



The City of **South**
San Francisco

Memorandum of Understanding

Between the
Confidential Unit, Teamsters Local 856
and the
City of South San Francisco

July 1, 2014 through June 30, 2017

City of South San Francisco
Confidential Unit, Teamsters Local 856

Memorandum of Understanding

July 1, 2014 through June 30, -2017

Table of Contents

Article	Title	Page
	Preamble.....	1
1.	Recognition	1
2.	Union Security.....	1
	2.1 Agency Shop	1
	2.1.1 New Employees	1
	2.1.2 Fee Increase	1
	2.1.3 In-lieu Dues.....	1
	2.1.4 Indemnify and Hold Harmless.....	2
	2.1.5 Deductions	2
	2.1.6 Dues Deduction Form.....	2
	2.1.7 Special Assessments	2
	2.2 Communication with Employees	2
	2.3 Advance Notice.....	2
	2.4 Copies of Memorandum of Understanding.....	2
3.	Salaries	2
	3.1 Definitions.....	2
	3.1.1 Base Pay.....	2
	3.1.2 Enhanced Pay.....	3
	3.2 Wage Rates.....	3
	3.3 Equity Adjustment.....	3
	3.4 Off-Salary-Schedule Pay.....	3
	3.5 Salary Schedule	3
	3.6 Temporary Assignment to Higher-level Position.....	3
	3.7 Longevity Pay Plan.....	3
	3.7.1 Fifteen Years of Service	3
	3.7.2 Twenty Years of Service.....	3
	3.8 Education Incentive Pay.....	3
	3.9 Bilingual Incentive Pay	4
	3.9.1 Classifications Eligible for Bilingual Incentive Pay.....	4
	3.9.2 Current Languages in Effect	4
	3.9.3 Testing and Compensation	4
	3.9.4 Translating	4
	3.10 Payment of Compensation	4
4.	Health and Welfare Plans	5
	4.1 Medical Insurance	5
	4.1.1 Available Medical Plans.....	5

Article	Title	Page
	4.1.2 Payment of Premium Costs	5
	4.1.2.1 Employee HMO Medical Premium Cost	5
	4.1.2.2 Employee Non-HMO Medical Premium Cost	5
	4.1.3 Effective Date of Coverage.....	5
	4.1.4 Change in Medical Plan Providers	5
	4.1.5 Teamsters 856 Health Insurance Option.....	5
	4.1.5.1 Mercer Study	5
	4.1.5.2 Affordable Care Act	6
4.2	Dental Insurance.....	6
	4.2.1 Core Dental Plan.....	6
	4.2.2 Calendar Year Maximum	6
	4.2.3 Orthodontia.....	6
	4.2.4 Payment of Premium Costs	6
	4.2.5 Effective Date of Coverage.....	6
	4.2.6 Buy-up Dental Plan.....	6
4.3	Vision Insurance.....	6
	4.3.1 Available Plan.....	6
	4.3.2 Payment of Premium Costs	6
	4.3.3 Effective Date of Coverage.....	6
4.4	Discretionary Benefit Option	7
	4.4.1 Proof of Alternate Insurance.....	7
	4.4.2 Exercising the Option	7
4.5	Life Insurance and Accidental Death and Dismemberment Insurance	7
	4.5.1 Term Life Value.....	7
	4.5.2 AD&D Value	7
	4.5.3 Payment of Premium Costs	7
	4.5.4 Effective Date of Coverage.....	7
	4.5.5 Supplemental Life Insurance	7
4.6	Disability Insurance Program	7
	4.6.1 Short-term Disability	7
	4.6.2 Long-term Disability.....	7
	4.6.3 Payment of Premium Costs	7
	4.6.4 Effective Date of Coverage.....	8
4.7	Retirement Plans	8
	4.7.1 PERS Miscellaneous Retirement Formula	8
	4.7.1.1 2.7% at Age 55 Plan.....	8
	4.7.1.2 2% at Age 60 Plan.....	8
	4.7.1.3 2% at Age 62 Plan.....	8
	4.7.2 Employee Contributions to Retirement System.....	8

Article	Title	Page
	4.7.3 IRS Tax Exemption	8
	4.7.4 Optional Provisions Added.....	8
	4.7.4.1 Military Service Credit.....	8
	4.7.4.2 Sick Leave Service Credit	8
4.8	Section 457 Deferred Compensation Plan	8
4.9	Section 125 Plan.....	9
	4.9.1 Group Insurance Premium.....	9
	4.9.2 Health Care Reimbursement	9
	4.9.3 Dependent Care Reimbursement.....	9
4.10	Education Expense Reimbursement Program	9
	4.10.1 Qualifying for Education Expense Reimbursement Program	9
	4.10.1.1 Department Head Approval	9
	4.10.1.2 Reimbursement Request.....	9
	4.10.2 City Manager Approval.....	9
4.11	Retirement Health Savings Plan.....	9
4.12	Retired Employee Benefits.....	9
	4.12.1 Group Medical Insurance for Qualifying Retirees	9
	4.12.2 Medical After Retirement Account (“MARAs”).....	10
	4.12.3 Group Dental Insurance for Qualifying Retirees.....	10
	4.12.4 Group Vision Insurance for Qualifying Retirees.....	10
5.	Holidays.....	10
	5.1 Observed Holidays	10
	5.2 Half-day Holidays	11
	5.3 Holiday Pay	11
	5.4 Holidays on a Weekend.....	11
	5.5 Discretionary Holiday	11
6.	Overtime Pay and Compensatory Time Off.....	11
	6.1 FLSA Work Period.....	11
	6.2 Overtime Pay.....	11
	6.2.1 Approval for Overtime	11
	6.3 Compensatory Time Off.....	11
	6.3.1 Maximum Compensatory Time.....	12
	6.3.2 Payment of Compensatory Time	12
	6.3.3 Use of Compensatory Time	12
	6.3.4 Department Rules	12
7.	Vacation Leave.....	12
	7.1 Vacation Leave.....	12
	7.2 Deferral (Final Payout in 2013).....	12
	7.3 Maximum Vacation Accumulation	12

