MEMORANDUM OF UNDERSTANDING

Between

CITY OF SAN CARLOS

and

LOCAL 829, AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO

This Memorandum of Understanding is entered into pursuant to the provisions of Section 3500, et. seq. of the Government Code of the State of California.

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the employees in said representation unit, and have freely exchanged information, opinions and proposals and have endeavored to reach agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding shall be presented to the San Carlos City Council as the joint recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing November 1, 2001 and ending October 31, 2003.

Section 1. Recognition

1.1 Union Recognition
Local 829, American Federation of State, County and Municipal Employees, AFL-CIO hereinafter referred to as the "Union," is the recognized employee organization for the Clerical and Technical Employees representation unit, comprised of those classifications listed in Section 8, certified pursuant to Resolution No. 77-78 adopted by the City Council on July 27, 1977.

1.2 City Recognition
The City Manager, or any management representative duly authorized by the City Manager, is the representative of the City of San Carlos, hereinafter referred to as the "City" in employer-employee relations as provided in Resolution No. 77-78 adopted by the City Council on July 27, 1977.

Section 2. Union Security
The Union agrees that it has the duty to provide fair and non-discriminatory representation to all employees in all classes in the units for which this section is applicable regardless of whether they are members of the Union.

2.1 Agency Shop
All employees employed in a classification assigned to the AFSCME Clerical and Technical Unit shall, as a condition of employment either:

1. Become and remain a member of the Union.
2. Pay to the Union an agency fee in an amount which does not exceed an amount which may be lawfully collected under applicable constitutional statutory, and case law (e.g. Hudson v. Chicago Teachers Union, Local 1, AFL-CIO), which shall be less than the monthly dues paid during the duration of this Memorandum of
Understanding, it being understood that it shall be the sole responsibility of the Union to determine an agency fee which meets the above criteria; or

3. Do both of the following:
   a. Present to the Union and the City Human Resources Director a written declaration that the employee is a member of a bonafide religion, body, or sect which has historically held a conscientious objection to joining or financially supporting any public employee organization as a condition of employment; and
   b. Pay a sum equal to the agency fee described above to one of three negotiated non-religious, non-labor charitable funds that are exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code.

2.2 Compliance
If any currently employed employee fails to authorize one of the above deductions within thirty (30) calendar days of hire into a classification covered by this MOU, the City shall involuntarily deduct the agency fee from the employee’s paycheck. The City shall determine the timing of such automatic deductions.

2.3 Maintenance of Membership
All employees who are members of AFSCME and who are tendering periodic dues through dues deductions from their paycheck and all employees who become members of AFSCME and who tender periodic dues through dues deductions of their paycheck shall continue to pay dues for the duration of this Memorandum of Understanding and each subsequent Memorandum of Understanding thereafter. For a period of one hundred and ten to ninety (110-90) days prior to the expiration of the Memorandum of Understanding and one hundred and ten to ninety (110-90) days prior to the expiration of any subsequent Memorandum of Understanding, any employee who is a member of AFSCME shall have the right to withdraw from the Union by discontinuing dues deduction. Said withdrawal shall be communicated by the employee during that period of time in writing to the City Human Resources Director such written communication shall be delivered by certified mail and must be postmarked during the one hundred and ten to ninety (110-90) day period. An employee who is subsequently employed in a position outside of the Clerical Unit shall not be required to continue dues deduction.

2.4 Forfeiture of Deduction
If, after all other involuntary and insurance premium deductions are made in any pay period, the balance is not sufficient to pay the deduction of Union dues, agency fee, or charity fee required by this Section, no such deduction shall be made for the current pay period.

2.5 Reinstatement
The provisions of 2.1 above shall not apply during periods that an employee is separated from the representation unit, but shall be reinstated upon the return of the employee to the representation unit. For the purpose of this section, the term separation includes transfer out of the representation unit, layoff, and leave of absence without pay.

2.6 Payroll Deductions
The Union may have the regular dues of its members within the representation unit deducted from employees’ paychecks under procedures prescribed by the City Finance Director for such deductions. Dues deductions shall be made only upon signed authorization from the employee upon a form furnished by the City, and shall continue until, (1) such authorization is revoked, in writing, by the employee; or (2) the transfer of the employee out of the representation unit.
Employees may authorize dues deductions only for the organization certified as the recognized employee organization of the unit to which such employees are assigned.

Employees may voluntarily elect to have contributions deducted from their paychecks under procedures prescribed by the City Finance Director for the PEOPLE Fund. Such deductions shall be made only upon signed authorization from the employee and shall continue until such authorization is revoked in writing.

2.7 Rescinding Agency Shop
In the event that employees in the representation unit vote to rescind Agency Shop, the provisions of Section 2.3 Maintenance of Membership, shall apply to dues-paying members of the Union.

2.8 City Obligations
1. Any new employees hired into positions covered by this Memorandum of Understanding shall be provided by the City with and shall execute an "Employee Authorization for Payroll Deduction" form selecting one of the following: (1) Union dues; (2) agency fee; or (3) if he/she qualifies, a fee equal to agency fee payable to one of three negotiated charities.
2. All dues, service fee and PEOPLE deductions shall be transmitted to Local 829 in an expeditious manner.
3. All transmittal checks shall be accompanied by documentation which denotes the employee's name, social security number, amount of deduction and member or fee payor status.
4. The City shall hand out agreed upon Union materials along with the Agency Shop forms.

2.9 Union Obligations
1. The Union shall provide the City with a copy of the Unions’ Hudson Procedure for the determination and protest of its agency fees. The Union shall provide a copy of said Hudson Procedure to every agency fee payor covered by this Memorandum of Understanding and annually thereafter, and as a condition to any percentage change in the agency fee.
2. Local 829 will supply the City with deduction authorization forms and/or membership applications.
3. Annually, the Union shall provide the City Human Resources Director with copies of the financial report which the Union annually files with the California Employee Relations Board, the United States Department of Labor (Form LM-2), or the Union’s balance and operating statement for the prior year. Failure to file such a report within sixty (60) days after the end of its fiscal year shall result in the termination of all agency fee deductions without jeopardy to any employee, until such report is filed.

2.10 Hold Harmless
The Union shall indemnify, defend, and save the City harmless against any and all claims, demands, suits, orders, or judgments, or other forms of liability that arise out of or by reason of this union security Section, or action taken or not taken by the City under this Section. This includes, but is not limited to, the City’s attorney’s fees and costs.
Section 3. Use of City Facilities and Advance Notice

3.1 Space and Equipment
City employees or their Union representatives may, in accordance with established City policies, be granted the use of City facilities during non-work hours for meetings of City employees provided space is available.

