spending Account carries a maximum participation of \$5,000 per employee, per calendar year.

For purposes of information, the following is a description of premium conversion, dependent coverage and flexible spending account.

- | | |
|-----------------------------|--|
| -Premium Conversion: | Permits payment of health insurance premiums subject to salary deduction with pre-tax income. |
| -Dependent Care: | Permits payment of eligible dependent care expenses (minor and/or adult) with pre-tax income. |
| -Flexible Spending Account: | Permits payment of eligible health care expenses not reimbursed by health insurance with pre-tax income. |

Effective November 1, 2003, the City shall allow the health premiums for those employees who participate in the LIUNA Medical Trust to be deducted on a pre-tax

basis, subject to the conditions set forth by the Public Employees Retirement System.

The above descriptions are not intended to supersede current Internal Revenue definitions or how these definitions may change from time to time. The descriptions are for informational purposes only.

The City will meet and confer regarding potential IRS enhancements to both types of flexible spending accounts, that specifically could allow a 2 1/2 month "grace period" for expenses to be incurred as soon as practical after the rules are published and understood. Should the City and GEM open the MOU to meet and confer over the potential for Section 125 enhancements as described above, the meet and confer sessions shall be limited to this Section 125 enhancement only.

SECTION 10 UNIFORM ALLOWANCE

All full-time non-sworn employees of the Police Department and employees of the Parking Division who are required to wear a standard uniform shall receive an allowance of \$60.00 per month. Employees in the classifications of Operations Supervisor and Facility Attendant shall receive a uniform allowance of \$10.00 per month.

In those divisions where uniforms are provided and laundered, eleven uniforms will be made available to each employee.

SECTION 11 SHOE REIMBURSEMENT

All full-time employees required to wear safety shoes as a condition of employment shall, at the employee's request, receive up to \$130.00 per calendar year in reimbursement for the purchase or repair of safety shoes (so long as after the repair the shoes continue to meet the California OSHA requirements for safety). Employees in the classification of Tree Trimmer shall receive up to \$180.00 per calendar year in reimbursement for the purchase or repair of safety shoes.

The City may authorize direct bill payment for shoes required at a vendor of the City's choice. The employee may continue with the current reimbursement method, or utilize the direct billing method. If the employee purchases shoes for an amount (including tax) greater than the annual limits described in this section, the employee shall pay the difference to the vendor at the time of purchase.

SECTION 12 TOOL ALLOWANCE

Full-time employees in the classifications of Mechanical Supervisor, Lead Mechanic, Automotive Mechanic and Automotive Attendant, who are required to provide their own tools, shall receive a tool allowance of \$40.00 per month per employee.

SECTION 13 STAND-BY AND ASSOCIATED CALL-OUT COMPENSATION

Employees shall be paid \$25.00 per week day, or portion thereof, and \$70.00 per weekend day or official holiday, or portion thereof, when assigned to stand-by in accordance with established departmental procedures.

Stand-by shall be defined as that circumstance which requires an employee who is not on duty and assigned by the department to:

- A. Be ready to respond immediately to a call for service; and
- B. Be readily available at all hours by telephone or other agreed upon communication equipment; and
- C. Refrain from activities which might impair their ability to perform their assigned duties when called upon.

Where an employee is on stand-by and called out to respond, the employee shall receive a minimum of two (2) hours compensation at time-and-one-half.

The City will compensate those employees on stand-by \$10 per incident, if not required to report to work, for incident notifications received between the hours of 11:00 p.m. and 6:00 a.m. Incident, for purposes of this section, shall be defined as those calls initiating service, and to exclude follow-up calls relating to the initial service call.

Those employees who are on standby and are called to respond to duty, shall contact the City designated answering service at the time the employee leaves the designated work site following completion of the called-out duty request. After 30 minutes have expired following the employee contacting the City designated answering service following completion of the called out duty request, if the employee receives a new call to respond to duty while on standby, that employee shall receive a new two-hour minimum compensation for such call.

SECTION 14 CALL BACK - ROLL DOWN LIST

Those employees who are assigned to a roll down call back list for emergencies shall receive a minimum of two (2) hours compensation at time-and-one-half when called back to respond to such an emergency. Employees assigned to such a roll down call back list shall not be subject to the stand-by provisions of Section 13. Roll down call back lists are composed of employees who may be called during an emergency and are called in sequence until a person whose name is on the list is contacted.

SECTION 15 COMPENSATORY TIME OFF

Employees who earn overtime may, at the option of the employee, elect to be paid cash or accrue compensatory time off except as stated below. Compensatory time-off may be accrued to a maximum of 40 hours. During the month of November each year, except as stated below, the compensatory time off balance as of October 31 for each

employee will be paid off at the employee's prevailing rate in October and the balance reduced to zero. Compensatory time off will be scheduled in the same manner as vacation time.

