MEMORANDUM OF UNDERSTANDING

FOR THE MID-MANAGEMENT UNIT BETWEEN

THE CITY OF AMERICAN CANYON

AND TEAMSTERS LOCAL 315

July 1, 2013 – June 30, 2016

Memorandum of Understanding

City of American Canyon – Teamsters Local 315

Mid-Management Unit

July 1, 2013 – June 30, 2016

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MEMORANDUM OF UNDERSTANDING

PREAMBLE

This Memorandum of Understanding ("MOU") is a mutual agreement between the City of American Canyon ("City") and the Teamsters, Chauffeurs, Warehousemen & Helpers, Union No. 315 ("Union"). This MOU has been jointly prepared by the parties and is entered into and is pursuant to provisions of all state and federal laws applicable to public sector employee organizations formed for the purpose of employee representation. As approved by the City Council of the City of American Canyon and the Union, this MOU is binding upon City, Union and the represented employees.

1. RECOGNITION.

A. The Union has been recognized by the City, pursuant to the City Employer-Employee Relations Ordinance as the certified majority representative of the regular full-time and regular part-time employees assigned to the classifications listed below. The Union shall be recognized as representing employees in the classifications listed.

- **Chief Building Official**
- **Development Services Engineer**
- **Information Systems Manager**
- **Maintenance Supervisor**
- **Plant Operations Supervisor**
- **Public Works Superintendent**
- **Recreation Manager**
- **Senior Civil Engineer**
- **Senior Planner**
- **Wastewater Systems Manager**
- **Water Systems Manager**
- **Water Quality Laboratory Manager**

B. City and Union agree to meet on the proper designation of any new employee classification or the significant modification of any existing classification. Based upon that meeting, the following actions may occur. If it is a new classification, that position may be included in the unit or left out of the unit. If it is a modification of an existing classification which was previously included in the unit, then it may remain in the unit or be re-designated to some other more appropriate unit. If it is a modification of an existing classification which was not previously part of the unit, it may be transferred into the unit or designated to some other more appropriate unit.

C. The City and Union agree that all employees covered under this MOU are considered exempt from the Fair Labor Standards Act (FLSA) as it relates to those provisions requiring overtime for time worked in excess of forty hours per week.

2. PURPOSE.

It is the purpose of this MOU to promote and provide for harmonious relations, cooperation and understanding between the City, the employees covered by this MOU, and the Union, to assure an orderly and equitable means of resolving any misunderstanding or difference which may arise under

this MOU, and to set forth the full and entire understanding of the parties reached as a result of meeting and conferring regarding wages, hours and other terms and conditions of employment of the employees covered by this MOU.

3. DEFINITIONS.

For the purpose of this MOU words, phrases and terms used herein shall be deemed to have the meanings specified unless it is apparent from the text that a different meaning is intended:

A. ***City*** means the City of American Canyon.

B. ***City Council*** means the elected City Council Members of the City of American Canyon.

C. ***Conciliation*** means the efforts of an impartial third person, or persons, functioning as intermediaries, to assist the parties in reaching a voluntary resolution of impasse, through interpretation suggestion and advice. Mediation and conciliation are interchangeable terms.

D. ***Confidential Employee*** means an employee who, in the course of his or her duties, has access to confidential information relating to the City's administration of employer-employee relations.

E. ***Consult*** or ***Consultation in Good Faith*** means to communicate orally or in writing for the purpose of presenting and obtaining views or advising of intended actions; and as distinguished from meeting and conferring in good faith regarding matters within the required scope of such meet and confer process, does not involve an exchange of proposals and counterproposals with the Union in an endeavor to reach agreement in the form of an MOU.

F. ***Days*** mean "calendar days" unless otherwise stated.

G. ***Employer-Employee Relations*** means the relationship between the City and its employees and their employee organization, or, when used in a general sense, the relationship between City management and employees or employee organizations.

H. ***Fact-finding*** means a process requested by the Union following impasse where a fact-finding panel hears evidence on the negotiation issues in dispute and provides findings and recommended terms of settlement.

I. ***Impasse*** means a deadlock in the discussions between the Union representative and the City over any matters which they are required to meet and confer in good faith.

J. ***Management Employee*** means an employee having responsibility for formulating, administering or managing the implementation of City policies and programs.

K. ***Meet and Confer in Good Faith*** (sometimes referred to herein as "meet and confer" or "meeting and conferring") means that duly authorized City representatives and duly authorized representatives of the Union shall have a mutual obligation to meet to confer in good faith regarding specified matters within the scope of representation, in an endeavor to reach tentative agreement. Once tentative agreement has been reached on any matter requiring ratification or City Council adoption, the parties shall recommended ratification by the membership and adoption by the City Council. Nothing herein shall require either party to agree to any proposal or make concessions.

L. ***Memorandum of Understanding*** means a written document enumerating any agreement reached as a result of meeting and conferring in good faith on matters within the scope of representation and signed by the Union and the City.

M. ***Part-Time Employees*** are regular part-time employees who are employed at least twenty (20) hours but less than forty (40) hours per week. They shall be paid an hourly rate that is a pro-rated portion of an amount. See Table 1 for the applicable class or position.

N. ***Probationary Employees*** are those employees who have worked less than nine (9) consecutive months (270 calendar days) for the City. Probationary employees may be terminated at will, with or without notice, and said terminations shall not be subject to the grievance procedure.

O. ***Regular Employee*** means any person employed by the City for an indefinite period and eligible for all benefits and privileges.