The use of City equipment other than items normally used in the conduct of business meetings, such as desks, chairs, and chalkboards, is strictly prohibited, the presence of such equipment in approved City facilities notwithstanding.

3.2 Bulletin Boards
The Union may use portions of City bulletin boards under the following conditions:

(1) All materials must be dated and must identify the Union that posted them.

(2) Unless special arrangements are made, materials posted will be removed thirty-one (31) days after the date of posting. Materials which the Department Head considers objectionable will not be posted. In instances where the Department Head denies posting, the Union may appeal such denial to the City Manager.

(3) The City reserves the right to determine where bulletin boards shall be placed and what portion of City bulletin boards is to be allocated for Union material.

3.3 Advance Notice
Except in cases of emergency, reasonable advance written notice shall be given to the Union if it is affected by any ordinance, rule, resolution or regulation directly relating to matters within the scope of representation proposed to be adopted by the City Council, by any board or commission of the City, or by any department, and the Union shall be given the opportunity to meet with such body prior to adoption. In cases of emergency when the City Management determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with the Union, City Management shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation.

Section 4. Union Stewards and Official Representatives

4.1 Attendance at Meetings by Employees
City employees who are stewards or official representatives of the Union shall be given reasonable time off with pay to attend meetings with management representatives, or to be present at hearings where matters within the scope of representation are being considered. The use of official time for this purpose shall be reasonable and shall not interfere with the performance of City services as determined by the City. Such Union representatives may be required to submit a written request for excused absence to their respective Department Heads, with an information copy to the City Manager, at least two (2) working days prior to the scheduled meeting whenever possible. Except by mutual agreement, the number of employees excused for such purposes shall not exceed three (3).

4.2 Access to Work Locations
Reasonable access to employee work locations shall be granted officers of the Union and business agents for the purpose of processing grievances or contacting members of the Union concerning business within the scope of representation. Such officers or representatives shall not enter any work location without the consent of the City Manager or his designated representative. Prearrangement for routine contact may be made by agreement between the Union and the Department Head and when made shall continue until revoked. Access shall be
restricted so as not to interfere with the normal operations of the department or with established safety or security requirements.

Solicitation of membership and activities concerned with the internal management of the Union, such as collecting dues, holding membership meetings, campaigning for office, conducting elections and distributing literature shall not be conducted during working hours unless approved in advance by the City Manager or his designated representative.

Section 5. No Discrimination

There shall be no discrimination because of race, creed, color, national origin, sex, sexual orientation, disability, or religious or political opinion or affiliation or legitimate union activities against any employee or applicant for employment by the Union or by the City or by anyone employed by the City; and to the extent prohibited by applicable state and federal law, there shall be no discrimination against any disabled persons solely because of such disability unless that disability prevents the persons from performing the essential job duties of the position.

Section 6. Hours of Work

The standard workweek for employees occupying full-time positions consists of forty (40) hours in any seven (7) day period, provided, however, that no employee will be required to work a schedule requiring split days off except by mutual agreement. The workweek begins at 12:01 A.M. Sunday and ends 12:59 P.M. the following Saturday.

The City Manager shall fix the hours of work with due regard for the convenience of the public and the laws of the State and the City.

Alternate work schedules (including 4/10 or 9/80 schedules) may be approved by the appropriate department head on an individual or work group basis. While the City is supportive of providing alternate schedules when feasible, the City shall remain open for business Monday through Friday from 8:00 a.m. until 5:00 p.m. and will continue to provide a high level of service to the citizens of San Carlos. In addition, in the event two (2) employees request that the City permit them to share an authorized position within the Clerical and Technical Employees Representation unit, the City will not refuse to consider such a request, it being understood that the City's willingness to consider such request does not obligate the City to agree to the request or commit the City to the concept of job sharing.

Section 7. Overtime

7.1 Authorization

All compensable overtime must be authorized by the Department Head or designated representative in advance of being worked. If prior authorization is not feasible because of emergency conditions, a confirming authorization must be made on the next regular working day following the date on which the overtime was worked. Overtime worked must be in the job classification in which the person is regularly employed or in a classification for which the employee is authorized higher pay for work in a higher classification.

7.2 Definition

Any authorized time worked in excess of the employee's regular workweek shall be considered overtime and shall be compensable at the rate of one and one-half (1-1/2) times the employee's regular straight-time rate of pay. Compensatory time off may be taken in lieu of overtime payment.
Such time off shall be at a time mutually agreeable to the employee and the Department Head. Accrued compensatory time off in excess of forty-eight (48) hours shall be liquidated by monetary payment to the employee during the month of June. Beginning December 2000, any compensatory time accruals over the 48-hour maximum will be paid out each December thereafter. Provided, however, that accrued hours in excess of 48 may be retained if at that time the employee has a scheduled and approved leave for which those hours will be taken.

7.3 On-Call Duty
Either one (1) hour compensatory time off or one (1) hour pay at the straight-time rate, at the option of the employee, shall be granted to employees required to be in an "on-call" status from the end of their workday to the beginning of the next workday Monday through Thursday.

Either two (2) hours' compensatory time off or two (2) hours' pay at the straight-time rate, at the option of the employee, shall be granted to employees required to be in an "on-call" status on Friday.

Either three (3) hours' compensatory time off or three (3) hours' pay at the straight-time rate, at the option of the employee, shall be granted employees required to be in an "on-call" status on Saturdays, Sundays or holidays, provided, however, that four (4) hours' compensatory time off or four (4) hours' pay at the straight-time rate, at the option of the employee, shall be granted employees required to be in an "on-call" status on New Year's Day, Independence Day, Labor Day, Thanksgiving and Christmas Day.

For the purposes of this Section, employees assigned to continuous shift schedules other than Monday through Friday shall be eligible for on-call pay on the basis of one (1) hour for the first through fourth day of the workweek, two (2) hours on the fifth day of the workweek and three (3) hours on the sixth and seventh day of the workweek. Employees subpoenaed by a court on matters related to their employment with the City and awaiting call from the court shall be considered in an "on-call" status for the purposes of this Section.

7.4 Call Back
An employee recalled to work outside of and not continuous with regularly scheduled hours shall be compensated a minimum of three (3) hours at the overtime rate.

7.5 Court Time
An employee who is ordered to report to work on an off-day for the purpose of appearing in Court and who does so at the specified time shall receive a minimum of four (4) hours' pay at time and one-half (1-1/2).

