

CITY OF BELL GARDENS
AND
BELL GARDENS CITY EMPLOYEES
ASSOCIATION



MEMORANDUM OF UNDERSTANDING

July 1, 2016 - June 30, 2018

Adopted September 26, 2016

PREAMBLE

It is the purpose of the Memorandum of Understanding to promote and provide for harmonious relations, cooperation and communication between City Management and the City employees covered by this Memorandum. As a result of good faith negotiations between the City representatives and Association representatives this Memorandum sets forth the agreement between wages, hours, and other terms and conditions of employment for the employees covered by this Memorandum. This will provide for an orderly means of resolving differences, which may arise from time to time during its term.

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ARTICLE I

Section A. PARTIES AND RECOGNITION

The Memorandum of Understanding is made and entered into between the Management representatives of the City of Bell Gardens, hereinafter referred to as the "City" and representatives of the Bell Gardens Employees Association, hereinafter referred to as the "Association", a formally recognized exclusive representative of the general unit of City employees pursuant to the Meyers-Milias-Brown Act. This Memorandum of Understanding (MOU) applies to all employees in the classifications referred to as "the general unit".

Section B. APPROPRIATE UNIT

The classifications covered by this agreement are: Account Clerk I, Account Technician, Accountant, Assistant Planner, Associate Planner, Building Services Supervisor, Business License Clerk, Clerk Typist, Code Enforcement Officer, Code Enforcement Officer – Building Inspector, Community Services Officer, Housing Rehabilitation Specialist, Neighborhood Watch Coordinator, Park Ranger, Public Safety Communications and Information Systems Specialist, Police Communications Supervisor, Records Supervisor, Records/Gaming Clerk, Recreation Coordinator, Recreation Supervisor, Secretary, Senior Secretary, Senior Transportation Dispatcher , Transportation Dispatcher.

Section C. TERM OF AGREEMENT

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment and it is mutually agreed that this Memorandum of Understanding shall be effective upon ratification of the City Council, effective July 1, 2016 and ending on June 30, 2018.

Section D. SEPARABILITY PROVISION

If any provision or the application of any provision of this agreement as implemented should be rendered or declared invalid by any final court action of competent jurisdiction, the remaining sections of this agreement shall remain in full force and effect for the duration of said agreement. In the event any section of this Memorandum is declared invalid, the City agrees to meet and confer with the Association, upon request, regarding the impact or implementation of the court order.

Section E. NO STRIKE NO LOCKOUT CLAUSE

1. The Association, its officers, agents, representatives and/or members agree that during the term of this MOU they will not cause or condone any strike, walkout, slowdown, sickout, or any other job action withholding or refusing to perform services.

2. The City agrees that it shall not lockout its employees during the term of this MOU. The term "lockout" is hereby defined so as not to include discharge, suspension, termination, and layoff, failure to recall or failure to return to work of employees of the City in the exercise of its rights as set forth in any of the provisions of this MOU or applicable ordinance or law.
3. Any employee who participates in any conduct prohibited in part 1 above may be subject to disciplinary action up to and including discharge.
4. In the event that any one or more officers, agents, representatives, or members of the Association engage in any of the conduct prohibited in part 1 above, the Association shall immediately instruct any persons engaging in such conduct that their conduct is in violation of this MOU and is unlawful and they must immediately cease engaging in conduct prohibited in part 1 above and return to work.
5. If the Association performs all of the responsibilities set forth in part 4 above, its officers, agents, representatives, shall not be liable for damages for prohibited conduct performed by employees who are covered by this MOU.

Section F. EMERGENCY WAIVER PROVISION

In the event of circumstances beyond the control of the City, such as acts of God, fire, flood, insurrection, civil disorder, national emergency, or similar circumstances, if the City Manager or his designee so declares, any provisions of this MOU or the Personnel Rules and Regulations of the City, which restrict the City's ability to respond to these emergencies, shall be suspended for the duration of such emergency. After the emergency is declared over, the Association shall have the right to meet and confer with the City regarding the impact on employees of the suspension of these provisions in the MOU and any personnel rules and policies.

ARTICLE II: ASSOCIATION RIGHTS

Section A. AGENCY SHOP AGREEMENT

The City of Bell Gardens and the Bell Gardens City Employees Association Bargaining Unit (Association) mutually understand and agree that in accordance with State of California law, per adoption of SB 739, and the Agency Shop election held on April 12, 2006, a simple majority of ballots cast by regular employees in classifications represented by the Association voted to be covered by an Agency Shop agreement. As a result of the Agency Shop election, as a condition of continued employment, this Agency Shop agreement hereby requires that all bargaining unit employees: a) Elect to join the Association and pay Association dues b) Pay an agency fee for representation c) Or with

a religious exemption, pay a fee equal to the agency fee to be donated to selected charities.