Article	Title	Page
	7.4 Scheduling.....	13
	7.5 Pay Upon Separation from City Service	13
8.	Bereavement Leave	13
	8.1 Bereavement Leave	13
	8.2 Definition of Immediate Family for Bereavement Leave.....	13
9.	Medical Appointment Leave	13
	9.1 Medical Appointment Leave	13
	9.2 Medical Appointment Leave Charged to Sick Leave	13
10.	Sick Leave	13
	10.1 Determination.....	14
	10.2 Amount of Sick Leave.....	14
	10.3 Sick Leave Management Policy	14
	10.4 Payment of Unused Accrued Sick Leave	14
11.	Industrial Injury or Illness Leave.....	14
	11.1 Injury Leave.....	14
	11.2 Injury Leave Amount	14
12.	Disability Leave.....	15
	12.1 Application for Benefits	15
	12.2 Insurance Premium Payment	15
	12.3 Separation from City Service	15
	12.4 Light-duty Program	15
	12.4.1 Coverage.....	15
	12.4.2 Determination Required Reports	15
	12.4.2.1 Assignments.....	15
	12.4.2.2 Medical Updates	15
	12.4.3 Light-duty Assignment, Definitions, and Restrictions	16
	12.4.4 Holidays/Vacations During Light-duty Assignments	16
	12.4.4.1 Holidays Observed.....	16
	12.4.4.2 Vacations	16
	12.4.5 Return to Full Duty.....	16
13.	Other Leaves.....	17
	13.1 Military Leave	17
	13.2 Jury Duty	17
	13.3 Pregnancy-related Disability and Bonding Leave	17
	13.3.1 Pregnancy-related Disability.....	17
	13.3.2 Bonding.....	17
	13.3.3 Leave Usage.....	17
	13.4 Unpaid Leave of Absence	17
	13.5 Reinstatement Upon Return from Leave.....	17

Article	Title	Page
14.	Recreational Facilities and Classes	18
15.	Notary Public Certification.....	18
	15.1 Certification Requirements for Employees Hired Prior to 7/1/00.....	18
	15.2 Certification Requirements for Employees Hired After 6/30/00.....	18
16.	Discipline.....	18
17.	Grievance Procedure	18
18.	Meeting.....	18
19.	Administration of Memorandum of Understanding	19
	19.1 Full and Entire Agreement	19
	19.2 Administration of Program.....	19
20.	Signatures	19
	Appendix A Confidential Unit, Teamsters Local 856 Classifications	20
	Appendix B Salary Survey Methodology.....	21

City of South San Francisco
Confidential Employees' Unit, Teamsters Local 856
Memorandum of Understanding
July 1, 2014 through June 30, 2017

Preamble

This Memorandum of Understanding is entered into by the City of South San Francisco, hereafter designated as "City" and the Teamsters Local 856, AFL-CIO, hereafter designated as "Union" as a mutual agreement for those wages, hours, and conditions of employment in effect during the period of July 1, 2014 through June 30, 2017.

Article 1. Recognition

Teamsters Union, Local 856 is recognized as the majority representative, as provided in City's Resolution 111-99 adopted August 11, 1999, for all employees in the classifications assigned to the Confidential Unit as identified in Appendix A of this agreement.

Article 2. Union Security

2.1 *Agency Shop*—All full-time regular employees covered by this agreement shall become members of the Union, or in the alternative, shall pay to the Union an agency fee, in an amount of money equal to the customary initiation fee and regularly monthly dues.

2.1.1 *New Employees*—Such obligation shall not commence until after the employee has completed 31 days of employment.

2.1.2 *Fee Increase*—During the term of this agreement, the Union agrees to meet and confer with the City prior to implementing any increase in the customary initiation fee.

2.1.3 *In-lieu Dues*—Any employee who is a member of a bona-fide religion, body, or sect, which has historically held conscientious objections to joining or financially supporting a public employee organization, shall not be required to join or financially support the Union. Those employees may, in lieu of dues, initiation fees, or agency fees, pay sums equal to such dues, initiation fees, or agency fees to a non-religious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. Three charitable funds shall be mutually agreed upon through the meet-and-confer process between the City and the Union, if the need to designate such charitable fund arises.

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- 2.1.4 *Indemnify and Hold Harmless*—The Union shall indemnify and hold the City harmless from any cost of liability resulting from any and all claims, demands, suits, or any other action arising from the operating of this provision or from the use of the monies remitted to the Union, including the costs of defending against any such actions or claims. The Union agrees to refund to the City any amounts paid to it in error. In addition, the Union shall hold the City and its officers and employees, harmless for following the instructions contained in such dues deduction authorizations. The City shall deliver revocations of membership to the chapter president periodically.
- 2.1.5 *Deductions*—The City agrees to deduct on a regular basis the periodic membership dues and agency fees from the paycheck of each employee who voluntarily executes and delivers to the Union a valid dues checkoff authorization form. Dues deduction shall be consistent with the pay schedule used by the City.
- 2.1.6 *Dues Deduction Form*—Effective with the approval of this agreement, the City will accept a dues deduction authorization form, as designated by the Union, from employees in this unit.
- 2.1.7 *Special Assessments*—The City shall not be required to collect any special assessments or similar short-time change in rates. Initiation fees will not be considered a special assessment.
- 2.2 *Communication with Employees*—The Union shall be provided suitable space on bulletin boards at the work location for posting notices concerning official union business. Such information shall be in compliance with applicable City and departmental policies.
- 2.3 *Advance Notice*—Except in cases of emergency as provided below, the Union, 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. The Union shall be given the opportunity to meet and confer with appropriate management representatives prior to the adoption. Proper advance notice shall consist of written notice to the designated business agent. If public safety, public welfare, or an emergency arises that requires any of the above actions to be taken by the City without notice to the Union, the City may take the action while concurrently giving notice that affords the Union a reasonable time in which to meet with management representatives.
- 2.4 *Copies of Memorandum of Understanding*—The City and the Union shall share the cost of printing sufficient copies of the MOU for all current bargaining unit employees, new bargaining unit employees, and management employees.