An employee who is ordered to report to work for the purpose of appearing in Court on an on-duty day more than three (3) hours prior to the employee's regular starting time shall receive a minimum of three (3) hours' pay at time and one-half (1-1/2). An employee who is ordered to report back to work on an on-duty day for the purpose of appearing in court shall receive a minimum of three (3) hours' pay at time and one-half (1-1/2) when such court appearance time is not continuous with other assigned work time.

Section 8. Salaries

8.1 Bi-Weekly Salary Schedule
Effective November 1, 2001, all classifications listed below will receive an increase of six percent (6.0%) which is reflected in the figures below:
<table>
<thead>
<tr>
<th>Position</th>
<th>Step A</th>
<th>Step B</th>
<th>Step C</th>
<th>Step D</th>
<th>Step E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounting Technician I</td>
<td>1,375.31</td>
<td>1,444.08</td>
<td>1,516.28</td>
<td>1,592.10</td>
<td>1,671.70</td>
</tr>
<tr>
<td>Accounting Technician II</td>
<td>1,724.68</td>
<td>1,810.91</td>
<td>1,901.45</td>
<td>1,996.53</td>
<td>2,096.35</td>
</tr>
<tr>
<td>Accounting Technician III</td>
<td>1,901.37</td>
<td>1,996.44</td>
<td>2,096.26</td>
<td>2,201.07</td>
<td>2,311.13</td>
</tr>
<tr>
<td>Administrative Clerk</td>
<td>1,442.13</td>
<td>1,514.23</td>
<td>1,589.94</td>
<td>1,669.44</td>
<td>1,752.91</td>
</tr>
<tr>
<td>Senior Administrative Clerk</td>
<td>1,586.34</td>
<td>1,665.66</td>
<td>1,748.94</td>
<td>1,836.39</td>
<td>1,928.21</td>
</tr>
<tr>
<td>Clerk Typist</td>
<td>1,346.33</td>
<td>1,413.65</td>
<td>1,484.33</td>
<td>1,558.55</td>
<td>1,636.48</td>
</tr>
<tr>
<td>Communications Dispatcher I</td>
<td>1,885.95</td>
<td>1,980.25</td>
<td>2,079.26</td>
<td>2,183.22</td>
<td>2,292.38</td>
</tr>
<tr>
<td>Communications Dispatcher II</td>
<td>2,079.26</td>
<td>2,183.22</td>
<td>2,292.38</td>
<td>2,407.00</td>
<td>2,527.35</td>
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<tr>
<td>Police Service Technician I</td>
<td>1,574.11</td>
<td>1,652.81</td>
<td>1,735.45</td>
<td>1,822.22</td>
<td>1,913.34</td>
</tr>
<tr>
<td>Police Service Technician II</td>
<td>1,735.45</td>
<td>1,822.23</td>
<td>1,913.34</td>
<td>2,009.00</td>
<td>2,109.45</td>
</tr>
<tr>
<td>Receptionist</td>
<td>1,400.19</td>
<td>1,470.20</td>
<td>1,543.71</td>
<td>1,620.89</td>
<td>1,701.94</td>
</tr>
<tr>
<td>Records Technician I</td>
<td>1,531.41</td>
<td>1,607.98</td>
<td>1,688.38</td>
<td>1,772.80</td>
<td>1,861.44</td>
</tr>
<tr>
<td>Records Technician I(CompSysSup)</td>
<td>1,607.69</td>
<td>1,688.07</td>
<td>1,772.48</td>
<td>1,861.10</td>
<td>1,954.15</td>
</tr>
<tr>
<td>Records Technician II</td>
<td>1,688.38</td>
<td>1,772.79</td>
<td>1,861.43</td>
<td>1,954.51</td>
<td>2,052.23</td>
</tr>
<tr>
<td>Records Technician II(CompSysSup)</td>
<td>1,772.48</td>
<td>1,861.10</td>
<td>1,954.15</td>
<td>2,051.86</td>
<td>2,154.46</td>
</tr>
</tbody>
</table>

The above rates also reflect equity adjustments for the positions of Communications Dispatcher I (3.3%), Police Service Technician I (3.0%), Records Technician I (3.0%), and Receptionist (4.0%) and a reclassification of three (3) positions of Administrative Clerk to Senior Administrative Clerk.

Effective November 1, 2002, the City will implement for all classifications a wage increase based on the formula set forth below.

The salary rates for all classifications shall be adjusted to reflect an increase which shall be determined as provided below on the basis of the Consumer Price Index for Urban Wage Earners and Clerical Workers, San Francisco - Bay Area, All Items (1982-84=100), hereinafter referred to as the "Index". Such salary increases shall be computed based on the change in the Index from April, 2001 to April, 2002.

The percentage salary increase effective November 1, 2002, shall be computed to the nearest one-hundredth of a percent; provided, however, that the minimum salary increase that may be granted is Three Percent (3.00%) and the maximum salary increase that may be granted is Six Percent (6.00%).

No adjustments, retroactive or otherwise, shall be made in the amount of the salary increase due to any revision which later may be made in the published figures for the Index for any month on the basis of which the increase had been determined. A decline in the Index shall not result in a reduction of classified base rate.

In addition, the following classifications shall receive equity adjustments on November 1, 2002: Communications Dispatcher I (3.3%), Police Service Technician I (0.6%), Records Technician I (0.4%), and Receptionist (4.0%).

Except as herein otherwise provided, the entrance salary for a new employee entering City service shall be the minimum salary for the class to which appointed. When circumstances warrant, the City Manager may approve an entrance salary which is more than the minimum...
salary. The City Manager's decision shall be final. Such a salary may not be more than the maximum salary for the class to which that employee is appointed.

No increase in salary shall be automatic merely upon completion of a specified period of service. All increases shall be based on merit as established by record of the employee's performance and shall require recommendation of the Department Head and approval by the City Manager. In case of an unsatisfactory employee performance evaluation, an increase in salary may be withheld. An employee who is denied an increase in salary may discuss such denial with his/her Department Head and the City Manager. The decision of the City Manager shall be final.

If the City Manager at any time determines that it is in the City's interest, he may assign an employee to a higher rate within the salary range fixed for the classification. The City Manager shall regulate the accelerated advancement through the salary range steps.

An employee who has received a satisfactory rating on an employee performance evaluation shall receive increases in salary according to the following plan:

**Step B** upon completion of six (6) months' satisfactory service at Step A.
**Step C** upon completion of twelve (12) months' satisfactory service at Step B.
**Step D** upon completion of twelve (12) months' satisfactory service at Step C.
**Step E** upon completion of twelve (12) months' satisfactory service at Step D.