The following agency shop provision will be implemented, in conformity with California Government Code Section 3502.5 and applicable law.

Association Dues/Agency Fee Collection

During the term of this MOU, the City agrees to collect, through payroll deduction, Association dues, agency fees and religious exemption fees from all employees who have signed a written authorization and a copy of that authorization has been provided to the Finance department. The City shall cause the amount of dues or service fee be deducted from payroll checks of each employee in the unit and shall remit the aggregate amount to the Association within thirty (30) days of the conclusion of the month in which said dues or fees are deducted. The City shall be held harmless by the Association in performing this responsibility.

New Hire Notification

All new hires in the Bell Gardens City Employees Association Bargaining Unit shall be informed by the Personnel Office of the Finance/Administrative Services Department, at the time of hire that an Agency Shop agreement is in effect for this classification. Management will provide the Association with the names and home addresses of each bargaining unit employee.

Religious Exemption

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 public employee organizations shall not be required to join or financially support the organization. Such employee shall, in lieu of periodic dues or agency shop fees, pay sums equal to said amounts to a non-religious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the internal Revenue Code.

Records

The Association shall keep an itemized record of its financial transactions and shall make a detailed written financial report available to the City and all the unit members annually. The Association certifies that it has adopted, implemented, and will maintain constitutionally acceptable procedures to enable non-member agency shop fee payers to meaningfully challenge the propriety of the uses to which service fee funds are put in accordance with the decision of the U.S. Supreme Court in Chicago Teachers Union Local #1, AFT, AFL-CIO, et-al. v. Hudson, 106 CT, 1066 (1986).

Section B. ACCESS/USE OF BULLETIN BOARDS

1. Association authorized business representatives shall, upon reasonable prior notice, have access to all City work sites at which employees represented by the Association may be working, subject to the following conditions:
 - a) Reasonable bulletin board space shall be made available for posting of proper and appropriate association related information, subject to prior right of City to review and approve.
 - b) City reserves the right to require reimbursement from the Association or affected employee of the cost of photocopying of any union related materials. This restriction shall not apply to materials related to documents relating to grievance representation and other bargaining unit related materials.

Section C. ASSOCIATION STEWARDS/REPRESENTATIVES

1. The Association may designate two stewards (designation changeable at end of each fiscal year) who shall be permitted to assist bargaining unit members in the investigation, processing and presentation of grievances, disciplinary actions, the meet and confer process and all activity necessary to facilitate the efficient resolution of any labor-management dispute.
2. Said stewards or any other employee representative shall be granted in total 24 hours per fiscal year release time. The employees covered by this agreement shall repay the City any release time used in excess of 24 hours per year by compensatory, holiday, or vacation time. Such release time may be used only for grievances, representation, or other bargaining unit related functions.

ARTICLE III: CITY RIGHTS

Section A. Except as limited by the specific and express terms of this agreement, the City hereby retains and reserves unto itself all rights, powers, authority, duty and responsibilities confirmed on and vested in it by the laws and the Constitution of the State of California, and/or the laws and Constitution of the United States of America. The City reserves, retains, and is vested with, solely and exclusively, all rights of Management which have not been expressly abridged by specific provision of this MOU or by law to manage the City, as such rights existed prior to the execution of this MOU.

The management and the direction of the work force of the City is vested exclusively in the City, and nothing in this agreement is intended to circumscribe or modify the existing rights of the City to direct the work of its employees; hire, promote, demote, transfer, assign, and retain

employees in positions within the City, subject to the Personnel Rules and Regulations of the City; suspend or discharge employees for proper cause; maintain the efficiency of governmental operations; relieve employees from duties for lack of work or other good reason; take action as may be necessary to carry out the City's mission and services in emergencies; and to determine the methods, means, and personnel by which the operations are to be carried out, including the right to subcontract unit work.

Except in emergencies or where the City is required to make changes in its operations because of the requirements by law, whenever the exercise of Management's rights shall impact employees of the Association, the City agrees to meet and confer with representatives of the Association regarding the impact of the exercise of such rights, unless the matter of the exercise of such rights is provided for in this MOU or in the Personnel Rules and Regulations. By agreeing to meet and confer with the Association as to the impact and exercise of any of the foregoing City rights, Management's discretion in the exercise of these rights shall not be diminished.

ARTICLE IV: HOURS

Section A. WORK SCHEDULES

1. City work schedules shall be defined as follows:
 - a. 4/10 Work Schedule: The 4/10 work schedule shall consist of four (4) ten (10) hour work days in a seven (7) consecutive calendar day work period, exclusive of any assigned meal periods.
 - b. 9/80 Work Schedule: The 9/80 work schedule shall consist of eight (8) nine (9) hour work days and one (1) eight (8) hour make up day on alternating weeks, exclusive of any assigned meal periods.
 1. For overtime purposes, the work period shall consist of a seven (7) consecutive day forty hour work period. The work period shall begin exactly four (4) hours into the employee's eight (8) hour shift on the day of the week which constitutes the employee's alternating regular day off.
 - c. 5/40 Work Schedule: The 5/40 work schedule consists of five (5) eight (8) hour work days in a seven (7) consecutive calendar day period, exclusive of any assigned meal periods.

