ITEM NO. 26

STAFF REPORT

CITY OF OCEANSIDE

DATE: July 6, 2011

TO: Honorable Mayor and City Councilmembers

FROM: Human Resources Department

SUBJECT: **RESOLUTION IMPLEMENTING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OCEANSIDE AND THE WESTERN COUNCIL OF ENGINEERS (WCE) EFFECTIVE JULY 1, 2011**

SYNOPSIS

City management representatives have met and conferred with representatives of the Western Council of Engineers based on City Council's direction. A tentative agreement for a Memorandum of Understanding (MOU) was reached on June 7, 2011. WCE has ratified the agreement. Based on the Council's prior direction, it is requested that the City Council adopt the resolution to implement the proposed MOU.

BACKGROUND

The previous Memorandum of Understanding between the City and the Western Council of Engineers expires June 30, 2011. The City's negotiating team and WCE representatives met and conferred; this resulted in a tentative agreement on June 7, 2011. WCE ratified the agreement. The proposed agreement is for a term from July 1, 2011, through June 30, 2013, and includes compensation and contract language clarification as directed by the City Council.

ANALYSIS

The key economic issues in the MOU include revisions to the California Public Employees' Retirement System (PERS) benefit, and revisions in medical insurance cost-sharing.

The MOU provides that unit employees will commence paying an additional 2.25% of the employee's portion of their retirement effective the first full pay period in July 2011 (for a total of 5.75%), and an additional 2.25% effective the first full pay period in January 2012 (for a total of 8%).

The agreement also provides for a reopener clause if in January 2013, medical insurance rates are scheduled to increase by more than 10%.

Other significant items contained in the agreement include a 2nd tier retirement formula to apply to new hires, elimination of the Employer Paid Member Contribution (EPMC) reporting to CalPERS as special compensation, and an increase in the maximum number of vacation hours employees may accrue.

FISCAL IMPACT

As provided by the Finance Director, the total projected savings to the City to implement the proposed changes to PERS and EPMC, from all funds for FY 2011/2012, is approximately $42,276. The savings target for the general fund only was $40,500.

The budget reduction for PERS and EPMC, in the amount of $42,276, is applied as follows:

General Fund	$ 32,022
All Other Funds	$ 10,254
Total Reduction	$ 42,276

Attachment 1 is the amended budget prior to June 30, 2011, which provides a running balance of the General Fund deficit.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution implementing the Memorandum of Understanding with the Western Council of Engineers effective July 1, 2011, through June 30, 2013.

PREPARED BY:

Edward Raya
Human Resources Director

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager
Teri Ferro, Financial Services Director

ATTACHMENTS:
- Resolution
- Memorandum of Understanding

CITY OF OCEANSIDE
FY 2011-2012 ADOPTED & AMENDED OPERATING BUDGET

	General Fund	Other Funds	Total
Adopted 6/1/2011 (Agenda Item #17)	$ 112,915,313	$ 224,690,535	$ 337,605,848
Amended 6/1/2011 (Unreps,Aides,CCCS positions)	$ 9,163	$ (30,426)	
Amended 6/22/2011 (OCEA MOU)	$ (296,634)	$ (496,024)	$ (792,658)
Amended 7/6/2011 (MECO MOU)	$ (120,386)	$ (65,855)	$ (186,241)
Amended 7/6/2011 (WCE MOU)	$ (32,022)	$ (10,254)	$ (42,276)
Total Amended Budgets @ 7/6/2011	$ 112,475,434	$ 224,087,976	$ 336,563,410
Total Budgeted Revenues @ 6/1/2011	$ 112,033,102	$ 224,690,535	$ 336,723,637
Amended 7/6/2011 (Vehicle Replacement)	$ 306,483	$ 667,029	$ 973,512
Total Amended Revenues @ 7/6/2011	$ 112,339,585	$ 225,357,564	$ 337,697,149
Surplus/(Shortfall) - Use of Reserves	$ (135,849)	$ 1,269,588	

Prepared by Teri Ferro 6/27/2011

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE APPROVING AND IMPLEMENTING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OCEANSIDE AND THE WESTERN COUNCIL OF ENGINEERS

WHEREAS, representatives of the City Council of the City of Oceanside have met and conferred in good faith pursuant to the Myers-Milias-Brown Act with representatives of the Western Council of Engineers; and

WHEREAS, as a result of the said meet and confer sessions a Tentative Agreement (Agreement) with said Association was signed by the Interim Human Resources Director and representatives of said Association.

NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

SECTION 1. That the Memorandum of Understanding for the period from July 1, 2011 through June 30, 2013 (attached hereto as Attachment I), between the City of Oceanside and the Western Council of Engineers is hereby approved and adopted. The Memorandum of Understanding hereby approved shall expire at 11:59 p.m., on June 30, 2013, unless extended or modified as set forth in the Memorandum of Understanding.

SECTION 2. That all terms and conditions contained in the Memorandum of Understanding shall prevail over any inconsistent provisions of prior Memoranda of Understanding adopted by the City Council.

SECTION 3. That the City Manager is hereby directed to implement all provisions of said Memorandum of Understanding and to prepare any required amendments to the

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Personnel Rules and Regulations of the City of Oceanside and to submit said amendments to this Council for its approval.

PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this _____day of _____, 2011, by the following vote:

AYES:

NAYS:

ABSENT:

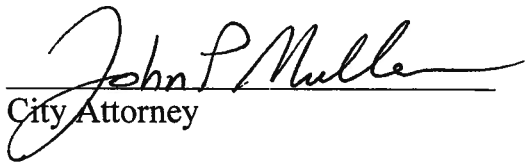
ABSTAIN:

_____
MAYOR OF THE CITY OF OCEANSIDE

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:



_____
City Attorney

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CITY OF OCEANSIDE

and

WESTERN COUNCIL OF ENGINEERS

Effective July 1, 2011 – June 30, 2013

SUMMARY OF CHANGES

1. **TERM** – From the date of ratification through June 30, 2013.

2. **RETIREMENT** – Effective first full pay period in July 2011, employees will contribute an additional 2.25% of the employee's portion of their retirement. Effective the first full pay period in January 2012 employees will contribute an additional 2.25% of the employee's portion of their retirement, for a total of 8%. Reporting of the Employer Paid Member Contribution (EPMC) will be eliminated effective the first full pay period in July, 2011. Provides for a 2nd tier CalPERS retirement structure to be established during the term of the contract for 2@60 with three highest year average.

3. **VACATION** – Provides for an increase in the maximum amount of vacation accrual to 240 hours.

4. **HEALTH INSURANCE** – Provides for reopener clause if in January 2013, medical insurance rates are scheduled to increase by more than 10%.

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MEMORANDUM OF UNDERSTANDING
Between the
CITY OF OCEANSIDE
and the
Western Council of Engineers

Pursuant to Section 3500 et seq. of the California Government Code, this Agreement is entered into between the CITY OF OCEANSIDE (hereinafter referred to as "City") and the Western Council of Engineers (hereinafter referred to as "**WCE**").

I. RECOGNITION

The City recognizes the **WCE** as the recognized employee organization for that unit of the City's employees as described below (hereinafter referred to as "employee(s)" or "affected employee(s)"):

Assistant Engineer
Assistant Traffic Engineer
Associate Engineer
Associate Planner
Associate Traffic Engineer
Fire Plans Examiner
Landscape Architect
Planner I
Planner II
Transportation Planner

II. MANAGEMENT RIGHTS

The City retains all rights not specifically delegated by this Agreement including, but not limited to, the exclusive right to determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action for proper cause; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise control and discretion over its organization and the technology of performing its work. The determination of whether or not an emergency exists is solely within the discretion of the City.

III. EMPLOYEE ORGANIZATION RIGHTS AND RESPONSIBILITIES

A. DUES DEDUCTIONS

1. The City shall deduct **WCE** dues payments from the paychecks of those employees who authorize such deductions for the term of this Agreement. **WCE** dues so deducted shall be of a uniform amount for each employee.

   The language of any form by which employees authorize such deductions shall be mutually agreed upon by the City and the **WCE**. Such form shall provide for one (1) rescission, at the employee's option. Such deductions shall be on a pay period basis. The amount deducted on behalf of any particular employee may be changed only once in any calendar year.

2. The **WCE** agrees to hold harmless and indemnify the City against any claims, causes of action, or lawsuits arising from such deductions or the transmittal of such deductions to the **WCE**.

B. TIME OFF FOR MEETING AND CONFERRING

The City shall provide reasonable time off without loss of pay or other fringe benefits for up to three (3) duly authorized **WCE** representatives for the purpose of meeting and conferring with City representatives during the term of this Agreement. Any release from duty for such purposes shall have prior approval of the City. No **WCE** representative shall be compensated in any manner for participation in any meet and confer session conducted during such representative's scheduled time off duty.

