

CITY OF BELL GARDENS

AND

**BELL GARDENS PUBLIC WORKS 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 Public Works 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:

- Maintenance Worker I
- Senior Maintenance Worker
- Lead Worker

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.

ARTICLE I (continued)

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 anyone 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: MANAGEMENT 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 III: HOURS

Section A. WORK PERIODS, SCHEDULES, AND OVERTIME

1. City work schedules for bargaining unit members shall be defined as follows:
 - a. 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.
 - b. For overtime purposes, the work period shall consist of a seven (7) consecutive day forty (40) hour work period. The work period shall begin exactly four (4) hours into the employee's eight hour shift on the day of the week which constitutes the employee's alternating regular day off.
2. The existing work schedule in terms of number of days worked per week and hours per day shall remain in place. 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 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 shall count as hours worked, with the exception of sick leave.

Management may permit an employee to take compensatory time in lieu of paid overtime. With management approval, represented 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

1. Designated holidays are:

New Year's Day

Martin Luther King Jr. Day

Presidents Day – Observed on the 3rd Monday in February

Caesar Chavez Day - Observed on the last Monday in March
Memorial Day
July 4
Labor Day
Thanksgiving
Friday after Thanksgiving (in lieu of September 9, Admission Day)
Christmas Day

2. In addition to the above ten (10) holidays, unit members shall receive 23 floating holiday hours.
3. Effective January 28, 2013, unit members shall receive an additional 24 hours of floating holiday hours to be credited on July 1 of each year. These floating holiday hours must be taken prior to June 30 of each year in which they are received. If the employee does not use the floating holiday hours, the hours shall not be accrued beyond the fiscal year in which they are received and shall not be converted to cash.
4. When a holiday falls on a Sunday, the following Monday shall be observed as the holiday.
5. 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, 9 hours if on a 9/80 schedule, etc.)

Section D: STAND BY DUTY LIST

In addition to the above holidays and holiday hours, unit members who are signed up and participate in the "Standby Duty List," receive 24 hours of "personal business leave".

Eligibility to receive any or all of the 24 personal business leave hours shall be confined to those unit members who participate for a full (or partial) fiscal year on the "**standby duty list.**" Participation on the "**standby duty list**" is optional for those employees in the unit who have completed 15 full years of City service at the start of any particular fiscal year. (Although participation on the standby duty list is presently considered "optional," the Public Works Director reserves the right to require any one or more employees who opt out of participation on the standby duty list, to participate in the rotation where the Public Works Director determines that such participation is reasonably necessary to address unforeseen circumstances impacting the provision of efficient services to the City.)

Although such 15 year employees can elect to participate on the "standby duty list," those opting out of such participation shall not receive any of the above 24

hours of personal business leave. Rather, such employee shall only receive the 10 designated holidays and 23 floating holiday hours.

The above maximum of 47 hours of floating holiday and personal business leave shall be credited on July 1 of each fiscal year to the account of those employees who qualify for any or all of those hours. Failure to remain employed and/or to serve on the "standby duty list" for a full fiscal year shall result in earning of the above maximum of 47 floating holiday and personal business leave hours on a pro-rated basis (1.92 floating holiday hours earned each month of employment and 2 personal business leave hours earned each month for participation on the "standby duty list.")

The above maximum of 47 hours of floating holiday and personal business leave shall be credited on July 1 of each fiscal year to the account of the unit member. The floating holiday and personal business leave hours have no cash value, and if not used by June 30 of any year, shall be lost and not convertible to cash.

Section E. SICK LEAVE

1. Earned sick leave may be used for immediate family illnesses as defined in existing City Personnel Rules and Regulations (Chapter 11). The City shall comply with both California and Federal Leave Acts and laws relating to medical leaves of absence.
2. Every full-time employee represented by the Association shall accrue sick leave beginning with the first full pay period of employment on the basis of 8 hours for each month of service completed with the City.
3. 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.
4. Employees who separate from the City of Bell Gardens shall be eligible for payment of earned sick leave up to 620 hours.

Section F. 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.

Section G. CASH DISTRIBUTION OF ACCUMULATED AND EARNED LEAVE TIME

Unit employees may cash out their vacation leave up to 80 hours per fiscal year of the agreement. The vacation cash distribution shall be done in accordance with the policies governing the City's Vacation Buy Out Policy with the exception that the 80 consecutive hours of time off may be achieved by using vacation, floating, compensatory or holiday leave times.