Article 3. **S**alaries

3.1 *Definitions*—

- 3.1.1 *Base Pay*—Base pay is the rate of compensation paid for a specified

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- classification of employment, excluding any other payments.
- 3.1.2 *Enhanced Pay*—Enhanced pay is the rate of compensation that includes base pay and incentive pay such as longevity, bilingual, education and special assignment pay. Enhanced pay does not include acting pay or other temporary assignment pay. Each incentive pay will be computed on base pay. The sum of the base pay plus each incentive is the enhanced pay.
- 3.2 *Wage Rates*—Effective the pay period including the date of the adoption of the MOU by City Council, all bargaining unit employees shall receive a 2% salary adjustment. Effective the pay period including July 1, 2015, all bargaining unit employees shall receive a 2.5% salary adjustment. Effective the pay period including July 1, 2016, all bargaining unit employees shall receive a 3% salary adjustment.
- 3.3 *Equity Adjustment*—In lieu of a classification and compensation study, effective the pay period including October 1, 2015, all bargaining unit employees shall receive a 3% salary adjustment.
- 3.4 *Off-Salary-Schedule Incentive Pay*—Effective upon the adoption of the MOU by City Council, all bargaining unit employees on the payroll as of that date, shall receive a one-time off salary schedule non-PERSable payment of \$1,256 which is the equivalent of 2% of the average base pay for year one of the contract (2014-2015).
- 3.5 *Salary Schedule*—Confidential positions shall have 5 pay steps that will provide for a differential of approximately 5% between steps. Employees may progress through the salary schedule based on satisfactory performance according to the following timelines of no less than 6 months each in steps A and B, and 12 months each in steps C and D.
- 3.6 *Temporary Assignment to Higher-level Position*—An employee assigned to the full scope of the duties of a higher classification shall not be paid the salary of that higher classification unless they serve in that capacity for 1-full day (8 hours) or more. An employee so assigned, must meet the minimum qualifications for the position to which assigned. An employee who meets these requirements and is assigned to perform the duties of a classification at a higher pay rate shall receive additional compensation at the rate of pay for which the employee would qualify were the employee to be promoted to that higher classification.
- 3.7 *Longevity Pay Plan*—Regular full-time employees hired prior to July 1, 2012 shall receive longevity pay in accordance with the following schedule:
- 3.7.1 *Fifteen Years of Service*—After 15 full years of City service, 1.5% will be added to the employee's base hourly rate of pay.
- 3.7.2 *Twenty Years of Service*—After 20 full years of City service, in addition to above, another 1.0% of pay will be added to the employee's base hourly rate of pay.
- Longevity pay is not available for employees hired on or after July 1, 2012.
- 3.8 *Education Incentive Pay*—An employee who has successfully completed probation and who possesses a degree from an accredited college or university shall be eligible to receive \$250 per year for an Associate's degree or \$500 per year for a Bachelor's degree. Education incentive pay will be effective the pay period following Department Head or

designee approval following receipt of official transcripts. Education incentive pay is paid on a biweekly basis.

3.9 *Bilingual Incentive Pay*—

3.9.1 *Classifications Eligible for Bilingual Incentive Pay*—Positions eligible for bilingual incentive pay must be those that have regular contact with the public. Those classifications that are eligible for bilingual incentive pay are identified below and include any title changes that may occur during the life of this agreement.

- Administrative Assistant I
- Administrative Assistant II
- Assistant City Clerk
- Data Business Systems Specialist
- Deputy City Clerk
- Executive Assistant to the City Manager
- Human Resources Technician
- Senior Administrative Assistant

3.9.2 *Current Languages in Effect*—To be eligible to participate in this program, employees must speak a second language used by a significant segment of South San Francisco population. For the duration of this agreement, the following languages shall qualify for an employee to receive the Bilingual Incentive Pay under this section.

- Spanish
- Tagalog
- American Sign Language

3.9.3 *Testing and Compensation*—An employee who has tested, using the City's standard bilingual testing procedures and demonstrating to the department head's satisfaction, proficiency in speaking a second language, shall be compensated at a rate 2.5% higher than the employee's base hourly rate of pay. Such compensation shall commence the next payperiod after the employee has passed a qualifying examination, as determined by the City, demonstrating proficiency in the language.

3.9.4 *Translating*—Employees who have met the criteria and are compensated for bilingual incentive pay must use those skills whenever the need arises. Employees may be asked to assist an individual who is doing business with the City at worksites other than their primary work location

3.10 *Payment of Compensation*—Each employee shall be compensated on a biweekly basis. Payment will normally be made on the Thursday immediately following the conclusion of a City payperiod. The payperiod consists of 14 calendar days and begins on a Friday and ends on a Thursday, which is the last day of the payperiod. Employees who are in continuous paid regular status for a partial payperiod shall receive prorated compensation

for the payperiod at the rate of 1/80 of the employee's enhanced biweekly rate of pay for each hour of the payperiod that the employee was on continuous paid regular status.

Article 4. Health and Welfare Plans

Full-time regular employees shall be eligible to receive insurance benefits, subject to the terms and conditions of the City's contracts with health insurance providers, as follows:

4.1 *Medical Insurance*—

4.1.1 *Available Medical Plans*—Eligible employees shall be permitted to select medical insurance coverage for themselves and their eligible dependents from one of the following current medical plans the City has with the carriers, subject to the terms and conditions of the City's contract with the providers:

- Kaiser Permanente
- Blue Shield of California

4.1.2 *Payment of Premium Costs*—The City shall pay the equivalent of the HMO premium cost for eligible employees and their dependents to the insurance provider for the plan selected by each employee.

4.1.2.1 *Employee HMO Medical Premium Cost*—Effective the pay period including October 1, 2015, all employees on the City's medical plans shall contribute an amount equal to 5% of the HMO premium cost based on plan choice and category of coverage (single, two, family). Effective the pay period including July 1, 2016, all employees on the City's medical plans shall contribute an amount equal to 10% of the HMO premium cost based on plan choice and category of coverage (single, two, family).

4.1.2.2 *Employee Non-HMO Medical Premium Cost*—Employees who elect more expensive plans shall pay any additional cost over the HMO rate of the plan elected based on that plan's 3-tiered rates (single, two or family).

4.1.3 *Effective Date of Coverage*—The effective date of health insurance shall be the first of the month following the date of hire, provided the employee properly submits a completed enrollment form within 31 days of the eligibility date. Coverage shall terminate at 12:00 midnight on the last day of the month in which the employee is on paid status prior to separation from employment with the City.

4.1.4 *Change in Medical Plan Providers*—Should the City determine that a change in medical plan providers is warranted, it may establish a committee, comprised of one union representative from each bargaining unit, to assist in assessing a change in plan providers.

4.1.5 *Teamsters 856 Health Insurance Option*—

4.1.5.1 *Mercer Study*—The City agrees to refer the Unit's proposal to add the Teamsters Local 856 Health and Welfare Trust Plan ("Trust") as an option for unit members to the analysis currently being conducted by the Mercer Group. The City shall make the final determination of the feasibility of

the Trust as a medical plan option upon completion of the Mercer Analysis. If a favorable recommendation results from the Mercer Study, the City agrees to meet and consult with the unit in year 2 (2015/16) regarding the Trust as a medical plan option for employees.