On October 31 of each year, employees may either receive pay for unused CTO or maintain unused CTO as CTO leave, in accordance with procedures to be developed by the Finance Director. If an employee does not make a selection, the entire CTO balance as of October 31 will be paid. Payments will be made the second payday in November. In no case may an employee maintain more than 40 hours of accrued CTO in their leave bank

SECTION 16 HOLIDAY TIME

The Holiday schedule for the term of this agreement will be:

- New Year's Day
- Martin Luther King, Jr. Birthday
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Admission Day
- Veterans' Day
- Thanksgiving Day
- The Day after Thanksgiving Day
- The working day immediately preceding Christmas Day
- Christmas Day
- The working day immediately following Christmas Day

SECTION 17 OVERTIME

Effective the first day of each FLSA period after January 1, 2008, for purposes of determining when overtime compensation is owed under both City Overtime Policy as defined in City Code Section 25-11.05 and the F.L.S.A., only hours actually worked shall be counted. Excluded from this provision is paid time off on City Holidays.

The intent of this section is to bring the City's overtime policy into alignment with what is mandated under F.L.S.A. It is not the intent of this section to alter the way in which overtime is assigned.

The City will monitor and respond to overtime complaints to ensure overtime is assigned and compensated in an appropriate manner. The Union will work cooperatively with the City to ensure the appropriate application of this policy.

SECTION 18 FLOATING HOLIDAY

The Union's holiday schedule shall include (1) floating holiday per fiscal year, per employee. The scheduling is at the discretion of the employee subject to approval by their department head.

The floating holiday may be rolled over to the next fiscal year. In no case shall an employee be allowed to accrue more than 40 hours of accrued floating holiday time, and there shall be no cash value for floating holidays.

SECTION 19 NIGHT SHIFT DIFFERENTIAL

An employee who is required and authorized to work a regularly scheduled shift at least part of which falls between six (6:00) p.m. and six (6:00) a.m. shall be paid a shift differential of \$1.00 per hour for each hour worked between six (6:00) p.m. and six (6:00) a.m. This differential shall not apply to hours worked between six (6:00) p.m. and six (6:00) a.m. which result from a call-back, stand-by or overtime. For payroll reporting purposes, night shift differential will be paid in that pay period where the sum of previously worked qualified time equals at least one (1) hour.

SECTION 20 CONTINUING EDUCATION INCENTIVE PLANS

20.1 Education Incentive Plan (EIP)

All current employees hired prior to July 1, 1990, will continue to be eligible to participate in the Education Incentive Plan (EIP) as outlined in Monterey City Code Section 25 – 11.07. Employees hired by the City on or after July 1, 1990, will not be eligible to participate in the Education Incentive Plan as outlined in Monterey City Code Section 25 – 11.07. The terms of EIP are outlined below consistent with Monterey City Code Section 25 – 11.07.

A. Coverage

This Section shall apply to all full-time positions in the Classified Service except:

1. Those classes of employment requiring a post-secondary degree as an entrance requirement for employment; and
2. Employees hired by the City after July 1, 1990.

B. Compensation

Covered employees who comply with the eligibility provisions of this Section shall, upon application, receive compensation equal to:

1. 2.5% of their base monthly salary upon satisfactory completion of

thirty (30) units of college level, job-related courses.

2. 5% of their base monthly salary upon satisfactory completion of sixty (60) units of such job-related course work; or by presentation of certification indicating attainment of an Associate of Arts, Bachelor of Arts, Bachelor of Science or higher degree.
- C. The total maximum salary increment attainable under the Plan shall be 5%.
 - D. College-level units earned prior to employment with the City or during the first year of City employment shall be counted toward the attainment of the above unit requirements provided the other requirements of this Rule are satisfied. However, any education required as a condition of employment shall be excluded.
 - E. Proof of completion of course work requirements shall be submitted to the department head indicating the specific courses and credits completed, together with transcripts or other documentation as may be required by the Human Resources Director. This information shall be submitted on forms provided by the Human Resources Director. The Human Resources Director shall approve or disapprove eligibility for additional compensation and transmit the necessary documentation and recommendations to the Finance Department. Following appropriate processing by the Finance Department, the documentation and recommendations provided by the Department shall be submitted to the Human Resources Director. The Human Resources Director shall be responsible for insuring full compliance with the provisions of this Section and for processing the transaction in the manner provided below.
 - F. Additional compensation due under this Section shall commence the first pay period following submission and approval of the above documentation, provided said documentation is received and approved by the Human Resources Department on or before the close of the payroll period.
 - G. Additional compensation shall cease as of the effective date of appointment to a position not covered by the Plan.
 - H. Qualifying Course Work
 1. All course work undertaken in connection with the Plan must have the prior approval of the department head. In addition, all courses must be taken during the employee's off-duty hours for which the employee is not receiving any form of compensation from the City.

2. Qualifying course work must be both job related and at a college level in accordance with the definitions provided below. Plan credits shall not be given for work experience, even though an academic institution may have given credit for such experience, until such time as a qualifying degree is granted by such institution. However, the Human Resources Director may grant approval, for covered general employees, for a course of instruction which does not lead to the accumulation of college units, but which clearly will increase the employee's job-related skills and knowledge. The equivalency of such instructional hours to a college unit shall be in the range of 36 to 54 hours equaling one college unit. Such equivalency values shall be established by the Human Resources Director in consultation with the department head prior to the commencement of the course work, and the employee shall be so advised.