P. ***Scope of Representation*** means all matters relating to employment conditions and employer-employee relations, including, but not limited to wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the merits, necessity, or organization of any service or activity provided by law or executive order.

Q. ***Supervisory Employee*** means any employee having authority, in the interest of the City, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, discipline other employees, or responsibility to direct them or to adjust their grievances, or to recommend such action if the exercise of such authority is not of a routine or clerical nature, but requires the exercise of independent judgment.

4. EMPLOYEE RIGHTS.

All employees of the City have the right:

A. To form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations, including but not limited to wages, hours, and other terms and conditions of employment.

B. To be free from intimidation, restraint, coercion, interference, discrimination or reprisal because of their exercise of any of the rights herein enumerated or granted by law.

However, managerial, supervisory and confidential employees may only be included in units that do not include non-managerial, non-supervisory and non-confidential employees.

5. ACCESS TO WORK LOCATIONS.

A. Union representatives may visit work locations where bargaining unit members are performing work for the following purposes: To post literature on bulletin boards; to leave and/or distribute literature; to represent an employee on a grievance or in investigating proceedings that may lead to discipline and/or disciplinary proceedings, or to contact a Union officer on a matter within the scope of such grievance; provided, however, that advance arrangements including disclosure of the purpose of the visit is made to the City Manager or his/her designated representative and that the visit does not interfere with the normal conduct of work or duties of the employees, as determined by the City Manager. Any meetings with employees must be held during lunch hour or such other time period approved by the City Manager or his/her representative which does not conflict with City business if held on the worksite.

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 working hours without the prior approval of the City Manager or his/her representative.

C. In the event the City believes that the Union representatives are abusing the provisions of this Section, it shall contact the Union in writing to arrange a mutually acceptable time and place to investigate the City's complaint and to assure full compliance by Union representatives.

6. USE OF BULLETIN BOARD.

The Union may use a portion of the designated City bulletin board(s) at the various City facilities for communications having to do with official Union business. This provision also applies to the use of e-mail for communications having to do with official Union business. A copy of e-mail communications will be e-mailed to the City Manager or his designee.

7. STEWARDS.

One (1) steward and one (1) alternate shall be selected by the employees on the job. Whenever possible, one steward shall be selected from the Public Works Department and one steward shall be selected from another City department, by the employees on the job. There shall be no discrimination of any kind against the Steward or any employee because of Union affiliations or Union activities. The duties of the Steward shall be to report to the Local Union any and all

grievances which may arise and cannot be adjusted on the job. Other duties of the Steward shall be as follows:

A. The investigation and presentation of grievances to the City or the designated City representative in accordance with the provisions of the MOU.

B. Participation with the Union Official and/or the aggrieved employee in meetings with the City's representative involving grievances.

C. Participation, if requested by the employee, in all investigatory proceedings that may lead to discipline and disciplinary proceedings.

8. PAYROLL DUES DEDUCTIONS.

A. City agrees to deduct on a monthly basis periodic membership dues from the pay of each employee who voluntarily executes and delivers to City a valid dues deduction authorization form approved by the City Manager or his/her representative.

B. If for any reason an employee does not have sufficient funds due him/her to provide for the payment of any of the above payroll deduction after all other authorized or mandatory deductions or garnishments have been made, if any, no such sums shall be payroll deducted and the Union shall assume the duties of direct collection from the employees.

C. The dues deduction authorization shall remain in effect until the employee gives the City thirty (30) days notice in writing that he/she is revoking his/her authorization.

D. The City shall not be required to collect any initiation fees, special assessments or short-time changes in rate.

E. The Union shall indemnify, defend and hold the City and its officers and employees, including but not limited to the City Finance Director, harmless from any and all claims, liabilities and damages arising from or connected with following the instructions contained in such dues deduction authorizations.

F. The Union shall indemnify and hold the City, its officers and employees harmless from any costs or liability resulting from any and all claims, demands, suits, or any other action arising from the operation 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.

G. The Union shall immediately refund to the City any amounts paid to it in error upon the discovery of such error by the Union or upon notification of the error from the City.

9. UNION SECURITY.

A. Employees in the bargaining unit hired after the ratification of this MOU shall as a condition of continued employment, have thirty (30) calendar days from date of hire to either join Teamsters Local 315, or pay to it a fee equivalent to its standard dues, initiation and general assessment. Payment of dues/fees shall be made by the last business day of the month in which they are due.

B. Except as otherwise provided by applicable law, in the event of the failure of an employee to comply with their obligation under this provision, the Union shall send a written communication to such employee informing him/her of his/her delinquency, with a statement of the amount of such delinquency, the months for which dues/fees are owed, the total amount required to bring the employee into compliance, and specifying the date upon which the delinquency must be removed in order to remain on the job. If the employee fails to remove the delinquency within the stated time, a certified letter shall be sent by the Union to the City requesting the City comply with applicable termination proceedings with respect to the involved employee. The Union shall give the employee fair notice of his/her delinquency before requesting termination or such other remedy, as may be required by law.

C. It is agreed between the parties that the Union indemnifies and holds the City harmless against any actions, claims or liabilities arising from action taken by the City in adherence with this Section. Such indemnification shall include reasonable attorney fees and costs incurred to defend against such asserted claims or liabilities.

10. HOURS OF WORK.

A. Intent. The following provisions are intended to define the normal hours of work and shall not be construed as a guarantee of work per day or per week, or of days of work per week. There is no guarantee that there shall be no layoffs for lack of work, lack of funds or other good and sufficient reason.

B. Hours. The City Manager or designee shall designate the number of hours and days per week to be worked by each Department.

