



MEMORANDUM OF UNDERSTANDING

February 1, 2008 to January 31, 2009

SAN BRUNO MANAGEMENT EMPLOYEES ASSOCIATION

SAN BRUNO MANAGEMENT EMPLOYEES ASSOCIATION MOU
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SAN BRUNO MANAGEMENT EMPLOYEES ASSOCIATION

MEMORANDUM OF UNDERSTANDING

San Bruno Management Employees Association (hereinafter referred to as "bargaining unit") and representatives of City of San Bruno (hereinafter referred to as "City") have met and conferred in good faith regarding wages, hours, and other terms and conditions of employment of employees in the representation unit listed in Section 1, have exchanged freely 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 is entered into pursuant to the Meyers-Milias-Brown Act (Government Code Section 3500 et seq.) and has been jointly prepared by the parties.

This Memorandum of Understanding is a compilation of the previous Memoranda of Understanding with modifications as approved pursuant to Resolution 1985-18, Resolution 1987-29, Resolutions 1990-11 and 1990-91, Resolution 2001-22 Resolution 2002-55, Resolutions 2004-33 and 2004-38, and Resolution 2007-97.

Section 1. Recognition

Bargaining unit is recognized as the majority representative as provided in the City's Employer-Employee Relations Resolution No. 1970-20, adopted March 23, 1970, for all employees assigned to the classifications set forth in Section 6 of this document, which is attached and made a part hereof; provided, however, that the foregoing shall be inapplicable in the event such recognition is revoked pursuant to said resolution, or in the event such recognition is revoked.

Section 2. Bargaining Unit Security

Section 2.1 Dues Deduction

(a) Bargaining unit shall have the regular dues of its members within the representation unit deducted from the employees' paychecks under procedures prescribed by the Finance Director of City for such deduction.

(b) Dues deduction shall be made only upon signed authorization from the employee, and shall continue until revoked in writing by the employee.

(c) City shall not be required to modify the amounts deducted from the employee paychecks for dues more than once in each calendar year.

(d) City shall not be required to deduct from employees' paychecks any assessments upon the members imposed in addition to dues.

Section 2.2 Advance Notice

Except in cases of emergency as provided below in this subsection, the bargaining unit, if affected, shall be given reasonable advance written notice of any ordinance, resolution, rule or regulation directly relating to matters within the scope of representation proposed to be adopted by the City and shall be given the opportunity to meet and confer with the appropriate management representatives prior to adoption.

In cases of emergency when the foregoing procedure is not practical or in the best public interest, the City may adopt or put into practice immediately such measures as are required. At the earliest practicable date thereafter, bargaining unit shall be provided with the notice described in the preceding paragraph and be given the opportunity to meet and confer with the appropriate management representatives.

Section 3. City Rights

(a) The City shall retain the full rights of management and the direction of its business and operations, except as expressly limited and set forth in writing in this Memorandum of Understanding. Wherein a subject matter is covered by the Memorandum of Understanding, the City will act in accordance with those sections.

(b) Nothing herein shall be construed to require the City to meet and confer on matters which are solely the function of management and which are not otherwise provided in this Memorandum of Understanding. The rights of the City through its Council and management include, but are not limited to, the following:

- (1) To exclusively determine the mission of its constituent departments, commissions, and boards;
- (2) To set standards of service of the various City departments;
- (3) To determine the procedures and standards of selection for promotion and employment;
- (4) To establish grooming standards;
- (5) To lay off its employees from duty because of lack of work and/or other legitimate reasons;
- (6) To maintain the efficiency of governmental operations;
- (7) To determine the methods, means, and personnel by which governmental operations are to be conducted;
- (8) To determine the content and intent of job classifications;
- (9) To determine the methods of financing of departmental operations;

(10) To determine the style and/or types of City-issued wearing apparel, equipment, or terminology to be used;

(11) To determine and/or change the facilities, methods, technology, means, organizational structure, and size and composition of the work force, and allocate and assign work by which City operations are to be conducted;

(12) To determine and change the number of locations, relocations, and types of operations, processes, and materials to be used in carrying out all City functions, including, but not limited to, the right to contract for or subcontract any work of operations of the City;

(13) To assign work to and schedule employees in accordance with requirements as determined by the City, and to establish work schedules and assignments upon reasonable notice;

(14) To establish and modify productivity and performance standards for employees, and to require compliance therewith;

(15) To discharge, suspend, demote, reprimand, lower salary to a lower step, withhold salary increases, or otherwise discipline employees for cause;

(16) To take all necessary actions to carry out its mission in emergencies.

It is a major purpose of this section to maximize the flexibility of the City to conduct its day-to-day operations.

Section 4. No Discrimination

There shall be no discrimination by either the bargaining unit or City on any basis prohibited by state or federal law.

Section 5. Bargaining Unit Representative

(a) Bargaining unit representatives may receive but not solicit complaints or grievances of employees at the work location during work hours. They shall not interfere with the normal conduct of work or duties of the employees, as determined by the City Manager or designee.

(b) Activities such as the soliciting of membership, collection of dues, holding membership meetings, campaigning for office, conducting elections, and distributing literature are strictly prohibited during work hours without the prior approval of the City Manager.

(c) In the event the City believes that bargaining unit representatives are abusing the provisions of this section, it shall contact the bargaining unit or its representative to arrange a mutually acceptable time and place to investigate the City's complaint and to assure full compliance by the bargaining unit representative to the extent possible.

(d) Whenever an employee is required to meet with the City Manager or designee and the employee reasonably anticipates that such meeting will involve questioning leading to disciplinary action, the employee shall be entitled to have a bargaining unit representative present upon request. In the event the employee desires the presence of a bargaining unit representative, the City will contact the bargaining unit to arrange a mutually acceptable time to hold the meeting. Once scheduled, neither party shall be required to reschedule the meeting for the convenience of the other. This section shall not prohibit the City from taking action if, in the City's opinion, immediate action is necessary.

Section 5.1 Access to Personnel Files

An employee or an employee's representative, upon presentation of written authorization from the employee, shall have specific access to the employee's personnel file upon request and at the reasonable convenience of Human Resources. Documentation in the personnel file relating to the investigation of a possible criminal offense, medical records, background information, and information or letters of reference may be specifically excluded from the inspection and review of the employee and/or the employee's representative. The employee shall have the right to make copies of performance evaluations and warning letters, if any, upon request. Employees shall only review their personnel file in the presence of a designated employee of Human Resources.

Section 6. Salary Plan

Section 6.1 Salary Ranges

(a) Salary ranges for represented classifications shall be as set forth in Appendix "A".

(b) 4% salary increase, effective the pay period beginning March 31, 2008 for all represented classifications.

(c) The City utilizes the provisions of Section 414(h)(2) of the Internal Revenue Code (IRC) relating to employee-paid PERS, which provides for tax deferral of employee-paid PERS contributions.

Section 6.2 Salary Plan Administration

Each employee permanently assigned to a position covered by this Memorandum of Understanding shall be paid a salary within the range established for that position and classification.

Section 6.3 Salary Plan Administration, Original Appointment

The salary for a new employee occupying a position covered by this Memorandum of Understanding shall be the minimum salary step for the classification to which the

employee is appointed. However, when warranted, the City Manager may appoint a new employee at a salary step other than the minimum step of the appropriate classification.

Section 6.4 Salary Plan Administration, Advancement Within Salary Range

No salary advancement shall be made so as to exceed the maximum rate established in the pay plan for the classification to which the advanced employee's position is allocated. Employees hired at the first step of the salary range shall be evaluated for salary advancement after the first six months of service and after additional one-year periods of service thereafter until the employee has reached the maximum rate established. Employees hired at other steps of the salary range shall be evaluated for salary advancement after the first year of service and after additional one-year periods of service thereafter until the employee has reached the maximum rate established. Advancement within the salary range shall generally be made one step at a time. However, the City Manager may, when circumstances warrant it, advance the salary of an employee more than one step at a time.