I. Definitions

1. "Base Pay" shall mean the monthly salary as set forth for the range and step of the eligible person in the salary schedule and shall specifically exclude any form of premium pay, other direct compensation and supplemental benefit.
2. "Satisfactory Completion" shall mean a grade of "C" or better in each course. Not more than one third of the total number of units considered for Educational Incentive pay may be on a "credit only" or "pass/fail" basis (limit of 10 out of 30 units; 20 out of 60 units). Units earned with a "Credit Minus" or "Fail" (D or F) grade will not be eligible under the Educational Incentive Plan. Repeated courses will not be counted except when the course is repeated to earn a satisfactory grade not earned when the course was initially taken.
3. "College Level" shall mean any post-high school educational institution accredited by the California State Department of Education, the Western Association of Schools and Colleges, or equivalent organizations in other states or countries, or which has the prior approval of the Human Resources Director.
4. "Job Related" shall mean any college-level course related to technical or specialized aspects of the employee's position, as well as courses meeting general educational degree requirements which are reasonably job-related. Course work may also be included if it can be reasonably demonstrated that it will prepare the employee for promotional consideration for an existing City classification. The Human Resources Director shall determine the eligibility of all courses. In the case of doubt prior to taking a course, the employee shall request the written determination of the department head in

advance of enrollment in the course.

5. "Unit" shall mean a unit as established by the educational institution.

20.2 Continuing Education Incentive Plan (CEIP)

Effective January 1, 2001, all employees who have completed their initial probationary period may participate in the City's Continuing Education Incentive Plan (CEIP) as outlined below and further described in the City's Administrative CEIP Policy (Attachment A).

1. To qualify for consideration under CEIP, an employee must have a Baccalaureate or Master's Degree from an accredited college or university.
2. For a Baccalaureate, an employee would receive 5% premium pay on base salary and 7.5% premium pay on base salary for a Master's Degree. An employee cannot receive both of these premium pays.
3. Employees currently in the "Grandfathered" EIP would be afforded a one-time opportunity to select whether or not to move into the CEIP program or retain their grandfathered status under the grandfathered EIP program. However, no employee may participate in both programs.
4. Employees participating in the new program would be required to meet a continuing job related education requirement. To meet the continuing education requirement, an employee shall provide proof of course work from an accredited college or university of 3 semester units, 4.5 quarter units, or the equivalent every three years.
5. For classifications that require the equivalent of a Baccalaureate degree or higher, the employee will not be eligible to participate in this program. Further, employees who accept a position which requires the equivalent of a Baccalaureate degree or better, shall cease to be eligible to participate in this program.
6. The City shall consider CEIP as part of base pay.

SECTION 21 TUITION REIMBURSEMENT

The Tuition Reimbursement allowance shall be up to \$1,000.00 per year per employee. The program shall include reimbursement for seminars and accredited courses that are job related and course textbooks.

SECTION 22 MINIMUM LEAVE EVENTS

The minimum leave that can be taken by an employee for all leave events shall be fifteen minutes, except for voluntary unpaid leave (Section 24).

SECTION 23 VACATION SCHEDULE

The vacation accrual for regular full-time employees shall be as follows:

- A. All employees who have been employed continuously for less than five (5) years shall receive eighty (80) hours vacation accrual per year whether assigned to a forty (40) hour work week or other duty schedule.
- B. All employees who have been employed continuously for more than five (5) years but less than ten (10) years shall receive one hundred and twenty (120) hours vacation accrual per year whether assigned to a forty (40) hour work week or other duty schedule.
- C. All employees who have been employed continuously for more than ten (10) years but less than fifteen (15) years shall receive one hundred and thirty six (136) hours vacation accrual per year whether assigned to a forty (40) hour work week or other duty schedule.
- D. All employees who have been employed continuously for more than fifteen (15) years shall receive one hundred and sixty hours (160) vacation accrual per year whether assigned to a forty (40) hour work week or other duty schedule.
- E. Effective January 1, 2006, All employees who have been employed continuously for more than twenty (20) years shall receive one hundred eighty four (184) hours vacation accrual per year whether assigned to a forty (40) hour work week or other duty schedule.

Vacation use shall be subject to the current City Rules and Regulations in effect at the time of application.

SECTION 24 VOLUNTARY UNPAID LEAVE

With advance department head approval, an employee, other than a Police Services Technician, may take up to 20 hours of voluntary unpaid leave annually in one (1) hour minimum increments subject to the following findings by the department head:

- A. It will create no overtime due to the absence of the employee, and
- B. It will create no adverse operational impact on the department or division.

SECTION 25 SICK LEAVE

All full-time personnel shall be provided paid sick leave as set forth below.

25.1 Sick Leave Accrual

1. Full-time employees shall accrue sick leave credits at the rate of eight (8) hours per month or major portion thereof.
2. Employees shall accrue sick leave and be permitted to use such accrued leave upon employment for the permitted uses in Monterey City Code Section 12.02.c.
3. All full-time personnel may accrue sick leave without limitation.

25.2 Sick Leave Usage

1. Accrued sick leave may be used, at any time, for any bona fide illness of, or injury to an employee, and, under certain circumstances, for critical illness or death as provided in paragraph 25.4, and for family sick leave as provided in paragraph 25.3. Such leaves may also be used for medical and dental appointments in accordance with paragraph 25.5. Sick leave must be used in accordance with the provisions of the salary continuation plan when applicable.
2. When utilizing the sick leave benefit, the employee shall notify the immediate supervisor, in accordance with departmental regulations and Monterey City Code Section 11.01(b).
3. Where the period of absence due to illness or injury is not known at the outset, it shall be the responsibility of the employee to remain in contact with the immediate supervisor, on a daily basis if deemed necessary by the supervisor.
4. Usage of sick leave shall be charged to the employee's balance on an hour-for-hour basis in one-fourth (1/4) hour increments or in accordance with current law

25.3 Family Sick Leave

1. Up to 48 hours of accrued sick leave hours may be used each calendar year to care for and attend to a spouse, principal domestic partner, child, stepchild, parent, parent-in-law, or a close relation residing in the employee's household.