C. Alternate Work Schedules. The City supports alternate work schedules, subject to the operating needs of the City and relevant Federal/State laws and regulations. An alternate work schedule must be approved in writing by the appropriate Department Head or designee prior to forwarding the request to the City Manager or designee for implementation of a new schedule. The parameters of an employee participating in an alternate work schedule shall be governed by the City of American Canyon Policy #09-1, "Alternate Work Schedule – Revised" (Policy #09-1).

D. Meal and Break Periods. The City believes that Meal and Break periods are important for all employees and encourages all employees to take regular meal and break periods.

Except when a meal or break period interferes with the performance of their duties, exempt employees shall be granted reasonable meal and rest periods.

E. Emergency Assignments: Nothing herein shall be constructed to limit or restrict the authority of the City to make temporary assignments to different, or additional locations, shifts, or duties for the purpose of meeting an emergency. For purposes of this MOU, emergency shall mean an unanticipated circumstance which requires an immediate response. Such emergency assignments shall not extend beyond the period of said emergency.

F. Accruals: All references to accrual or use of vacation, holiday or sick leave in this MOU shall be interpreted as one (1) normal workday.

11. OUT-OF-CLASS ASSIGNMENT.

A. Out of class: An out of class assignment is a temporary assignment of a regular employee to an established position, where the position is vacant or the regular incumbent is absent, at a higher level of pay which requires the employee to perform a significant part of the duties of the higher classification. Such an assignment shall be temporary and shall terminate when the position is filled permanently, or when the incumbent employee returns to work. An out of class assignment shall not exceed a period of six (6) months, unless an extension is approved by the City Manager.

B. Authorization: An out of class assignment shall be recommended by the Department Head and approved by the City Manager prior to being effective.

C. Minimum Qualifications: A regular employee in an out of class assignment must meet all the minimum qualifications of the higher classification, but need not be qualified by examination or have standing on an Eligibility List.

D. Compensation: An employee in an out of class assignment shall receive Step A of the salary of the higher classification or five (5) percent, whichever is greater, on the first day of the pay period after the time worked in the higher classification exceeds fifteen (15) consecutive work days. Benefits of the higher classification are not available and the employee will continue to receive the benefits of the employee's regular position. Any vacation pay off during the employee's out-of-class assignment will be made at the employee's regular hourly rate.

12. CERTIFICATION RENEWALS/CERTIFICATE PAY/EDUCATIONAL REIMBURSEMENT.

A. The City will reimburse employees for the cost of the renewal of certification(s) or license(s) required by the employee's job description.

B. The City will pay fifty dollars ($50) per month per certificate or skill, up to a maximum of one hundred dollars ($100) per month, to any employee who has the following verifiable certifications or skills.

(1) Ability to speak fluently in either Spanish or Tagalog (no more than $50 will be paid for either or both languages)
(2) Industrial Waste Inspector
(3) Grade IV or Grade V for Water or Wastewater Operations
(4) Certified Public Accountant (CPA)
(5) Licensed Surveyor
(6) Notary. The City shall have the right to designate the number and location of notaries covered under this provision who provide notary service to or on behalf of the City.
(7) Cross-connection certificate from AWWA for Maintenance Supervisor

Additional certificates, licenses, or skills may be eligible for certification pay in accordance with the process and criteria outlined in the joint City/Teamsters Memorandum – City Policies on Certification Renewal, Certificate Pay, and Tuition Reimbursement.

C. For educational classes directly related to enhanced value to the City for the employee's current position, or for educational classes not directly related to the employee's current position, tuition reimbursement will be made in accordance with the process and criteria found in the joint City/Teamsters Memorandum – City Policies on Certification Renewal, Certificate Pay, and Tuition Reimbursement.

13. VACATION.

A. Full-Time Employees. Every employee in a regular full-time position provided for by this article shall accrue paid vacation leave. Paid vacation leave accrues from the date of hire on a biweekly basis and increases after completion of the required years of service as follows:

Years of Continuous Service	Days of Vacation & Hours Accrued Per Anniversary Year
0 through 2 years	12 (96 hours)
3 through 5 years	15 (120 hours)
6 through 10 years	20 (160 hours)
11 or more	25 (200 hours)

No employee may, however, take any vacation leave, nor receive payment in lieu thereof, until he/she has completed nine (9) months of service.

B. Part-Time Employees. Section A shall also apply to regular part-time employees, except vacation days shall mean the same number of hours as a regularly scheduled work day for

that employee. For instance, if an employee works a regularly scheduled four (4) hours per day, the vacation day earned shall be a day off with four (4) hours' pay.

C. Earned vacation may be accumulated up to a maximum of two hundred and eighty-eight (288) hours. Effective July 1, 2014, earned vacation may be accumulated up to a maximum of two hundred and seventy-five (275) hours. Effective July 1, 2015, earned vacation may be accumulated up to a maximum of two hundred and sixty-five (265) hours. Effective June 30, 2016, earned vacation may be accumulated up to a maximum of two hundred and fifty-six (256) hours. Employees are encouraged to take time off, according to City policy.

D. All vacations shall be taken at such time or times during the calendar year as may be approved by the employee's supervisor or manager. The current practice of scheduling vacations shall be maintained.

E. A person separating from City service, about to retire, or who is to be laid off, and who has earned vacation time to his/her credit, shall be paid for such vacation accrued up to the effective date of such resignation, retirement or layoff. A person retiring from City service may remain on the payroll after the date of such retirement and utilize accrued vacation leave until such leave is exhausted, in lieu of a lump sum payment.