Advancements shall not be automatic, but shall depend upon increased service value of an employee to the City as exemplified by recommendations of his supervising official, length of service, performance records, special training undertaken, or other pertinent evidence.

Advancement to the next higher step within the range of the assigned classification shall be implemented only upon final approval by the City Manager.

Salary range adjustments for a classification will not set a new salary anniversary date for employees serving in that classification.

Section 6.5 Salary Plan Administration, Employee Evaluation

(c) Employees eligible for salary step increases shall be evaluated in writing at least once every six months.

(d) Other employees shall be evaluated in writing at least once per year.

(e) If an employee evaluation is not accomplished within thirty (30) days of its due date, the performance of that employee shall be deemed to be satisfactory.

Whenever the schedule of compensation for a classification is revised, each incumbent in a position to which the revised schedule applies shall be paid at the same step in the revised range as the step at which the employee was paid in the previous range.

If an employee takes a leave of absence, the time spent away from work shall not be counted toward the completion of the next step. Depending upon how long the individual is away from work, it will move the employee's anniversary date in accordance with the rule (below) that presently determines the anniversary.

Section 6.6 Anniversary Date

The anniversary date is that date from which time is calculated for purposes of salary step advancement, the advancement of vacation accrual dates, and the accrual of sick leave. This date shall be the employee's actual date of hire.

Section 6.7 Salary Plan Administration, Salary Step after Promotion or Demotion

(a) Promotion. When an employee is promoted from a position in one classification to a position in a higher classification, that employee shall be entitled to receive the rate of pay of the lowest step in the salary range of the higher classification which provides at least 5% above the base salary of the employee, not including acting pay or educational incentive pay.

(b) Demotion

(1) Non-disciplinary demotion. When an employee is demoted for reasons not related to disciplinary purposes, he shall be placed at the salary step in the lower classification, which most closely approximates but does not exceed the employee's salary in the higher classification.

(2) Voluntary demotions; demotions resulting from probationary rejections. When an employee takes a voluntary demotion to a position previously held or is reappointed to such a position as the result of a probationary rejection, the employee shall be placed at the same step in the lower classification which the employee last held. The employee's service time at such step shall continue as if the promotion had not occurred.

(3) Disciplinary demotions. When an employee is demoted to a lower classification for disciplinary reasons, the specific rate of pay in the salary range of such classification to which the employee shall be entitled shall be determined by the City Manager.

Section 6.8 Acting Pay

(a) An employee assigned to perform substantially the duties of a higher job classification shall, commencing with the seventh (7th) consecutive complete calendar day from the commencement of the assignment, receive the rate of pay established for the salary step of the classification of the temporary assignment that is a minimum of five percent (5%) greater than the employee is currently earning, retroactive to the date the employee was assigned to such duties. In no event shall the rate paid exceed the top step of the assigned classification.

(b) The City Manager shall have the discretion to increase the salary of such employee to an amount not in excess of the top step of the higher classification.

(c) An employee assigned to perform such duties for six months shall be entitled to a salary which shall be not less than that of the lowest step of the higher classification, nor greater than that of the highest step of such classification, as determined by the City Manager, but in no event shall such employee be paid less than that received pursuant to subsection (a) or (b) above. Any subsequent adjustments to this rate of pay shall be at the discretion of the City Manager.

(d) When such employee is acting as City Manager for the time period required under subsection (a), but not more than 30 consecutive calendar days, employee shall be entitled to a salary increase retroactive to the date of assignment of the duties of the City Manager, which shall be 5% of the salary of employee's regular position. When such employee has been acting as City Manager for 30 or more consecutive calendar days from the commencement of the assignment, such salary increase shall be 5% of the salary of employee's regular position or \$600 per month, whichever is greater.

Section 6.9 Salary Pay Periods

Employees shall be paid bi-weekly.

Section 6.10 City Contribution to Deferred Compensation

City agrees to a one percent (1%) of annual salary, City-paid deferred compensation contribution. One percent (1%) matching City-paid contribution is on a bi-weekly pay-period basis. Employees must have a deferred compensation account and contribute at least one percent (1%) of their salary on a bi-weekly basis to receive this benefit. There shall be no retroactivity or lump-sum balance payments with this program benefit.

Section 6.11 Special Circumstances Pay

An employee specifically assigned by the City Manager through use of the personnel action form process on a temporary or longer-term basis to regularly perform work outside of the scope of his/her permanent classification but not performing substantially the duties of another job classification may receive Special Circumstances Pay at the exclusive discretion of the City Manager. The City Manager may assign a rate of pay between 3.5% and 10% depending on the nature of the circumstances and organizational need. The determination as to the rate of pay made by the City Manager is final.

Section 6.12 Bilingual Incentive Pay

The City shall provide bilingual incentive pay in the amount of 2.5% of base pay to an employee who meets the criteria outlined in the City's Bilingual Program. These requirements include:

(a) Demonstrated proficiency in a language other than English (including American Sign Language), which is used within the community;

(b) Successfully meets and maintains the program requirements, including re-qualifying every two years.

Section 7. Appointments

Section 7.1 Sources of Appointments to Fill Vacancies

(a) Whenever the City Manager determines that a vacancy in this bargaining unit is to be filled, it shall be filled by re-employment, transfer, demotion, or from eligible applicants certified from an appropriate employment or promotional list, if available.

Only open competitive examinations shall be administered for the positions listed in Appendix "A".

(a) Employees of this bargaining unit hired after February 1, 2008 shall have "at-will" status whose terms of employment are outlined in this memorandum of understanding. Any current employee of this bargaining unit may elect by April 1, 2008 to remain covered by the competitive service or become "at-will" employees with severance pay as outlined in Section 21 of this MOU.

Section 7.2 Nepotism

(a) No person shall be appointed to a position in this bargaining unit, if a member of the immediate family of such person is employed within the same department to which such position is assigned if the City Manager determines, within his/her sole discretion, that a) (1) for business reasons of supervision, safety, security, or morale, it would be inappropriate to place one such person under the direct supervision of the other; and (2) the appointment cannot be made without one employee being under the supervision of the other; or b) the placement of both persons in the department involves potential conflicts of interest greater for persons so related than for non-related persons, and that such conflicts cannot be resolved by control of duty assignments.

(b) If such appointment is made, the employees involved shall be assigned, if possible, so that one is not under the direct supervision of the other, or employed to work in conjunction with the other under ordinary circumstances.

(c) If, due to marriage or otherwise, persons employed in the same department become members of an immediate family, the City Manager shall, to the extent possible, assign such persons to duties in such manner that neither is under the direct supervision of the other, and neither is assigned to work in conjunction with the other under ordinary circumstances.

(d) For purposes of this section, "immediate family" includes father, mother, brother, sister, spouse, child, mother-in-law, father-in-law, grandparents, grandchildren, great-grandparents, great-grandchildren, stepchildren, foster children, stepparents.

(e) Prior to making any determination pursuant to subsection (a), or any assignment pursuant to subsection (c), the City Manager shall consult with the bargaining unit.

Section 8. Layoff and Reemployment

Section 8.1 Layoff

Whenever, in the judgment of the City Council, it becomes necessary to abolish positions, the City Council may abolish any position in this bargaining unit, and the employee holding such position or employment may be laid off without the right of appeal.