25.4 Family Member Critical Illness/Death

1. All employees may be authorized to use up to 40 hours (increased from 32 hours) of accrued sick leave per calendar year to visit or care for a critically ill family member; and to use up to 40 hours of such leave per calendar year for the death of a family member or close relation. The maximum combined allowable use of sick leave for the above purposes shall not exceed eighty (80) hours in any calendar year for a single family member.

These types of sick leave use are separate and distinct from Family Sick Leave described in Section 25.3.

2. At the department head's discretion, the employee may be required to provide evidence that the leave was used for the purposes intended by this section.
3. For purposes of determining the use of sick leave for critical illness and death of a family member, the following definition shall be used: The employee's spouse, principal domestic partner, child, parent, brother, sister, grandparents, parents-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-parents, step-siblings, step-children, step-grandparents or grandparents-in-law.

25.5 Medical/Dental Appointments

1. Accrued sick leave may, with department head approval, be used for medical and dental appointments of the employee where it is infeasible to schedule them on the employee's own time.

25.6 Sick Leave Abuse

1. Sick leave abuse shall mean: "Any use of sick leave, for purposes other than those identified in this section." Sick leave abuse may subject the employee to disciplinary actions.
2. When the department head has reason to suspect that an employee has abused sick leave benefits, the department head may require that employee to file a personal affidavit or physician's affidavit stating the cause of the absence. The department head, at their discretion, may establish methods of verification as deemed appropriate. These means may include, but are not limited to, examination by a physician selected by and paid for by the City. If an employee is required to be examined by a physician selected by the City, the employee will be paid for the time, if off duty, and will be given reimbursement for

mileage to attend the examination.

3. The payment of sick leave may be suspended or curtailed by the City Manager where there is evidence that absences taken on a given day or days are the result of a concerted action on the part of two or more employees which is related to a labor dispute with the City directly, or one in which the City is involved as a third party. Sick leave may be restored when proof is provided that the sick leave was taken as provided in these Rules.

25.7 Sick Leave Used as Personal Leave

1. Up to twenty-four (24) hours of accrued sick leave may be taken as Personal Leave during the calendar year so long as the employee has a minimum of 160 hours of accrued sick leave on the books at the time the Personal Leave is taken. Approval for the use of Personal Leave shall otherwise be subject to the same use rules as vacation.

25.8 Exhaustion of Sick Leave

1. An employee anticipating exhaustion of sick leave may request advance approval from their department head for the use of discretionary leaves (i.e., vacation, holiday and compensatory time off) in the event of illness or injury, with the department head having discretion to either deny or approve the request.

SECTION 26 MATERNITY LEAVE

The following Pregnancy Leave Policy is reproduced herein for informational purposes only. It is the intent of the City to maintain a maternity leave policy that is consistent with State law.

- A. Based upon medical evidence of disability, a pregnant employee shall be entitled to a reasonable period of disability leave of up to four (4) months duration. This leave shall be paid, subject to the exhaustion of sick leave and salary continuation benefits. The actual duration and scheduling of the disability leave shall be based upon the doctor's certification of disability. (Note: The period of four (4) months is a statutory maximum and the doctor's certification may be for a period of shorter duration.) The City shall have the right to have an employee examined by a physician of the City's choice to substantiate the claim of disability and/or fitness to return to work.
- B. Once the disability period has lapsed, the employee must return to work or face termination, unless additional statutory leave is available or additional

leave is approved by both the department head and the City Manager. This additional leave, if approved by the department head and the City Manager, is totally discretionary and the granting of such an extension to one person does not give any right to others for such an additional period of leave. Such leave may be paid or unpaid, depending on the availability of other leave banks made available to the employee, such as vacation time, accumulated holiday time, or compensatory time off which has accrued.

- C. The employee shall, insofar as possible, notify the City in advance of when the pregnancy disability leave will be taken, the dates of the leave period, and present a statement of disability from the physician to the City verifying the above period of disability.

SECTION 27 SHORT TERM / LONG TERM DISABILITY PLAN (STD/LTD)

The City shall provide a Short Term/Long Term Disability Plan (STD/LTD). During the term of this agreement, the City will pay any increase in costs and will retain any savings resulting from a decrease in cost for this plan.

- 1. Maintenance of Benefits: The City will provide the employee HPSF, dental, vision, life, Employee Assistance Plan (EAP) and participation in the medical plan for up to a maximum of two (2) years per incident, subject to the following:
 - (i) The person is an active employee; and
 - (ii) The employee has at least one full day in a pay status during the month (either City pay or Disability payment).
- 2. Leave Accrual:
 - (i) If, due to an industrial injury or illness, an employee is in a pay status (either City pay or Disability payment) for the majority of the month, leave accruals (sick leave, vacation, and holidays) shall continue for the first six months of the disability.
 - (ii) If, due to a non-industrial injury or illness, an employee receives disability payments for what constitutes the majority of the month, the employee shall not accrue leave (sick leave, vacation, and holiday).