F. If a holiday falls within a scheduled vacation period, then the holiday shall not be counted as a vacation day.

14. SICK LEAVE.

A. Accrual. Sick leave shall be accrued at the rate of eight (8) hours for each calendar month of service (3.69 hours per biweekly pay period) for regular full-time employees. For regular part-time employees, accrual shall be pro-rated, consistent with Vacation Pay. No payment for accumulated and unused sick leave shall be made at the time of termination or upon retirement, although it may be applied towards additional retirement service credit, as set forth in Section 24, Retirement.

B. Use. Sick leave may be used for an employee's personal illness or injury, emergency or routine medical or dental appointments, including pregnancy, for reasonable travel time to and from health care facilities and for enforced quarantine of the employee in accordance with community health requirements and family care. Employees shall, to the extent possible, schedule medical or dental appointments during non-working hours.

Sick leave will not be authorized for illness or injury to replace any other paid leave of absence except if such illness or injury causes the employee to be hospitalized, and then only for the time hospitalized. A Department Head may use discretion in allowing sick leave use during other paid leave to accommodate recovery periods or other related care.

C. Family Care. Sick leave may be used to care for the employee's child, spouse or domestic partner, or parent, who is incapacitated by a serious health condition as defined by State or Federal Law. Sick leave utilized for Family Care shall not exceed forty-eight (48) hours per occurrence.

D. Administration.

(1) A request for leave form for all doctor and dental appointments shall be submitted to the employee's supervisor. Employees shall provide as much advance notice as possible for scheduled appointments or changes to appointments. Such leave shall be at the convenience of the City, unless there is an emergency. Sick leave shall be utilized in a minimum of one-quarter hour increments.

(2) Such leave may be utilized only for the actual time needed to drive to the doctor or dentist's office, time of treatment and time to drive back to work. Any leave taken in excess of this time shall be charged to Vacation Leave or Leave Without Pay.

(3) If a day shift employee is sick, he/she shall call in to the Department Head or designee at least fifteen (15) minutes before the time he/she would normally report to work. If an employee does not call in before fifteen (15) minutes, the employee may be docked pay for time off. If a Graveyard or Swing Shift or Weekend employee is sick, he/she shall call the employee he/she is relieving at least two (2) hours in advance of the time he/she would normally report to work. If an employee does not call two (2) hours before the time he/she is to report to work, the employee may be docked pay for the time off.

(4) If an employee is absent for three (3) consecutive days, a valid physician's certificate may be required stating the cause of the absence and attesting to the employee's ability or inability to resume work.

E. Sick Leave Abuse. When, in the judgment of the Department Head or designee, an employee's reason(s) for being absent because of alleged sickness are inadequate, the Department Head or designee shall require a valid physician's certificate for any lost time and such absence may be charged without pay, or may be charged to vacation leave. In addition, the Department Head or designee shall impose such disciplinary action(s) as appropriate.

F. Temporary Disability Integration. An employee who is entitled to temporary disability indemnity under the Labor Code shall use as much accumulated sick leave or accumulated vacation time as shall result in a payment to the employee of full regular salary. When accumulated sick leave and/or vacation time are exhausted, the employee may continue to receive disability benefits.

G. Medical/Dental Premiums. Except as otherwise required by State or Federal law, the City will continue to pay group insurance premiums, *i.e.*, medical and dental premiums, provided the employee is in a paid status of at least one working day at any time during any given month. If an employee is on unpaid leave for the entire month or longer, it is the employee's responsibility to pay the premiums for the balance of the leave. At the request of the employee, the City will provide the employee with the amount of insurance premium and arrange a payment schedule. Failure to do so will result in termination of benefits as applicable under the Public Employees Retirement System ("PERS") medical benefit guidelines.

15. BEREAVEMENT LEAVE.

Any employee who is compelled to be absent from duty by reason of the death of a spouse or domestic partner, parent or stepparent, grandparent, child or stepchild, brother or sister, parent-in-law, brother/sister-in-law, son/daughter-in-law, or any relative living in the immediate household of the employee, may be allowed, with the approval of the Department Head or designee, to use a maximum of thirty-two (32) hours absence with pay, as to each instance of death.

In instances involving extraordinary circumstances, or individuals not covered in the paragraph above, up to an additional twenty-four (24) hours leave of absence may be granted, upon approval of the Department Head or designee. The additional paid leave will be deducted from accumulated vacation leave balance(s).

The employee may be required to submit proof of a relative's death or critical illness before final approval of bereavement leave is granted.

16. HOLIDAY LEAVE.

The following days are recognized as official City holidays. Employees normally scheduled to work on these days will be given the day off with pay. For employees on flex-schedule, holiday pay shall be equal to the number of hours in their normal workday. For regular part-time employees, holiday pay shall be pro-rated, consistent with Vacation Pay.

Holiday	Day Observed
New Year's Day	January 1st
Martin Luther King, Jr.'s Birthday	Third Monday in January
Washington's Birthday	Third Monday in February
Caesar Chavez	March 31st
Memorial Day	Last Monday in May
Independence Day	July 4th
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veteran's Day	November 11th
Thanksgiving Day	Fourth Thursday in November
Day After Thanksgiving	Friday after Thanksgiving

Christmas Eve	Last Workday before Christmas
Christmas Day	December 25th
Day After Christmas	First Workday following Christmas
Floating Holiday	As requested by the employee and approved by the appropriate Department Head or supervisor; must be taken in the fiscal year it is given.