2. Existing work schedules, in terms of number of days worked per week and hours per day shall remain in place.
3. Modifications to said work schedule may be made provided employee is given a two (2) week notice of proposed changes in work schedule. Changes in work schedules shall be made to address the needs of the community or manpower but not for disciplinary reasons.

Section B. OVERTIME

With the approval of the City Manager, and when necessary to perform essential work, a department administrator may require an employee(s) to work at any time other than during regular hours until such work is completed. Represented employees required to be in a work status beyond forty (40) hours in a designated work week, or to work in excess of the regularly scheduled shift, shall be paid at the rate of one and one-half times the employee's regular hourly rate. For purposes of overtime calculation, all paid leave time, except sick leave, shall be included in the computation of hours worked.

Management may permit an employee to take compensatory time in lieu of paid overtime. With management approval, unit employees shall be permitted to accumulate compensatory time only to a maximum of eighty (80) hours. When the maximum level of compensatory time is reached, overtime shall be paid.

Section C. HOLIDAYS

The City shall observe the following holidays:

New Year's Day- January 1.

Martin Luther King, Jr. birthday

President's Day- The third Monday in February

Cesar Chavez birthday - The last Monday in March

Memorial Day- The last Monday in May

Independence Day- July 4th

Labor Day The first Monday in September

Thanksgiving Day- The fourth Thursday in November

The day after Thanksgiving

Christmas Day- December 25th

1. One floating holiday in an amount equal to the employee's regular work day plus an additional 24 hours of floating leave time which must be taken by individual employees at times subject to approval by the employees' department head.
 - a) Floating holiday must be taken prior to June 30 of each year in which it is accrued. If the employee does not take the time off, it shall not be accrued beyond the fiscal year
 - b) Floating holiday leave has no cash value and will not be cashed out upon separation.
2. One (1) additional floating holiday shall be provided. However, this one additional holiday shall be treated as a "holiday earned" for purposes of allowing its accrual beyond the end of a fiscal year.
3. When a holiday falls on a Sunday, the following Monday shall be observed as the holiday.
4. If a City recognized holiday falls on a day which is an employee's regular day off because of an alternate work schedule, such employee shall be credited with an accrual leave for the number of hours such employee would have worked had that day been a regular work day for that employee. (For example, 10 hours if on a 4/10 schedule, 8 hours if on a 9/80 schedule, etc.)

Section D. SICK LEAVE

1. Earned sick leave may be used for immediate family illnesses as defined in existing City rules. The City shall comply with both California and Federal Leave Acts and laws relating to medical leaves of absence.
2. Any sick leave accumulated past 620 hours can be accrued into the following year or surrendered for cash or deposited into a deferred compensation plan at the employee's existing hourly wage rate in December, not to exceed a maximum of 96 earned hours per year.
3. Employees who separate from the City of Bell Gardens shall be eligible for payment of earned sick leave up to 620 hours.

Section E. BEREAVEMENT LEAVE

Regular and probationary full-time employees of the City shall be granted a bereavement leave of absence by reason of the death, or critical illness where death appears imminent, of the employee's

father, mother, brother, sister, spouse or child. Employee shall be allowed three (3) working days with pay for each occurrence and shall not be charged against the employee's sick bank.

The Personnel Officer and/or the department head may require evidence in the form of a physician's certificate, or otherwise, of the adequacy of the reason for any employee's absence during the time for which sick leave was requested for an illness or death in the family where the employee's presence was necessary.

ARTICLE V: COMPENSATION AND SALARIES

Section A. PUBLIC EMPLOYEES RETIREMENT SYSTEM

1. Retirement Formulas
 - a) The retirement formula for employees hired prior to June 24, 2012, who are determined to be "Current Members,"(pursuant to Govt. Code Section 7522.04) shall be 2.7% at 55, with calculation of the employee's annuity based on "single highest year."
 - b) The retirement formula for employees hired on or after June 24, 2012, "Classic Members," who are not determined to be "new members" (pursuant to Govt. Code Section 7522.04) shall be 2% at 55, with calculation of the employee's annuity based on "three highest years."
 - c) The retirement formula for new employees hired on or after January 1, 2013, deemed to be "new members" (pursuant to Govt. Code Section 7522.04) shall be 2% at 62, with calculation of the employee's annuity based on the highest average annual pensionable compensation earned by the member during a period of at least 36 consecutive months.