All employees will receive their bi-weekly pay by direct deposit.

### 8.2 Dispatch Training

A Communication Dispatch Training Officer (CDTO) is defined as that Communications Dispatcher who is assigned to work with and train a newly hired Communications Dispatch employee. The CDTO will be paid an additional five percent (5%) above the Communications Dispatcher's regular rate of pay for each shift such training duties are performed. Such additional five percent (5%) will be paid only for shifts when training duties are performed, and will not be included in computing holiday pay, vacation pay or sick leave pay.

### 8.3 Systems Administration

A Police Records Technician who is assigned the responsibilities of Computer Systems Administration shall be paid an additional five percent (5%) above his/her rate of pay, so long as such assignment continues.

### Section 9. Pay for Temporary Appointment to a Higher Classification

When an employee has been appointed temporarily to perform the work of a permanent position within the Bargaining Unit having a different classification and being paid at a higher rate, and if he/she has worked in such classification for more than four (4) consecutive workdays, including recognized City holidays, or as otherwise determined by the City Manager, he/she shall be entitled to payment for the higher classification, commencing with the first (1st) workday and continuing during the period of temporary assignment. When the temporary assignment is to a classification outside the Bargaining Unit payment for such assignment shall be five percent (5%) above the employee's regular rate of pay. When temporary assignment is to a Department Head, payment for such assignment shall be the first Step of the salary range for such Department Head. Such appointment shall be in writing by the Department Head and approved by the City Manager or his designated representative.

### Section 10. Holidays

Regular full-time employees in established positions shall be entitled to take all the below designated holidays at full pay, not to exceed eight (8) hours for any one (1) day, provided they
are in a pay status on both their regularly scheduled workdays immediately preceding and following the holiday. Employees who were full time and become part time shall be entitled to holiday pay in proportion to the percentage of full-time hours worked during the semi-monthly pay period which includes a holiday; e.g., if such a part-time employee works fifty percent (50%) of the full-time hours in a pay period, the employee shall be paid for one-half (1/2) for each holiday falling within that pay period.

The holidays to be observed by the City are as follows:

1. January 1 (New Years Day)
2. Third Monday in January (Martin Luther King, Jr. Day)
3. Third Monday in February (President's Day)
4. Last Monday in May (Memorial Day)
5. July 4 (Independence Day)
6. First Monday in September (Labor Day)
7. November 11 (Veterans Day)
8. Fourth Thursday in November (Thanksgiving Day)
9. Fourth Friday in November (Day after Thanksgiving)
10. December 25 (Christmas Day)

Regular full-time employees will also be entitled to thirty-eight (38) hours of float time. Such float time shall be arranged at least two (2) weeks in advance of the day desired and scheduled by mutual agreement with the Department Head. The thirty-eight (38) hours of float time will be pro-rated for new employees hired during the year. Float time shall also be pro-rated in the event an employee is laid off, quits, is terminated or retires prior to November 1st. Unused float time is not carried forward into subsequent calendar years.

If any of the listed holidays falls on a Saturday, the Friday preceding shall be celebrated as a holiday; if the holiday falls on a Sunday, the following Monday shall be celebrated as the holiday.

If any of the listed holidays falls on a regularly scheduled day off for employees assigned to continuous shift schedules of other than Monday through Friday, such employee shall be granted eight (8) hours’ compensatory time off to be taken on another day mutually agreeable between the employee and the Department Head.

Employees assigned to continuous shift schedules of other than Monday through Friday shall observe the holiday on the calendar day upon which the holiday is listed above and their assigned shift must start between 12:01 a.m. and 11:59 p.m. on the holiday. Such employee who is scheduled to work on a recognized holiday shall be compensated for such time worked at the overtime rate of time and one-half for all hours worked on the holiday. In addition, he/she shall receive eight (8) hours’ pay or eight (8) hours’ compensatory time at the straight-time rate for holiday pay.

If an employee is not scheduled to work on the holiday but is called in to work or is held over to work additional hours on a recognized holiday, he/she will be paid at the rate of 2 ½ times his/her regular rate of pay for all additional hours worked on the holiday.

Section 11. Vacations

11.1 Entitlement
All employees who hold full-time regular positions are entitled to twelve (12) working days’ vacation pay upon successful completion of their first year of continuous service. Employees may take accrued vacation after the completion of six (6) months' service provided employees...
who terminate with less than one (1) year of service shall have their final compensation reduced by the amount of vacation taken. After the first year, employees shall accrue vacation according to the following schedule:

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Vacation Accrual Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st year 4 years</td>
<td>12 days (96 working hours/3.694 hours bi-weekly)</td>
</tr>
<tr>
<td>After 4 years to 11 years</td>
<td>16 days (128 working hours/4.924 hours bi-weekly)</td>
</tr>
<tr>
<td>After 11 years</td>
<td>17 days (136 working hours/5.231 hours bi-weekly)</td>
</tr>
<tr>
<td>After 12 years</td>
<td>18 days (144 working hours/5.54 hours bi-weekly)</td>
</tr>
<tr>
<td>After 13 years</td>
<td>19 days (152 working hours/5.847 hours bi-weekly)</td>
</tr>
<tr>
<td>After 14 years to 16 years</td>
<td>21 days (168 working hours/6.462 hours bi-weekly)</td>
</tr>
<tr>
<td>After 16 years</td>
<td>22 days (176 working hours/6.77 hours bi-weekly)</td>
</tr>
<tr>
<td>After 17 years</td>
<td>23 days (184 working hours/7.077 hours bi-weekly)</td>
</tr>
<tr>
<td>After 18 years</td>
<td>24 days (192 working hours/7.385 hours bi-weekly)</td>
</tr>
<tr>
<td>After 19 years</td>
<td>25 days (192 working hours/7.70 hours bi-weekly)</td>
</tr>
</tbody>
</table>

11.2 **Vacation Accrual**
No employee shall be allowed to have an accumulation of more than two (2) years' vacation accrual to his/her credit at any one time.

11.3 **Vacation Scheduling**
The time at which employees shall be granted vacations shall be at the discretion of the Department Head. Length of service shall be given consideration when giving preference as to vacation time.

Section 12. Sick Leave

12.1 **Accrual**
Employees shall accrue sick leave credit at the rate of eight (8) hours per month. Unused sick leave may be accrued without limit.

12.2 **General**
Employees shall not be entitled to sick leave as a matter of right, but only in accordance with the provisions of laws and this Memorandum of Understanding.