In reduction of force, employees with the least length of service in the classification affected shall be laid off first; provided, that any employee so laid off may elect to be reassigned to a classification with a lower salary scale held by an employee with less service with the City if (a) the senior employee has previously held a position within the classification; or (b) the classification to which the senior employee would be reassigned is within the same department and the senior employee is capable by training and experience of performing the work of the position to which he/she would be reassigned.

This section does not apply to the right of the City Manager to determine whether and when a vacancy shall be filled.

Section 9 Resignation and Reinstatement

Section 9.1 Resignation

An employee wishing to leave in good standing shall file with the City Manager, at least 2 weeks before leaving the service, a written resignation stating the effective date and reasons for leaving. The resignation shall be forwarded to the City Manager with a statement as to the resigned employee's service performance and other pertinent information concerning the cause of resignation. Failure of the resigning employee to give 2 weeks notice shall be entered on the service record of the employee and may be cause for denying future employment by the City.

Section 9.2 Reinstatement

A regular employee who has resigned in good standing may be reinstated to a vacant position of the same classification as the previous position within a period of 2 years from the effective date of resignation. Reinstatement shall be made at the salary step recommended by the City Manager. Employees who have been reinstated to their previous positions shall have "at-will" status.

Section 10 Demotion and Transfer

Section 10.1 Demotion

The City Manager may demote an employee whose performance of required duties falls below standard, or for disciplinary purposes. No employee shall be demoted to a position for which he/she does not possess the minimum qualifications. Three days written notice shall be given the employee before the effective date of the demotion.

Section 10.2 Transfer

An employee may be transferred from one position to another position in the same or comparable classifications upon direction of the City Manager after consultation with the employee. No employee shall be transferred to a position for which the employee is not qualified.

Section 11. Holidays

Section 11.1 Authorized Holidays

(a) The following are the City's observed holidays:

New Year's Day	Veterans Day
Martin Luther King Jr. Day	Thanksgiving Day
Presidents' Day	Day After Thanksgiving
Memorial Day	Day Before Christmas
Independence Day	Christmas Day
Labor Day	

(b) If a holiday falls on a Sunday, such holiday shall be observed on the Monday following. If a holiday falls on a Saturday, such holiday shall be observed on the Friday before such Saturday.

(c) The following special rules shall apply to observance of Day Before Christmas:

If Christmas Day falls on Day Before Christmas is observed on:

Monday	Tuesday following
Tuesday	Monday before
Wednesday	Tuesday before
Thursday	Friday after
Friday	Thursday before
Saturday	Thursday before
Sunday	Friday before

Section 11.2 Personal Leave Bank

Each employee of this bargaining unit shall have a Personal Leave Bank. The bank shall be maintained by the Finance Department and reported to the employee by means of a payroll stub entry. Historical note: Personal Leave Bank has previously been called Holiday Leave Bank.

New employees shall begin with a balance of zero (0). Each year on the employee's birthday, the employee's leave bank shall be credited with eight (8) hours of personal leave. The leave bank shall also be credited with eight (8) hours of leave each year on February 12 and September 9, in recognition of prior holidays for Lincoln's Birthday and Admission Day, respectively. Similarly, on Good Friday each year, the employee's leave bank shall be credited with four (4) hours of leave.

An employee desiring to take personal leave must make such request in writing to the City Manager or designee at least seven (7) days prior to the proposed leave, unless otherwise agreed to by the City. Approval of such time off shall be subject to the operating requirements of the department in which the employee works.

Section 11.3 Holiday During Vacation

In the event any of the holidays specified in subsection 12.1 occurs while an employee is on vacation, the holiday shall not be charged to vacation.

Section 12. Leaves

Section 12.1 Sick Leave

(a) Purpose. Sick leave shall not be considered a privilege, which an employee may use at his or her discretion, but shall be allowed in case of necessity and actual sickness or disability, except as provided in paragraphs (4) and (5) of subsection (b). In addition, sick leave may be used by an employee, subject to the limiting conditions for Bereavement Leave (Section 13.4) upon the death of an aunt, uncle, nephew, niece, great-grandchild or great-grandparent.

(b) Rate and conditions of accrual and utilization of sick leave.

(1) There shall be no limitation on the amount of sick leave the employees of this bargaining unit may accumulate.

(2) Sick leave, vacation leave, and holiday leave shall not accrue when the employee is on leave without pay. When the employee is on leave for a period of thirty or more consecutive calendar days due to sickness or disability, sick leave shall not accrue.

(3) Employees of this bargaining unit shall be eligible to utilize sick leave upon accrual.

(4) In the event sick leave is taken by an employee instead of a leave of absence for industrial disability granted by state law where there is a bona fide dispute as to whether the disability is industrial, and such dispute is resolved in favor of the employee, any sick leave which was erroneously deducted from the employee's accumulated sick leave shall be restored to the employee.

(5) Procedure. In order to receive compensation while absent on sick leave, the employee shall notify the City Manager or designee prior to the starting time, or as soon as City offices are open, if reasonably possible. If an employee becomes ill while away from his/her residence, he/she shall notify the City Manager or designee of his/her location, including address and telephone number.

(6) Signed statement. If requested, when an employee has been absent on sick leave, upon his/her return he/she shall submit to the City Manager or designee a personally signed statement confirming the length of the illness, injury, or disability. Such statement shall be on a form prescribed by the City for such purpose.

(7) Medical certificate. When an employee returns after an absence on sick leave for any amount of time, the City Manager may require the employee to submit a certificate signed by a licensed physician indicating the nature of the illness, injury, or disability, in addition to the signed statement required pursuant to paragraph (6). The City agrees to pay for the cost of obtaining said certificate to the extent that the employee's health insurance does not do so. The employee shall make every effort to take advantage of available insurance coverage.

(8) Availability for notification.

(a) An employee who is absent on sick leave is expected to be available to answer telephone calls related to the illness, injury, disability, or work-related matters. No employee shall refuse to answer a telephone call from the City Manager or designee for that purpose.

(b) If the employee has previously been counseled or warned in writing by the City Manager regarding abuse of sick leave, he/she shall be available to receive visits from the City Manager or designee related to the illness, injury, disability, or work-related matters. No such employee shall refuse to receive a visit from the City Manager or designee for such purposes.

(9) Sick leave on holidays. If an employee is absent on paid sick leave and a holiday occurs during such absence, the day shall be treated as a holiday taken and such pay shall not be charged against the employee's sick leave credit.

(10) Sick leave pay on termination. In the event an employee's employment with the City is terminated as a result of retirement, death or abolition of position, the following amount of unused sick leave shall be paid on termination of employment.

(a) Employees who have completed twenty (20) or more years of City service as a full-time employee: fifty percent (50%) of unused sick leave, or eight hundred (800) hours, whichever is less;

(b) Other employees: fifty per cent (50%) of unused sick leave, or six hundred (600) hours, whichever is less.

(11) Family Sick Leave. Upon the approval of the City Manager or designee, an employee may use up to a maximum of forty-eight (48) hours of paid sick leave each calendar year, when illness of a person of the employee's immediate household, or immediate family as defined in Section 13.4(b) Bereavement Leave, normally residing within the employee's immediate household, or when the illness of the employee's husband, wife, son, daughter, mother or father, not normally residing within the employee's immediate household, requires the employee to take care of such sick person.

Section 12.2 Maternity Leave

(a) Eligible employees. A female employee in a classification represented by the bargaining unit who is unable to perform the essential functions of her job due to pregnancy, childbirth, or related medical conditions shall be entitled to maternity leave of absence as provided in this section, and shall be entitled to return to her position at the conclusion of such leave, except where cause for dismissal from employment is present pursuant to this section.