2. Retirement Contributions

- a) "Current Members" shall contribute the entire employee contribution up to 8%.
- b) "Classic Members" shall contribute the entire employee contribution up to 8%.
- c) "New Members" shall contribute 50% of the normal cost.

Section B. SALARIES

1. All classifications within this bargaining unit shall receive salary adjustments as follows:
 - a) Effective the first pay period of July, 2016: 5% base salary increase. Upon City Council adoption of this agreement, base salary increase will be made retroactive to the first pay period in July 2016.
 - b) Effective the first pay period of July, 2017: 4% base salary increase.

Section C. BILINGUAL PAY

Subject to the following restrictions, any employee who demonstrates conversational fluency in Spanish and passes the bilingual test shall receive a bilingual pay stipend of \$200.00 per month. All City-approved tests shall be conducted in the Personnel Office.

For employees hired after the adoption of this 2011-2013 successor MOU:

- a) **PURPOSE:** The purpose in providing bilingual compensation is to provide an incentive to eligible unit members to learn and maintain verbal and/or written Spanish language skills which shall promote the efficient operation of the Department and the concurrent heightened provision of service to the community. Therefore, a condition precedent to receipt of bilingual compensation is maintenance by the unit member of an active duty status where the employee is not on a leave of absence that exceeds thirty (30) calendar days.
- b) **ELIGIBILITY:** In order for unit members to receive this compensation, they must be certified by the City, Certification shall be written and verbal test with procedures selected by the City Manager.
- c) **CERTIFICATION:** A unit employee who wishes to receive Bilingual pay must pass a test that demonstrates proficiency Spanish to determine their eligibility for this type of compensation. Employees who fail the test will be eligible to retake the test after six (6) months has passed from the failed test date. There shall be two levels of certification: written and oral. All City approved tests shall be conducted by the Personnel Office and/or qualified contractor.
- d) **COMPENSATION:** Unit members certified as being bilingual and verbally proficient in Spanish shall receive \$100.00 per month of bilingual pay. The maximum compensation that a unit employee can receive for bilingual pay is \$200.00 per month.
- e) **RECERTIFICATION:** The City may require recertification of language proficiency every two (2) years to ensure that this skill is still at the level that is necessary to serve the needs of the Department and community.

Section D. UNIFORM ALLOWANCE

Unit members assigned to perform duties within the police department and who are further required by the Department to wear a prescribed uniform, shall be provided a uniform allowance stipend of \$600.00 per fiscal year as and for maintenance and replacement of the uniform. Said amount shall be distributed in accord with existing policies and practices.

Section E. CALL-BACK PAY

If a unit member is required while off duty to report back to work on a call-out, he/she shall receive a minimum of two (2) hours pay at straight time or the hours actually worked at the appropriate rate of compensation, whichever is greater. Call back pay shall commence upon the arrival of the employee at the work site.

Section F. CASH DISTRIBUTION OF ACCUMULATED AND EARNED LEAVE TIME

1. Earned and accumulated compensatory time off, holiday pay, sick leave time and other accrued times (see vacation exception below) shall not be convertible to cash unless or until the employee separates from City service and then, only if existing policies and procedures provide for conversion of any specific category of accumulated leave time to cash.
2. Unit employees may cash out their vacation leave, up to 80 hours per fiscal year. Said cash distribution shall be done in accordance with the policies governing the City's Vacation Leave Buy Back Plan.
3. Floating holiday time shall be "use it or lose it" in nature. Floating holiday time has no cash value and will not be cashed out upon separation.

Section G. LONGEVITY PAY

Employees who have completed full-time service with the City of fifteen (15) years, twenty (20) years, or twenty-five years (25) shall be eligible for the following additional compensation:

- a) 15 years = \$100 per month
- b) 20 years = \$200 per month
- c) 25 years = \$250 per month

ARTICLE VI: TUITION REIMBURSEMENT

1. The Tuition Reimbursement Program will operate on a fiscal year basis (July 1 through June 30). The City shall adopt the California State University system fee and tuition schedule but reimbursement shall not exceed \$2,000 each fiscal year. The maximum tuition reimbursement, including on campus parking, fees, and textbooks is \$2,000 per fiscal year. School supplies are not reimbursable.
2. The reimbursement shall only be for courses that are directly related to the employee's position as determined by the Department Head and Personnel Office. Only courses, specialized training, or degree programs "job-related" to permanent full-time positions will be considered for tuition reimbursement.

3. Prior to reimbursement of costs, all course work must be completed while employed with the City of Bell Gardens with a passing grade of "C" or equivalent when a numerical score or pass/fail grade is given.