12.3 **Usage**
Employees are entitled to be paid for sick leave used, to a maximum of the time accrued, under the following conditions:

1. The employee's illness, injury, exposure to contagious disease, or pregnancy, childbirth, or related medical conditions which incapacitates the employee from performance of duties.

2. The employee's receipt of required medical or dental care or consultation.

3. The care of the employee's ill or injured immediate family member (as defined in Section 12.6) to a maximum of forty-eight (48) hours per calendar year or as required by applicable law.

12.4 **Procedures for Requesting and Approving Sick Leave**
When the requirement for sick leave is known to the employee in advance of his/her absence, the employee shall request authorization for sick leave at such time, in the manner hereinafter specified. In all other instances the employee shall notify his/her supervisor as promptly as possible by telephone or other means.
Before an employee may be paid for the use of accrued sick leave he/she shall complete and submit to his/her Department Head a signed statement, on a prescribed form, stating the dates and hours of absence, the exact reason, and such other information as is necessary for the request to be evaluated. If an employee does not return to work prior to the preparation of the payroll, other arrangements may be made with the approval of the Director of Finance.

The Department Head may require a physician's statement from an employee who applies for sick leave, or make whatever investigation into the circumstances that appear warranted before taking action on the request.

12.5 Bereavement Leave
In case of death within the immediate family of an employee, such employee shall be entitled to remain absent from duty with pay in order to attend the funeral or memorial service for a maximum of three (3) consecutive workdays. In the event an employee must travel outside the State of California and at least four hundred (400) miles, the employee shall be entitled to remain absent from duty with pay in order to attend the funeral or memorial service for a maximum of five (5) consecutive workdays.

For the purpose of this Section, immediate family is defined as husband, wife, father, mother, sister, brother, son, daughter and such other persons whose relationship to the employee is essentially similar to the aforesaid relationship. In order to ensure continuity in the application of bereavement leave for an “essentially similar” relationship, the prior approval of the City Manager is required and his/her decision shall be final.

Such leave shall not be charged against the employee as leave without pay, nor deducted from the employee’s annual leave.

12.6 PERS Sick Leave Option
The City’s PERS contract provides the option of allowing employees to use service credit for accrued sick leave upon retirement.

Section 13. Leaves of Absence

13.1 Job Incurred Disability Leave
Job incurred disability leave with pay is an employee’s absence from duty with pay because of disability caused by illness or injury arising out of and in the course of his/her employment which has been declared to be compensable under the Workers' Compensation Law. Only permanent or probationary employees occupying permanent positions are eligible for job incurred disability leave with pay.

Payment of job incurred disability leave shall be at the base pay of the employee, and shall be reduced by the amount of temporary disability indemnity received, pursuant to Workers' Compensation Law.

In order to receive pay for job incurred disability leave an employee must submit a request on a prescribed form to the City Manager describing the illness or accident and all information required for the City Manager to evaluate the request. The employee must attach to the request a statement from a physician certifying to the nature, extent, and probable period of illness or disability.

No job incurred disability leave with pay may be granted until after the City has declared the illness or injury to be compensable under the California Workers' Compensation Law and has accepted liability.
Eligible employees shall be entitled to disability leave for a period of incapacity as determined by a physician, but not to exceed a maximum of thirty (30) calendar days for any one illness or injury. After the thirty (30) calendar day period if still injured, the employee is entitled to temporary disability payments as defined by the laws governing workers’ compensation.

13.2 **Pregnancy Disability Leave**
An employee who becomes pregnant shall be entitled to a leave of absence for a period not to exceed six (6) weeks when her physician recommends an appropriate date to discontinue and to commence working for the City. If the employee is required by her physician to be on leave for a period exceeding six (6) weeks, the employee shall be granted such leave for the duration of her disability to a maximum of four (4) months. The employee may use her accumulated sick leave benefit or vacation leave benefit for all or part of the leave period.

13.3 **Military Leave of Absence**
The provisions of the Military and Veterans Code of the State of California shall govern military leave of City employees.

13.4 **Leave of Absence Without Pay**
Employees shall not be entitled to leaves of absence as a matter of right, but only in accordance with the provisions of law and this Memorandum of Understanding.

Absence from duty without pay for a period not exceeding fifteen (15) days for reasons satisfactory to the Department Head may be granted by him. A leave of absence without pay not to exceed six (6) months may be granted to a permanent employee within the classified service upon the written request of the employee, the recommendation of the Department Head and with the approval of the City Manager. Such leave of absence without pay may be extended upon the recommendation of the Department Head and with the approval of the City Manager for an additional six (6) months, the total leave not to exceed one (1) year.

13.5 **Family Care Leave**
Family Care Leave shall be administered in accordance with the City's Family Care Leave Policy.

**Section 14. Jury Duty**

An employee summoned to jury duty shall inform his supervisor and, if required to serve, may be absent from duty with full pay. An employee who is assigned to a shift with the majority of hours occurring between 5:00 p.m. and 8:00 a.m. and who is called for jury duty and required to serve and appear, shall be released from work with pay for their shift if that shift starts within the same 24-hour period as the date of the jury service provided. The employee must remit to the City, through the employee's Department Head, within fifteen (15) days after receipt, all fees received except those specifically allowed for mileage and expenses.

**Section 15. Hospitalization and Medical Care**

15.1 **Health Plan Contributions**
The City shall contribute sixteen dollars ($16) per month to provide hospital and medical care benefits under the CalPERS Health Plan.

The City will also contribute an amount equal to the employee only PERS Care rate for employees minus sixteen dollars ($16) and an amount equal to the PERS Choice rate minus sixteen dollars ($16) for those employees with one or more dependents. Effective January 1, 2002 and each January 1 thereafter (during the term of this contract), the City’s contribution will be increased annually by premium increases of up to 10% for PERS Care or PERS Choice, as applicable. In any year in which an annual premium increase is less...
than ten percent (10%), the percentage difference will be applied once to a subsequent year if that year’s annual premium increase is greater than ten percent (10%). In no event shall the City’s maximum contribution exceed the actual PERS Care single rate or the PERS Choice family rate as applicable. Employees will pay any difference between the applicable health insurance premium and the City’s maximum contribution.

15.2 Flexible Benefit Plan
The City shall continue to provide the current Internal Revenue Service Section 125 Plan, which allows employees to use pre-tax compensation for dependent care expenses, medical premiums and excess medical expenses subject to the provisions of the Internal Revenue Code. Employees who elect to participate, are responsible for paying the applicable monthly service fee.