C. USE OF CITY FACILITIES

The City shall provide the **WCE** with reasonable use of City facilities for membership meetings during the term of this Agreement so long as such meetings do not interfere with City services. The City may charge the **WCE** such fees as necessary to offset the costs of providing such facilities for **WCE** use.

D. USE OF CITY BULLETIN BOARDS

The **WCE** may use City bulletin boards for matters within the scope of representation of its members as long as such does not interfere with City use of such bulletin boards or cause any disruption within the City service.

E. MOU DISTRIBUTION

The City agrees to make MOUs available at all City-designated work sites.

F. ACCESS TO EMPLOYEES

The City agrees to give a list of new hires (including department) to the **WCE** once a month and to provide each new employee in a class represented by the **WCE** with a **WCE** information packet. The **WCE** shall be responsible for providing the City with sufficient information packets.

G. ACCESS TO WORK LOCATIONS

WCE officers and officially designated **WCE** representatives shall have reasonable access for legitimate **WCE** business. **WCE** officers or designated **WCE** representatives should first give notice to the Personnel Manager and the department head or his/her designated representative. If the department head or representative indicates to the officer or **WCE** representative that they will be interfering with the normal conduct of City services or safety or security standards, the department head or representative shall arrange another time for the officer or **WCE** representative to return to speak with the employee. The **WCE** shall inform the City of its officers and designated representatives immediately after the changes are made.

H. SAFETY

1. Procedures are as follows:

   a. An employee shall first bring safety or health issues to the attention of immediate supervisors.

   b. If immediate supervisor does not respond within five working days, the employee may elect to:

      (1) bring the concern to the attention of the next immediate supervisor by submitting a written memo stating the specific problems; or

      (2) Request evaluation from Risk Manager by submitting appropriate City form. Risk Manager will reply in writing to the employee.

2. The City agrees to review the Hazardous Study information.

IV. SALARY/CLASSIFICATION PLAN

A. THE SALARY STEP PLAN

The Salary Step Plan as described in this Agreement shall provide a salary range for each employee job classification. Such salary range will be divided into six (6) salary level steps which shall be interpreted and applied as follows:

1. "A" STEP. The "A" or first step salary level will be the minimum rate and normally shall be the starting or hiring rate. In special cases when it is merited by experience, education, training or other qualifications, the City may approve the hiring of a candidate for employment at a higher level.

2. "B" STEP. The "B" or second step salary level may be granted to an employee after satisfactory completion of six (6) calendar months of service during the probationary period. The adjustment shall be made only if granted by the City. This second step must be granted at the time of satisfactory completion of the original probationary period.

3. "C" STEP. The "C" or third step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional

year of service from the granting of the previous salary step increase, only if granted by the City.

4. "D" STEP. The "D" or fourth step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase, only if granted by the City.

5. "E" STEP. The "E" or fifth step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase, only if granted by the City.

6. "F" STEP. The "F" or sixth step salary level may be granted to an employee who has proven to be fully satisfactory in a given classification for one (1) additional year of service from the granting of the previous salary step increase, only if granted by the City.

B. SALARY PLAN ADMINISTRATION

1. Employees shall normally receive salary compensation on a bi-weekly basis with paychecks being distributed on Friday. Each bi-weekly pay period shall normally extend from 12:01 a.m. on the Sunday before a normal payday through 12:00 a.m. on the Saturday following a normal payday. For employees scheduled to work a 9/80 work schedule, each bi-weekly pay period shall normally extend from 12:01 p.m. on the Friday before a normal payday through 12:00 (noon) on the Friday following a normal payday.

2. An employee will not receive any compensation of any type while on leave of absence without pay or while absent from duty without official leave.

3. If the salary range for a particular job classification is either increased or decreased, the City agrees to meet with the **WCE** to determine appropriate placement on the salary range.

4. The City may accelerate salary step advancement for individual employees at its discretion.

5. To maintain any given salary step level, an employee must continue to maintain a fully satisfactory level of performance. All employees shall receive at least one (1) annual written department evaluation. Additionally, the City may, at any time, assess an employee's performance by conducting an evaluation. If any such written departmental performance evaluation does not demonstrate an employee's continued successful performance, that employee may be reduced in salary step level or demoted in job classification. Any such reduction will be re-evaluated, at the City's discretion, after a specified period of time not exceeding one (1) year.

6. EVALUATION DATE DEFINED: The date on which an employee is to receive a performance evaluation in accordance with the salary step plan and the probationary period. Any change in an employee's job classification shall be considered as an appointment which establishes a new Evaluation Date.

a. This definition shall be utilized, as appropriate, throughout this Agreement unless specifically provided otherwise.

b. The Evaluation Date for any employee not present for duty nor in a pay status for one (1) or more full pay period(s) shall be advanced that number of pay periods.

C. THE PROBATIONARY PERIOD

1. DEFINED. The probationary period is a working evaluation period following an employee's appointment to the City service, or appointment to a new job classification, except by virtue of a reclassification, within the City service. Such a period may be extended by the City as a result of an employee's poor performance evaluation. The length of the probationary period shall normally be for six (6) calendar months unless otherwise specified by the City.

2. Any appointment to, or within, the City service, except by virtue of a reclassification, shall not be deemed to be permanent until the successful passage of an employee's probationary period. Such probationary period shall be considered as part of the employee's examination process during which the City may reject any probationary employee whose performance or qualifications do not fully meet the required standards of employment.

3. Any appointment to the City service shall be tentative and subject to the probationary period during which any newly appointed employee may be discharged by the City without right of appeal, if during such probationary period the City deems the employee unfit or unsatisfactory for permanent appointment.

4. Any appointment within the City service shall be tentative and subject to the probationary period during which any newly appointed employee may be rejected by the City without right of appeal, if during such probationary period the City deems the employee unfit or unsatisfactory for permanent appointment.

D. TRAINEE LEVELS

The City may, at its discretion, establish trainee salary range levels and/or job classifications.

E. ACTING APPOINTMENT

The City may, at its discretion, appoint an employee to an acting capacity in a job classification different than the one currently held by the employee. The employee shall receive any salary range increase which may be attendant to such acting service only after eighty (80) consecutive work hours of City-recognized successful service in such acting capacity (sick leave, vacation and other accrued leaves will not be included in the initial eighty hour requirements). Employees appointed to an acting capacity shall only be required to complete the eighty (80) consecutive work hour requirement, for the same acting capacity, once per calendar year to be eligible to receive the salary range increase. Any salary range increase provided to an employee shall be determined in accordance with the promotion provisions of this Agreement. Service in an acting capacity shall not continue for a period of time

exceeding one hundred eighty (180) days nor be considered in establishing an employee's Evaluation Date for the purpose of applying the salary step plan.

F. RECLASSIFICATION

The City may, at its discretion, reclassify any job within the City service to accommodate materially changed job duties not anticipated in the original classification which are assigned or directed to be performed by the City, but not to include duties voluntarily assumed by any employee. Prior to any global classification changes, the City will provide written notice to the **WCE** and allow for an appropriate timeframe for the **WCE** to respond prior to implementation.

1. RECLASSIFICATION DEFINED: A reclassification is a change in job description and/or job title of a position within the City service to accommodate materially changed job duties not anticipated in the original classification which are assigned or directed to be performed by the City, but not to include duties voluntarily assumed by an employee. Salary range level increase or decrease may, at the City's discretion, accompany a reclassification. Position reclassification is neither promotional nor demotional.

2. RECLASSIFICATION PROCESS: Reclassification claims for an employee may be submitted by the **WCE**, the employee or department management to the City's Personnel Department no later than January 1 of each year. Any reclassification changes that are recommended by the Personnel Department shall be submitted for consideration during budget deliberations. Those reclassifications that are approved by the City Council shall take effect in the first pay period in July.

G. H-RATING

The City may, at its discretion, H-Rate any employee in the City service. Such action shall not take effect until any employee has had fifteen (15) calendar days advance notice. Upon request the City shall meet with an employee and/or the employee's representative concerning the impact of the City's decision to apply an H-Rate.

H-RATING DEFINED. H-Rating shall mean that the salary range for the affected employee shall remain the same until the employee's salary range equals or exceeds the H-Rating level.