SECTION 28 PROBATION PERIOD DURATION

All original appointees to positions in any classification shall serve a continuous probationary period of twelve (12) months. All promotional appointees shall serve a probationary period of six (6) months. Probation shall not apply to employees who are reclassified, re-employed or reinstated.

SECTION 29 RECLASSIFICATION

The City's administrative procedure relating to the annual "Reclassification and Salary Adjustment Process" shall allow the Union to submit up to five requests for reclassification to the Human Resources Department. Such requests must be justified under the same, and applicable, documentation rules followed by departments in submitting reclassification requests at the time the study is conducted. The Human Resources Department will consult with the appropriate department head(s) and, if either concur that there is sufficient cause to study the possibility of reclassification, the reclassification proposal shall be included in the study process for evaluation and a final recommendation to the City Manager and City Council.

SECTION 30 EMPLOYEE ASSISTANCE PROGRAM

The City shall provide an Employee Assistance Program with substantially the same benefits which existed at the time of agreement.

SECTION 31 DRUG AND ALCOHOL TESTING

A. Department of Transportation (DOT) Class B Licensing Requirements and Random Drug and Alcohol Testing

The parties acknowledge that, consistent with the United States Department of Transportation Regulations, all employees required to obtain and maintain a California Department of Motor Vehicles Class B license must participate in a random drug and alcohol testing program.

The following conditions shall apply to employees in the classifications of Forestry Leadworker, Tree Trimmer, Tree Maintenance Worker, Street Maintenance Leadworker, Senior Street Maintenance Worker, and any employee subsequent to the promulgation of this policy required to operate a vehicle of the City of Monterey exceeding 26,000 lbs. gross weight and/or requiring a State of California Department of Motor Vehicle Class B License:

1. The City will provide formal training on duty time concerning the operation of vehicles of at least 26,001 lbs. This will include "walk around" training.
2. City Reimbursements:
 - a. The City will pay the difference in fees between a Class B and a Class C license as issued by the California Department of Motor Vehicles. In

addition, the City will pay for the DMV test fee to obtain and renew a Class B license.

- b. The City will pay for the necessary medical examination associated with the employee obtaining and renewing a Class B license.
3. Employee Responsibilities:
- a. The employee must obtain and maintain a Class B license from the Department of Motor Vehicles of the State of California.
 - b. The employee must obtain airbrake or other applicable certification associated with a Class B license from the Department of Motor Vehicles.
 - c. The employee will submit to the Department of Transportation drug testing, as outlined in the City of Monterey Drug and Alcohol Policy pursuant to the Department of Transportation Regulations (Attachment B).
 - d. All employee study time, required to obtain and maintain a Class B license, shall be off duty.
4. All employees in a designated classification or position with the City of Monterey shall be required to obtain a Class B license. Failing to obtain a Class B license when required as a condition of employment may result in the separation of the employee for failing to meet a basic employment requirement. For employees of the City in one of the classifications listed below as of August 6, 1997, failing to obtain a Class B license for medical and/or testing reasons will not be cause for separation from City employment so long as the employee has demonstrated in the view of the City a good faith effort to meet the requirements of obtaining a Class B license. At the time this agreement was promulgated, the City classifications that have, as a condition of employment the obtaining and maintenance of a Class B license, are:
- a. Forestry Leadworker
 - b. Tree Trimmer
 - c. Tree Maintenance Worker
 - d. Street Maintenance Worker
 - e. Senior Street Maintenance Worker
5. Any employee hired into the Lead Mechanic or Automotive Mechanic classifications on or after March 8, 2004 shall also be required to obtain and maintain a California Department of Motor Vehicles Class B license, and must participate in a random drug and alcohol testing program as described in this section. Those employees hired into the Lead Mechanic or Automotive Mechanic classifications prior to March 8, 2004 are not required to obtain or maintain a Class B license, and are not subject to the provisions of this section.

6. Upon obtaining a Class B license an employee required to operate a vehicle in excess of 26,000 lbs. and requiring a Class B license operator, shall be paid a premium of \$.60 per hour for the period that an employee is assigned to operate a vehicle requiring the specialized Class B license. Employees not required to perform such duties shall not be eligible to receive the \$.60 per hour pay premium.
7. The City, as a means of encouraging employee development for promotional opportunities, will pay on behalf of employees voluntarily obtaining a Class B license the difference in the fee between a Class C and a Class B license. Additionally the City will pay for the necessary medical examination associated with the employee obtaining and renewing a Class B license. This benefit is limited to the employees in the classifications of Street Maintenance Worker, Lead Mechanic, Automotive Mechanic, Automotive Attendant, Mechanical Supervisor, Street Maintenance Worker, Green Belt Coordinator, Street Maintenance Supervisor, Sign Crafts Worker, Crafts Worker Supervisor.

B. Substance Abuse Policy—General Employees of Monterey (GEM)

Effective January 1, 2004, the following classifications shall be subject to random drug and/or alcohol testing, as described in Attachment C:

Community Center Director
Sports Supervisor
Sports Coordinator

SECTION 32 WELLNESS PROGRAM

The Union and the City agree that employee health and fitness are important factors in maintaining an optimal work environment. In addition to the existing Employee Assistance Program, employees who participate in a physical fitness program shall receive up to \$100 per calendar year reimbursement for the cost of a medical physical examination or fitness consultation.