Each month, for employees electing employee only coverage, the City shall contribute an amount equal to the rate the City is paying for active single employees, minus Sixteen Dollars ($16.00). Each month, for employees with one or more dependents, the City shall contribute an amount equal to the family rate the City is paying, minus Sixteen Dollars ($16.00). Except as otherwise provided herein, employees must purchase health insurance with this money.

Employees who purchase health insurance that has a lower monthly premium rate than provided above may apply the excess premium contributions to other flexible spending account programs or may take the excess in cash, which is taxable.

15.3 Alternate Medical Benefit Program
Eligible employees who are able to secure health insurance coverage through their spouse or other source with benefits comparable to those provided through City sponsored plans may waive coverage under the City sponsored plans. The employee shall sign a waiver form provided by the Finance Department. The City will pay such employee(s) the current rate it is paying for health insurance for active single employees, and will continue to do so each month thereafter as long as the employee continues to receive health insurance through their spouse or other source.

The employee must understand that re-enrollment in the City sponsored CalPERS Plan is subject to the limitations/exclusions/time period instituted by CalPERS. Employees are eligible to re-enroll during the CalPERS open enrollment period.

15.4 Retiree Health Plan
The City also shall contribute sixteen dollars ($16.00) per month on behalf of each retiree to provide hospital and medical care benefits, for an employee only, who retires from the City of San Carlos with a PERS retirement benefit. In addition, for those employees who retire with a PERS retirement with at least ten (10) years of City service, the City shall pay for the retiree only, an amount not to exceed the PERS Care single rate. The amount between the $16.00 medical contribution and the PERS Care single rate will be reimbursed by the City to the retiree on a quarterly basis. Effective January 1, 2002 and each January 1 thereafter, the City’s maximum contribution will be increased annually by premium increase of up to ten percent (10%) for PERS Care single rate in the same manner as described above for active employees. Any increase over a ten percent (10%) will be deducted from the retirees’ quarterly reimbursement.

15.5 Dental Plan
The City shall provide a Dental Plan for eligible employees and their dependents and shall pay a maximum monthly amount of eighty-eight dollars ($88). This amount will be increased by the same percentage as the general wage increase in the second year of the Agreement if needed. Effective November 1, 2001, the City will pay the dentist directly and the employee is responsible for paying any remaining balance directly to the dentist/orthodontist.
15.6 Long Term Disability
The City shall continue to provide long-term disability insurance for employees in this Unit; the waiting period for long-term disability benefits shall be **forty-five (45) days**. Effective November 1, 2001, the Long-Term Disability premium will be taxed to allow the long-term disability payment to be issued on a tax-free basis.

15.7 Life Insurance
The City shall provide for each eligible employee life insurance in the amount of **one hundred thousand dollars ($100,000)** at no cost to the employee. The premium for the amount over $50,000 is subject to Federal and State taxes.

15.8 Vision Care Plan
The City shall continue to provide a Vision Care Plan which provides for annual examinations, frames and lenses for employees only and shall pay a maximum monthly amount of Twelve Dollars ($12.00).

15.9 Domestic Partner Coverage
The City will provide domestic partner medical coverage to the extent and in the manner in which CalPERS health plan carriers allow for the domestic partner's enrollment. The domestic partner of the employee shall be defined as an unmarried person of the same sex or of the opposite sex if over the age of 62, who resides with the employee and shares the common necessities of life. In a domestic partnership neither partner is married to another, both are at least 18 years of age, are not related by blood so close as to bar marriage, are mentally competent, and are each other's sole domestic partner, intend to remain so indefinitely, and are responsible for their common welfare. Domestic partners will be required to complete, sign, and file with the City an "Affidavit of Domestic Partnership." No person who has filed an Affidavit of Domestic Partnership may file another such affidavit until six (6) months after a statement of termination of the previous partnership has been filed with the City.

Section 16. Probationary Period
The probationary period shall be an essential part of the examination process, and shall be utilized for the most effective adjustment of a new employee and for the elimination of any probationary employee whose performance is not satisfactory.

The appointing authority may terminate a probationary employee at any time during the probationary period without right of appeal in any manner and without recourse to the procedures provided in Section 20 (Grievances) hereof, except when the employee alleges and substantiates in writing that the termination was due to discrimination prohibited by the city, state or federal statutes or regulations. If discrimination is alleged, the appeal or grievance shall be decided solely on the basis of whether or not the termination was due to discrimination; and unless it is determined that there was discrimination, the person or persons hearing the appeal or grievance shall not substitute their judgment for that of the appointing authority. In the case of rejections during probationary periods, employees shall be given written notice, with reasons therefor, at once.

The probationary period for a new employee filling a permanent position shall be six (6) months. The probationary period for new employees assigned to the classifications of Records Technician, Police Service Technician and Communications Dispatcher shall be twelve (12) months; provided, however, that the maximum probationary period for a Communications
Dispatcher who has been promoted from Communications Dispatcher Trainee or to the level of Records Technician II, Police Service Technician II or Communications Dispatcher II shall be six (6) months.

The probationary period shall include time served in a temporary appointment if the temporary employee qualified as an eligible employee and is appointed while in the temporary position.

A probationer who is laid off during the probationary period shall, in the event of reemployment, be required to complete the balance of the probationary period.

Permanent appointment of a probationary employee shall begin with the date ending the probationary period and his/her length of service shall include the probationary period.

Section 17. Promotions

All promotions shall be made by competitive examination in accordance with the following rules:

"The examination will give due consideration for length of service and capacity for the new position as demonstrated by a promotional or an open competitive examination. A candidate for promotion shall submit adequate evidence to the Commission that he possesses the required ability and fitness to perform the duties of the position."

An employee to be eligible to compete for promotion must have permanent status in a lower related class. A promotional competitive examination shall consist of any combination of the following: written tests, oral tests, ratings on training or experience, performance tests, and shall fulfill the qualifications as set forth in the job classification. The combination in each case or procedure for the determination of the qualifying grade shall be announced by the Commission in advance of the examination, and shall take into consideration approved practices.

All employees who qualify in the promotional examination shall be placed on a promotional eligibility list for the class of position in the order of their examination ratings.

On promotional examinations City employees shall have one (1) point for each year of service to a maximum of five (5) points added to their test score.

The rule of three (3) shall be maintained.

An employee failing his/her probationary period in a promotional class shall have the right to return to the classification from which he/she was promoted provided that he/she had permanent status.

Section 18. Layoff and Reemployment

Permanent employees may be laid off, without prejudice, due to lack of funds or curtailment of work. No permanent employee, however, may be separated while there are temporary employees serving in the same class or position in the City service, unless that employee has been offered the temporary work.