ARTICLE VII: BENEFITS

Section A. HEALTH BENEFITS

The City will continue to provide Medical, Dental and Vision Insurance benefits to each full-time employee in a classification represented by this agreement. The City shall contribute towards the cost of coverage for full-time employees and their dependents who are under this association. In no case shall the City funded premiums exceed the amounts listed below

Section B. HEALTH INSURANCE PREMIUM CONTRIBUTION CAPS

1. On July 1, 2011 the City implemented health benefits premium contribution caps in the following amounts:
 - a). Single employee - \$825.37 monthly.
 - b). Employee plus one (1) dependent - \$1,708.04 monthly.
 - c) Family coverage - \$2,484.11 monthly.

2. Effective with the first payroll period immediately following City Council adoption of the 2014-2016 MOU, the maximum City-funded health insurance (medical, dental and vision) premiums shall cumulatively not exceed the following:
 - a. Single employee - \$844.46 monthly
 - b. Employee Plus one (1) dependent - \$1,747.54 monthly
 - c. Family coverage - \$2,541.56 monthly

Each affected employee shall be individually responsible for funding any health insurance (medical, dental and/or vision) premiums in excess of the above City funded payments. Employee's dependents to be covered only once by the City.

3. Insurance Premium Caps Increases: Increases to the aforementioned caps on City funded premiums shall be linked to the Consumer Price Index (CPI) as specified below.
 - a) On July 1 of each year, the existing insurance premium caps will be adjusted by the percentage change in the CPI

(not seasonally adjusted), from March of the prior year to March of the current year.

- b) Adjustment to the insurance premium caps shall be limited to three percent (3%).
- 4. Deductibles and Copayments: Each employee shall be responsible for his/her deductible and copayments as provided for in each employee's respective medical, dental and/or vision plan.
- 5. The City reserves the right to change health insurance providers. The City agrees not to change health plans without engaging in the meet and confer process.

Section C. CAFETERIA OPT-OUT PLAN

- a) The City will offer a "Cafeteria Plan" to each full-time employee in a classification represented by this agreement. An employee can take 50% of the cost of monthly premiums forfeited by that employee for themselves and their dependents (if applicable) if they choose to take medical, dental, and/or vision elsewhere. This will be on a monthly basis, and the amount of City-funded premiums upon which the 50% payment shall be made, shall be the lowest medical, dental and/or vision plan premiums incurred by the employee in the twelve (12) consecutive months immediately preceding the date of the employee's election to withdraw from any of the Health Benefits (medical, dental, and/or vision). These provisions will abide by the policy whereby proof of insurance is required. The cafeteria plan is not offered to permanent part-time benefited employees and their dependents.
- b) Employees under this agreement will have the option of choosing only one of the two types of benefit options listed above. In no way can an employee combine or otherwise enhance their own or their dependents Health Benefits to receive more than what has been stated in each individual benefits option.

Section D. MODIFICATIONS TO HEALTH BENEFITS PLANS

- 1. Effective October 1, 2014, the City and Association agree to implement modifications to the City's existing health benefits plans as follows.
 - a) Medical - Replace Anthem Blue Cross POS plan with Anthem Blue Cross Premier PPO 250/10/10.

- b) Dental - Reduce annual out of network coverage under Delta Dental PPO plan from \$2,000 to \$1,500.
- c) Vision - Increase VSP office visit copay from \$10 to \$20
- d) Employee Assistance Program (EAP) Eliminate mental health component from City's EAP plan.
- e) Short Term Disability Insurance - Increase maximum weekly benefit from \$959 to \$1,075. Increase benefit waiting period from seven (7) calendar days to fourteen (14) calendar days. Increase benefit duration from 90 days to 180 days.

Section E. DISABILITY INSURANCE

The City funds short and long-term disability insurance benefits.

Section F. MAINTENANCE OF BENEFITS

Subject to the reopeners in this MOU, the City and the Association agree that all benefits, other than direct wages which are existent at the commencement of this agreement, shall not be diminished, lessened or reduced for the duration of this agreement.

Section G. JOINT LABOR/MANAGEMENT HEALTH INSURANCE COMMITTEE

During the term of this MOU, the parties shall reconvene the joint labor/management health insurance committee. The purpose of the committee shall be to explore cost saving alternatives to the present health insurance programs. Implementation of health insurance modifications shall be subject to meet and confer pursuant to an MOU reopener. In addition to management representatives, the committee shall have not less than one representative from the City Employees' Association.

Section H. EMPLOYEE COMPUTER PURCHASE PLAN

Effective October 3, 2011, the City's computer purchase plan is abolished.