Any day appointed by the President of the United States or the Governor of the State of California as a holiday

If one of the holidays listed falls on a Sunday, then it shall be observed on the following Monday. If one of the holidays listed above falls on a Saturday, then it shall be observed on the previous Friday.

An employee who works on the day a holiday is observed, as provided above, shall be paid at straight time for the holiday, just as all employees are paid for the holiday, and, in addition, the employee shall be compensated for the hours actually worked on the holiday. By mutual agreement, a holiday may be traded for a regular workday within the fiscal year.

To be eligible for holiday pay, the employee must be in paid status on the last regularly scheduled workday preceding the holiday and the first regularly scheduled workday following the holiday. An employee on vacation shall not be charged vacation time for a holiday that falls during the vacation period.

17. MANAGEMENT LEAVE

The City will provide one-hundred and eight (108) hours, or 13.5 days, of Management Leave for each represented employee. The Leave will be accrued on July 1 of each year and must be used by the end of that same fiscal year. Employees may request carrying-over up to one-hundred and eight (108) hours of Management Leave into the next fiscal year, with the approval of the City Manager.

In lieu of time off, an employee may cash out up to sixty (60) hours of accrued but unused Management Leave each year at the employee's straight time hourly rate. The employee must file an irrevocable election identifying the specific amount of Management Leave he or she wishes to cash out during the month of December. Management Leave will be paid out the month of January in the year following the irrevocable election.

18. BASIC SALARY SCHEDULE.

A. The *Base Salary Schedule* is attached as Table 1 and represents the *Base Salary Schedule* agreed to as of July 1, 2013. The annual salary adjustments as set forth in Section 20 of this MOU will be applied to the then current *Base Salary Schedule* and become part of the *Base Salary Schedule* for the ensuing fiscal year.

B. The parties agree that, during the term of this MOU, salaries for all new or modified classifications covered by this MOU shall be determined through the meet and confer process.

19. APPLICATION OF COMPENSATION PLAN TO POSITIONS.

The Salary Schedule for the respective classes of positions shall be as set forth in the published Salary Tables for fiscal years 2013-14, 2014-15, and 2015-16 with such amendments to classifications or addition of new classifications as may be adopted by the City Council from time to time by Resolution, and shall have the force and effect and shall be interpreted and applied as follows:

A. The salaries or rates of compensation prescribed are fixed on the basis of full-time service in full-time positions, unless otherwise designated. The rates of pay prescribed shall be deemed to include pay in every form except for necessary expenses authorized and incurred incident to employment, or except as herein provided.

B. Normally and as a general rule, upon progress and productivity, employees may be considered eligible for increases in salary according to the following general plan.

(1) Step "A" shall be paid upon initial employment, except when another Step is authorized by the City Manager as the beginning pay step for a class.

(2) At the satisfactory completion of nine (9) months continuous, acceptable service at Step "A", employees may be considered for an increase to Step "B" subject to the provisions of subsections D and G below.

(3) Thereafter, at the satisfactory completion of twelve (12) months service in Step "B" and every subsequent anniversary date, employees may be considered for an adjustment in pay by way of a one-step increase until the employee reached Step E, subject to the provisions of subsection C and D below.

C. Annual performance evaluations will be completed and salary adjustments implemented within sixty (60) days after the employee's anniversary date. If a person's anniversary date falls within the first week of a pay period, any increases will then be effective at the beginning of that pay period; if a person's anniversary date fall within the second week of a pay period, any increases will then be effective the pay period following the employee's anniversary date.

D. Advance in pay shall not be automatic upon completion of the periods of service outlined hereinabove, but shall be based on satisfactory performance as established by the employee's service, and after approval of the City Manager. Increase in pay shall be withheld in cases of inferior work, lack of application, or indifferent attitude. The pay of any employee may be reduced to a lower step within the pay range established pursuant to disciplinary proceedings, in cases where the quality and manner of performance of services do not justify the pay being received.

E. Where a pay range for a given class or for several classes is revised upward, the

incumbents of positions in classes affected shall maintain their current salary step. The existing pay shall be held at the same amount if the pay is adjusted downward.

F. Anniversary dates shall be established as the effective date of hire of the employee. Employee benefits, including step increases, shall be prorated to reflect the actual effective date, unless otherwise required by insurance providers, or Federal/State agencies.

G. All new employees are to be probationary from the date of hire to completion of nine (9) months of continuous, acceptable employment. Up to three (3) months work as a temporary employee in the same or similar classification may be credited toward the completion of the probationary period, subject to the approval by the City Manager. Such approval will not be unreasonably withheld.

H. Members shall receive longevity pay in the following increments:

After the completion of 10 years	$100.00 per month, or
After the completion of 15 years	$150.00 per month, or
After the completion of 20 years	$200.00 per month, or
After the completion of 25 years	$250.00 per month

Payment will be made in 24 bi-weekly payments.
Longevity pay shall be in addition to all other pay received under the terms of the MOU and shall be considered as part of the Total Compensation calculation.

20. INCREASES IN SALARIES.

July 1, 2013, the Base Salary Schedules for the respective classifications shall be set forth in Section 19.

Effective the first full pay period following January 1, 2015, there shall be an across-the-board increase of 0.5%.

Effective the first full pay period following July 1, 2015, there shall be an across-the-board increase of 0.5%.

Effective the first full pay period following January 1, 2016, there shall be an across-the-board increase of 0.5%.