(b) Prerequisite to use maternity leave. To be eligible for maternity leave of absence, the employee shall, prior to commencement of such leave, present to the City Manager or designee a certificate from a licensed physician verifying that the employee is or will be unable to perform the essential functions of her job due to pregnancy, childbirth or related conditions. The City Manager may require subsequent certificates certifying such disability each week as a prerequisite to continued use of maternity leave. In conjunction with the initial certificate, the employee shall present to the department head a written statement as to the period of time during which she anticipates that she will be absent from work, whether she anticipates that she will return to work, and, if so, when. If there is a change in the facts presented in such written statement, the employee shall present a revised statement to the department head.

(c) Maximum leave period. Maternity leave shall not be granted for a period greater than four calendar months for any pregnancy; provided, however, that the City Manager may, at his/her discretion, grant an additional leave of absence without pay under other applicable provisions of this Memorandum of Understanding.

(d) Compensation. Maternity leave shall be granted without salary or benefits to the employee, except as follows:

(1) Vacation time; etc. The employee shall be entitled to use accrued vacation leave, , and holiday leave, with applicable salary and benefits, at her option, during the maternity leave period.

(2) Sick leave. The employee shall be entitled to use accumulated sick leave in case of necessity and actual sickness or disability during the maternity leave period, to a maximum of 8 weeks. The use of sick leave shall be subject to all applicable provisions of this Memorandum of Understanding governing use of sick leave.

(e) Medical benefits. Employees on maternity leave who have exhausted their Family Medical Leave and California Family Rights Leave, and are on a leave without pay shall be entitled to continue their coverage under health plans for hospital-medical-surgical benefits upon payment of the entire premiums due for such plan or plans.

(f) Return to work. The failure of an employee to return to work from maternity leave of absence, in accordance with the most recent statement filed pursuant to paragraph (b), or within 4 months from the commencement of the maternity leave period, where no other type of leave is authorized, shall be cause for dismissal from employment.

(g) Failure to comply with provisions of this section. The failure of an employee to perform any obligations imposed by this section pertaining to maternity leave shall be cause for dismissal from employment.

Section 12.3 Leave of Absence

(a) The City Manager may grant a regular employee a leave of absence without pay or benefits not to exceed 1 year. A request for such leave shall be in writing and shall be approved or denied by the City Manager in writing.

(b) The City Manager may terminate such leave of absence prior to the scheduled expiration of the leave upon notice to return to duty if he/she determines that the circumstances justifying the leave do not exist or if the needs of the City justify termination of the leave.

(c) Upon expiration of a regularly approved leave, or within a reasonable period of time after notice to return to duty, the employee shall be reinstated in the position held at the time leave was granted. Failure on the part of an employee on leave to report promptly at its expiration, or within a reasonable time after notice to return to duty, shall be cause for discharge.

Section 12.4 Bereavement Leave

(a) In the event of the death in the immediate family of an employee, the employee shall, upon written request, be granted such time off, with pay, as is necessary to make arrangements for the funeral and attend same, not to exceed three regularly scheduled work days. This provision shall not apply if the death occurs while the employee is on leave of any kind other than vacation or compensatory time off. Only in the event that the funeral takes place at a location more than 150 miles away from the City of San Bruno will reasonable time off for travel be allowed, not to exceed one regularly scheduled work day.

(b) For the purpose of this provision, the immediate family shall be restricted to father, mother, brother, sister, spouse, child, mother-in-law, father-in-law, grandparents, grandchildren, stepchildren, and foster children.

(c) Funeral leave applies only in the instance in which the employee attends the funeral, or is required to make funeral arrangements, but is not applicable for any other purpose, such as settling the estate of the deceased. The City Manager may grant bereavement leave for deaths of other persons if he/she determines that special circumstances are applicable.

Section 12.5 Management Leave

(a) The positions listed in Appendix "A" are classes where compensation is on the basis of responsibility carried out rather than the time spent on the job. Since these positions are not eligible for overtime compensation, 100 hours of Management Leave is authorized for each fiscal year. No compensation shall be due to the employee for Management Leave should the employee leave the service of the City or be terminated.

(b) Accrual over above-stated limit. Unit members are eligible for consideration of additional hours of Management Leave up to a total of 120 hours per fiscal year based on demonstrated work performance. A determination that an employee is eligible to receive additional hours, up to 20 hours, shall be made by the City Manager. The approval of the City Manager shall be final and not subject to the grievance procedure.

(c) Maximum Accumulation. Employees accruing management leave may accumulate up to a maximum of twice the employee's annual accrual rate. Employees who accrue above this maximum must take the excess leave within 30 days after exceeding the accrual.

(d) Annual Buyout Option. The City will allow an employee to buy out any management leave hours on a once-per-year basis; such credits will be paid in the first pay period of December. Credits available for buy-out will be those accumulated as of November 20.

Section 12.6 Vacation

Employees in classifications set forth in salary plan shall accrue vacation at the following rate:

<u>Years of Service</u>	<u>Hours of Accrual (Biweekly)</u>
0 - 5 years	3.078 hours
6 - 10 years	4.615 hours
11th year	4.925 hours
12th year	5.229 hours
13th year	5.538 hours
14th year	5.848 hours
15th year	6.152 hours

16-20 years	6.460 hours
21-24 years	6.770 hours
25th year or more	7.080 hours

(a) The maximum accumulation of vacation shall be 280 hours, except as otherwise provided in this section.

(b) All employees covered under this Memorandum of Understanding may accumulate up to 320 hours of vacation entitlement once every five (5) years, for a specific event and with prior approval of the City Manager.

(c) It is the responsibility of the employee to make sure that his or her maximum accumulation is not exceeded.

(d) The City Manager may require an employee to use a maximum of 80 hours vacation leave in a calendar year to the extent such vacation leave has been accumulated, and to the extent that such employee has not taken at least 60 hours of vacation leave, or administrative leave when combined with vacation leave within the previous 12 months.

(e) The City Manager reserves the right to consider prior work service in setting the accrual rate for newly hired department heads.

Section 12.7 Military Leave

Military leave shall be granted in accordance with the provisions of federal and state law.

Section 12.8 Industrial Disability Leave

(a) Public safety personnel. Section 4850 of the Labor Code as presently constituted or subsequently amended shall govern industrial disability leave for personnel in the police and fire departments.

(b) Other personnel. Except for employees covered under subsection (a), any regular employee of the City who has suffered any disability arising out of or in the course of employment, as defined by the workers' compensation laws of the State of California, shall be entitled to disability leave while so disabled without loss of compensation for the period of such disability to a maximum of 60 days. Such disability leave with pay may be extended by the City Manager not to exceed one year. The City Manager may call for medical examinations as frequently as he/she deems necessary to confirm the continuing disability. A physician selected by the City shall perform the examinations. The City may terminate industrial disability leave if a disability retirement is initiated.

Section 12.9 Jury Duty Leave; Leave for Court Appearances

(a) Any employee who is called to serve as a trial juror shall be entitled to absent himself/herself from his/her duties during the period of such service or while necessarily

being present in court as a result of such call. Under such circumstances, the employee shall be paid the difference between his/her full salary and any payment received by him/her, except travel pay, for such duty.

(b) When, in the opinion of the City Manager,, an employee's absence from duty would pose an undue burden or hardship upon the efficient operation of the department, the City Manager may request relief from the appropriate agency for the employee serving as a juror.

(c) An employee who has been subpoenaed, as a witness in his/her official City capacity shall be paid his/her regular salary, less any witness fee received.

Section 13. Health and Welfare

Section 13.1 Health and Welfare Trust Fund

For purposes of providing health and welfare benefits for employees subject to this MOU, the City shall contribute an agreed-upon amount to the "Teamsters Local Union No. 856 Health and Welfare Fund" on a monthly basis on behalf of each eligible employee for actual costs incurred by such Fund to provide and maintain at existing levels of coverage hospital, medical, dental care, prescription drugs, vision care, and retiree health benefits.