Section I. RETIREE HEALTH BENEFITS

Retiree benefits provided to employees who retire from the City of Bell Gardens shall be as follows:

1. Bargaining unit members who retired from the City prior to June 30, 2012 are eligible for retiree health benefits in accordance with the provisions of the Memorandum of Understanding in effect at the time of their retirement.
2. Tier I Retiree Health Benefits: Employees Hired Before

July 1, 2011

- a) The City agrees to put in place a continuing medical insurance premium payment for employees who retire from the City of Bell Gardens, based on date of retirement and years of service in a full-time, benefitted position.
 - b) New retirees must be vested with the City in a full-time benefitted position for at least 10 years to be eligible for City funding of medical insurance premium.
 - c) Employees who have completed 10 years of service or more shall receive City funding of medical insurance premiums according to the following schedule (all "years" are "completed years"):
 - 1) 10 years of service = 50% premium paid by City
 - 2) 11 years of service = 55% of premium paid by City
 - 3) 12 years of service = 60% of premium paid by City
 - 4) 13 years of service = 65% of premium paid by City
 - 5) 14 years of service = 70% of premium paid by City
 - 6) 15 years of service = 75% of premium paid by City
 - 7) 16 years of service = 80% of premium paid by City
 - 8) 17 years of service = 85% of premium paid by City
 - 9) 18 years of service = 90% of premium paid by City
 - 10) 19 years of service = 95% of premium paid by City
 - 11) 20 years of service = 100% of premium paid by City
 - d) City funding shall be provided for an employee's spouse and dependent coverage, but only after employee has completed 10 years of service.
 - e) Retiree continuing medical will be available to normal retirees (not disability retirees) who have reached normal retirement age as specified by PERS retirement plan in effect for bargaining unit.
 - f) Employees have no vested right in plan prior to reaching normal PERS retirement age.
 - g) At age 65, premium payment will be reduced to provide a supplemental policy integrated with Medicare.
3. Tier 2: Employees hired after July 1, 2011
- a) City agrees to put in place a continuing medical insurance premium payment for new retirees, based on years of service in a full-time, benefitted position.
 - b) New retirees must be vested with the City in a full time

benefitted position for at least 10 years to be eligible for City funding of medical insurance premium.

- c) Employees who have completed 10 years of service or more shall receive City funding of medical insurance premiums for employee only according to the following schedule (all years are completed years):
 - 1) 10 years of service = 50% premium paid by City
 - 2) 11 years of service = 55% of premium paid by City
 - 3) 12 years of service = 60% of premium paid by City
 - 4) 13 years of service = 65% of premium paid by City
 - 5) 14 years of service = 70% of premium paid by City
 - 6) 15 years of service = 75% of premium paid by City
 - 7) 16 years of service = 80% of premium paid by City
 - 8) 17 years of service = 85% of premium paid by City
 - 9) 18 years of service = 90% of premium paid by City
 - 10) 19 years of service = 95% of premium paid by City
 - 11) 20 years of service = 100% of premium paid by City
- d) There shall be no City funding for spouse and dependent coverage.
- e) Spouse and dependent coverage will be made available at employee's cost, but only after employee has completed 10 years of service.
- f) Retiree continuing medical will be available to normal retirees (not disability retirees) who have reached normal retirement age as specific by PERS retirement plan in effect for bargaining unit.
- g) Employees have no vested right in plan prior to reaching normal PERS retirement age.
- h) At age 65, premium payment will be reduced to provide a supplemental policy integrated with Medicare.

Section J. LEAVE AND BENEFIT ACCRUALS DURING LEAVE OF ABSENCE

No salary increases, uniform allowance, vacation credits, sick leave credits or any other benefits provided to regular full-time benefitted employees shall continue to accrue to any employee who is on any leave of absence (*paid or unpaid*) that exceeds 30 calendar days, regardless of whether or not leave is due to on-duty or off-duty injury. This provision does not apply to employees who are serving a suspension due to disciplinary action or when placed on administrative leave pending an investigation.

Section K. MAINTENANCE OF HEALTH BENEFITS WHILE ON LEAVE OF ABSENCE

Employees must use a minimum of 56 hours of accrued leave per month to ensure the continuation of their health benefits – a failure to do so shall result in the suspension of health benefits, unless employee is on a protected leave. Employees that do not meet the aforementioned criteria while on a leave of absence shall be given the opportunity to remain on the City's health benefit plans, but at the employee's cost, through COBRA.

Section L. ACTING PAY

Employees who are required to perform the duties of a higher classification for 30 consecutive calendar days or more shall be compensated at the minimum rate of the higher classification whenever that minimum rate is higher than the employee's regular salary.

ARTICLE VIII: FULL UNDERSTANDING

This Memorandum of Understanding and any attached side-letters contains all the covenants, stipulations and provisions, agreed upon by the parties and any other prior existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

Subject to the reopeners in this MOU, the parties mutually agree that neither party shall seek to negotiate or bargain with reference to wages, hours, or terms and conditions of employment, whether or not covered by this MOU or in the negotiations leading thereto and irrespective of whether or not such matters were discussed or were even within the contemplation of the parties hereto during the negotiations leading to this MOU. Regardless of the waiver contained in this article, the parties may by mutual agreement, in writing, agree to meet and confer about any matter during the term of this MOU.