21. RETIREMENT.

A. Eligible employees, who were hired by the City, were members of CalPERS, or were members of a retirement system that has reciprocity with CalPERS, prior to January 1, 2013, shall be covered by the PERS retirement plan two percent (2%) at fifty-five (55) full formula for local miscellaneous employees and shall receive the following benefits:

- Effective January 1, 1999 the City's PERS contract was amended to include service credit for military time or any other type of service credit for which an employee may be eligible. The participating employee shall absorb the cost of any type of service credit or conversion permitted under this subsection.

- Effective September 1, 1998 employees' salaries were increased by seven percent (7%), to reflect the employee's share of PERS retirement cost. The employee's share of PERS retirement was thereafter the responsibility of the employee to pay. The PERS contribution is shown as a deduction from the employee's pay on a pretax basis.

- Effective January 1, 2003, the City's PERS contract was amended to allow conversion of unused sick leave hours towards service credit, up to a maximum of one year of service credit.

- Effective on or about July 1, 2004, the City's PERS contract was amended to include the Single Highest Year benefit.

- Effective on or about July 1, 2004, the City's PERS contract was amended to include employee-paid Pre-Retirement Survivor Benefits.

- Effective July 1, 2005 the City's PERS contract was amended to include City-paid Post-Retirement Survivor Benefits.

B. Eligible employees hired on or after January 1, 2013, and who meet the definition of "new member" under Government Code Section 7522.04(f), shall be covered by the PERS retirement plan two percent (2%) at sixty-two (62) formula for local miscellaneous employees and shall receive the following additional benefits:

- The employee's contribution rate towards this benefit shall be 50% of the normal cost. The PERS contribution shall be shown as a deduction from the employer's pay on a pre-tax basis.
- Final compensation shall be based on a three-year average.

C. If the City's PERS contribution rate exceeds sixteen percent (16.00%), the employee and City shall share equally such excess rate, provided, however, that the additional employee maximum contribution under this formula shall not exceed three percent (3%). Upon notification from PERS that the City's contribution rate will exceed sixteen percent (16.00%), and before the City implements this policy, it will provide the union an opportunity to request to negotiate over potential methods to cost-share the increased rates, as well as to meet and discuss other possible cost-sharing retirement opportunities, including deferred compensation.

22. SAFETY SHOES.

All employees who work in classifications whose work has been determined by the City to require wearing safety shoes, shall wear such shoes. Failure to wear safety shoes may result in disciplinary action. The City will buy or reimburse for up to $200, Red Wing Boots or equivalent, provided they meet CAL-OSHA guidelines. Covered employees are eligible for a new pair of boots/shoes once a year unless the boots/shoes are still in relatively good condition. The City shall establish, and revise as necessary, procedures for implementing this benefit.

23. WORK CLOTHING.

Jackets, shirts and hats shall be supplied by the City to those employees working in classifications where outdoor/field work is routinely required.

This Section does not reference safety/protective equipment or clothing which shall be provided by the City to those classifications for which it is necessary.

24. EMPLOYEE BENEFITS.

A. City Contributions Towards Medical Premiums for Employees Enrolled in CalPERS Health Coverage Through the City

(1) Effective January 1, 2014, the City shall contribute the following towards medical insurance for employees enrolled in CalPERS health coverage through the City:

Employee Only	$615
Employee plus One Dependent	$1,229
Family	$1,598

(2) Effective January 1, 2015, the City shall contribute the following towards medical insurance for employees enrolled in CalPERS health coverage through the City:

Employee Only	$646
Employee plus One Dependent	$1,291
Family	$1,678

(3) Effective January 1, 2016, the City shall contribute the following towards medical insurance for employees enrolled in CalPERS health coverage through the City:

Employee Only	$ 679
Employee plus One Dependent	$1,356
Family	$1,762

The employee shall be responsible for paying the difference between the City's contribution and the full cost of the medical premium for the plan selected by the employee.

B. Health-in-lieu for Employees Not Enrolled in CalPERS Health Coverage Through the City

(1) The City shall pay $400 monthly when an employee provides sufficient evidence that he or she is covered by the medical insurance plan of their spouse or someone else. Health-in-lieu shall be paid as a cash payment, subject to applicable withholdings and taxes.

(2) The City's obligation to make such health-in-lieu payments only applies to employees who are not covered by the CalPERS health coverage through the City and shall not commence until such time as an employee is no longer covered by the City's health insurance plan.

(3) It is the employee's responsibility to notify Human Resources when there has been a change in eligibility status for medical insurance coverage or for health-in-lieu. The City shall be entitled to verify the employee's eligibility at least annually.

C. Other Benefits

(1) Employees must purchase the minimum requirements of the following benefits:

Benefit	Minimum Requirement
Dental (annual cap = $1,500)	Employee-only
Long Term Disability for the employee	As charged by provider
Term Life Insurance ($25,000)	As charged by provider
Employee Assistance Program	As charged by provider

(2) Employees may purchase additional coverage (including Vision coverage) at their option. Employees shall be responsible for the payment of all premiums associated with these benefits. The City shall continue to provide its current level of contributions towards an Employee Benefits Plan Account, from which employees pay for the benefits described above in section 19. C. (1).

(3) The City will make a contribution of one percent (1%) of the employee's salary towards a 401(A) Deferred Compensation Plan. Note: All bargaining unit employees are required to contribute 2% toward the 401(A) Deferred Compensation Plan.

(4) The City shall continue to provide access for employees to voluntarily contribute to Deferred Compensation Plan(s). Employees may voluntarily contribute any portion of their salary or other compensation, subject to the dollar caps of the programs. The City does not contribute to such Deferred Compensation Plan(s).

D. Notwithstanding any other provision of this Agreement, the parties agree to meet and confer over retiree medical benefits for new hires upon request of either party.