Effective October 1, 2008, the City will contribute an amount sufficient to pay for 90% of the cost of employee only coverage, and an amount sufficient to pay for 85% of the cost of employee plus one coverage, and an amount sufficient to pay for 85% of the cost of employee plus family coverage. However, the City's contribution increase will be capped at a maximum of 10% of the total 2007 Plan E with enhanced Rx premium rates (enhanced prescription plan means the no max, no co-pay Prescription Solutions drug plan, or if the selection of a new plan is deemed necessary by the Teamsters Local 856 Health and Welfare Trust during the term of this MOU, a similar drug plan with the same level of benefits). Any increases above that amount will be the responsibility of the employee.

In addition, the City and Union agree that effective October 1, 2008, the City will apply the October 2007 medical premium savings below the 10% cap (\$34.75 per month) to the salary schedule for each position, along with any additional October 2008 medical premium cap savings.

If on October 1, 2008, the new medical premium amount is over the 10% medical premium cap, that difference will be the responsibility of the employees. This amount will be added to each employee's contribution toward the medical premium.

A Labor Management Health Care Committee will be established and the bargaining unit members will participate as identified in Appendix "B".

(a) An eligible employee with respect to whom monthly contributions are required shall mean any employee on the payroll on the first day of any calendar month

who has been on the payroll of the City eighty (80) hours or more during the preceding calendar month. Said contribution shall institute full compliance with and full performance of all obligations of the City to provide health and welfare benefits for its employees.

(b) During the term of this MOU, the parties herein reserve the right to request the other party to meet and confer on the subject of this section for the purpose of reviewing and considering a competitive proposal from the requesting party for the obtaining of equal or comparable health and welfare benefits for covered employees at no additional or less cost to the City.

Section 13.2 Health Insurance After Retirement From City

(1) That all members of this bargaining unit retain Teamsters Health and Welfare retiree benefits provided by the Teamsters Health and Welfare Trust Fund to retirees, in an amount and at whatever levels set by the Trust for as long as provided by the Trust to the retirees (e.g., not subject to the age or income exclusion of this proposed section). The provisions of this section do not bind, modify or amend any conditions of the Teamsters Local 856 Health and Welfare Trust Fund.

(2) That members of this bargaining unit who retire as members of this bargaining unit:

(a) have at least 10 years service with the City of San Bruno; and

(b) retire at age 50 or older if they are public safety employees, or at age 55 or older if they are other than public safety employees; and

(c) such retired employees have not received a disability retirement; and

(d) such employees retire from service and are qualified for retirement benefits under PERS; and

(e) such employees were members of this bargaining unit on or before February 1, 1990, or employees of the City of San Bruno on or before February 1, 1990, and were promoted into this bargaining unit after February 1, 1990; are further qualified to those additional retiree benefits itemized below.

(3) Such qualified retirees and qualified dependents will be entitled to reimbursement for Teamsters Health and Welfare retiree benefit "co-payments" from the City, and related dental costs, prescription drug costs and vision care costs, to be paid back to the retiree semi-annually after such payments have been made by the retiree.

(4) The monthly amount paid by the City to the Trust for active employees (or equivalent) shall be credited in advance to the individual retiree's account on February of each year in an amount equal to the anticipated upcoming 12 monthly payments to the Trust (or equivalent) for active members of this bargaining unit.

(a) The individual retiree will be permitted to accumulate an account available for qualified co-payments and dental/prescription/vision costs, but such accumulated account cap will not be greater than an amount equal to two (2) years contributions by the City on behalf of active employees (e.g., the current year, and the year immediately prior).

Example: On February of 1992, unexpended contributions for year 1990 will be deleted, and the remaining unexpended contributions for year 1991 will be added to the expected contributions for 1992 to reach the accumulation cap.

(b) Such amounts shall be available to reimburse employees, spouse or dependents for retiree co-payments, dental costs, prescription drug costs, or vision care costs that are submitted semi-annually (May and November) by verified billings or invoices that have been billed to the retiree and paid by the retiree during that prior twelve-month period, and thereafter presented to the City for reimbursement no later than 30 days prior to the first day of either May or November. Bills submitted later than thirty days (30) prior may not be reimbursed until the following reimbursement date.

(c) Qualified dependents shall be defined as a spouse or dependents living with the retiree (as "dependents" are defined for federal income tax purposes).

(d) Retirees, spouse or their qualified dependents may not seek reimbursement for medical, dental or vision billings that may be or have been paid for by other health, dental or vision plans available to the retiree, spouse or dependant. Partial payments by other health plans may, however, be submitted for reimbursement of the unpaid portion, as long as submitted within the limitations set out above.

(e) Each such retiree shall be limited to his or her accumulated amount, and no such retiree may deplete another retiree's accumulation.

(5) The City's co-payment and/or reimbursement offer to qualified retirees specified in paragraphs (3) and (4) above shall terminate upon each and any of the following events:

(a) Upon the retiree's death.

(b) Upon the retiree returning to employment with the City of San Bruno and qualifying for employee health and welfare benefits.

(c) Upon the retiree reaching age 65.

(d) Upon the retiree earning in excess of \$30,000 in any calendar year, as verified on employees federal income tax form "wages, salary and tips" (excluding spouse's income, if any) subject to request for verification by City. The identified amount shall be adjusted annually by the CPI for SF/SJ "W" index using the December month index annually.

It shall be the responsibility of the retiree to annually supply the City, prior to April 30, a copy of his/her federal income tax return as verification that the earning limit has not been exceeded. Failure to provide the tax return may be cause to terminate these additional retiree benefits.

Termination of the co-payment or reimbursement by reason of any of the conditions listed above becomes effective upon the date of the disqualifying event, and all such co-payments or billings incurred prior to that date will be reimbursed by the City pursuant to the agreement; and no such reimbursements shall be made by the City to the retiree from the date of disqualification. Disqualification based upon a single year's income also disqualifies the retiree for reimbursements for every year after the date of disqualification.

(6) Benefits under this provision shall begin on February 1, 1990, and there shall be no provision for the payment of benefits under this provision for any date or billings prior to February 1, 1990.

Section 13.3 Life Insurance

(a) The City shall provide, at its expense, a term life insurance group policy for each member of the bargaining unit in an amount equal to the employee's annual base salary. Income tax consequences, in conformance with IRS regulations, will be the responsibility of the employee.

(b) Said employees shall be entitled to purchase at their own expense unlimited additional term life insurance from the carrier providing the above-mentioned policy at no cost to the City under such terms and conditions as are customarily imposed by such carrier in its normal course of business.

Section 13.4 Retirement

(a) Miscellaneous Employees:

(1) The retirement contract in effect between the City of San Bruno and the Public Employees Retirement System (PERS) shall be 2.7% at 55 for all eligible miscellaneous employees. Final compensation for purposes of calculating retirement benefits shall be based upon the "highest" year method under the Public Employees Retirement System (PERS).

If, during the term of this agreement, new PERS retirement benefits should become available for this bargaining unit, and if other bargaining units affected by those benefits have the option to reopen negotiations on the issue of retirement benefits, this bargaining unit shall have the right to ask the City to reopen negotiations on the issue of retirement benefits. It is understood that such re-opener may allow the City to modify other economic benefits contained in this agreement to provide improved retirement benefits.

(b) Sworn Public Safety Employees:

(1) Employees in sworn public safety classifications shall continue to be covered by the PERS 3% @ 50 retirement benefit option. Final compensation for purposes of calculating retirement benefits shall be based upon the "highest" year method under the Public Employees Retirement System (PERS).