ARTICLE IV: COMPENSATION AND SALARIES

Section A. PUBLIC EMPLOYEES RETIREMENT SYSTEM

1. Retirement Formulas:

- a) Miscellaneous – First Level: The retirement formula for current employees hired prior to June 24, 2012 shall continue to be 2.7% @ 55, with calculation of the employee's annuity based on "single highest year."
- b) Miscellaneous – Second Level: Effective June 24, 2012, the City modified its CalPERS contract(s) so as to provide the 2% at 55 retirement formula for all employees hired on and after June 24, 2012 who are not deemed to be a "new member" as defined in Government Code section 7522.04. Said contract amendments shall also provide for calculation of the above newly hired effected employee's annuity, being based on the "three highest years" calculation method.
- c) Miscellaneous – Third Level (Public Employees' Pension Reform Act of 2013): AB 340 (signed by the Governor on 09/07/12) shall in its entirety be given full force and effect as it may from time to time exist, during and after the term of this agreement, as described below. Any provision this agreement which contradicts any provision of AB 340 shall be deemed null and void, with the contrary AB 340 provision(s) being given full force and effect. Therefore, no provision of AB 340 shall be deemed to impair any provision of this MOU, Agreement, Rule or Regulation predating this agreement.

Unit employees considered "new members" into PERS on or after January 1, 2013, shall individually pay an initial Member CalPERS contribution rate of 50% of the normal cost rate for the Defined Benefit Plan in which said newly hired employee is enrolled, rounded to the nearest quarter of 1%, or the current contribution rate of

similarly situated employees, whichever is greater. (AB 340 – Government Code section 7522.30)

Unit members who are considered “new members” on or after January 1, 2013 shall be enrolled in the AB 340 provided formula of 2%@62. [Government Code section 7522.25(e)] with final pensionable compensation (as defined for new members in Government Code section 7522.34) being determined by reference to the highest average annual pensionable compensation earned during a period of 36 consecutive months. [Government Code section 7522.32(a)]

2. **Retirement Contributions:** Each unit member shall fund 100% of the CalPERS statutorily mandated employee member contributions.

Section B. SALARIES

All classifications within this bargaining unit shall receive base salary adjustments as follows:

- a) Effective the first pay period in 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 in July, 2017: 4% base salary increase.

Section C. BILINGUAL PAY

1. The Bilingual Pay Policy shall be defined as set forth below:
 - 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.
- 2. Effective December 1, 2012, unit employees that are already receiving bilingual pay at the level of compensation specified in the 2010-2011 MOU shall be subject to recertification under the terms and conditions specified above.
 - 3. Effective January 28, 2013, the bilingual pay procedures will be amended as follows for *current employees*. For bilingual pay purposes, "current employees" are those unit members employed prior to January 28, 2013.
 - a) Current employees who demonstrate bilingual verbal proficiency in Spanish shall receive two-hundred dollars (\$200) per month.
 - b) Current employees will not be subject to recertification every two years. However, the City may require current employees to recertify their verbal Spanish proficiency one time. The recertification process will commence no earlier than January 1, 2014.
 - c) Current employees and employees hired on or after January 28, 2013 may only take the verbal and/or written bilingual proficiency exams once every 12 months.

Section D. 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 when an employee is called back to duty, and shall end when employee returns home.

Section E. UNIFORM ALLOWANCE

The City shall provide and maintain uniforms to regular full-time employees. Three sets of uniforms will be issued twice a year to employees covered by the Association. The uniforms will consist of a pair of pants, a shirt and a jacket. Jackets can be substituted at the request of the employee and with approval from management. For employees who are not "new members" as defined

under Gov. Code section 7522.04(f), the City will report to CalPERS the monetary value for providing and maintaining the employee's required uniforms. The City will report the uniform allowance on an annual basis to CalPERS in June of each year. The uniform allowance amount reported to CalPERS will derive from the contracted amount which shall be \$250 per year per employee **OR** the prior year's invoices for providing and maintaining the employee's uniforms, not to exceed \$250 per year per employee.

All unit members who are required to wear work boots for safety purposes shall receive a \$400.00 voucher or credit to purchase work boots or other necessary items.

Section F. STAND-BY PAY

Stand-by duty shall be optional for employees as long as at least 50% of regular full-time employees are signed up for this duty. Each employee agreeing to serve on stand-by duty shall be required to serve for a one (1) year period, commencing on July 1, and ending on June 30 of the following year. For all employees serving standby duty, it shall be on a rotational basis. The stand by duty shall be served in weekly increments as determined by the department head on July 1 of each year.

Employees will be paid nine (9) hours' pay for each workweek of standby. If the employee is called out during his standby period he will receive overtime pay for all time worked. Overtime pay will be calculated at the rate of one and one-half times the employee's regular hourly rate.

Section G. SPECIALIZED CERTIFICATE COMPENSATION

Subject to the limitations described herein, each affected unit member who has met all qualifications for, and who has been actually issued a specialized training certificate, shall be compensated for said certificate in the amount listed below for each such certificate, provided said certificate is relevant to/necessary for the satisfactory performance of the unit member's duties and responsibilities.

- Pesticide Applicator Certificate: \$50 per month
- Arborist Certificate: \$50 per month
- Licensed Electrician: \$50 per month
- Class B License: \$100 per month

In no case, shall any affected unit member simultaneously receive compensation for more than two (2) specialized certificates, rendering the maximum monthly gross specialized certificate payment to be in the amount of one hundred dollars (\$100) per month. Under the City's Education Policy, the maximum amount any one employee can receive for certificates and degrees is \$250 per month. However, the maximum amount for unit members under the Education Policy shall be \$300 per month.