When a Department Head is instructed by the City Manager or the City Council to reduce the number of employees, layoff shall be made in accordance with the following rules:

Layoffs shall be by job classification according to reverse order of seniority as defined by total continuous City service.
The employee to be laid off may displace the least senior employee in the lateral or next lower classification in which he or she previously held permanent status provided the displaced employee has less total continuous City service.

An employee may, with the approval of the City Manager, demote or transfer to a vacant position for which he/she possesses the necessary skills.

The name of each employee laid off shall be entered on a Reemployment List in order of seniority for one (1) year.

Any employee who is laid off, and on their most recent Performance Evaluation received an overall rating of “Above Average” or “Excellent”, the City shall maintain the name of such employee on a Reemployment List in order of seniority for one (1) additional year, beyond the period stated in the above paragraph, not withstanding any Civil Service Rule, or any other applicable rules, regulations or provisions of the City of San Carlos.

Former employees appointed from a reemployment eligibility list shall be restored all rights accrued prior to being laid off, such as sick leave, vacation credits, and credit for years of service. However, such re-employed employees shall not be eligible for benefits for which they receive compensation at the time of or subsequent to the date they were laid off.

Section 19. Disciplinary Actions

Employees may be suspended, discharged or demoted only for cause. Whenever an employee is required to meet with a supervisor and the employee reasonably anticipates that such meeting will involve questioning leading to disciplinary action, he/she shall be entitled to have a Steward present if he/she so requests. It is not the intention of this provision to allow the presence of a Steward during the initial discussion of an employee's performance evaluation.

Section 20. Grievances

20.1 Definition

A grievance is any dispute which involves the interpretation or application of any provision of this Memorandum of Understanding excluding, however, those provisions of this Memorandum of Understanding which specifically provide that the decision of any City official shall be final, the interpretation or application of those provisions not being subject to the grievance procedure.

Letters of Reprimand are not subject to the grievance procedure. Letters of Reprimand will be removed from employees’ personnel files after one (1) year with no additional Letters of Reprimand regarding behavior similar to that which gave rise to the initial Letter of Reprimand. Letters of Reprimand will be automatically removed from employees’ personnel files after three (3) years from date of the initial Letter of Reprimand.

20.2 Procedure

Grievances shall be processed in the following manner:

STEP 1. Immediate Supervisor. A grievance may be filed by an employee in his/her own behalf, or jointly by a group of employees or by the Union.

Within ten (10) calendar days of the event giving rise to a grievance, the employee who believes he/she has a grievance may discuss his/her complaint with the immediate supervisor in the presence of a Union representative if the employee so requests. Grievances not presented within the time period shall be considered resolved. No grievance involving suspension,
dismissal or demotion of an employee will be entertained unless it is filed in writing with the immediate supervisor within ten (10) calendar days of the time at which the affected employee was notified of such action.

The immediate supervisor will meet with the employee to discuss the grievance and attempt to resolve the matter. If the issue is not resolved at this level, or if the employee elects to submit the grievance directly to the Union, the matter will be taken up in the following manner:

**STEP 2. Department Head.** If the grievance is not resolved in Step 1, within ten (10) calendar days of the event giving rise to a grievance, the employee or an official of the Union may present the grievance in writing to the Department Head. The written grievance shall state the particulars of the grievance and, if possible, the nature of the determination desired. The Department Head shall investigate the issues, meet with the complainant and attempt to reach a satisfactory resolution of the problem. The Department Head shall respond to the grievance in writing within ten (10) calendar days from receipt of the written grievance.

**STEP 3. City Manager.** If the grievance is not resolved in Step 2, the employee or an official of the Union may, within ten (10) calendar days from receipt of the response from the Department Head, present the grievance in writing to the City Manager. The City Manager, or a representative designated by the City Manager who shall not be the Department Head shall investigate the merits of the complaint, meet with the complainant and, if the complainant is not the Union, meet with the officials of the Union and attempt to resolve the grievance. The City Manager shall respond to the grievance in writing within ten (10) calendar days from his/her receipt of the written grievance.

**STEP 4. Adjustment Board.** If the parties are unable to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of this Memorandum of Understanding, such grievance may be submitted to an Adjustment Board with written notice to the other party within ten (10) calendar days of the response from the City Manager in STEP 3 above.

In any grievance concerning suspension of five (5) days or less, the Adjustment Board shall be comprised of two (2) representatives selected by the Union, no more than one (1) of whom shall be either an employee of the City or an elected official of the Union and two (2) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process, and a neutral third party selected by the parties. If the parties are unable to select a neutral to sit on the panel, the City Manager will, at his/her discretion, request the assignment of one from either the PCRC, JAMS, JARS.

In any type of grievance other than those specifically addressed above, the adjustment board shall be comprised of two (2) representatives selected by the Union, no more than one (1) of whom shall be either an employee of the City or an elected official of the Union, and two (2) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of the staff of any organization employed to represent the City in the meeting and conferring process.

**STEP 5. Arbitration.** In the event an Adjustment Board is unable to arrive at a majority decision, either the Union or the City may require that the grievance except those specifically outlined above as not proceeding beyond Step 4, be referred to an impartial arbitrator. The arbitrator shall be selected by the parties by alternately striking names from the predetermined panel of five (5) local arbitrators. Prior to selecting an arbitrator, the parties will determine by mutual agreement whether or not to submit the grievance to an expedited process; which will provide for a bench decision and no post-hearing briefs. The fees and expenses of the arbitrator
and of a Court Reporter shall be shared equally by the Union and the City. Each party, however, shall bear the cost of its own presentation, including preparation and post-hearing briefs, if any.

Decisions of Adjustment Boards and arbitrators on matters properly before them shall be final and binding on the parties hereto to the extent permitted by the laws governing General Law Cities in the State of California.

No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position in a unit represented by the Union and unless such dispute falls within the definition of a grievance as set forth in Section 13.1.

20.3 **Extension of Time Limits**
The above specified time limits may be extended by mutual agreement between the parties. Failure of the employee or the Union to act within the specified time limits, unless extended, shall dismiss and nullify the grievance. Failure by the City to observe such time limits, unless extended, shall cause the grievance to be moved to the next level of the grievance procedure.

20.4 **Compensation Complaints**
All complaints involving or concerning the payment of compensation shall be initially filed in writing with the City Manager. In such cases no adjustment shall be retroactive for more than sixty (60) days from the date upon which the complaint was filed. Only complaints which allege that employees are not being compensated in accordance with the provisions of this Memorandum of Understanding shall be considered as grievances. Any other matters of compensation are to be resolved in the meeting and conferring process and, if not detailed in the Memorandum of Understanding which results from such meeting and conferring process, shall be deemed withdrawn until the meeting and conferring process is next opened for such discussions.