"Credit for Unused Sick Leave" is an additional retirement benefit option that is available for sworn public safety members of the bargaining unit under the California Public Employees Retirement System (CalPERS). The "Credit for Unused Sick Leave" benefit is mandated by CalPERS for all risk pooled plans, and this benefit will continue to be offered as long as the City continues to be required by CalPERS to stay in the risk pool. At retirement, an employee must notify the City as to how they wish to apply their accrued, but unused sick leave balance: as cash (as specified in section 13.1 (b) (11); or as PERS sick leave credit; or a combination of these options.

Section 13.5 1959 Survivor's Benefits and Long-Term Disability

The City shall continue in effect as an employer-paid employee benefit:

(a) The current PERS retirement plan option relating to 1959 Survivor's Benefits [Level IV], and:

(b) The Long-Term Disability Program described in Resolution No. 1980-85 Adopting and Approving a Long-Term Disability Program.

Historical Note: Change in 1959 Survivor's Benefit Level

The City agreed to modify the PERS contract to offer Level IV 1959 Survivor's Benefits for local safety members in July 1998. It was understood that there is an increased cost to both the employer (agency) and member (employee) rate. The bargaining unit agreed that all employees in the bargaining unit shall be responsible, through payroll deduction, for paying both the appropriate member (employee) rate for this program and any employer contribution which exceeds \$2.50 per month. As of this date, current employee cost is projected to be \$2.00 per month and current employer cost is projected to be \$8.50 per month, resulting in an individual employee payroll deduction of \$8.00 per month. These costs may change by implementation date and the then-current costs shall be used to determine the accurate employee payroll deduction amount.

Section 13.6 Deferred Compensation

If employees in other bargaining units are offered deferred compensation plans other than that which the employees in this bargaining unit have previously been offered, the employees in this bargaining unit shall also be allowed to participate in any such additional plans. The City shall offer at least two (2) deferred compensation 457 programs.

(a) Meet and confer with the bargaining unit, upon their request, should the Internal Revenue Code be amended so as to adversely impact the intended purpose of the adopted deferred compensation program.

Section 14. Educational Reimbursement Plan

(a) City will pay the cost of books and tuition at accredited public institutions. If the course is at a private institution, the approval of the City Manager or designee is required, and the City reserves the right to pay only a portion of the tuition. The institution may be located in any one of the nine Bay Area counties.

(b) The courses of instruction taken by the employee must be job-related, and the employee must have obtained the prior approval of the City Manager or designee, if appropriate, prior to taking the course in order to be entitled to reimbursement.

(c) The employee must receive a passing grade in order to receive reimbursement.

(d) Reimbursement will be made upon submission to the City of written evidence that the employee obtained a passing grade in the approved course.

Section 14.1 Service Club Membership

The City finds that voluntary, off-duty, active and regular participation by members of this bargaining unit in a regularly meeting, locally chartered, formally organized, and nationally recognized non-profit service club (i.e., Lions, Kiwanis, Rotary, Soroptomists, or other similar organizations approved by the City Manager or the City Council) to be of community-wide benefit. The City will contribute to the voluntary participation by members of this bargaining unit, a share of the cost to include dues, fees, assessments or such similar charges related to participation in a service club, by making such payments, upon request by the employee during the month of July of each year, for completed active and regular participation during the previous period of July 1 through June 30, in the amount of six hundred dollars (\$600), or the prorated monthly equivalent thereof. This amount shall be adjusted by the CPI annually each July.

Section 14.2 Employee Personal and Professional Development Account

The City will reimburse employees of this bargaining unit up to \$1,000 per fiscal year for employee-incurred expenses in the areas of professional reference materials, outside training materials, extra coursework, additional professional organization memberships, wellness and physical fitness activities, and equipment and supplies related to the employee's maintenance of a home office. Reimbursement will be subject to the approval of the City Manager or designee, which shall be final and not subject to the grievance procedure.

Section 14.3 Fitness Benefit

The City agrees to provide, as an employer-paid benefit, membership to the City's Recreation Center fitness facility for each member of the bargaining unit desiring the same.

Section 15 Uniform Allowance

The uniform allowance for the public safety members of this bargaining unit is the same as established for Police and Fire sworn members of the Public Safety Mid-Management bargaining unit.

Section 15.1 Motor Vehicle Allowance

(a) Non-safety members of this bargaining unit who through the budget process have a City motor vehicle assigned to them on an individual and full-time basis may opt for a motor vehicle allowance, pursuant to the terms of this section, as an alternative to the motor vehicle that is assigned.

(b) Safety members of this bargaining unit who have a City motor vehicle assigned to them on an individual and full-time basis, upon securing prior City approval, may opt for a motor vehicle allowance, pursuant to the terms of this section, as an alternative to the motor vehicle that is assigned.

(c) Those qualified members of this bargaining unit who exercise their option for a motor vehicle allowance must exercise that option, in writing, to the City Manager, and may not reverse such selection without the prior approval of the City Manager.

(d) Those members who do opt for a motor vehicle allowance must use it for a vehicle that is no older than seven (7) years old on any date during the term of this Memorandum of Understanding. It is further required that the vehicle must be kept in a clean and orderly appearance. The City Manager may allow an exception to the seven (7) year rule based upon the condition of the vehicle.

(e) The monthly allowance is as follows:

The employee shall receive \$300 per month, effective April 1, 2008. This allowance is intended to recognize increased out of pocket costs to the employee in making their privately-owned vehicle for City-related business transportation needs.

In addition to the monthly allowance, mileage reimbursement shall be paid for the use of the privately-owned vehicle for City business (City business does not include commuting to and from work) at the City's established rate for travel outside of San Mateo County.

Section 15.2 City-Issued Cell Phone

Employees shall comply with the City's Wireless Communication Device/Cell Phone Policy.

Section 16. State Disability Insurance As An Employee Paid Benefit

(a) Upon written request from the bargaining unit, and to the extent permitted by the State of California, the City agrees, as a "fully employee-paid" benefit and handled as an authorized employee payroll deduction, to enroll qualified employees subject to this Memorandum of Understanding into the State Disability Insurance (S.D.I.) program.

(b) To facilitate a coordination of benefits with regard to the use of authorized sick leave accruals used by an employee during such period(s) of time when such employee is drawing disability insurance benefits relating to paragraph (a) the City shall, upon actual enrollment in the S.D.I. program, and after meeting and conferring with the bargaining unit, adopt a schedule of sick leave reinstatement for S.D.I. funds received from an employee.

(c) In no event shall an employee, during absence from work for an illness or disability where S.D.I. benefits are paid, earn an amount of compensation greater than the straight-time wages regularly payable if the employee had actually worked.

Section 17. OSHA

(a) OSHA Safety Equipment. City shall supply to each employee covered under this Memorandum of Understanding all safety equipment with OSHA or other state law required each said employee to have and use. Each employee covered by this Memorandum of Understanding shall use all City-supplied safety equipment as prescribed by the City and OSHA.

(b) OSHA Legal Representation. City shall provide legal representation to any employee covered under this Memorandum of Understanding cited for a violation of OSHA. Said representation will be provided by the City Attorney, but if he/she is unable to do so, by an attorney mutually acceptable to the City and the affected employee. Employees covered by this Memorandum of Understanding shall use their best efforts to comply with all OSHA requirements and shall insist that the City employees under their supervision will comply with OSHA requirements.

(c) Police Department employees shall receive the same issue of safety equipment as that received by safety employees in the Police Bargaining Unit, pursuant to Government Code Section 6401 and Government Code Section 5008.1. This provision shall apply to employees designated as peace officers as defined by Penal Code Section 830.1 (1981 Statutes).

Such safety equipment will remain as City property and shall be subject to such City adopted specifications and operating procedures as deemed necessary by the City.