H. PROMOTION

The City may, at its discretion, promote any employee to a different job classification within the City service having more responsible duties, and/or higher job qualifications, and/or a higher salary range level. Upon promotion, any employee shall receive a minimum salary increase equivalent to one (1) salary step in the employee's current (pre-promotional) job classification, provided that such increase shall be at least equivalent to the minimum and shall not exceed the maximum salary range level established for the new job classification. A promotion shall establish a new Evaluation Date for purposes of applying the salary step plan. Any promotional appointment shall be tentative and subject to the probationary period. Any employee rejected during such probationary period shall be reinstated to the job classification held prior to the promotion, unless the employee is discharged from the City service as provided in this Agreement.

I. DEMOTION

The City may, in accordance with this Agreement, demote any employee to a different job classification within the City service having less responsible duties, and/or lower job qualifications, and/or a lower salary range level. Upon demotion, any employee shall receive a minimum salary decrease equivalent to one (1) salary step in the employee's current (pre-demotion) job classification, provided that no employee shall receive a salary which exceeds the maximum salary range level established for the new job classification. A demotion shall establish a new Evaluation Date for purposes of applying the salary step plan and may reinstitute the probationary period. Prior to an employee being demoted for disciplinary reasons, the employee shall be accorded all due process rights to which the employee is entitled, including but not limited to, advance notice of the action, a Skelly hearing and all other due process rights in accordance with current laws and the Personnel Rules and Regulations.

J. CLASSIFICATION DISCUSSION

Prior to February 1, 2012, the City and WCE will meet and discuss the structure of job classifications for all WCE classifications.

V. COMPENSATION

All employees shall be compensated as follows:

A. SALARY

All employees shall be compensated pursuant to the City of Oceanside Salary Schedule.

B. OVERTIME PAY

1. The City may assign employees work in excess of the normal, regularly scheduled forty (40) hour work week which shall be compensated at the rate of one and one-half times (1½) the employee's regular hourly rate of pay as overtime pay or at the rate of one and one-half times (1½) the hours worked as compensatory time.

2. All overtime work shall be authorized in advance by an employee's appropriate immediate supervisor, or no compensation shall be provided.

   All authorized overtime work shall be compensated at one and one-half times (1½) the employee's regular rate of pay unless the employee and the immediate supervisor mutually agree the employee is to receive compensatory time in lieu of cash overtime.

3. Authorized sick leave, scheduled vacations and holidays where an employee is in an authorized pay status shall be considered as time worked in establishing the employee's normal regularly scheduled forty (40) hour work week.

4. Compensation as provided herein above shall not be granted to any employee for services for which the employee has been otherwise compensated. For purpose

of this section, compensation for paid time off shall not be considered as compensation for services rendered.

5. Nothing hereinabove shall be construed to be a guarantee of a minimum work week for any employee.

6. An employee may accrue a maximum of eighty (80) hours of compensatory time off. The employee shall be permitted to schedule the use of compensatory time off provided the employee requests the time off at least two work days in advance and the requested time off will not unduly disrupt the operation of the office or department. If the requested time off is not granted, the immediate supervisor and the employee shall meet to select an alternative date. If no alternative date is available, the employee shall be paid in cash in lieu of receiving time off. If an employee is promoted from a non-exempt to an exempt status, the City will cash out all remaining compensatory time at the employee's current rate of pay.

7. Compensatory time off may be used in ½ hour increments.

8. An employee may cash out any accrued compensatory time off once each quarter upon a written request to the Payroll Supervisor in the Finance Division. Upon separation from City service, the employee shall be paid for all unused compensatory time off at the rate of pay in effect at the time of separation.

C. RETIREMENT

The City has contracted with CalPERS to fund the 2.7% at 55 retirement plan effective the first full pay period in July 2009.

2. The City shall continue to provide for the **following** optional retirement **provisions:**

   a. 1959 Survivor Benefits pursuant to Sections 21380 through 21388 of the California Government Code.

   b. Effective 1/1/92: Third Level of 1959 Survivor Benefits pursuant to Section 21382.4 of the California Government Code.

   c. Twenty-five percent (25%) increase in the 1959 Survivor benefit pursuant to Section 21390 of the California Government Code.

   d. Retirement Survivor's Benefits pursuant to Sections 21263 and 21263.1 of the California Government Code.

   e. Military Service Credit pursuant to Section 20930.3 of the California Government Code.

   f. One Year Final Compensation pursuant to Section 20024.2 of the California Government Code.

g. Waiver of age 70 retirement pursuant to Section 20983.6 of the California Government Code.

h. Service credit for unused sick leave.

3. **Effective the first full pay period in July 2011, the City agrees to eliminate reporting of the Employer Paid Member Contribution (EPMC) as additional compensation pursuant to Section 20692 of the California Government Code. The City will provide information to employees regarding the effect of EPMC for retirement planning purposes.**

4. **Effective the first full pay period in July 2011, all bargaining unit employees shall pay an additional 2.25% of the employee's portion of PERS, for a total of 5.75%. Effective the first full pay period in January 2012, all bargaining unit employees shall pay an additional 2.25% of the employee's portion of PERS, for a total of 8% and shall continue to pay the full employee's portion of the PERS contribution.**

5. **During the term of this MOU, the City shall contract and implement an agreement with PERS to provide a 2nd tier retirement benefit for all employees hired on or after a future date to be determined by the City. Said 2nd tier retirement benefit shall provide a 2% at 60, with 3-year average final compensation, retirement formula.**

D. MEDICAL/DENTAL/LIFE INSURANCE

The City shall provide every eligible employee (defined as an employee receiving benefits) with the option of selecting medical and/or dental and/or vision insurance for the employee only or for the employee and all eligible family members. If eligible family members are enrolled, they must be enrolled in the same coverage as elected by the employee.

1. Each eligible employee may elect to change the selection of optional benefits programs once per year at a time designated by the City and insurance provider.

2. The City shall continue health/dental/vision coverage for employees on approved leaves of absence without pay provided the employee pays the premiums in a timely manner. The City shall provide the employee with a payment schedule. For employees on approved leaves of absence without pay under the Family and Medical Leave Act, the City shall continue the monthly insurance contribution as provided by law.

3. Effective July 2005, the City shall provide every eligible employee group life insurance coverage equal to one times their annual salary with a minimum benefit of $30,000 **and maximum of $200,000.00.** The City shall contribute the appropriate monthly premium for such coverage.

4. The City agrees to provide the **WCE**, upon request, with copies of documents relating to health benefits costs.

5. Effective January 2008, the City agrees to pay the employee's health insurance premium as follows:

   a. Medical:
      For family coverage, the City agrees to pay 75% of the medical insurance premium, not to exceed 75% of the cost of the **City of Oceanside contracted** HMO plan.
      For two-party coverage, the City agrees to pay 85% of the medical insurance premium, not to exceed 85% of the cost of the **City of Oceanside contracted** HMO plan.
      For single coverage, the City agrees to pay 100% of the medical insurance premium, not to exceed 100% of the cost of the **City of Oceanside contracted** HMO plan.

   b. Dental:
      For family coverage, the City agrees to pay 75% of the dental insurance premium not to exceed 75% of the cost of the **City of Oceanside contracted** PPO premium.
      For two-party coverage, the City agrees to pay 85% of the dental insurance premium not to exceed 85% of the cost of the **City of Oceanside contracted** PPO premium.
      For single coverage, the City agrees to pay 100% of the dental insurance premium not to exceed 100% of the cost of the **City of Oceanside contracted** PPO premium.

   c. Vision:
      For family coverage, the City agrees to pay 75% of the vision insurance premium.
      For two-party coverage, the City agrees to pay 85% of the vision insurance premium.
      For single coverage, the City agrees to pay 100% of the vision insurance premium.

6. If both husband and wife are employed full time with the City, the City will pay the full cost of the family plan for health, dental, and vision, not to exceed the cost of the **City of Oceanside contracted** HMO plan; the Delta Preferred PPO plan and the vision plan.

7. **In the event that medical insurance rates for the benchmark plan are scheduled to increase by more than 10 percent (10%) of the 2012 rate in January 2013, either party may reopen for renegotiation the portion of this agreement covering medical insurance cost-sharing.**

E. LONG-TERM DISABILITY INSURANCE

The City shall continue to provide for long-term disability insurance for all employees at the current rates and levels. Minimally, such program shall provide a disability benefit equivalent to sixty-six and two-thirds percent (66 2/3%) of the employee's basic monthly salary up to a maximum benefit of six thousand dollars ($6,000.00) per month. Any such disability benefit shall not become payable until the passage of ninety (90) days from the date of disability and exhaustion of all the employee's

accrued sick leave, whichever is later. Such disability benefits shall not be paid concurrently with sick leave benefits, and shall be offset by disability retirement benefits, or benefits equivalent to those provided in Labor Code Section 4650 or like benefits which may be imposed by state or federal mandate.