20.5 **Suspension and Discharge Grievances**
If the parties, pursuance of the procedures outlined in Section 20.2 above resolve a grievance which involves suspension or discharge, they may agree to payment for lost time or to reinstatement with or without payment for lost time. In the event the dispute is referred to arbitration and the arbitrator finds that the City had the right to take the action complained of, the arbitrator may not substitute his judgment for the judgment of management, and if he finds that the City had such right, he may not order reinstatement and may not assess any penalty upon the City.

20.6 **No Change in Memorandum**
A. No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from Adjustment Board or arbitration proceedings hereunder) will be recognized unless agreed to by the City Manager and the Union.

B. Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be grievable and no proposal to modify, amend or terminate this Memorandum of Understanding, nor any matter or subject arising out of or in connection with such proposal, may be referred to the Grievance Procedure. Neither any Adjustment Board nor any arbitrator shall have the power to amend or modify the Memorandum of Understanding or written agreements or addenda supplementary hereto or to establish any new terms or conditions of employment.

20.7 **No Strike**
The Union, its members and representatives agree that it and they will not engage in, authorize, sanction, or support any strike, slowdown, stoppage of work, curtailment of production, concerted
refusal of overtime work, refusal to operate designated equipment (provided such equipment is
safe and sound) or to perform customary duties; and neither the Union nor any representatives
thereof shall engage in job action for the purpose of effecting changes in the directives or
decisions of management of the City, nor to effect a change of personnel or operations of
management or of employees not covered by the Memorandum.

Section 21. Personnel Files

Each employee, or upon written authorization from the employee, the employee's designated
representative shall have the right to inspect and review any official record relating to his/her
performance as an employee or to a grievance concerning the employee which is kept or
maintained by the City. The contents of such records shall be made available to the employee
for inspection and review at reasonable intervals during the regular business hours of the City.

An employee shall receive a copy of any written reprimand or warning prior to its being placed in
the employee's personnel file.

The City shall provide an opportunity for the employee to respond in writing, or personal
interview, to any information about which he/she disagrees. Such response shall become a
permanent part of the employee's personnel record. The employee shall be responsible for
providing the written responses to be included as part of the employee's permanent personnel
record.

Section 22. Tuition Reimbursement

Employees covered by this Memorandum of Understanding are eligible for reimbursement of
educational expenses in accordance with the City's Tuition Reimbursement Policy, as modified
by this section to provide up to one thousand two hundred fifty dollars ($1,250) per non-
probationary employee per year of expenses incurred in job related educational programs or
job-related certificate programs which are recommended by the employee's Department Head
and approved by the City Manager. In order to be eligible for reimbursement the employee must
attain a grade of “C” or better or “pass” in a pass/fail system.

Section 23. Pay For Performance

Regular status, full-time employees will be eligible under the Pay for Performance Plan to
receive additional compensation based on their overall evaluation rating as measured in their
Performance Evaluation. Employees who receive an evaluation of "Above Average" will receive
the equivalent of one percent (1%) of annual salary in a lump sum payment. Employees who
receive an evaluation of "Excellent" will receive the equivalent of two percent (2%) of annual
salary in a lump sum payment. For employees eligible for Pay for Performance, lump sum
payments will be made the first pay period following the due date of their evaluation. For those
employees who have reached the fifth step of their salary range, evaluations will be done by
November 30, with an effective date of December 1 of each year. In the event that the
evaluation is late, the City agrees that the lump sum payment will be made retroactive to the
date that the Performance Evaluation is due.

When an employee is promoted who has been in a previous class for six (6) months or more
from the date of their last evaluation, pay for performance, if applicable, shall be prorated for the
period served. When such an employee has been in their prior class for less than six (6) months
from the date of their last evaluation, there shall be no pay for performance. This provision does
not apply to flexibly staffed positions.
Section 24. Contracting or Subcontracting of Work

The City will notify the Union of its intent to contract or subcontract work customarily performed by members of this bargaining unit where such contracting or subcontracting would result in loss, or potential loss, through attrition or layoff of such bargaining unit members. The notice shall include an explanation of the City's reason for proposing such contracting/subcontracting. Such notice shall also be given should the City propose to merge or consolidate a portion of operations affecting Bargaining Unit employees. The Union shall be given the opportunity to meet with the City to discuss the effect of the proposed action upon its members and, upon request, to propose effective and economical alternative ways in which such services could continue to be provided by the City's own employees. The City shall allow the Union forty-five calendar days, from notice by the City, in which to make such proposals and to conduct necessary meetings prior to formal action by the City Council. Should contracting or merger be seriously pursued, the City shall endeavor in good faith to negotiate assumption of all affected employees into the proposed new operation or should that not be feasible, the City shall attempt to mitigate the impact on displaced employees, including the possibility of placement in City vacancies and/or retraining.

Section 25. Emergency and Temporary Dispatcher Relief

The Police Department will provide training to selected officers to make it possible for Police Officers to replace or assist with dispatching in time of emergency or temporary relief until regularly assigned dispatchers can be brought in to perform dispatching duties.

Section 26. Parking

City Hall employees shall park in the garage, rather than on the street around City Hall.

Section 27. Retirement

The City provides the PERS 2% at 55 retirement benefit and will continue to provide the option allowing employees service credit for accrued sick leave upon retirement. The City will continue to offer the voluntary salary reduction option offered by Section 414(h) of the Internal Revenue Service Code and the Public Employees Retirement System. The PERS single highest year benefit was implemented July 1, 2000.

If all Miscellaneous Unit employees agree, the City will amend its contract with PERS to provide the Industrial Disability Benefit at no cost to the employees.

Section 28. Separability of Provisions

In the event that any provision of this Memorandum of Understanding is declared by a court of competent jurisdiction to be illegal or unenforceable, that provision of the Memorandum of Understanding shall be null and void but such nullification shall not affect any other provisions of this Memorandum of Understanding, all of which other provisions shall remain in full force and effect.
Section 29. Past Practices and Existing Memorandum of Understanding

Continuance of working conditions and practices not specifically authorized by ordinance or by resolution of the City Council is not guaranteed by this Memorandum of Understanding.

This Memorandum of Understanding shall supersede all existing memoranda of understanding between the City and the Union.

Made and entered into this ______ day of _________, 2001.

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, LOCAL 829, AFL-CIO

By __________________________

By __________________________

By __________________________

By __________________________