4.1.5.2 *Affordable Care Act (ACA)*—At such time as regulations are issued implementing the Affordable Care Act (“ACA”), the City and the Unit will meet to discuss the impact, if any, of such regulations on any benefit plans offered by the City. If modifications to the benefits, eligibility for coverage, employer or employee contribution to the cost of insurance, or any other provision of the benefit plans covered by this MOU will be modified by the ACA during the term of this agreement, it is agreed that the City and the unit will reopen the contract to meet and confer to determine how such mandated changes will be implemented

4.2 *Dental Insurance*—

4.2.1 *Core Dental Plan*—Eligible employees and their dependents shall be provided dental insurance, subject to the terms and conditions of the City’s contract with the provider.

4.2.2 *Calendar Year Maximum*—Effective 7/1/00, the calendar year maximum is \$1,500.

4.2.3 *Orthodontia*—The lifetime orthodontia coverage is \$1,000 for eligible dependents.

4.2.4 *Payment of Premium Costs*—The City shall pay the premium costs for eligible employees and their dependents to the insurance provider.

4.2.5 *Effective Date of Coverage*—Coverage is effective on the first day of the month following completion of 6-full-months of employment with the City, provided the employee properly submits a completed enrollment form within 31 days of the eligibility date. Coverage shall terminate at 12:00 midnight on the last day of the month in which the employee is on paid status prior to separation from employment with the City.

4.2.6 *Buy-up Dental Plan*—Subject to the terms and conditions of the City’s contract with the provider, employees may participate in an enhanced dental plan by paying the additional coverage costs over the core dental plan.

4.3 *Vision Insurance*—

4.3.1 *Available Plan*—Eligible employees and their dependents shall be provided vision insurance, subject to the terms and conditions of the City’s contract with the provider.

4.3.2 *Payment of Premium Costs*—The City shall pay the premium costs for eligible employees and their dependents to the insurance provider.

4.3.3 *Effective Date of Coverage*—Coverage is effective on the first day of the month following date of hire. Coverage shall terminate at 12:00 midnight on the last day

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- of the month in which the employee is on paid status prior to separation from employment with the City.
- 4.4 *Discretionary Benefit Option*—An employee may elect to receive \$550 per month in deferred compensation monies in lieu of medical, dental, and vision benefits through the City.
- 4.4.1 *Proof of Alternate Insurance*—The employee must provide proof of alternate medical insurance and will be held responsible for maintaining own medical insurance benefits through the alternate source.
- 4.4.2 *Exercising the Option*—Employees wishing to exercise this option may do so by submitting a completed Discretionary Benefit Option form to the Human Resources Department. Employees may change the discretionary benefit option once each year during the open enrollment period for medical plans, or at another time during the year provided the employee can demonstrate to the City's satisfaction a bona-fide need.
- 4.5 *Life Insurance and Accidental Death and Dismemberment Insurance*—
- 4.5.1 *Term Life Value*—Subject to the terms and conditions of the City's contract with the provider, the amount of Life Insurance benefit for employees is \$50,000.
- 4.5.2 *AD&D Value*—Subject to the terms and conditions of the City's contract with the provider, the maximum amount of Accidental Death and Dismemberment Insurance benefit available is \$50,000.
- 4.5.3 *Payment of Premium Costs*—The City shall pay the premium costs for eligible employees to the insurance provider.
- 4.5.4 *Effective Date of Coverage*—Coverage is effective on the first day of the month following date of hire. Coverage shall terminate on the date the employee ceases to be an employee of the City.
- 4.5.5 *Supplemental Life Insurance*—Employees have the option of purchasing supplemental life insurance based on the terms and conditions of the City's contract with the insurance provider.
- 4.6 *Disability Insurance Program*—Subject to the terms and conditions of the City's contract with the provider, full-time employees shall be provided Short-term Disability (STD) and Long-term Disability (LTD) insurance. If an eligible and covered employee becomes disabled while insured, the provider will pay benefits according to the terms of the group policy after receipt of satisfactory proof of loss.
- 4.6.1 *Short-term Disability*—After a 20-day waiting period, an eligible employee may receive 66.67% of pre-disability earnings, reduced by any deductible income as determined by the insurance carrier, up to a maximum monthly amount, until LTD benefits begin.
- 4.6.2 *Long-term Disability*—After a 90-day waiting period, an eligible employee may receive 66.67% of pre-disability earnings, reduced by any deductible income as determined by the insurance carrier, up to a maximum monthly amount.

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- 4.6.3 *Payment of Premium Costs*—The City shall pay the premium costs for medical, dental, vision, and life insurance for eligible employees to the insurance providers.
- 4.6.4 *Effective Date of Coverage*—Coverage is effective the first day of the calendar month following the date of hire. Coverage ends on the date employment terminates.
- 4.7 *Retirement Plans*—The benefit contract in effect between the City of South San Francisco and the Public Employees' Retirement System (PERS) on behalf of eligible employees of this Unit shall be continued during the term of this agreement. Retirement benefits shall be those established for miscellaneous employees by the Federal Social Security Act providing Old Age and Survivor's Insurance and the California Public Employees' Retirement System (CalPERS or PERS) Miscellaneous Employees.
- 4.7.1 *PERS Miscellaneous Retirement Formula*—
- 4.7.1.1 2.7% at age 55 Plan—Classic Members as defined by CalPERS who were hired before April 24, 2010 will be provided a retirement benefit formula of 2.7% at age 55 with one-year final compensation.
- 4.7.1.2 2% at Age 60 Plan—Classic Members as defined by CalPERS who were hired on or after April 24, 2010 will be provided a retirement benefit formula of 2% at age 60 with three-year final compensation.
- 4.7.1.3 2% at Age 62—New Members as defined by PEPRA who are hired on or after January 1, 2013 will be provided a retirement benefit formula of 2% at age 62 with 3-year final compensation.
- 4.7.2 *Employee Contributions to Retirement System*—The rate prescribed by the Social Security Act for employee contributions shall be deducted from the pay by the City and forwarded to the system in accordance with the rules and regulations governing such employee contributions. The PERS rate for employee contributions shall be deducted from employees' pay by the City and forwarded to PERS in accordance with the rules and regulations governing such contributions.
- 4.7.3 *IRS Tax Exemption*—The City has obtained a 414(h)(2) exemption from the Internal Revenue Service, granting a deferral from federal withholding taxes of that portion of the employee's contribution to PERS. This exemption is for all miscellaneous employees, who are now responsible for their individual PERS contributions, and now receive the 414(h)(2) exemption.
- 4.7.4 *Optional Provisions Added*—Optional Public Agency Provisions under PERS shall also be provided as follows:
- 4.7.4.1 *Military Service Credit*—An employee who has served in the military may be eligible for Military Service Credit, as authorized by section 209030.3 of the Government Code.
- 4.7.4.2 *Sick Leave Service Credit*—Effective 4/11/2001, and as provided for in the Public Employees Retirement Law.