1. The long-term disability insurance program described in Section V.I. above shall not be canceled or otherwise altered in scope except by the mutual agreement of the City and the **WCE**. The City shall notify the **WCE** prior to any change in carriers for Long Term Disability insurance.

2. The City shall contribute, as appropriate, up to the full "employee only" premium cost of the above-described long-term disability program.

F. SHORT-TERM DISABILITY INSURANCE

The City shall continue to provide for short-term disability insurance for all employees. No disability benefits shall be provided by any such program concurrent with sick leave benefits, disability retirement benefits, or benefits equivalent to those provided in Labor Code Section 4650 or like benefits which may be imposed by state or federal mandate.

1. The City shall contribute, as appropriate, up to the full "employee only" premium cost of the above-described short-term disability program. Maximum reimbursement is **$700.00** per week.

2. The short-term disability insurance program described in Section V.F.1. above shall not be canceled or otherwise altered in scope except by the mutual agreement of the City and the **WCE**. The City shall notify the **WCE** prior to any change in carriers for Short Term Disability insurance.

G. PHYSICAL EXAMINATIONS

The City shall provide for any medical examination required by the City of any employee at no cost to the employee.

H. EMERGENCY RECALL PAY

1. Any employee recalled to perform job duties after the close of the regularly assigned shift and after departure from City facilities shall receive a minimum of two (2) hours salary or two (2) hours of compensatory time off, as agreed upon by the appropriate immediate supervisor and the employee. Any employee required to work longer than two (2) hours after being recalled shall receive overtime pay as provided in this Agreement.

2. All employees subject to emergency recall shall regularly reside within a reasonable response time of thirty-five to forty minutes driving time from City Hall.

3. Employees will not be compensated for travel time to and from the employee's residence and their place of employment.

I. REPLACEMENT OF PERSONAL PROPERTY

Any employee that suffers damage, destruction or loss of personal property, except a motor vehicle, boat, airplane or similar such vehicle, required in the performance of regular duties and as a result of performing those duties, shall be entitled to replacement or repair thereof upon the approval of the Risk Manager, not to exceed $500.00, provided that such damage or destruction did not result from employee negligence. Any reimbursement provided under this section shall not exceed the reasonable value of functional replacement or repair. Specific replacement or repair value limitations on such articles as eyeglasses and watches shall be established by the City.

J. TUITION REIMBURSEMENT

1. Full time employees who have successfully completed their initial probationary period are eligible to receive tuition reimbursement. The City shall provide reimbursement for tuition, books, lab fees and mandatory fees within a fiscal year up to a dollar amount which shall not exceed the per unit rate based on a normal semester full-load tuition rate at San Diego State University for courses related to the employee's current job. An employee shall be reimbursed upon submitting evidence that he/she has satisfactorily completed the approved course work. Employees shall obtain pre-approval from the City prior to commencement of classes. Reimbursement will only be granted for courses taken at universities or colleges that are accredited with the Western Association of Schools & Colleges or one of the other five regional associations that accredit public and private schools, colleges and universities in the United States. Employees must submit their request for reimbursement within ninety days of course completion. **Coursework approved during a fiscal year will be applied to that fiscal year allowance, regardless of the course end date.**

2. The City shall also provide reimbursement pursuant to the guidelines outlined above for courses taken as part of a curriculum (general education or classes applicable to a specific major) that would lead toward an Associate's or Bachelor's Degree, or a Master's Degree.

3. In no event will the total amount for Tuition Reimbursement for any employee, for any combination of classes taken in a fiscal year, exceed the full load rate at San Diego State University.

4. If an employee attains a degree in a subject related to his/her current job, while employed with the City, the employee shall receive a one-time payment of $300 for an Associate level degree and a one time payment of $600 for a Bachelor's degree.

K. DEFERRED COMPENSATION

All employees may participate in the City's non-contributory Deferred Compensation Plan on a voluntary basis, subject to all of the Plan's conditions and regulations, including annual sick leave payoff.

L. BILINGUAL PAY

Any employee may apply to be tested for bilingual certification and a certification examination shall be scheduled within a reasonable time thereafter.

The City shall determine which languages are needed and the number of personnel needed to perform the service. Bilingual certification examinations may include Spanish, Samoan and American Sign Language. All persons passing the test up to a maximum to be determined by the City shall be certified to receive the bilingual stipend of $100.00 per month.

M. MILEAGE

When an employee is authorized to use his/her personally owned vehicle during work assignments, the City shall provide advanced mileage or mileage reimbursement at a level equivalent with the current IRS rate. This rate is subject to adjustment up or down based on actions of the Federal government. The set rate is intended to be a total amount paid for use of the vehicle, inclusive of gas, oil, insurance and maintenance.

N. FLEXIBLE SPENDING ACCOUNTS

The City agrees to implement an IRS-approved Flexible Spending Account (FSA) program that will enable employees to defer compensation on a pre-tax basis for eligible health care expenses and dependent care expenses. Administrative fees will be paid by the City.

O. EMPLOYEE COMPUTER ASSISTANCE PROGRAM

Employees who have satisfactorily completed their initial probationary period, shall be eligible to participate in the Employee Computer Assistance Program. Employees will be eligible for a loan up to a maximum of $3000 for the purchase of hardware and software approved by the City for home use. The loan will be repaid, by payroll deduction, over a period not to exceed 30 months. Any remaining loan balance is due and payable upon termination, and will be deducted from the employee's final check.

P. PROFESSIONAL LICENSE OR REGISTRATION

Effective July 2009, upon obtaining either an AICP or PTP certification, the City will reimburse employees for the cost of the certification or renewal of certification.

Based upon the operational needs of the City, the City will authorize paid time off for employees to participate in professional State certified examinations. Such time off shall be granted on a one time only basis, per examination, unless otherwise approved by the Department Head and shall not be charged to employee's leave time.

Q. PROFESSIONAL ASSOCIATIONS

Effective July 2009, with the prior approval of the Department Director, the City will pay for annual dues for membership in one professional association per employee. Association memberships must provide a benefit to the employee and the City.

R. CERTIFICATION PAY

Effective the first full pay period in July 2009, employees possessing State of California license as P.E., Civil, Structural, Traffic/Transportation Engineer, or Licensed Landscape Architect shall receive certification pay of $150.00 per month. Employees with multiple certifications shall receive a maximum of $150.00 per month.

VI. ATTENDANCE AND LEAVES

A. HOURS OF WORK

1. The basic work week shall consist of five (5) eight (8) hour days, or forty (40) hours per week. However, employees for whom the City deems a different schedule to be desirable or necessary shall work according to such other schedule. If the work schedule is changed from 5/8 to 4/10 or some other flexible work schedule (or the reverse), employees shall receive two weeks notice, unless the schedule change is necessitated by an emergency.

2. Lunch periods and breaks shall be as scheduled by the City.

3. Employees working during the conversion from Standard Time to Day Light Savings Time will be allowed to utilize their accrued leave (excluding sick leave) or take one hour leave without pay at the employee's option, to ensure a full work day (i.e. if the employee normally works an eight hour shift, and due to the conversion only works seven hours, the employee will be authorized to utilize their accrued leave (excluding sick leave to ensure a full paid work shift).

B. ATTENDANCE

Employees shall work the schedule assigned unless granted official leave by the City. Employees who are unable to report to work due to personal illness or illness of a family member must utilize sick leave. Employees are not authorized to utilize vacation, holiday or other forms of accrued leave in lieu of sick leave.

C. SICK LEAVE

1. DEFINED. Sick leave is leave from duty which may be granted by the City to an employee because of illness, injury, exposure to contagious disease, necessary consultation with or treatment by a doctor or dentist, or necessary attendance to the illness or injury of a member of the employee's immediate family.

   An employee's immediate family shall consist of the employee's spouse, children, step children and foster children; the employee's or spouse's grandparents,

parents, step parents, brothers or sisters; other members of the employee's family residing in the employee's home; or other members of the employee's family entirely dependent upon the employee.