The parties shall reopen any provision of this MOU for the purpose of complying with any final order of a federal or state agency or court competent jurisdiction requiring a modification or change in any provision or provisions of this MOU in order to comply with state or federal laws.

The parties agree that the agreement may be reopened only on issues of pay and benefits should the Bicycle Casino be closed down or if the revenues to the City from Casino operations fall more than 10% from the corresponding month in the previous year, and that such a drop (in excess of 10%) shall exist for three consecutive months.

It is the intent of the parties that this agreement be administered in its

entirety in good faith during its full term. The Association recognizes that during such term it may be necessary for Management to make changes in rules or procedures affecting the employees in the unit and that the City will meet and confer as required by law, before implementing changes.

ARTICLE IX: PERSONNEL RULE MODIFICATION

City Personnel Rule Chapter 14 DISCIPLINARY ACTIONS – Chapter 14 of the City Personnel Rules shall be immediately amended to replace Section 14.02 C (1) and (2) of the City Personnel Rules with Sections A through Section E, as specified herein.

Section A. DEFINITION

Discipline is the enforcement of conformity to policies, procedures, Personnel Rules, regulations, MOU provisions, and other administrative or legal requirements or practices designed to maintain a standard of cooperation and conduct necessary to carry out the mission of the organization successfully.

Section B. OBJECTIVES

- a) Disciplinary actions should be reasonably designed to effectively correct non-conforming behavior, and be in proportion to the severity of the misbehavior, with consideration being given to the employee's work history, and the likelihood of recurrence of misconduct.
- b) The appointing authority shall apply disciplinary action in an equitable and consistent manner applicable to the situation and only imposed for just cause, as regards those employees having a property interest in their employment.

Section C. TYPES OF DISCIPLINARY ACTION

The disciplinary actions which may be imposed include written reprimand, suspension without pay, reduction in step within a range, demotion, and dismissal. Any single action or a combination of the preceding may be used. Disciplinary actions shall be effective following legally required notice and, where applicable, provision of pre-disciplinary due process as provided in this MOU and the Personnel Rules. These actions are defined as follows:

1. Written Reprimand: An official written notification, by the appointing authority or designee to the employee and for inclusion in the employee's personnel file, that the employee has failed to meet performance standards and/or violated policies, procedures, Personnel Rules, regulations, MOU provisions, or other administrative or legal requirements or practices. Such written notification shall state that further disciplinary action may be taken if the cause or misconduct is repeated.

2. Suspension Without Pay: The temporary placement of a City employee into an unpaid, inactive, status and consistent with prevailing policies, practices and procedures. Said suspension may result in the loss of accrual of benefits, as presently provided for in Personnel Rule 12, Section 12.01: Authorized Leave of Absence Without Pay.
3. Reduction in Step Within a Range: The reduction in step granted for merit, efficiency, and/or length of service, which may be permanent or temporary.
4. Demotion: The movement of an employee from one classification to another classification having a lower maximum rate of pay, which may be permanent or temporary.
5. Dismissal: The discharge of an employee from City employment.

Consistent with requirements of law, employees may be placed on paid or unpaid leave during the pendency of the investigative process and the process up to and including provision of mandated pre-disciplinary due process.

Section D. SEVERITY OF DISCIPLINARY ACTION

The severity of disciplinary action shall be determined after consideration of the seriousness of the violation involved, the employee's overall record with the City and any mitigating/aggravating circumstances. Consideration shall be given to progressive discipline. However, some offenses may be the basis for disciplinary action, up to and including dismissal, on the first offense.

Section E. APPEALING DISCIPLINE THAT DOES NOT IMMEDIATELY AFFECT AN EMPLOYEE'S PAY STATUS

Disciplinary actions which do not immediately impact an employee's pay status (written reprimands) shall have a limited appeal process. Employees may appeal written reprimands up to an informal, non-evidentiary hearing with the City Manager or his designee. The City Manager's decision shall be final.

Section F. APPEALING DISCIPLINE WHICH IMMEDIATELY AFFECTS AN EMPLOYEE'S PAY STATUS

Discipline which immediately affects pay status shall be subject to the following process:

- a. Appealable disciplinary proceedings shall be heard by an advisory hearing officer, to be selected by the parties from a nine (9) person State Mediation and Conciliation Service-provided list. The advisory hearing officer shall be selected by means of the parties alternately striking names, with the last remaining name being the advisory hearing officer.
- b. The hearing officer's determination shall be advisory only, subject to a final and binding determination being made by the City Manager.