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- 4.8 *Section 457 Deferred Compensation Plan*—Employees are eligible, subject to the terms and conditions thereof, to participate in the Deferred Compensation Plans available to City employees.
- 4.9 *Section 125 Plan*—Subject to the terms and conditions of the City's plan, each employee may participate in the IRS-defined section 125 plan.
- 4.9.1 *Group Insurance Premium*—Participants may pay premium contributions for employee and dependent coverage under the City's health care plans on a pre-tax basis.
- 4.9.2 *Health Care Reimbursement*—Participants may set aside salary on a pre-tax basis to be used to reimburse their out-of-pocket eligible health care expenses.
- 4.9.3 *Dependent Care Reimbursement*—Participants may set aside salary on a pre-tax basis for reimbursement of out-of-pocket eligible dependent care expenses.
- 4.10 *Education Expense Reimbursement Program*—An employee who takes a course at an accredited institution of learning shall be eligible to receive reimbursement of 50%, not to exceed \$1,500 per fiscal year, for the costs of tuition, fees, and course materials. The employee will be eligible for this reimbursement upon the successful completion of the course and upon the employee having achieved a grade of "Pass" or "C" or better. Reimbursement is limited to courses that are job-related or designed to advance the employee's career with the City.
- 4.10.1 *Qualifying for Education Expense Reimbursement Program*—In order to qualify for reimbursement, the employee must:
- 4.10.1.1 *Department Head Approval*—Prior to enrollment, receive the written approval of the department head. The employee will submit a request, along with a description of the course, which briefly describes how the course may advance the employee's career with the City and/or its relevance to the employee's job. The department head will make a determination to accept or reject the request.
- 4.10.1.2 *Reimbursement Request*—Submit a request reimbursement to the City Manager which includes the following
- A copy of the department head's written approval of the course
 - A copy of the employee's grade for the course
 - Receipts for all expenses related to the course with a total amount requested for reimbursement
- 4.10.2 *City Manager Approval*—The City Manager shall approve the employee's request for reimbursement provided that the employee has prepared the request in compliance with this policy.
- 4.11 *Retirement Health Savings Plan*—Employees are eligible to participate in the Vantagecare Retirement Health Savings Program ("RHS Plan") established pursuant to the RHS Plan and Trust Document of the City of South San Francisco, effective July 1, 2005.
- 4.12 *Retired Employee Benefits*—

- 4.12.1 *Group Medical Insurance for Qualifying Retirees*—An employee who was hired on or prior to April 24, 2010 may elect to continue his or her City sponsored medical insurance if the employee is enrolled in the City's group medical plan and retires concurrently with CalPERS and the City. In order to be eligible for this benefit, the employee must have five years of continuous City employment at the time of his or her retirement. The monthly premium that the City will make for retiree medical insurance pursuant to this provision equals the monthly monetary contribution that the City makes for single retiree medical HMO coverage. Retirees will be required to pay any additional costs in order to receive retiree medical benefits. An eligible retiree may also elect to continue dependent coverage provided that the retiree bears the full premium costs for any eligible dependents. A retiree must continually receive a CalPERS retirement allowance in order to remain eligible to receive retiree medical insurance contributions. Any retiree that unretires from CalPERS and returns to active service with a CalPERS covered agency will permanently forfeit their eligibility for retiree medical benefits pursuant to this provision.
- 4.12.2 *Medical After Retirement Account ("MARA")*—An employee who was hired after April 24, 2010 will receive a City contribution of one and one-half percent (1.5%) of such an employee's base salary toward a Medical after Retirement Account (e.g. VEBA or similar City-sponsored plan).
- 4.12.3 *Group Dental Insurance for Qualifying Retirees*—An employee may elect to continue his or her City sponsored dental insurance if the employee is enrolled in the City's group dental plan and retires concurrently with CalPERS and the City. In order to be eligible for this benefit, the employee must have five years of continuous City employment at the time of his or her retirement. The retiree bears the full premium costs for himself/herself and any eligible dependents and will be completely responsible for these payments and for continuing dental coverage.
- 4.12.4 *Group Vision Insurance for Qualifying Retirees*—An employee may elect to continue his or her City sponsored vision insurance if the employee is enrolled in the City's group vision plan and retires concurrently with CalPERS and the City. In order to be eligible for this benefit, the employee must have five years of continuous City employment at the time of his or her retirement. The retiree bears the full premium costs for himself/herself and any eligible dependents and will be completely responsible for these payments and for continuing vision coverage.

Article 5. **H**olidays

5.1 *Observed Holidays*—The City observes the following holidays:

- January 1 New Year's Day
Third Monday in January..... Martin Luther King, Jr. Day

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| | Third Monday in February..... | President's Day |
| | Last Monday in May..... | Memorial Day |
| | July 4..... | Independence Day |
| | First Monday in September | Labor Day |
| | Second Monday in October | Columbus Day Observed |
| | November 11 | Veteran's Day |
| | Fourth Thursday in November..... | Thanksgiving Day |
| | Friday following Fourth Thursday in November..... | Day After Thanksgiving |
| | December 25..... | Christmas Day |
- 5.2 *Half-day Holidays*—In addition, the City observes the following half-day holidays:
- | | | |
|--|-------------------|--------------------|
| | December 24..... | Christmas Eve Day |
| | December 31 | New Year's Eve Day |
- 5.3 *Holiday Pay*—Employees shall be entitled to receive compensation for 8 hours of holiday time for each full holiday and 4 hours of holiday time for each half-day holiday, with holiday time considered as hours worked.
- 5.4 *Holidays on a Weekend*—When any of the aforementioned holidays fall on a Sunday, it shall be observed on the following Monday; any holiday falling on a Saturday shall be observed on the previous Friday. Half-day holidays shall be observed on the workday immediately previous the day upon which Christmas Day and New Year's Day are observed.
- 5.5 *Discretionary Holiday*—Each full-time regular employee shall be eligible for eight hours of paid discretionary holiday each calendar year, in addition to the holidays observed by the City. Once accrued, this discretionary holiday should be used before vacation leave. An employee who has not used this holiday by the end of the last payperiod of the calendar year, shall forfeit the holiday for that year. No annual cash payouts will be allowed.