2. SICK LEAVE USE

   a. An employee may be granted sick leave only in case of actual sickness as defined in Subsection VI.C.1. above. In the event that an employee recovers from any such sickness after being granted sick leave, and during the regularly scheduled hours of work, then such employee shall notify the appropriate immediate supervisor and shall be available to return to duty.

   b. In order to apply for sick leave use, an employee shall notify the appropriate immediate supervisor within one (1) hour after the time established as the beginning of the employee's work day.

   c. Sick leave shall not be granted to any employee absent from duty as a result of any sickness, injury or disability purposely self-inflicted or caused by willful misconduct.

   d. Sick leave shall only be granted in even, one-half hour increments.

   e. Sick leave shall not be granted to any employee absent from duty after separation from City service, during a City-authorized leave of absence without pay, or any absence from duty not authorized by the City.

   f. Sick leave shall not be granted to any employee to permit an extension of the employee's vacation.

   g. Sick leave may be granted to any employee during the first six (6) full calendar months of the employee's original probationary period.

   h. In the event that an employee has applied for sick leave for two (2) or more consecutive scheduled working days, the City may require a physician's certification as to the diagnosis of the illness or injury, the treatment recommended for it, and an approval of the employee's intended return to work. The City may, however, require such certification regarding sick leave use at any time.

   i. Sick leave granted to any employee for necessary attendance to the illness or injury of a member of the employee's immediate family, or death within the employee's immediate family, shall not exceed forty (40) hours in any calendar year.

   j. Employees on an approved FMLA leave may use up to twelve weeks of accrued sick leave in any twelve-month period.

3. SICK LEAVE ACCRUAL

a. All employees shall accrue one (1) hour of sick leave for each 21.66 hours spent in a pay status beginning on the first day of service as a City employee. Such accrual shall take place on a pay period basis. Hours spent in a pay status shall include all regular hours worked in the City service and all hours spent in a paid leave status from regular duties, and shall exclude any hours worked as overtime or special time.

b. Sick leave granted by the City and used by an employee shall be deducted from the employee's accrued sick leave balance.

c. Employees granted a leave of absence with pay or other approved leave with pay shall accrue sick leave as otherwise provided by this Agreement.

d. Sick leave shall not be accrued by an employee absent from duty after separation from City service, during a City-authorized leave of absence without pay, or any absence from duty not authorized by the City.

e. Employees may accrue sick leave on an unlimited basis.

4. REIMBURSEMENT FOR ACCRUED SICK LEAVE

a. For employees hired on or prior to July 1, 1981:

Upon separation by retirement following five (5) continuous years of City service, an employee may be paid fifty percent (50%) of the employee's total accrued sick leave or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation and shall reduce the employee's total amount of accrued sick leave to zero.

b. For employees hired after July 1, 1981:

Upon separation by retirement, following five (5) continuous years of City service, an employee may be paid fifty percent (50%) of the employee's accrued sick leave up to a maximum payoff level of 600 hours or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation and shall reduce the employee's accrued sick leave by the number of hours cashed out.

c. For employees hired on or prior to July 1, 1981:

Upon separation of any type, other than by disciplinary discharge, and following ten (10) continuous years of City service, an employee may be paid fifty percent (50%) of the employee's total accrued sick leave or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation and shall reduce the employee's total amount of accrued sick leave to zero.

d. For employees hired after July 1, 1981:

Upon separation of any type, other than by disciplinary discharge, and following ten (10) continuous years of City service, an employee may be paid fifty percent (50%) of the employee's accrued sick leave up to a maximum payoff level of 600 hours or may apply a portion of or the entire accumulated sick leave accrual balance to PERS service credit at the employee's option. Such reimbursement shall be at the employee's salary rate at the time of separation and shall reduce the employee's accrued sick leave by the number of hours cashed out.

e. Each calendar year, an employee may elect to receive payment in lieu of accrued sick leave provided such employee has used thirty-two (32) hours or less of sick leave during the calendar year. An eligible employee shall notify the City of the desire to receive such payment prior to the last working day in November of any calendar year. An employee receiving such pay shall receive, at the then-current salary rate, pay for one half (50%) of the number of hours of sick leave accrued less those hours used for the calendar year period. The employee's accrued sick leave shall be reduced by the number of sick leave hours for which pay is provided.

D. BEREAVEMENT LEAVE

a. A permanent employee shall be eligible to take three (3) days leave of absence on account of the death of a member of the employee's immediate family.

b. An employee's immediate family shall consist of the employee's spouse, children, step children and foster children; the employee's or spouse's grandparents, parents, step parents, brothers or sisters; and other members of the employee's family residing in the employee's home.

c. Upon approval of the Department Director, an additional two (2) days of bereavement leave may be granted. These two (2) days, if granted, shall be chargeable to sick leave.

E. HOLIDAYS

1. Employees shall receive the following paid holidays on a straight time basis:

a. January 1st, "New Year's Day";
b. The third Monday in January, "Martin Luther King Jr. Day";
c. The last Monday in May, "Memorial Day";
d. July 4th, "Independence Day";
e. The first Monday in September, "Labor Day";
f. November 11th, "Veteran's Day";
g. "Thanksgiving Day";
h. The Friday after Thanksgiving Day;
i. December 25th, "Christmas Day";

2. In the event that one of the above holidays falls on a Sunday, the Monday following will be observed as the holiday. In the event that any of the above holidays falls on a Saturday, the Friday preceding will be observed as the holiday.

3. In the event that a holiday falls on an employee's regularly scheduled work day and the employee is required to work, then the employee shall be entitled to accrue another day off in lieu thereof, in addition to straight-time pay for each hour worked, or overtime, as appropriate.

4. All holiday credit accrued between January 1 and June 30 must be scheduled and taken by the employee by June 30. If the time is not scheduled and taken by June 30, the employee shall be paid for any such hours at the employee's hourly rate on the second scheduled payday after June 30 and the hours shall be subtracted from the employee's accrual balance. All holiday credit accrued between July 1 and December 31 must be scheduled and taken by the employee by December 31. If the time is not scheduled and taken by December 31, the employee shall be paid for any such hours at the employee's hourly rate on the second scheduled payday after December 31, and the hours shall be subtracted from the employee's accrual balance.

F. FLOATING HOLIDAYS.

In addition to the above holidays, each employee in the bargaining unit shall be credited with 48 hours of floating holidays. Floating holiday hours are to commemorate other holidays including President's Day, Admission's Day, Columbus Day, State wide Election Day, and other holidays that may be celebrated by employees. All employees will be credited with 48 floating holiday hours on July 1 of each year. The hours shall not exceed 48 and unused hours from the prior year shall have no cash value. Floating holiday hours cannot be utilized for the donation to catastrophic leave banks.

Floating holiday leave shall be scheduled at the discretion of the City with due regard to the wishes of the employee and the work requirements of the City.

Such leave shall only be taken in whole hour increments. Effective beginning the first full pay period in January 2002, such leave shall be taken in half hour or whole hour increments.

G. VACATION LEAVE

1. VACATION USE

a. All employees shall be entitled to annual vacation leave with pay as provided in this Agreement.

b. Scheduling of employee vacation leave shall be at the discretion of the City with due regard to the wishes of the employee and the work requirements of the City.

c. Vacation leave may be granted in half-hour increments effective February 26, 1995.

d. Vacation leave shall not be granted to any employee after separation from City service, during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

e. Vacation leave shall not be granted to any employee during the first six (6) full calendar months of the employee's original probationary period. However, on the successful completion of the probationary period, the employee shall be credited with vacation leave that would otherwise have been accrued during the probationary period as provided in this Agreement.

2. VACATION ACCRUAL

a. VACATION ACCRUAL RATES. All employees shall accrue vacation leave on the basis of the number of regular hours worked in the City service and all hours spent in a paid leave status from regular duties, excluding any time worked as overtime or special time as provided below. Such accrual shall take place on a pay period basis.

(1) During the employee's first five (5) full consecutive years of employment, the employee shall accrue one (1) hour of vacation leave for each 26 hours spent in a pay status. This accrual amounts to approximately ten (10) days per year.

(2) During an employee's sixth (6th) consecutive year of employment, the employee shall accrue one (1) hour of vacation leave for each 23.63 hours spent in a pay status. This accrual amounts to approximately eleven (11) days per year.

(3) During an employee's seventh (7th) consecutive year of employment, the employee shall accrue one (1) hour of vacation leave for each 21.66 hours spent in a pay status. This accrual amounts to approximately twelve (12) days per year.

(4) During an employee's eighth (8th) consecutive year of employment, the employee shall accrue one (1) hour of vacation leave for each 20.00 hours spent in a pay status. This accrual amounts to approximately thirteen (13) days per year.

(5) During an employee's ninth (9th) consecutive year of employment, the employee shall accrue one (1) hour of vacation leave for each 18.57 hours spent in a pay status. This accrual amounts to approximately fourteen (14) days per year.

(6) During an employee's tenth (10th) consecutive year of employment, and extending through the fourteenth (14th) consecutive year of employment, the employee shall accrue one (1) hour of vacation leave for each 17.33 hours spent in a pay status. This accrual amounts to approximately fifteen (15) days per year.