Negotiations between the City and the Union shall commence within 14 days upon notice of either party at any time after July 1, 2014. The City and the Union shall negotiate in good faith in an effort to reach a mutual agreement. Applicable impasse dispute resolution procedures shall apply.

E. Notwithstanding any other provision of this Agreement, the parties agree to meet and confer over the impact of the Affordable Care Act upon request of either party. Negotiations between the City and the Union shall commence within 14 days upon notice of either party at any time after July 1, 2014. The City and the Union shall negotiate in good faith in an effort to reach a mutual agreement. Applicable impasse dispute resolution procedures shall apply.

25. DISCIPLINARY PROCEDURE.

No regular employee shall be demoted, suspended, or discharged for a disciplinary purpose except in accordance with the provisions of Section 8 of the City's Human Resources Policies & Practices Manual. However, the parties agree that an appeal of disciplinary action filed with the City Manager pursuant to Section 8.1(i)(3) shall be submitted directly to the Impartial Arbitrator level (Section 8.1(i)(7)). The "Hearing with an Adjustment Board" step of the disciplinary appeals procedure (Section 8.1(i)(6)) will be used only by mutual agreement of both the City and the Union.

Modifications to the procedures are subject to Meet and Confer.

26. GRIEVANCE PROCEDURE.

A. Definition: A grievance is any dispute which involves the interpretation or application of any provision of this MOU, or rules, regulations, resolutions, ordinances and existing practices which specifically govern personnel practices and working conditions of unit members.

Disciplinary suspensions of three (3) days or less are not subject to processing through Section 29, Grievance Procedure and shall be adjudicated through the applicable provisions of PR 95-07.

Performance appraisals, assignment of task within an employee's classification, and reclassifications are not subject to Section 29, Grievance Procedure.

B. Procedure: Grievances/Disciplinary Appeals filed pursuant to this MOU shall be processed in the following manner:

C. For purposes of the Section, the term "working days" shall mean those days the City is normally open for business.

D. Either the Union or the employee may informally present a grievance prior to filing a formal written grievance pursuant to Section E, below.

E. The grievance will be presented in writing either by the employee or by an authorized union representative to the designated supervisor of the employee within ten (10) working days after the cause of such grievance occurs.

F. The designated supervisor shall have ten (10) working days from the date of receipt of the grievance in which to investigate and respond. If the grievance is not satisfactorily adjusted within this period, the grievance may be presented in writing either by the employee or by an authorized union representative within ten (10) days to the Department Head or such representative as the employer may designate.

G. The department head or designated representative shall have ten (10) working days from the date of receipt of the grievance in which to respond. If the grievance is not satisfactorily adjusted/resolved within this period, the grievance may be presented in writing either by the employee or by an authorized union representative within ten (10) days to the City Manager.

H. If the parties are unable, within 10 working days, to reach a mutually satisfactory accord on any grievance which arises and is presented during the term of the MOU, such grievance shall be submitted to an Adjustment Board (Board) comprised of two (2) Union representatives, neither of whom shall be an employee of the City or an elected official of Teamsters Local 315 and two (2) representatives of the City, no more than one (1) of whom shall be either an employee of the City or a member of any organization employed to represent the City in the meeting and conferring process. Further, the one member of the Board who may be a City employee shall not be from the Department from which the grievance originated. The Board shall convene within fifteen (15) days. No decision of the Board shall be final and binding without receiving the affirmative votes of at least three (3) members of the Board. If the three (3) votes required to resolve the matter are not cast the Board shall be declared deadlocked.

I. If an Adjustment Board is unable to arrive at a majority decision, either the Union or the City may require that the grievance be referred to an impartial arbitrator who shall be designated by mutual agreement between the Union and the City Manager. Request for arbitration shall be made within ten (10) days of a declared deadlock of the Board. The selection of the arbitrator by the made within thirty (30) days of the request for arbitration. The fees and expenses of the arbitrator and a court reporter shall be shared equally by the Union and the City. Each party shall bear the cost of its own presentation including, but not limited to, preparation and posting of hearing briefs, if any.

J. Decisions of the Board and arbitrators on matters properly before them shall be final and binding.

K. Scope of Procedure; No Adjustment Board and no arbitrator shall entertain, hear, decide or make recommendations on any dispute unless such dispute involves a position covered by

this MOU and unless such dispute falls within the definition of a grievance or disciplinary appeal as set forth above.

27. CONCERTED ACTIVITIES.

A. It is agreed and understood that there will be no strike, work stoppage, slow-down, picketing in conjunction with a work stoppage, refusal or failure to fully and faithfully perform job functions and responsibilities, or other interference with the operations of the City by the Union, or by its officers, agents, or members during the term of this MOU, including compliance with the request of other labor organizations to engage in such activity. The City shall not engage in a lockout of employees during the term of this MOU.

B. In the event of a strike, work stoppage, slow-down, picketing in conjunction with a work stoppage, refusal or failure to fully and faithfully perform job functions and responsibilities, or other interference with the operations of the City by employees who are represented by the Union the Union agrees in good faith to take all necessary steps to cause those employees to cease such action.

C. The City may discipline or discharge any employee who engages or assists in activities against the Employer that are prohibited by this Section, and such City action shall not be the subject of a grievance upon any ground other than whether or not the employee participated in such activities prohibited by this Section.