Upon completion of the required physical exam, or fitness consultation, employees shall receive annual, renewable and nontransferable employee-only passes to the Monterey Sports Center in order to implement their personal fitness programs. These passes shall be subject to renewal by the City in accordance with a medical examination or fitness consultation schedule based on the employee's age and may be discontinued on an individual basis for failure to comply with the program procedures or upon separation from City employment. The details of the program shall be as outlined in "Fitness Program" dated July 22, 1993. (See Attachment D)

Employees may apply the dollar value of the employee-only pass to the Monterey

Sports Center towards the purchase of a family pass to this facility. The employee shall be responsible for the cost differential between the credit value of the employee-only pass and the family pass. Every twelve (12) months from the date of the purchase of the family pass, the employee shall be afforded the opportunity to make an election to continue crediting the value of the employee-only pass toward the family pass which shall be irrevocable for the next twelve (12) months.

Employees electing to receive a family pass under this program shall have a payroll deduction for the cost of maintaining the family pass active from month to month based on the difference between the cost of the family pass and the employee-only pass. Upon separation from the City, the family pass shall be cancelled unless the separated employee elects to maintain the pass under the same conditions available to the general public.

SECTION 33 BARGAINING UNIT STATUS FOR POSITION CLASSIFICATION(S) - NOTICE PROCEDURE

33.1 Changing Existing Classification Bargaining Unit Status

When a position classification(s) is to be changed from one bargaining unit to another by City action, the following procedure shall apply:

- A. The Chair(s), Vice Chair(s), and LIUNA representative of the affected Union(s) shall receive written notice of the proposed change at least ten (10) working days prior to being on the Council agenda. Delivery of said notice shall be made with the U.S. Post Office via certified mail using the employee's home address, with an additional copy of said writing being placed in the respective union mailbox in the City Clerk's office.

- B. The notification to the Union Chair(s), Vice Chair(s) and LIUNA representative shall include:
 - * The position classification title;

 - * Any changes to the position classification description resulting from the proposed change in bargaining unit status;

 - * The number of positions and incumbent employees affected, and

 - * The time frame within the Union Chair(s) is to respond to the proposed change. The time frame will be at least ten (10) working days from receipt, unless otherwise noted. The Union Chair(s) will, upon request, have an additional ten (10) working days to review and comment upon any proposed

change.

- C. The Union Chair(s) may comment as appropriate on the change within the comment period. If the Union Chair(s) does not comment within the comment period, the City shall assume that the Union(s) acquiesces to the proposed changes.

33.2 Creating a New Classification and Assigning to a Bargaining Unit

When a position classification(s) is to be created by City action and assigned to a bargaining unit, the following procedures shall apply:

- A. The Chair(s), Vice Chair(s), and LIUNA representative of the affected Union(s) shall receive written notice of the proposed addition at least ten (10) working days, prior to being on the Council agenda. Delivery of said writing shall be made with the U.S. Post Office via certified mail using the employee's home address, with an additional copy of said writing being placed in the respective union mailbox in the City Clerk's office.
- B. The notification to the Union Chair(s), Vice Chair(s), and LIUNA representative shall include:
 - * The position classification title;
 - * The position classification description, upon completion;
 - * The number of positions, and
 - * The time frame within the Union Chair(s) is to respond to the proposed change. The time frame will be at least ten (10) working days from receipt of notice, unless otherwise noted. The Union Chair(s) will, upon request, have an additional ten (10) working days to review and comment upon any new classification.
- C. The Union Chair(s) may comment as appropriate on the proposed change within the comment period. If the Union Chair(s) does not comment within the comment period, the City shall assume that the Union(s) acquiesces to the new classification.

33.3 Changing Existing Job Description or Reclassification of Employees

When an existing job description is to be changed or modified or an employee is reclassified by City action, the following procedures shall apply:

- A. The Chair(s), Vice Chair(s), and LIUNA representative of the affected Union(s) shall receive written notice of the proposed changes at least ten (10) working days, prior to being on the Council agenda or ten (10) working days from receipt prior to implementing the modification if action is not required by the Council. Delivery of said writing shall be made with the U.S. Post Office via certified mail using the employee's home address, with an additional copy of said writing being placed in the respective union mailbox in the City Clerk's office.

- B. The notification to the Union Chair(s), Vice Chair(s), and LIUNA representative shall include:
 - * The position classification title;

 - * The changes to the job description and/or job responsibilities;

 - * The number of positions and incumbent employees affected, and

 - * The time frame within the Union Chair(s) is to respond to the proposed change. The time frame will be at least ten (10) working days from receipt, unless otherwise noted. The Union Chair(s) will, upon request, have an additional ten (10) working days to review and comment upon any proposed change.

- C. The Union Chair(s) may comment as appropriate on the proposed change within the comment period. If the Union Chair(s) does not comment within the comment period, the City shall assume that the Union(s) acquiesces to the proposed changes.

33.4 In the event that the bargaining unit does not concur with the new classification and/or changes to an existing classification then this matter shall be addressed in a City/Union meeting where applicable or a Meet and Confer Meeting where applicable for the sole purpose of addressing these concerns. The Meet and Confer process shall be used to resolve any outstanding concerns that fall under the ground rules of Meet and Confer.