(7) Beginning with an employee's fifteenth (15th) consecutive year of employment, and extending through the completion of the nineteenth

(19th) consecutive year of employment, the employee shall accrue one (1) hour of vacation leave for each 13.00 hours spent in a pay status. This accrual amounts to approximately twenty (20) days per year.

(8) Beginning with an employee's twentieth (20th) consecutive year of employment and through the remaining years of employment, the employee shall accrue one (1) hour of vacation leave for each 10.40 hours spent in a pay status. This amounts to approximately twenty-five (25) days per year.

b. All employees shall take annual vacation leave away from their job duties. Employees hired prior to July 1, 1995, may not accrue vacation leave in excess of 360 hours. **Between July 1, 1995 and July 9, 2011, employees hired July 1, 1995, or after could not accrue vacation leave in excess of 200 hours. Effective the first full pay period in July, 2011, employees hired July 1, 1995 or later may accrue vacation up to a maximum of two hundred forty (240) hours.**

c. Vacation leave granted by the City and used by an employee shall be deducted from the employee's accrued vacation leave.

d. Employees granted a leave of absence with pay, or other approved leave with pay, shall accrue vacation leave as otherwise provided by this Agreement.

e. Vacation leave shall not be accrued by an employee absent from duty after separation from City service, during a City-authorized leave of absence without pay, or any other absence from duty not authorized by the City.

f. Employees may not utilize accrued vacation for the sole purpose of extending employment with the City.

3. COMPENSATION FOR ACCRUED VACATION LEAVE

Upon separation, an employee shall receive compensation for accrued vacation leave. Such compensation shall be at the employee's salary rate at the time of separation.

4. HOLIDAY OCCURRING DURING VACATION

In the event that a holiday recognized in this Agreement occurs during an employee's scheduled vacation leave, such holiday shall not be considered as vacation leave used by the employee.

H. MILITARY LEAVE

The State Military and Veteran's Code shall govern the City's granting and an employee's use of military leave.

I. LEAVE OF ABSENCE WITHOUT PAY

1. Any employee who has successfully completed the original probationary period may submit to the appropriate immediate supervisor a written request for leave of absence without pay for a period not exceeding one (1) year for the specific purpose of obtaining improved job training, or recuperating from an extended illness for which sick leave is not available, including maternity leave, or for attending to urgent personal affairs. Use of a leave of absence without pay for a purpose other than that requested shall be considered as an employee's automatic resignation from the City service. No leave of absence without pay shall be utilized to permit an employee to seek other employment or to permit an employee to engage in non-City employment. The City shall have sole discretion to approve or disapprove any such request.

2. Any employee having been granted a leave of absence without pay and not reporting for work promptly upon its expiration shall be considered to have automatically resigned from the City service.

J. LEAVE FOR JURY DUTY

Any employee called to serve as a juror shall receive compensation from the City for the difference between the pay received as a juror, except payment for mileage, and the employee's regular salary that would have been received but for jury duty.

K. FAMILY AND MEDICAL LEAVE POLICY

The City of Oceanside Family and Medical Leave Policy shall govern the granting and employee use of family and medical leave.

VII. SEPARATION FROM CITY SERVICE

Separation of an employee from City service may be accomplished in any of the following manners:

A. Completion of work assignment or project.
B. Resignation, which may be either deliberate or automatic. Any deliberate resignation shall be submitted to the appropriate immediate supervisor at least seven (7) calendar days prior to an employee's actual separation from the City service.
C. Retirement, which may be either deliberate or by virtue of disability.
D. Layoff as provided in Section VIII of this Agreement.
E. Discharge as a result of disciplinary action as provided in this Agreement.
F. Death.
G. Abandonment of position (i.e. Any employee who has failed to report to work or failed to contact their supervisor, for three consecutive work days shall be considered to abandon their position with the City).

VIII. LAYOFF AND RECALL POLICY

A. SCOPE AND PURPOSE

Whenever it becomes necessary, in the judgment of the City, due to lack of work, lack of funds, or other legitimate economic reasons, or because the necessity for a position no longer exists, the City may abolish any position or employment, and the employee holding such position or employment may be laid off without disciplinary action and without the right to appeal the concept of the lay off, except as provided herein. This procedure shall not be used for disciplinary reasons. It is also understood that employees and the **WCE** expressly reserve the right to grieve alleged violations of the layoff procedure and/or allegations that the procedure, as applied to a particular employee, has been used for disciplinary reasons.

B. PROCEDURE

Layoff of any employee shall be made in the following order:

1. Employees shall be laid off by classification in the reverse order of departmental seniority, with temporary, then probationary employees being laid off before permanent employees.

   A permanent employee who is subject to layoff shall have the right to displace within the department any temporary and/or hourly extra-help employee in a lateral or lower classification in which he/she is qualified. Such employee shall be a temporary or extra-help/hourly employee in the new position but shall retain his/her reemployment rights to the permanent position.

2. In the event that two or more employees in the same classification have the same departmental seniority, then layoff shall be made on the basis of City seniority.

3. In the event that two or more employees in the same classification have the same departmental and City seniority, then layoff shall be made on the basis of the employees' job performance as determined by the City Manager or his/her designee.

4. The only exception to the above-described order shall be where an employee within an affected classification has an identified exceptional skill, knowledge or ability particular to the work being performed and which more senior employees do not possess. The determination that such an employee has such a particular skill, knowledge or ability may be made only by the City Manager. Any employee who would not have been laid off but for such a determination by the City Manager may appeal the validity of such determination beginning with Step 4 of the Grievance Procedure.

C. NOTICE OF LAYOFF

The City shall give all affected employees and the **WCE** at least thirty (30) calendar days written notice of any impending layoff, except in the event of an emergency situation, the City shall give no less than ten (10) calendar days notice. If the City fails to give an affected employee the required notice, the employee shall be entitled to

payment of regular wages in lieu of such notice for each additional day the employee would have been in a paid status had he or she received the required notice. In no case will an employee receive in excess of one calendar month (ten calendar days in case of emergency) of regular wages. The notice shall include the following:

1. The effective date of the layoff.

2. The reason for the layoff.

3. The job classification, if any, within the employee's present department into which the employee may retreat as otherwise provided in this procedure.

4. The vacancies in job classification, if any, in other departments into which the employee may retreat as otherwise provided in this procedure.

5. The rules governing recall.

6. The availability of Personnel Department staff to assist the employee in seeking other employment.

D. TRANSFER TO AVOID LAYOFF

Prior to implementing any layoff, the City will transfer an affected employee to a vacancy in an equivalent job classification in the same department or another department, provided the affected employee possesses the skills necessary to perform the new job.

E. LAYOFF DUE TO CONTRACTING FOR SERVICE

If a permanent City employee is laid off due to the City's contracting for the services performed by said employee, the City agrees to notify the employee and the employee's **WCE** representative at least 30 days prior to the effective date of the layoff. The City further agrees to assist any employee subject to layoff due to the aforementioned procedure in finding similar employment for which the employee is qualified.

F. RETREAT

1. An employee affected by layoff shall have retreat rights to displace an employee in the same department who has less seniority in a lower class in the same class series, or in a lower classification in which the affected employee once had permanent status. In order to retreat to a lower or former class, an employee must request such retreat action in writing to the Personnel Department within ten (10) calendar days of receipt of the notice of layoff. Employees retreating to a lower or former class shall be placed at the salary step representing the least loss of pay. In no case shall the salary be increased above that received in the class from which the employee was laid off. Employees retreating to a lower or former class shall serve a probationary period in the new class unless they have previously successfully completed a probationary period in the class.

2. An employee who is not eligible for retreat rights within the same department in which he/she is currently employed, as described above, and who has previously served in another City department, may displace an employee of such previous department who has less seniority in that department. Any such displacement shall only take place in the same classification that the affected employee currently holds, in a lower class in the same class series as that one currently held, or in a lower classification in which the affected employee once had permanent status. In order to retreat to a lower or former class, an employee must request such retreat action in writing to the Personnel Department within ten (10) calendar days of receipt of the notice of layoff. Employees retreating to a lower or former class shall be placed at the salary step representing the least loss of pay. In no case shall the salary be increased above that received in the class from which the employee was laid off. Employees retreating to a lower or former class shall serve a probationary period in the new class unless they have previously successfully completed a probationary period in the class.

3. Any retreat right exercised under this procedure shall establish a new Evaluation Date for the affected employee.

G. <u>REEMPLOYMENT</u>

1. The names of persons laid off in accordance with this procedure shall be entered upon a Reemployment List. Such lists shall be on the basis of job classification. If the affected job classification is utilized in only one department, then former employees shall be placed upon the Reemployment List for that job classification in the inverse order of their layoff date. If the affected job classification is utilized in more than one department, then former employees shall be placed upon the Reemployment List for the job classification according to descending City seniority first and then descending classification seniority in the event that two (2) or more employees have identical City seniority. If two (2) or more employees have identical City and classification seniority, then the employees shall hold the same position on the Reemployment List. The list shall contain the name of the former employees; the former employees' departmental, City and classification seniority; and the former employees' date of layoff. Names of persons laid off from different departments or different layoff dates shall be combined into a single list.