Article 6. **O**vertime **P**ay and **C**ompensatory **T**ime **O**ff

- 6.1 *FLSA Work Period*—The FLSA standard work period is a seven-day work week that begins at 12:01 am Friday and ends at 12:00 midnight the following Thursday. Any exceptions to this work period will be documented and maintained on a list shared between the Human Resources Department and the Union. Nothing in this provision is intended to affect the right of any employee to overtime pursuant to the terms of this MOU.
- 6.2 *Overtime Pay*—Non-exempt employees who work in excess of the normal 40-hour workweek will receive overtime pay at 1.5 times their enhanced hourly rate of pay for all overtime hours worked.
- 6.2.1 *Approval for Overtime*—No employee shall work overtime without the express prior approval of the employee's department head or designee.

- 6.3 *Compensatory Time Off*—With the department head’s or designee’s approval, employees may receive compensatory time in lieu of overtime pay. If granted, compensatory time shall be earned at the rate of 1.5 times each overtime hour worked.
- 6.3.1 *Maximum Compensatory Time*—Employees may accumulate at the rate of 1.5 times to an equivalent maximum of 70 hours in lieu of pay for such overtime. Employees will be paid for the overtime hours that exceed the cap and cannot accrue further compensatory time until they have reduced their accrued hours below the 70 hour cap.
- 6.3.2 *Payment of Compensatory Time*—Payment of accrued compensatory time upon termination of employment or transfer out of the department will be made at the employee’s final regular rate of pay. The City reserves the right to pay out accrued compensatory time at any time at the regular rate of pay earned by the employee at the time the compensatory time is paid.
- 6.3.3 *Use of Compensatory Time*—Employees may use accrued compensatory time in accordance with departmental policies.
- 6.3.4 *Department Rules*—Individual departments may establish rules regarding:
- a. Notice required before use of compensatory time;
 - b. Length of time that compensatory time may remain on the books before it is cashed out; and
 - c. Such other matters necessary to ensure that operations are not unduly disrupted by use of compensatory time off.

Article 7. **V**acation **L**eave

- 7.1 *Vacation Leave*—Regular full time employees shall accrue vacation as follows:

<i>Length of Continuous Service</i>	<i>Biweekly Accrual Rate</i>
0 through completion of fourth year.....	4.62 hours
Fifth through fourteenth year	6.16 hours
Fifteenth through twenty-fourth years.....	7.69 hours
Twenty-fifth and succeeding years.....	9.23 hours

- 7.2 *Deferral (Final Payout in 2013)*—An employee may defer 40 hours of vacation leave to the succeeding calendar year. If the service requirements are such that an employee cannot take all accrued vacation in a calendar year, the employee may defer, with the approval of the department head, the unused portion to the following year, provided that no more than 30-working days of vacation is accumulated. The employee shall file a written request to defer vacation with the department head and the appointing authority. Deferred vacation not taken during the calendar year immediately following the calendar year in which the vacation leave was deferred shall be compensated in time off or compensation during the month of January 2013.

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- 7.3 *Maximum Vacation Accumulation*—An employee may accumulate up to two times the annual accrual rate of vacation hours as unused vacation. Effective July 5, 2013, once an employee has accumulated two times the annual accrual, no further vacation leave will accrue until the pay period after the vacation balance has been reduced below the two-year cap.
- 7.4 *Scheduling*—The times during the year at which an employee may take vacation shall be determined by the department head with due regard for the wishes of the employee and particular regard to the needs of the service.
- 7.5 *Pay Upon Separation from City Service*—Employees separating from the City Service shall be paid at their current enhanced hourly salary rate for all unused accrued vacation hours.

Article 8. **B**ereavement **L**eave

- 8.1 *Bereavement Leave*—Each employee may take leave without loss of pay upon the death of, or for the funeral of, any member of his/her immediate family, as defined below, for the period of 24 hours per occurrence within the State of California and up to a maximum of 40 hours for a family member residing outside the State of California.
- 8.2 *Definition of Immediate Family for Bereavement Leave*—As used herein for bereavement leave, immediate family is defined to be spouse, registered domestic partner with the State of California, parent, brother, sister, grandparent, child, mother-in-law, father-in-law, brother-in-law, sister-in-law, daughter-in-law, or son-in-law. In addition, the department head may grant the above described leave in the event of the illness or disability or funeral of someone other than those persons designated if, in the department head's opinion, there exists an extraordinarily close relationship between the employee and such person.

Article 9. **M**edical **A**ppointment **L**eave

- 9.1 *Medical Appointment Leave*—Each employee may be granted leave without loss of salary or benefits for the purpose of going to appointments with medical doctors or dentists in instances where the employee is reasonably unable to arrange for such appointments to occur during non-work time.
- 9.2 *Medical Appointment Leave Charged to Sick Leave*—Medical appointment leave shall be charged to sick leave as follows with the first 8 hours per calendar year not charged to sick leave and any other absences relating to appointments charged to sick leave.

Article 10. **Sick Leave**

- 10.1 *Determination*—Every covered employee, who is temporarily and/or partially disabled from performing the full scope of the usual and customary duties of his or her classification as the result of an injury or illness that is not industrially caused, shall be eligible to receive sick leave without loss of salary or benefits within the limits set forth below.
- 10.2 *Amount of Sick Leave*—Employees will accrue 8 hours per month of employment for purposes of sick leave. Such leave may be accumulated without limit.
- 10.3 *Sick Leave Management Policy*—All permanent and probationary employees who are temporarily and/or partially disabled from performing the full scope of duties within their classification as a result of an injury or illness that is not industrially caused, are eligible to receive sick leave without loss of salary or benefits. As identified in the City’s Sick Leave Management Policy Administrative Instruction, abuse of sick leave is defined as the use of sick leave for purposes other than illness or injury. Consistent with this policy, the monitoring, management, maximum use of sick leave, and reporting should conform to a general City standard. Therefore, employees exceeding 56 hours or 7 occurrences of sick leave per year will be subject to a review of sick leave usage.
- 10.4 *Payment of Unused Accrued Sick Leave*—Employees are eligible to receive payment for unused accumulated sick leave. An employee shall be paid at the employee’s enhanced hourly rate of pay for half of the accumulated sick leave hours. However no employee shall receive payment of any accrued sick leave hours in excess of 1,200; the maximum payable hours of 600. Employees are eligible to receive payment for unused accumulated sick leave in the following circumstances:
- Death; or
 - Disability Retirement from CalPERS; or
 - Full service retirement provided that all the following conditions are met:
 - 10 years of consecutive full-time City service;
 - Simultaneous retirement from City service and receipt of a service retirement from CalPERS.