The City, after considering the comments of the affected Union(s) regarding non Meet and Confer issues only, may either proceed with the proposed modification, modify the proposed change, or make no change in the status quo. The decision of the City shall be final.

SECTION 34 PERIODIC MEETINGS

The City agrees to meet on a periodic basis at Union's request to discuss items of common concern. Such meetings shall not include any meet and confer items or in any way open this Memorandum of Understanding.

SECTION 35 BENEFITS COMMITTEE

The Employee Benefits Committee is an educational committee which meets for the purposes of communicating information and facilitating the ability of employee unions to brief their membership regarding the City's benefit plans. Two Union representatives shall be appointed to serve on the Employee Benefits Committee.

Meetings of the Employer Benefits Committee will be held upon the joint concurrence of the City and the Union.

SECTION 36 PERSONNEL RULES AND REGULATIONS

Personnel Rules and Regulations in effect at the time of ratification of this agreement shall prevail unless superseded specifically by this Memorandum of Understanding or by mutual agreement between the City and the Union. This section does not subject those Personnel Rules and Regulations which would otherwise be excluded from the meet and confer process to any need to meet and confer.

SECTION 37 FLEXIBLE SCHEDULING

The City and the Union recognize that the concept of flexible schedules in certain circumstances may benefit and enhance the delivery of City services and operations while affording employees alternative work schedules. Based on this recognition, the City and the Union agree that authority for approving flexible schedules shall be included in the Personnel Rules and Regulations. The elements of this authority will include the following:

- A. Where operationally feasible, a department head may authorize flexible schedules on an individual or group basis.
- B. When a flexible schedule is approved, the City retains the right to return to the former schedule on a temporary or permanent basis.
- C. Employees may, individually or as a group, make a request for a flexible schedule to their department head. Such a request should address such items as staffing levels, impacts on services and operational needs. The determination of the department head shall be final provided that a denial of the request shall be accompanied by a written statement setting forth the specific reason(s) for the denial.

The Union and the City agree that this description is a basic outline of the flexible schedule authority.

SECTION 38 MEDICARE OPTION

This section is no longer relevant, but is maintained in the Agreement for historical purposes.

Subject to the provisions of governing law, current employees hired by the City prior to April 1, 1986 will be given the option to be subject to Medicare payroll deductions effective July 1, 2001, or as soon as practical thereafter. Enrollment in Medicare will be at the employee's option with the employee assuming the cost of the required employee contribution/tax and the City assuming the cost of the employer's contribution/tax.

SECTION 39 DEFERRED COMPENSATION

The City will match up to \$15.00 per pay period (\$30.00 per month) of an employee's contribution to a City authorized Deferred Compensation Plan authorized under Internal Revenue Code Section 457. The employee's contribution does not need to be an increase from any existing contribution to count towards the amount the City will match.

The combined contribution between the City's and the employee's contribution to the City's Deferred Compensating Plan (s) cannot exceed the maximum permitted by law.

Effective with the pay period following Council ratification of this MOU, the City will match up to \$20 per pay period (\$40 per month) of an employee's contribution to a City Authorized Deferred Compensation Plan.

Effective with the pay period beginning January 1, 2007 (to be paid on January 25, 2007), the City will match up to \$25 per pay period (\$50 per month) of an employee's contribution to a City Authorized Deferred Compensation Plan.

SECTION 40 RETIREMENT HEALTH SAVINGS PLAN

The City will provide a "Retirement Health Savings Plan," which is an employer-sponsored health benefit savings program that allows employees to contribute and accumulate assets to pay for medical premiums and allowable health expenses at retirement (or upon meeting eligibility criteria) on a tax-free basis. The Retirement Health Savings Plan has the following elements:

Eligibility:	Employee must retire or separate from City service <u>and</u> have reached a minimum of age 50. Under certain circumstances the age requirement may be waived if the employee qualifies as disabled from work under the PERS retirement plan, the City's Short-Term/Long-Term Disability Income Protection Plan or under Workers' Compensation.
--------------	---

- Contributions:
1. An employee may make a one-time irrevocable election to have an on-going pre-tax salary deduction of 1 – 20% (whole percentages) of the employee's base rate of pay and,
 2. An employee may also elect on an annual basis, in a year pre-eding retirement or separation, to make an irrevocable pre-tax deduction up to 100% (whole percentages) of his/her accrued vacation, holiday and CTO separation payoffs.

Contributions into the Retirement Health Savings Plan are voluntary, and are made only by the employee; there are no employer contributions. The employee will pay all administrative fees. The employee will be allowed to make his/her irrevocable election within 30 days of hire as a full-time employee, and/or during the City's annual open enrollment period.

If a participating employee dies without designating a beneficiary, the distribution of any assets contained in the employee's account shall be distributed equally among City-wide participants in the plan.

The above descriptions are not intended to supersede current Internal Revenue Service regulations or how these regulations may change from time to time. These Internal Revenue Service regulations may affect the City's ability to provide this program. The descriptions are for informational purposes only.

SECTION 41 ONE TIME PAYMENT

The City will provide a one-time payment of \$1000.00 (before taxes) to be paid on December 10, 2007 to each GEM-represented employee who was employed with the City on November 6, 2007. This one-time payment shall be applied to the employees' specific FLSA workweek that includes December 10, 2007.