The wearing of ballistic vests will be at the option of the employee, and the City shall not be responsible for death or injury attributable to the failure of wearing such vests, except as is presently provided by workers' compensation law.

Section 18. Discipline

For those employees who elect to remain covered by the competitive service, the following shall apply:

(a) The City may discharge, suspend, reduce pay, or demote any employee who has completed the probationary period for cause. No employee shall be discharged, suspended for a period of 30 days or longer, or be demoted unless a written warning and an opportunity to improve has been given, except that no written warning shall be required if the cause for disciplinary action is dishonesty, insubordination, use of excessive force or violence, use of illicit drugs, use of alcohol related to employment, or failure to perform as required.

(b) In cases where a written warning is required prior to disciplinary action, such action shall not necessarily have to be based upon the same type of misconduct as that which gave cause for the prior warning notice; provided, however, that in offenses requiring a written notice the matter of whether a prior offense was reasonably related or similar to the present offense shall be considered in evaluation of the appropriate degree of discipline.

Any disciplined employee shall be furnished with the reasons for such action in writing, with a copy of such letter furnished to the representative of the bargaining unit.

Section 19. Pre-Disciplinary Conferences

For those employees who elect to remain covered by the competitive service, the following shall apply:

(a) No regular employee shall be demoted, suspended, reduced in pay, or discharged for a disciplinary purpose except in accordance with the provisions of this section; provided, however, that this section shall not apply to suspensions of less than 5 days.

(b) Whenever the City Manager proposes to demote, suspend, reduce in pay, or discharge a regular employee in a case in which this section is applicable, the City Manager shall conduct an informal conference at which the employee shall have the right to respond to the charges. The City Manager shall provide the employee with written notice of the conference not less than 5 days prior thereto. The notice shall state the nature of the proposed disciplinary action and the reasons therefore. The notice shall also include a copy of the charges and materials upon which the proposed action is based.

(c) At the conference, the employee shall have the right to present an oral or written response to the proposed action. Thereafter, the City Manager shall determine, based upon such response and the materials upon which the proposed action was based, whether to impose the action initially imposed, lesser action, or to take no action. The City Manager shall promptly notify the employee in writing of such decision.

(d) If, prior to the conference, the employee presents to the City Manager a written request that the City Manager disqualify himself/herself from conducting the conference, the City Manager shall assign a designee having no supervisory control over the employee to conduct the conference. At the conclusion of the conference, the conference officer shall recommend to the City Manager the disciplinary action to be taken, if any, and the City Manager shall determine the action to be taken and promptly notify the employee in writing of such decision.

Section 20. Suspension

Section 20.1 Suspensions Without Pay

An employee in a classification of employment set forth in salary plan hereto may be suspended without pay for a disciplinary purpose.

(a) The City Manager shall have the power to suspend a subordinate employee for an amount of time the City Manager deems appropriate.

Section 20.2 Administrative Leave

The City Manager shall have the power to place a subordinate employee on administrative leave with pay pending investigation of a matter in which an employee may be involved which may lead to disciplinary action against him/her, or pending consideration of possible disciplinary action against him/her, or where his/her continued presence would, in the judgment of the City Manager, jeopardize his/her health or safety or that of others. The City Manager shall have the power to rescind the action placing the employee on administrative leave with pay, extend the duration of the leave, or reduce the duration of the leave.

Section 21 Severance Pay

"At-will" employees who have been terminated for other than cause shall receive one week of pay for every one year of service, in addition to payment for all accrued leaves.

Section 22 Grievances

(a) Definition. A grievance shall be defined as any dispute which involves the interpretation or application of any provision of this Memorandum of Understanding during its term:

(1) All ordinances, resolutions, rules and regulations, the subject of which is not specifically covered by the provisions of this Memorandum of Understanding shall not apply to this section.

(2) Any disciplinary action taken against any employee within the bargaining unit shall refer to Section 18 and 19 of this MOU.

(3) Any employee shall have thirty (30) days within which to file a written response to a written reprimand or warning notice. Such written response shall be attached to, and shall accompany the written reprimand or warning notice.

(b) Procedure. Grievances shall be processed in the following manner only:

(1) Initial presentation. The initial (first-level) presentation of a grievance shall be a designee appointed by the City Manager. The grievance may be either oral or in writing. If made in writing, the grievance shall comply with the requirement of subsection (c) for a formally presented grievance.

(2) Formal presentation. The formal presentation of a grievance shall be written and shall state which provision of this Memorandum of Understanding has been misapplied to his/her detriment, and shall indicate the redress sought. The individual allegedly aggrieved shall sign the grievance. In the event that more than one individual is alleged to be aggrieved, the grievance may be signed by a duly authorized representative of the bargaining unit, in which case the grievance shall indicate the names of the person on whose behalf it is filed and shall state that the bargaining unit representative is authorized to file such grievance on behalf of such persons. In the event the person to whom the grievance is presented determines that the grievance is defective on its face, he/she shall reply in writing to the filer within 7 days after receiving the grievance, indicating in writing the specific defects. The reply shall specify that the grievant has 10 days to correct the defects or the grievance shall be deemed to be withdrawn. If the grievance is not corrected within said 10-day period, it shall be deemed to have been withdrawn.

(3) City Manager. A grievance which is not settled at the initial presentation level may be appealed in writing to the City Manager within 10 days of the decision of the City Manager's designee. Within 10 days after receipt of the appeal, the City Manager shall set a date, which is not more than 10 days from the date of receipt of the appeal, to meet with the grievant and with other appropriate persons to attempt to resolve the grievance. If a solution is not agreed upon, the City Manager shall render a decision within 10 days of the meeting.

(c) Time limits. Grievance shall be filed within 15 days of the incident or occurrence about which the employee claims to have a grievance.

(d) Representation. The grievant shall have the right at all steps of the grievance procedure to be represented by a person or organization of his/her own choosing.

(e) Effect of a grievance. The making or filing of a grievance shall not prevent the City or any authorized employee of the City from taking action deemed appropriate, nor shall it have the effect of suspending action previously taken even though the action may involve or be part of the subject matter of the grievance.

(f) Days. The time limits provided herein refer to calendar days.

(g) Waiver of time limits. The time limits provided herein may be waived by the mutual consent of the parties.

(h) Arbitrator determination. The decision of the City Manager may be appealed in writing for final determination by an arbitrator. The written notice of appeal must be filed with the City Manager within 10 days of the date of his/her written decision.

(i) Selection of arbitrator. Within 10 days after the filing of the appeal, the City Manager and the grievant shall meet or otherwise communicate to try to select a mutually acceptable arbitrator who agrees to serve. If the parties cannot agree, a list of 5 arbitrators will be obtained from the California State Conciliation Service, American Arbitration Association, or some other source mutually agreed upon. If the parties cannot agree on one of the names on the list, each party (beginning by lot) shall alternately strike 1 name from the list until 1-name remains, which shall be the arbitrator if he/she agrees to serve. If he/she will not serve, the process shall be repeated until an arbitrator is found.

(j) Decision. The decision of the arbitrator shall be in writing and shall set forth the findings of fact and conclusions on the issues. It shall be submitted to the City Manager and the grievant and shall be final and binding upon the parties. The arbitrator shall avoid expanding or contracting the definition of grievance when arbitrability is at issue.

(k) Limitation. The authority of the arbitrator to render final and binding decisions on grievances extends only to those matters covered by this grievance and procedure and over which the City or a department head may legally delegate its decision-making process.

(1) Proposals to add to or change this Memorandum of Understanding or written agreements or addenda supplementary hereto shall not be arbitrable, nor shall any matter or subject arising out of or in connection with such proposal, nor any disciplinary action, as said term is used in subsection (a), be arbitrable.