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

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 with a minimum increase of 5%. The first 80 hours worked will be at the employee's normal rate of pay.

ARTICLE V: 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 VI: BENEFITS

Section A HEALTH BENEFITS

Payment of Insurance Premiums: The City will continue to provide health insurance benefits (medical, dental and vision) to each full-time employee in a classification represented by the Public Works Association. The City shall pay not more than 100% of the cost of coverage (HMO plans only) for full-time employees and their dependents who are under this association.

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 July 1, 2014 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.

SECTION C.

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 D CAFETERIA OPT OUT PLAN

The City will offer a "Cafeteria Plan" to each full-time employee in a classification represented by the Public Works Association. 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 where proof of insurance is required. The cafeteria plan is not offered to permanent part-time benefited employees and their dependents.

Unit employees 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 E 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 F DISABILITY INSURANCE

The City shall fund short and long-term disability insurance benefits.

Section G MAINTENANCE OF BENEFITS

Subject to 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.

Section I RETIREE HEALTH BENEFITS

City agrees to put in place a continuing medical insurance premium payment for new retirees (employees who retire after the adoption of this agreement). City funding will be based on years of service in a full-time, benefitted position with the City. Retiree benefits provided to employees who retire from the City of Bell Gardens shall be provided as follows:

1. Eligibility: New retirees must be vested with the City in a full-time benefitted position for at least ten (10) years to be eligible for City funding of medical insurance premiums.
2. Schedule of City Funding Premiums: 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

- 3. Dependent Coverage: Spouse and dependent medical coverage will be made available under the following terms and conditions:
 - a. For those employees hired *after* adoption of the 2011-2012 unilaterally implemented terms and conditions of employment (October 3, 2011): At employee's cost, but only after employee has completed 10 years of service,.
 - b. For employees hired *before* the adoption of the 2011-2012 unilaterally implemented terms and conditions of employment (October 3, 2011): City funding shall be provided for an employee's spouse and dependent coverage, but only after employee has completed 10 years of service.
- 4. Medicare: At age 65, premium payment will be reduced to provide a supplemental policy integrated with Medicare.
- 5. Retiree continuing medical benefits 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.
- 6. Employees have no vested right in plan prior to reaching normal PERS retirement age.

Section J JOINT LABOR/MANAGEMENT HEALTH INSURANCE COMMITTEE

The parties may continue to have meetings of a 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 process. In addition to management representatives, the committee shall have not less than one representative from the Public Works Association.

ARTICLE VII: PERSONNEL RULE MODIFICATIONS

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

1. 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.
2. 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:

1. 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.
2. The hearing officer's determination shall be advisory only, subject to a final and binding determination being made by the City Manager.
3. A final and binding administrative disciplinary determination shall in all instances 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.
4. The provisions of Government Code § 1094.6 shall be applicable to petitions for writ of mandate challenging any City Manager disciplinary determination.
5. The remainder of Chapter 14 shall be amended to insure its compliance with prevailing law.
6. 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.

7. The disciplinary appeal process shall be applied to suspensions without pay, demotions and dismissals.
8. 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 the Personnel Rules Reopener.
9. This Article VIII shall supersede any inconsistent provisions in Chapter 14 or in other City rules, regulations or other enactments. Further, this Article VIII shall sunset upon the City Manager being someone other than G. Steve Simonian or Philip Wagner.

ARTICLE VIII: PERSONNEL RULE REOPENER

Although Chapter 14 of the City Personnel Rules has been amended during the course of this meet and confer process, the parties shall participate in an MOU reopener regarding the making of presently unspecified amendments to the Personnel Rules in general.

ARTICLE IX: GENERAL FUND-BASED MOU REOPENER

In addition to the existing Bicycle Club-related reopener, the following reopener shall apply:

1. This agreement shall be subject to a reopener 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 document:
 - 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. 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.
 - c. A determination by the City Council to implement this Article shall not be subject to administrative or judicial challenge.

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 X: FULL UNDERSTANDING

This Memorandum of Understanding and 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.

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 of competent jurisdiction requiring a modification or change in any provision or provisions of this MOU in order to comply with state or federal laws.

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.

The parties hereto have caused this Memorandum of Understanding to be executed this 26th day of September, 2016.

Bell Gardens Public Works Association:



Ricardo Trasvina, Date 9-28-16
BGPWEA President

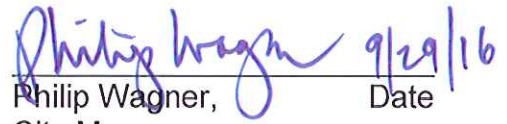


Jorge Ramirez, Date 9-28-16
BGPWEA Representative



Raul Silva, Date
BGPWEA Representative

City of Bell Gardens:



Philip Wagner, Date 9/29/16
City Manager