Article 11. **Industrial Injury and Illness Leave**

- 11.1 *Injury Leave*—An employee, who is temporarily and/or partially disabled from performing work as a result of any injury or illness that has been determined to be industrially caused and the injury or illness necessitates the employee’s absence from work, shall be entitled to receive paid injury leave without loss of salary or benefits.
- 11.2 *Injury Leave Amount*—Employees shall be eligible to receive this paid injury leave for all time the employee is normally scheduled to work but is unable to work during a period of 90 calendar days following the date in which the injury or illness caused the period of

temporary and/or partial disability and necessitated the employee's absence from work. An employee receiving paid industrial injury or illness leave shall assign to the City all workers' compensation insurance proceeds received by the employee for all of the time in which the employee also received paid leave from the City.

Article 12. Disability Leave

- 12.1 *Application for Benefits*—An employee who is non-industrially disabled from performing the full scope of the usual and customary duties of the classification as the result of an injury or illness and has utilized all accrued sick leave and paid leave for which the employee is eligible, may file an application for short-term and/or long-term disability benefits in accordance with the requirements of the City's Short-term and Long-term Disability insurance policy. The elimination period for the long-term disability plan is 20-calendar days. Employees will not be required to utilize sick leave in excess of this elimination period in order to qualify for disability payment.
- 12.2 *Insurance Premium Payment*—The City will continue to pay insurance premiums on behalf of a disabled employee and dependents, pursuant to the provisions for such payments otherwise provided in this agreement until the actual date of separation from city employment of the employee.
- 12.3 *Separation from City Service*—The City will not separate an employee until he/she has been qualified for Long-term Disability benefits for a period of at least 90 days, except in those instances where the City and the employee agree to an earlier separation.
- 12.4 *Light-duty Program*—The purpose of this light-duty program is to minimize the loss of productive time, while at the same time reintroduce the employee to work to prevent deterioration of skills, facilitate recovery, and reduce income loss. Light-duty assignments will be structured so that an employee is not placed in a duty status that would aggravate or cause a reoccurrence of injury or illness. Light-duty assignments will not be made unless the employee receives medical clearance from the treating physician to return for light duty. This program shall be coordinated with applicable workers compensation benefits so that benefits are provided at the level not less than those mandated by state law.
- 12.4.1 *Coverage*—This light-duty program will cover any employee who suffers a temporary and partial disability due to an industrial or non-industrial injury or illness.
- 12.4.2 *Determination/Required Reports*—
- 12.4.2.1 *Assignments*—Light-duty assignments may be made following evaluation and determination by the department head. The determination will be based on available medical information, and consultation with the employee or the affected supervisor. Determinations will also be based on the needs of the City and the impact of light duty on departmental

operations. The evaluation and determination of light-duty assignments will be based on the employee's medical restrictions and upon agreement of the department head, the employee, and the affected supervisor.

12.4.2.2 *Medical Updates*—Updated medical reports shall be submitted to the department head at two week intervals, or at other agreed upon intervals, for as long as the employee is off work. Reports will be required for all industrial or non-industrial injuries or illnesses regardless of whether a light-duty assignment has been made. Reports will be evaluated by the department head for purposes of continuing or terminating a current light-duty assignment or to determine when to commence a light-duty assignment.

12.4.3 *Light-duty Assignment, Definitions, and Restrictions*—Light-duty assignments shall only be provided to employees with temporary disabilities where it has been medically determined that the employee will be able to return to the essential functions of his/her current job with or without accommodation. In no event will light duty assignments extend beyond reaching Maximum Medical Improvement, and under no circumstances shall the light-duty assignment be considered to be a permanent alternative position for purposes of reasonable accommodation under the American with Disabilities Act. Light-duty assignments:

- May consist of reduced work hours, limited work, or any combination thereof.
- Will not adversely affect the employee's normal wage rate.
- Will be within the employee's assigned department; or if no regular work is available, the employee may be assigned work outside of the department consistent with skill and ability.
- When feasible will be during the employee's normal shift and duty hours. However, if it is determined that no useful work will be performed during the normal shift or duty hours, the employee can be assigned light duty during the normal office hours of 8:00 a.m. to 5:00 p.m., Monday through Friday
- Will be developed based for specific light-duty assignments on a case-by-case review of the medical restrictions, so as not to aggravate an injury or illness.

12.4.4 *Holidays/Vacations During Light-duty Assignments*—

12.4.4.1 *Holidays Observed*—Holidays during light-duty assignments shall be observed in accordance this agreement.

12.4.4.2 *Vacations*—Employees assigned to light duty shall take their vacation as normally scheduled. Vacations shall cover the same number of workdays and calendar days as would have been if the employee had remained on full duty. Employees may reschedule their vacation with the approval of the department head, provided the rescheduling does not result in increased costs or lost time to the City for relief staff to cover the rescheduled vacation.

12.4.5 *Return to Full Duty*—Employees will be returned to full duty as soon as possible following medical certification that the employee is able to resume the full duties of the classification with or without reasonable accommodation.