- c) A final and binding administrative disciplinary determination shall in all instances and as to all appealable disciplinary actions, be made by the City Manager. There shall be no further stage of administrative appeal or review. The City Manager shall render a final determination based on a review of the record provided by the advisory hearing officer. At the City Manager's discretion, an argument may be allowed by the parties, but no evidence shall be presented or considered if it is not in the advisory hearing officer's record.
- d) The provisions of Government Code § 1094.6 shall be applicable to petitions for writ of mandate challenging any City Manager disciplinary determination.
- e) The remainder of Chapter 14 shall be amended to insure its compliance with prevailing law.
- f) Pre-disciplinary meetings shall be conducted by the applicable department head and disciplinary action, if any, shall be implemented immediately following the department head's rendering of a determination following the conduct of a pre-disciplinary meeting.
- g) The disciplinary appeal process shall be applied to suspensions without pay, demotions and dismissals.
- h) The procedural rules governing the trial type evidentiary hearing to be conducted by the hearing officer shall also be addressed during a comprehensive review of the Personnel Rules pursuant to a Personnel Rule Reopener.
- i) This Article IX shall supersede any inconsistent provisions in Chapter 14 or in other City rules, regulations or other enactments. Further, this Article IX shall sunset upon the City Manager being someone other than G. Steve Simonian or Philip Wagner.

ARTICLE X: REOPENERS

1. During the term of this MOU, the parties shall reopen the MOU and convene the meet and confer process as regards the making of amendments to the Personnel Rules, related to:
 - a) Adoption of Hearing Officer's decision for appeals to termination.
 - b) Current state and federal law regarding family and medical leave, and California school activity leave

ARTICLE XI: GENERAL FUND-BASED MOU REOPENER

This Memorandum of Understanding shall be subject to a reopener only on issues of pay and/or benefits at direction of the City Council, upon adoption by the City Council of a Resolution evidencing a finding by the Council that any or all of the following events have occurred during the term of this MOU:

- a) Five percent (5%) or greater reduction in general fund revenues during each fiscal year for the period July 1 through December compared to the immediately preceding same period of time; and/or the period January 1 through June 30 and the same preceding period of time. The decline, if any, shall be measured by receipts during the applicable period of time, (Revenue reductions attributed to state withholding of local funds, shall be included in measuring the five percent (5%) reduction.)
- b) A determination by the City Council to implement this Article shall not be subject to administrative or judicial challenge.

Upon the City Council invocation of this Article, any pay and/or benefit increases in compensation initially provided for in this MOU shall immediately cease and revert to the status quo existing prior to implementation of the changes. The parties shall thereafter convene the meet and confer process. At its discretion, the Association may utilize the California Public Records Act to access documentation for use by it in this meet and confer process.

ARTICLE XII: POSITION STATEMENT REGARDING LAYOFFS

The City Personnel Rules provide for layoffs being implemented where there is a need to do so, based on lack of work, a lack of funding, or because of a reorganization of a department or division. The rights and/or discretion of the City as regards implementation of layoffs is not impacted by this MOU section.

Rather, this MOU section is confined to a statement of position by the City that layoffs will be utilized only where in the sole discretion of the City, use of layoffs is the most reasonable manner by which to address the above lack of work, lack of funding or reorganizations. The City appreciates the significant negative impact that a layoff has on an employee and prior to implementing a layoff, shall give what is in its sole discretion, reasonable consideration to viable alternatives to layoffs. However, the City exercise of discretion shall not be subject to administrative or civil challenge, grievance or other appeal.

ARTICLE XIII: JOINT LABOR/MANAGEMENT PERSONNEL RULES COMMITTEE

During the term of this MOU, the parties shall reconvene the joint labor/management personnel rules committee. The purpose of the committee shall be to update and clarify City personnel rules. In addition to management representatives, the committee shall have not less than one representative from the City Employees' Association. Changes that result from this committee shall only be implemented with mutual agreement from the employee groups.


ARTICLE XIX: RATIFICATION

The parties hereto have caused this Memorandum of Understanding to be executed this 26th day of September, 2016. The MOU shall be of no force or effect unless and until adopted by the City Council.

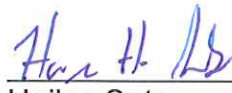
For the Bell Gardens City
Employees' Association:

 9/28/16


Emilia Sakez, Date
President BGCEA

 9/28/16

Gloria Haro, Date
BGCEA, Member Representative

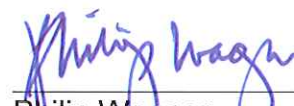
 09/28/2016

Hailes Soto, Date
BGCEA, Member Representative

 9/28/16

Raymundo Corona, Date
BGCEA, Member Representative

For the City of Bell Gardens:

 9/28/16

Philip Wagner, Date
City Manager