2. In the event that the job classification from which a former employee has been laid off no longer exists, then the former employee shall have the opportunity to qualify for other reemployment lists for different job classifications. A former employee's eligibility for any particular recall list in such circumstances shall be determined by the City's standard hiring practices for that position. A laid off employee shall notify the Personnel Department within ten (10) calendar days of his/her layoff for which positions, if any, he/she desires to attempt to qualify.

3. The Reemployment List shall be made an addendum to any existing regular eligible list for each affected job classification for a period of 24 months from the date of layoff. If no regular eligible list exists, the Reemployment List shall be used to establish a new eligible list. Such Reemployment List shall be considered by any appointing authority in filling a vacancy which arises in the same or lower job classification before consideration of an eligible list.

4. When a vacancy arises in a job classification for which a Reemployment List exists, the Personnel Department shall immediately notify those former employees whose names appear on the list. Such notification shall be by registered or certified mail sent to the employee's last address of record on file in the Personnel Department. It shall be the responsibility of the former employee to keep the **Human Resources** Department informed of any address changes. Within ten (10) calendar days after receipt of the notice of vacancy, a former employee must inform the Personnel Department of his/her availability and intention to accept re-employment, if offered. The names of all former employees on a Reemployment List willing to accept employment shall be certified to the appropriate appointing authority for consideration for re-employment. Such names shall be certified in the order in which they appear on the Reemployment List. No other applicant on any other eligible list shall be considered for appointment to the vacancy until all former employees on the reemployment list have been considered for appointment.

5. Upon reemployment, the former employee's salary shall be established at the salary step level held at the time of layoff and the evaluation date for use in accordance with the salary step plan shall be the date on which reemployment begins. A reemployed employee shall be entitled to credit for all unpaid sick leave accrued prior to layoff and shall accrue vacation and sick leave at the same rate and maximum limitation such accruals were made at the time of the layoff.

H. SEVERANCE PAY

Employees who are laid off and separated from City service shall be entitled to severance pay in the amount of one week for each year worked with a cap of four weeks.

IX. INDUSTRIAL INJURIES AND ACCIDENTS

A. DEFINITION

The State Workers' Compensation laws and this Agreement shall govern all aspects of duty-related injuries, illnesses and accidents.

B. INJURY AND ILLNESS REPORTING

1. Any duty-related injury or illness which requires medical treatment shall be reported to the immediate supervisor by any injured or ill employee as soon as possible thereafter.

2. Any duty-related injury or illness which does not require medical treatment shall be reported to the appropriate immediate supervisor by any injured or ill employee by the end of the work day schedule in which the injury or illness occurred, or as soon as possible thereafter.

C. ACCIDENT REPORTING

1. Any duty-related injury or property damage shall be reported to the appropriate immediate supervisor by any accident-involved employee as soon as possible.

2. Any duty-related accident which does not result in any injury or property damage shall be reported to the appropriate immediate supervisor by any accident-involved employee by the end of the workday schedule in which the accident occurred, or as soon as possible thereafter.

D. MEDICAL TREATMENT FOR INJURY OR ILLNESS

Any employee suffering any duty-related injury or illness which requires either immediate or continued medical treatment shall immediately seek such treatment from a City-approved physician or medical facility, except as provided herein.

1. If an employee has notified the City in writing prior to the date of injury that the employee has a personal physician as defined in state law, then the employee shall have the right to be treated by such physician from the date of injury.

2. After thirty (30) calendar days from the date any such injury or illness is reported, the employee may be treated by a physician of his/her own choice or at a facility of his/her own choice within a reasonable geographic area.

E. ABSENCE FOR INDUSTRIAL INJURY OR ILLNESS

1. Any employee suffering a duty-related injury or illness which prohibits that employee from the performance of regular job duties may request an absence from duty. Such request shall be submitted in the form of a Workers' Compensation claim. Upon the acceptance of any such claim by the City or the State Workers' Compensation Appeals Board, the employee shall be granted an absence from duty. Any dispute regarding any such claim shall be resolved through the State Workers' Compensation Appeals Board process.

2. **After the date the illness or injury is reported, the employee may select a physician from the Medical Provider Network.**

3. **Employees may predesignate a personal physician as per Labor Code 4600. The forms are available on the City's intranet website.**

X. STANDARDS OF CONDUCT

A. Employee misconduct may be cause for disciplinary action including, but not limited to: reprimand, reduction in pay, demotion, suspension with or without pay, or discharge. Such misconduct shall include, but not be limited to, any of the following:

1. Commission of an act which results in a criminal conviction and constitutes a misdemeanor or infraction involving moral turpitude, or a felony.

2. Unauthorized use or possession of City property or equipment.

3. Causing damage to or waste of public property through misconduct or negligence.

4. Unauthorized or excessive absence from regularly assigned duties.

5. Frequent and unexcused tardiness in reporting to regularly assigned duties.

6. Use of fraud or material misrepresentation but for such fraud or material misrepresentation the employee would not have secured employment.

7. Use of an employee's official position or office for personal gain or advantage.

8. Deliberate dishonesty related to the performance of an employee's duties.

9. Accepting favors or gratuities in return for services required to be performed as a part of the employee's official duties and responsibilities.

10. Discourteous treatment of the public or other City employees.

11. Failure to carry out assigned duties promptly, adequately or efficiently.

12. Insubordination.

13. Intentional or negligent act or omission which adversely affects, or threatens to adversely affect, the safety of the employee or others.

14. Failure to observe and comply with this Agreement or City or departmental rules and regulations.

15. Use, possession, or being under the influence of any alcoholic beverage while on duty.

16. Being under the influence of any drug which interferes with the performance of any employee's regular job duties.

17. Use or possession of any illegal drug while on duty.

18. Other serious or socially reprehensible conduct either during or outside of duty hours which is of such a nature that it causes serious discredit to the employee's department or the City.

B. No employee shall be discharged for a minor violation of the standards of conduct delineated hereinabove as X.A.11. or X.A.14. without first having received a prior written warning concerning a related or similar violation.

XI. DISCIPLINE

A. Full authority for discipline is retained by the City. The City agrees, however, that employees will be disciplined only for just cause.

B. Prior to the imposition of any discipline, excluding reprimand of any classified, permanent employee, the following procedure shall be utilized.

1. The employee shall be given written notice of the disciplinary action including a statement of the reason therefore. Service of such notice shall be considered complete upon the personal delivery of such notice in the U.S. Mail, first-class postage prepaid, addressed to the employee's latest known address on file in the Personnel Department of the City.

2. The notice of disciplinary action must also include a copy of the charges of misconduct and, whenever practical, a copy of the material or documents upon which the charges are based. If it is impractical to provide the employee with a copy of such materials or documents, the employee and/or his/her representative shall be allowed reasonable time to review such materials or documents and the notice of disciplinary action shall set forth the procedure for such a review.

3. The employee shall be given the right to respond to the proposed discipline either orally or in writing to the appropriate City appointing authority. The City shall give the employee a reasonable time to submit his/her response and in no event shall such time period be less than forty-eight (48) hours from the completion of service of the notice of disciplinary action.

4. An employee waives all rights to informally respond to the proposed discipline if he/she fails to submit such response within the time limit established by the City.

5. Following either the submission of the employee's informal response to the disciplinary action or the waiver of such right, the appropriate City appointing authority shall either impose, or modify, or not impose the proposed discipline, as the situation warrants. Any discipline so imposed shall not be stayed by the initiation of a grievance by the employee as provided for herein.

C. Notwithstanding the provisions of Section XI.B. hereinabove, any discipline which, in the judgment of the appointing authority, must be imposed immediately to protect the health, safety, or welfare of the community or other City employees may be summarily imposed without affecting the predisciplinary procedure of Section XI.B. Such procedure shall be completed, however, within five (5) working days of the imposition of the discipline.

D. A grievance of discipline must be initiated by the employee within five (5) working days after the notice of discharge, demotion or reduction in pay, or the initial date of suspension, whichever date is earliest, should a combination of discipline apply, or in the case of discipline imposed under Section XI.C., after the completion of the informal response procedures. Failure to initiate a grievance within such time limit shall constitute a waiver by the employee of all rights to grieve such discipline hereunder.