Article 13. **O**ther **L**eaves

- 13.1 *Military Leave*—Military leave shall be granted in accordance with the provisions of applicable state and federal law.
- 13.2 *Jury Duty*—Employees must notify their supervisors when called to jury duty. All time at jury duty will be applied toward the employee's regular workday. The employee must submit record of hours at jury duty. Given the many different schedules employees work, modification of work hours for such jury duty will be left to the discretion of the department head or designee, and may be appealed to the Director of Human Resources.
- 13.3 *Pregnancy-related Disability and Bonding Leave*—Shall be granted in accordance with the provisions of applicable state and federal law.
- 13.3.1 *Pregnancy-related Disability*—Employees may be granted leave up to the maximum period of time permitted by law for disabilities caused or contributed to by pregnancy, childbirth, or related medical conditions for reason of the birth of a child or the placement of a child with an employee in connection with adoption.
- 13.3.2 *Bonding*—An employee who is no longer disabled from performing work due to pregnancy, childbirth, or related medical conditions for reason of the birth of a child and is medically released to return to work, shall be allowed to use accumulated vacation, and/or an unpaid leave of absence upon the written request of the employee.
- 13.3.3 *Leave Usage*—The employee must first use all eligible accumulated paid leave before being granted unpaid leave.
- 13.4 *Unpaid Leave of Absence*—The City may grant an employee in a permanent position a leave of absence without pay not to exceed 1 year. A request for the leave and the reason therefore shall be submitted in writing and must be approved by the department head and the City Manager.
- 13.5 *Reinstatement Upon Return From Leave*—Upon expiration of the approved leave, the employee shall be reinstated to the former classification without loss of service credits or benefits (subject to the terms of the contracts with the benefit providers) accrued prior to said leave. However, during the period of the leave, the employee shall not accumulate service credits, nor shall the City continue contributions toward group insurance or the retirement plan.

Article 14. R ecreational F acilities and C lasses

Employees shall be entitled to free admission to City recreation facilities and to free enrollment in up to 5 recreational classes during a 12-month period (lab fees or ingredient fees not included). Employees using City recreation facilities and enrolled in City recreational classes shall engage in such activities on the employee's non-work time. Employee admission to recreation facilities and recreation classes shall be accomplished in conformance with the rules and regulations established by the Parks and Recreation Department.

Article 15. N otary P ublic C ertification

- 15.1 *Certification Requirements for Employees Hired Prior to 7/1/00*—Those Confidential Unit members employed in a unit-covered classification as of 6/30/00 may choose not to obtain notary public certification.
- 15.2 *Certification Requirements for Employees Employee Hired After 6/30/00*—Those Confidential Unit members employed in a unit-covered classification after 6/30/00 may be required to obtain notary public certification, as determined by their department head or the Director of Human Resources.

Article 16. D iscipline

The City shall take disciplinary action against a Confidential employee following the procedures set forth in the City of South San Francisco Personnel Rules and Regulations.

Article 17. G rievance P rocedure

Confidential employees are eligible to invoke the Grievance Procedures as noted in the City of South San Francisco Personnel Rules and Regulations.

Article 18. M eeting

Prior to making any revisions to this Memorandum of Understanding, the City will meet with members of the Confidential Employees' Unit. The City agrees to grant a maximum of three members of this bargaining unit's negotiating team one hour release time prior to the negotiation meeting with the City and one hour after the meeting for the purpose of discussing negotiations.

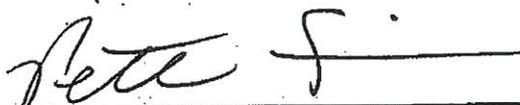
Article 19. Administration of Memorandum of Understanding

- 19.1 *Full and Entire Agreement*—This Confidential Employees Memorandum of Understanding sets forth the compensation program for members of the Unit and any prior or existing understanding or agreements regarding these matters, whether formal or informal, are hereby superseded or terminated in their entirety. In the event that the provisions of this Memorandum of Understanding are found to be in conflict with a City rule, regulation, or resolution, the provisions of this agreement shall prevail over such conflicting rule, regulation, or resolution.
- 19.2 *Administration of Program*—The City Manager may establish such policies, rules, and regulations as are deemed appropriate to the effective administration of the Program. Members of the Confidential Employees Unit shall comply with all such policies, rules, and regulations as may be established by the City Manager. The City Manager shall be empowered to grant or to impose administrative leave without loss of pay or benefits for members of the Confidential Employees Unit for any purpose deemed by the City Manager to be appropriate to circumstances.

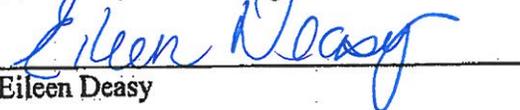
Article 20. Signatures

Signed on this date: 8/17/15

For the Union:

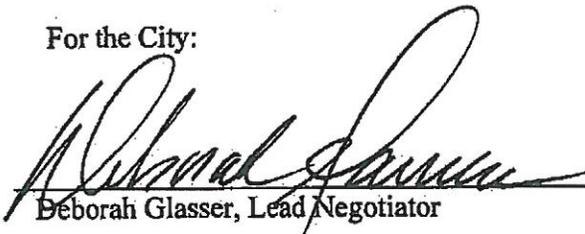


Peter Finn, Business Agent

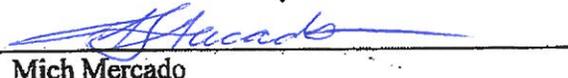


Eileen Deasy

For the City:



Deborah Glasser, Lead Negotiator



Mich Mercado

Appendix A

Confidential Unit, Teamsters Local 856 Classifications

Confidential Employees Defined-The Confidential Employees Unit shall consist of all full-time employees employed in the positions, which are included in the non-exempt service of the City of South San Francisco, as well as such classifications as may be added to this Group by the City.

Those classifications in the Confidential Unit are the following:

- Administrative Assistant I
- Administrative Assistant II
- Assistant City Clerk
- Computer Services Technician
- Data Business Systems Specialist
- Deputy City Clerk
- Executive Assistant to the City Manager
- Human Resources Technician
- Senior Administrative Assistant

Appendix B

Salary Survey Methodology

The salary survey methodology when used for determining compensation for the Confidential Employees' unit shall be as follows:

- (a) Data regarding total compensation (i.e., base salary plus employer-paid benefits) will be collected from the ten survey cities.
- (b) Data regarding the cities' total compensation will be ranked, from highest to lowest total compensation.
- (c) The cities with the highest and lowest total compensation as well as the City's own data, will be discarded before computing the average total compensation.
- (d) The remaining cities' total compensation will be calculated at the 60th percentile.
- (e) The 60th percentile of total compensation will then be compared to the City's total compensation to get the percent difference in the City's total compensation compared to the remaining cities.
- (f) The percent difference will then be used to adjust the City's compensation, unless the current City compensation is higher, in which case no change to the total compensation will be made.
- (g) The City will set the Confidential Unit employees' total compensation package at the 60th percentile of the marketplace based on this computation.

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