SECTION 42 WORKING OUT OF CLASS

In lieu of the provisions of Section 25 – 5.11 a.2 of the Monterey City Code, effective with the adoption of this agreement, the following will apply:

Work at a higher level, when assigned, must be performed on a continuous basis for a period in excess of three (3) consecutive work weeks in order to be eligible for additional compensation, which will be applied to the excess period of time.

SECTION 43 GROUP LEGAL SERVICES

Effective as soon as practical after the effective date of this agreement and subject to provider limitations, the City will implement a Group Legal Services Plan for employees

represented by GEM through an employee-paid premium. Participation in the program shall be voluntary and consistent with the provider's requirements that the potential pool of participants must include a minimum of 200 employees.

SECTION 44 ALTERNATE STAFFING

The City will provide an Alternate Staffing Program, as described in Attachment E of this MOU, for the City's professional engineering classes. This program is limited to the classifications in the Public Works Department. Eligible classifications under this section are Associate Civil Engineer, Assistant Civil Engineer, Junior Civil Engineer, Field Engineer, Associate Engineering Surveyor, and Assistant Engineering Surveyor. In the event of the creation of future professional engineer classifications or successor classifications, these new positions will be evaluated for inclusion in alternate staffing by the meet and confer process.

SECTION 45 CITY CEMETERY SERVICES

The survivors of an active employee who passes away (either while active or within 30 days of separation from the City) shall have access to the resident rates at Cemeterio El Encinal for cemetery services for the purpose of interring the employee, provided that the employee has had at least 10 years of continuous service with the City in either a full-time or combined full-time/regular part-time capacity.

SECTION 46 ANIMAL CONTROL OFFICER SCHEDULE

The Animal Control Officer classification's workday shall be 8 hours and 30 minutes and include a 30-minute unpaid meal break, not subject to calls or other work interruptions.

The incumbent shall not work through his/her 30-minute meal break without prior approval from a supervisor.

If a supervisor requires the employee to work through his/her meal break or if an employee is summoned back to work by a supervisor during his/her meal break, such time will be considered time worked.

The current Animal Control Officer, as of July 1, 2005, shall not be assigned to the new scheduling described above; however, future employees hired into the Animal Control Officer classification shall be assigned to the scheduling described above.

SECTION 47 PROVISIONS OF LAW

This agreement is subject to all current and future applicable Federal and State laws and regulations. If any part or provision of this agreement is in conflict or inconsistent with such applicable laws or regulations, or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such part or provision shall be suspended and superseded by such applicable law or regulation and the remainder of this agree-

ment shall not be affected thereby.

SECTION 48 FULL UNDERSTANDING, MODIFICATION AND WAIVER

This agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters contained herein are hereby superseded or terminated in their entirety. No other understandings or agreements are encompassed in this agreement. Existing benefits, rights and privileges, within the scope of representation, not changed herein shall remain in full force. It is not the intent of this section to bar, during the term of this agreement, meeting and conferring between the City and the Union on new issues that arise within the scope of representation. Nor is it the intent of this section to abridge any rights outlined in City Code Sections 25-16.03 through 25-16.05. (Attachment F).

Except as specifically provided herein, it is agreed and understood that each party hereto voluntarily without qualification waives its right, and agrees that the other shall not be required to negotiate with respect to any subject or matter covered herein.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed by both parties.

Nothing herein shall limit the authority of the City to make necessary and reasonable changes during emergencies. Emergency shall mean the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within the City caused by such conditions as air pollution, fire, flood, storm, epidemic, riot, earthquake, or other conditions, including conditions resulting from war or imminent threat of war. However, the City shall notify the Union of such changes as soon as practicable. Such emergency assignments shall not extend beyond the period of the emergency.

The waiver of any breach, term or condition of this Memorandum of Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

The parties hereto have caused their duly authorized representatives to execute this Memorandum of Understanding the day, month and year noted below.

City of Monterey

General Employees of Monterey

Date: _____

Date: _____

Fred Meurer, City Manager

Tim McCormick, LIUNA Representative
Lead Spokesperson

Ralph Bailey, Human Resources Director
Co-Spokesperson

Todd Bennett, Associate Planner
Negotiation Team Member
GEM/LIUNA Chair

Mike McCarthy, Asst. H.R. Director
Co-Spokesperson

Phyllis Kimber, Auto Systems Coordinator
Negotiation Team Member
GEM/LIUNA Vice-Chair

Debbie Jones, H.R. Analyst
Negotiation Team Member

Harry Christensen, Facility Attendant
Negotiation Team Member

Louie Marcuzzo, Sr. Park Maint.Worker
Negotiation Team Member

John Wilkes, Park Maintenance Worker
Negotiation Team Member

Approved as to Form:

Deborah Mall, City Attorney

MEMORANDUM OF UNDERSTANDING

between the

CITY OF MONTEREY

and the

**GENERAL EMPLOYEES OF MONTEREY (GEM) /
LABORERS INTERNATIONAL UNION OF NORTH AMERICA (LIUNA) /
UNITED PUBLIC EMPLOYEES, LOCAL 270, AFL-CIO**

July 1, 2005 through June 30, 2011