(l) Costs. The fees of the arbitrator (including any per-diem expenses, travel and subsistence expenses), the cost of any hearing room, and the cost of preparing the transcript of the hearing, if any, for the arbitrator shall be borne one-half by the City and one-half by the grievant or the representative of the bargaining unit. All other costs shall be borne by the party incurring them.

(m) Payment of compensation. A dispute pertaining to payment of compensation shall not be deemed a grievance under this section unless the

employee alleges that he/she is not being compensated in accordance with the provisions of this Memorandum of Understanding. Any other matter of compensation shall be resolved through the meeting and conferring process, and if it is not detailed in a Memorandum of Understanding resulting from the process, it shall be deemed withdrawn until the meeting and conferring process is next open for discussion.

(n) Changes in Memorandum of Understanding. No changes in this Memorandum of Understanding or interpretations thereof (except interpretations resulting from arbitration proceedings hereunder) will be recognized, unless agreed to by the City Manager and the bargaining unit representative.

Section 23 Loss of Driver's License

(a) An employee who does not have a driver's license in force and effect so as to be unable to operate a vehicle during the course of his/her duties for a period of less than 6 months may have his/her salary reduced by 10% during such period. If the lack of a valid driver's license significantly prevents the employee from performing a predominant amount of his/her duties, the City Manager may suspend the salary and benefits of the employee for the duration of the time that there is no license in effect.

(b) If the driver's license of an employee is suspended or revoked for a period of 6 months or more so as to prevent the employee from lawfully operating a vehicle during the course of his/her duties, or if the employee fails to notify the City of any suspension or revocation or failure to renew his/her driver's license, regardless of duration, such shall be cause for dismissal. This does not limit the City from taking other disciplinary action if otherwise justified.

(c) If the loss of a driver's license is attributable to the use of alcohol or drugs, the employee shall agree to and shall faithfully participate in a counseling and rehabilitation program agreed to by the City to correct the problem if requested to do so by the City Manager. Failure to agree and failure to faithfully participate in the program shall be cause for dismissal.

Section 24 No Strike

(a) Participation in any job action by an employee of this bargaining unit pertaining to his/her employment with the City of San Bruno shall constitute an automatic resignation from the position, said position shall then be deemed for all purposes to be vacant.

Section 25 Carry Out of Assignments

Members of the bargaining unit shall carry out all proper instructions issued by the City Manager or designee regarding work assignments. If there are any complaints in regard to the work assignment, the employee may exercise his/her right to use the grievance procedure after the instruction has been carried out.

Section 26 Attendance

Failure on the part of an employee, absent without leave, to return to duty within 24 hours after notice to return shall be cause for immediate discharge, and such employee automatically waives all rights under the personnel ordinance, rules and regulations, and this Memorandum of Understanding. Notice shall consist of a letter by registered mail delivered to the last known address of the employee.

In evaluating whether to discharge an employee for failure to return to duty, the City Manager may consider whether there were extenuating circumstances, which prevented the employee from returning to duty within the time period, required.

Section 27 Past Practices and Existing Memorandum of Understanding

(a) Continuation of working conditions and practices not specifically provided herein or authorized by ordinance or resolution of the City Council shall not be guaranteed by this Memorandum of Understanding.

(b) This Memorandum of Understanding shall supersede all existing and prior Memoranda of Understanding between the City and the bargaining unit, personnel rules, regulations, resolutions, and ordinances.

(c) As to any subject matter which is not covered in this Memorandum of Understanding, the personnel rules and regulations, City ordinances, and City resolutions shall be applicable. Said documents shall not be deemed to be provisions of this Memorandum of Understanding or subject to the grievance procedure except where expressly so provided in Section 21.

Section 28 Negotiable Benefits

The inclusion of certain benefits in this Memorandum of Understanding shall not preclude the City and bargaining unit from meeting and conferring and agreement upon other or substituted benefits in subsequent Memoranda of Understanding.

Section 29 Separability of Provisions

Should any section, clause, or provision of this Memorandum of Understanding be declared illegal by final judgment of a court of competent jurisdiction, such invalidation of such section, clause or provisions shall not invalidate the remaining portions hereof, and such remaining portions shall remain in full force and effect for the duration of this Memorandum of Understanding.

In the event of such invalidation, the parties agree to meet and confer concerning substitute provisions for the provisions rendered or declared illegal.

APPENDIX A

SBMEA Salary Schedule

<u>POSITION</u>	<u>STEP 1</u>	<u>STEP 2</u>	<u>STEP 3</u>	<u>STEP 4</u>	<u>STEP 5</u>
CATV Director	11,002	11,580	12,188	12,828	13,501
Chief of Police	11,723	12,338	12,986	13,668	14,386
Community Development Director	11,002	11,580	12,188	12,828	13,501
Finance Director	11,002	11,580	12,188	12,828	13,501
Fire Chief	11,723	12,338	12,986	13,668	14,386
Library Services Director	11,002	11,580	12,188	12,828	13,501
Parks & Recreation Services Director	11,002	11,580	12,188	12,828	13,501
Public Works Director	11,723	12,338	12,986	13,668	14,386

APPENDIX B

Labor Management Health Care Committee

- Objectives:** Enable Committee members to become more informed and educated about medical plan structures, level of benefits, industry trends and alternative plans available in the marketplace. The Committee can then serve as a resource to the City and it's workforce in considering options for the future. As medical plan costs rise, it will continue to be important to control premium costs for the City and employees.
- Participants:** Each bargaining unit will select one (1) representative to take part. The City will designate up to four (4) individuals to participate. Teamsters Local 856 may designate a staff representative to serve on the committee
- Time Line:** The committee will begin meeting in July 2007 with the objective of reaching some recommendation (s) by August 2008.
- Process:**
- Step 1 - The Committee will meet to review, discuss and learn the details of the current medical plan, under which City employees are covered.
- Step 2 - Alternative plan structures and/or alternative medical insurance providers will be identified. Details of the plans' provisions (i.e., structure, benefit level, provider network, costs, etc.) will be collected and reviewed by the Committee. Opportunities will be made for the Committee to hear presentations regarding these alternatives.
- Step 3 - A recommendation(s) will be made by the Committee to the City Manager and the Secretary Treasurer of Local 856, as to what plan(s) offer the best coverage and value to employees of the City of San Bruno, while controlling costs for the City and employees. This recommendation may include a timeline for any plan change(s) as well as a timeline and process for communicating such change(s) to employees

Section 30 Enforcement of Rules

Failure to enforce a provision of this Memorandum of Understanding, City or departmental rule or policies does not prevent subsequent enforcement.

Section 31 Term

This Memorandum of Understanding shall remain in effect for those employees employed in this bargaining unit for the period from February 1, 2008, to January 31, 2009,, and except to the extent that such Memorandum of Understanding may be modified by the parties during such period, and shall continue in full force and effect until either superseded by a subsequent Memorandum of Understanding or by such other action of the City Council affecting wages, hours, and conditions of employment of the employees in classifications covered by this Memorandum of Understanding.

This Memorandum of Understanding is a compilation of the previous Memorandum of Understanding, with modifications negotiated by and between the parties, and thereafter approved pursuant to San Bruno City Council Resolution 2008 - 27.

Dated: April 18, 2008

SAN BRUNO MANAGEMENT EMPLOYEES ASSOCIATION

by: Tenzin Gyaltsen
Tenzin Gyaltsen, President

Aaron Aknin
Aaron Aknin, Community Development Director

Jim O'Leary
Jim O'Leary, Finance Director

Neil Telford
Neil Telford, Chief of Police

CITY OF SAN BRUNO

by: Connie Jackson
Connie Jackson, City Manager