D. In the event that any dispute arises between the City and any of its employees or any employee organization representing those employees or attempting to represent them or if any dispute arises between any company performing work for or supplying materials to the City and its employees and the unions which may represent or attempt to represent those employees, such dispute shall not affect the rights or obligations of the parties established by this MOU, and the parties to this MOU agree to abide by the provisions of this Section even in the event of any strike or interference with delivery of services caused by a dispute described hereinabove; provided, however, that no disciplinary action may be taken against an employee who honors a sanctioned picket line established at a construction project at a non-City site.

28. MANAGEMENT RIGHTS.

It is understood and agreed that the City retains all of its rights, powers and authority to direct, manage and control the rights, authority, duties and responsibilities of the City, and that it shall adopt policies, rules, regulations and practices in furtherance thereof, and use its judgment and discretion in connection therewith, which shall be limited only by the specific and express terms of this MOU, and then only to the extent such specific and express terms are in conformance with the law. The parties agree that all provisions of the Human Resources Policies and Procedures Manual not in conflict with this MOU shall apply to employees covered by this MOU. In the event of any areas of conflict between the MOU and the Human Resources Policies and Procedures Manual, the provisions of the MOU shall prevail.

The management rights, duties and powers of the City include, but are not limited to, the sole and exclusive right to; determine its organization; direct and control staff; determine the kinds and levels of services to be provided and the methods and means of providing them; establish its educational policies, goals and objectives; determine the number and kinds of personnel required; schedule and assign employees; maintain the efficiency of City operations; determine the means, methods and schedule of operations; establish budget procedures and determine budgetary allocations; establish standards of performance and insure that the quality of that performance is maintained; establish its own rules and regulations and standards of conduct and require employees to adhere to them; discipline, suspend or discharge employees; alter or discontinue its operations in part or in whole; subcontract out work; determine the number of courses and the location of courses. The above-mentioned management rights are not to be interpreted as being all of said rights, but merely indicate the type of rights which belong to and are inherent in management. Said rights are reserved to the City unless they are limited by this MOU.

Any of the rights, powers, authority and functions that the City possessed prior to the execution of this MOU are retained by the City except as specifically limited by this MOU.

29. EFFECT OF THE MOU.

A. The City and the Union mutually agree that the terms and conditions set forth in the provisions of this MOU represent the full and complete understanding and commitment between the parties which may not be altered, changed, added to, deleted from or modified unless by mutual consent in writing or by a procedure expressly allowing same stated in this MOU.

B. The City and the Union also mutually agree that this MOU shall be in full settlement of all issues which were, could have been, or may be the subject of meeting and conferring. It is further agreed that none of such issues shall be subject to meeting and conferring during the term of this MOU unless by mutual consent in writing or by a procedure expressly allowing same stated in this MOU. The City has the right to act on any matter during the term of this MOU as long as the action is not in violation of this MOU.

C. The Union hereby waives all rights to meet and confer and all rights to consultation during the terms of this MOU unless otherwise expressly stated in this MOU. This waiver by the Union shall include any action by the City not in violation of this MOU or any effects or impact of such action.

30. SAVINGS PROVISION.

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

31. FURLOUGHS

A. During Fiscal Year 2013-14, employees will be required to take sixty-four (64) hours of furlough time.

1. Each pay period, the City will deduct the equivalent of 2.46 hours of pay from each bargaining unit member and credit them an equivalent number of furlough hours.

2. All City facilities except for 24-hour operations will be closed on the three workdays preceding Thanksgiving as well as the three workdays preceding New Year's Day. Employees shall use furlough time for these closure dates.

3. Two furlough days (16 hours) will be floating days, which must be used on non-designated City closure days. It is the responsibility of the employee and his/her supervisor to schedule the two floating furlough days during each fiscal year, with the intent to minimize disruption of operations and City services.

B. Effective July 1, 2014, employees will be required to take twenty-four (24) hours of furlough time per fiscal year.

1. Each pay period, the City will deduct the equivalent of 0.92 hours of pay from each bargaining unit member and credit them an equivalent number of furlough hours.

2. All City facilities except for 24-hour operations will be closed on the three (3) workdays preceding New Year's Day. Employees shall use furlough time for these closure dates.

C. Effective July 1, 2015, there will be no furlough days. However, all City facilities except for 24-hour operations will be closed on the three (3) workdays preceding New Year's Day. Employees shall use vacation leave or unpaid time for the closure days.

D. If an employee does not have sufficient furlough time for a closure day or days, the employee may carry a negative balance of furlough hours, which will be offset by future earnings. If an employee would have a negative furlough balance at the time he or she is to separate from City service, the City will deduct the additional furlough time from the employee's vacation. In the event that the employee does not have sufficient vacation, the City will deduct an equivalent amount of pay from the employee's final paycheck.

E. In the event that the City requires an employee to work or return to work on a designated furlough day, the employee shall not be furloughed on that day and shall not be charged any furlough time. In that event, the furlough time will be used as a floating day, consistent with Section A.3, above.

32. CITY POLICY REGARDING SURVEYS

For future compensation surveys, it shall be City policy to notify the union prior to negotiations and provide an opportunity for the union to respond within two weeks as to whether it wants to meet and discuss survey parameters. The City acknowledges that both parties may gather data from survey agencies of their choice, and the City commits to making its data available to the union by the start of the next negotiations or as soon as possible thereafter.

33. TERM OF THE MOU.

This MOU shall be in full force and effect from July 1, 2013 until June 30, 2016.

APPROVED BY TEAMSTERS LOCAL 315, "UNION"

Dated: Nov 19 2013

By: _____
Don E. Garcia, Teamsters Local 315

APPROVED BY CITY OF AMERICAN CANYON, "CITY"

Dated: 11-7-2013

By: _____
Dana Shigley, City Manager