E. All disciplinary grievances shall be initiated at Step 3 of the Grievance Procedure delineated herein except grievance of disciplinary action involving reprimand which shall be initiated at Step 1. Verbal reprimands may only go to Step 3.

F. Written Reprimand: A Department Director or his/her designee may reprimand an employee by furnishing the employee with a written statement of the specific reasons for the reprimand and notification that unless improvement occurs immediately, further disciplinary action may result. A copy of the reprimand shall be filed in the employee's department file, but will not be maintained in the central personnel file in the Personnel Department. If an employee's performance is satisfactory and the employee does not receive any form of disciplinary action in the twenty-four (24) months following receipt of the written reprimand, then written reprimand will be removed from the employee's departmental personnel file at the employee's written request. However, if the employee's performance is not satisfactory or if the employee receives any form of disciplinary action in the twenty-four (24) month period following receipt of the written reprimand, the written reprimand shall remain part of the permanent personnel file and may be included in any subsequent disciplinary action.

Written Reprimands shall only be appealed to the City Manager or designee and are not subject to the grievance procedures.

XII. GRIEVANCE PROCEDURES

A. DEFINED

A grievance is an alleged violation of a specific clause of the Agreement. Matters for which another method of review are provided by this Agreement, by Resolution, by Ordinance, by Charter, or by State Law shall be excluded from this procedure.

B. PROCEDURE

All grievances shall be presented in the following manner:

1. STEP 1. The aggrieved employee, who may be represented by another person, shall present the facts relative to the grievance to the appropriate immediate supervisor in writing within thirty (30) working days of the date on which the grievance arises, except as provided otherwise in this Agreement. Prior to filing any such written grievance every effort will be made to resolve the matter informally. The supervisor shall render a decision in writing to the grievant within five (5) working days from the day the grievance is presented.

2. STEP 2. If the grievance is not resolved in STEP 1, the grievant may appeal it to the Department Head within ten (10) working days from the date a decision was rendered in STEP 1, above. Such appeal shall be in writing, and shall include: a statement of the grievance and the facts relative to it; a statement of the alleged violation of the Agreement; and a statement of the remedy requested. Within ten (10) working days of receiving such appeal, the Department Head shall arrange a meeting between himself/herself, the aggrieved employee, the employee's representative (if applicable), and a representative of the Personnel Department to review the grievance. The Department Head shall render a written decision on the grievance within ten (10) working days after the meeting.

3. STEP 3. If the grievance is not resolved in STEP 2, the grievant may appeal it in writing to the City Manager within five (5) working days from the date a decision was rendered in STEP 2, above. The City Manager, or designated representative, must arrange a meeting between those affected before rendering a decision. The decision shall be rendered within twenty (20) working days of the filing of the appeal.

4. STEP 4. If the grievance is not resolved in STEP 3, the grievant may submit it to an advisory arbitrator by filing a written request to do so with the City Manager within five (5) working days from the date a decision was rendered in STEP 3, above.

   a. The City Manager shall request a panel of seven (7) advisory arbitrators from the California State Conciliation Service within fifteen (15) working days of receiving such a request. The advisory arbitrator shall be selected to hear the grievance by alternately striking names from such a panel beginning with the aggrieved employee.

   b. The advisory arbitrator shall issue subpoenas to compel the attendance of witnesses if such be necessary at the request of either party.

   c. The hearing shall be recorded by a certified shorthand reporter or tape recorder as agreed by the parties. Expenses for such recording services shall be borne equally by the City and the employee, provided, however, that each shall be responsible for any specialized or extraordinary service they might individually request.

   d. In rendering a recommendation, the advisory arbitrator shall be limited to the express terms of the Agreement and shall not have the power to modify, amend, or delete any terms or provisions of this Agreement. Failure of either party to insist upon compliance with any provision of this Agreement at any given time or times under any given set or sets of circumstances shall not operate to waive or modify such provision, or in any manner whatsoever to render it unenforceable, as to any other time or times as to any other occurrence or occurrences, whether the circumstances are, or are not, the same.

   e. The fees and expenses of the arbitrator shall be shared equally by the parties involved, except that if either party rejects the advisory decision of the arbitrator, that party must pay the entire cost of the arbitrator's fees and expenses. All other expenses and costs incurred by the parties during arbitration shall be the responsibility of the individual party incurring the same.

   f. The time limits in this procedure may only be waived by mutual agreement of both parties, in writing.

C. <u>WORKING DAYS DEFINED</u>

As used in this procedure, the term "working days" shall mean regular work days Monday through Friday between 8:00 a.m. and 4:30 p.m., except holidays on which the City administrative offices are closed to the public. For employees working a 9/80

work schedule, the term "working days" shall mean regular work days Monday through Friday between 7:30 a.m. and 5:00 p.m., except holidays and Fridays on which the City administrative offices are closed to the public.

XIII. NO STRIKE CLAUSE

A. It is agreed and understood that there will be no concerted strike, sympathy strike, work stoppage, slow-down, obstructive picketing, or concerted refusal or failure to fully and faithfully perform job functions and responsibilities, or other concerted interference with the operations of the City by the **WCE** or by its officers, agents, or members during the term of this Agreement. Compliance with the request of other labor organizations to engage in such activity is included in this prohibition.

B. The **WCE** recognizes the duty and obligation of its representatives to comply with the provisions of this Agreement and to make every effort toward inducing its members to do so. In the event of the following concerted activities such as a strike, sympathy strike, work stoppage, slow-down, or obstructive picketing, the **WCE** agrees in, good faith, to actively take affirmative action to cause those employees to cease such action.

C. It is agreed and understood that any employee concertedly violating this article may be subject to disciplinary action, up to and including discharge, and/or may be considered to have resigned automatically from the City service. For the purpose of this article, any employee deemed to have resigned automatically shall be eligible to utilize the Grievance Procedures as provided in this Agreement.

D. It is understood that in the event this article is violated, the City shall be entitled to withdraw any rights, privileges, or services provided for in this Agreement or any other City rules, regulations, resolutions and/or ordinances, from any employee and/or **WCE**. No such actions shall be taken by the City in the event that the **WCE** acts in good faith in accordance with Section B., above.

E. The expiration or violation of this Agreement shall not prejudice the City's right to assert the illegality of any such activities mentioned above if engaged in by the **WCE** or employees.

XIV. CONTINUOUS PROCESS IMPROVEMENT COMMITTEE

The **WCE** and the City agree to create a standing committee for efficiency improvements (continuous process improvement). The primary purpose of this committee will be to research, review, and recommend ways to improve service delivery to Oceanside residents within the existing work force, utilizing innovative and unique ideas, technology, and customer satisfaction.

XV. CONFLICT OF PROVISIONS

In the event of a conflict between a specific provision of this Agreement and a written rule, regulation or ordinance of the City or any of its divisions, the terms of this Agreement shall prevail.

XVI. SAVINGS PROVISION

If any provision(s) of this Agreement are held to be contrary to the law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting, except to the extent permitted by law, but all other provisions will continue in full force and effect.

XVII. BINDING ON SUCCESSORS

This Agreement shall be binding upon the successors and assigns of the parties hereto.

XIII. CONCLUSION OF AGREEMENT

This Agreement contains all of the covenants, stipulations, and provisions agreed upon by the parties. This Agreement is intended to supersede all prior Agreements, Memoranda of Understanding, contrary provisions of salary ordinances, City Code sections, or Personnel Rules and Regulations whether expressed or implied, written or oral. It shall govern the entire relationship between the parties and shall be the sole source of any and all rights which may be asserted by the parties. Therefore, for the term of this Agreement, neither party shall be compelled to negotiate or bargain with the other concerning any mandatory bargaining issues, whether or not such issues were specifically discussed prior to the execution of this Agreement, or whether or not such issues were omitted from any discussion. The parties may, however, mutually agree to discuss or meet and confer regarding any issue arising during the term of this Agreement.

XIX. TERM OF AGREEMENT

This Agreement and each of its provisions are effective upon ratification by City Council and shall continue in full force and effect until June 30, **2013** and from year to year thereafter unless one party serves notice on the other prior to the expiration date.

XX. RATIFICATION AND EXECUTION

This Agreement shall be in full force and effect upon formal approval by the City Council of the City and implementation of its terms and conditions by appropriate ordinance, resolution, or other lawful action. Subject to the foregoing, this Agreement is hereby executed by the authorized representatives of the City and the **WCE**.

DATED _____, Western Council of Engineers

BY _____
Gabor Pakozdi, Associate Engineer

BY _____

BY _____

DATED _____, CITY OF OCEANSIDE

BY _____
Edward Raya, Human Resources Director

BY _____
Christine Singer, Principal Human Resources Analyst